Equity Strategy

2026 Expectations: Recovery and Rising Risk Appetite

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Global Fund Flows

2025 is concluding amid trade wars, geopolitical tensions, and the rapid evolution of artificial intelligence. Global central banks, which have made significant progress in combating post-Covid inflation, have experienced turbulence due to protectionist measures and tariffs introduced by the Trump administration; however, it can be said that they have largely absorbed the shock. While the net impact of tariffs on inflation and growth remains uncertain, the clear monetary policy stance of central banks—that upward pressures on inflation (or growth-slowing developments) will not be tolerated—has provided reassurance to markets. Meanwhile, as artificial intelligence transforms business processes and models, the next phase will involve observing the transformation and acceleration of both the sectors that enable AI (such as energy, semiconductors, and software) and those that are enabled by AI (including manufacturing, finance, education, and infrastructure).

Looking at countries and regions, in the United States—where growth momentum persisted throughout 2025—we expect this trend to continue in 2026, supported by fiscal stimulus and the ongoing transformation driven by artificial intelligence. On the inflation side, if supply-side tariff pressures are added to economic activity bolstered by recent interest rate cuts, we could see limited upward deviations from the Fed's targets. In 2026, unless there is a noticeable slowdown in growth and/or the labor market, the Fed—whose policy stance focuses on both growth and inflation—may adopt a more cautious monetary approach to rein in tariff-driven inflation and to assess the effects of the recent rate cuts.

In the European Union, growth continues to face downward pressure, as the impact of tariffs has been felt in a front-loaded manner. Meanwhile, weak oil prices and a strong EUR remain as the most important factors limiting upward movements in inflation. Although fiscal spending on defense exacerbates the budget deficit, its contribution to growth over the medium to long term is significant. Finally, while there is a low probability of a rate cut in March 2026, we may see the ECB shift toward discussions of rate hikes by the final quarter of 2026.

In East Asia, China is attempting to counter weak demand, slowing growth, and deflationary risks through fiscal stimulus. Although monetary policy tools have not yet been deployed as extensively as fiscal measures, a continued slowdown could trigger interest rate cuts. In contrast, Japan appears set to continue raising rates to curb inflation, contrary to the rest of the world. In Japan, where monetary policy-induced pressures on growth are being balanced by fiscal measures, the inflation risk stemming from wages and fiscal packages will remain elevated. Notably, the end of the period of a weak and inexpensive yen—previously favorable for interim earnings trades—continues to exert negative pressure on capital flows.

At the beginning of 2026, the U.S. operation in Venezuela aimed at capturing President Maduro and bringing him to the United States for trial is expected to continue influencing global risk appetite. In addition to U.S.-Venezuela relations, Ukraine-Russia peace talks, developments within the Israel-Iran-Syria triangle in the Middle East, and geopolitical risks in Asia, including Vietnam and Cambodia, are expected to continue influencing global risk appetite.

Main risks for the global markets

- The implementation of new measures or additional tariffs in trade wars,
- A significant deviation from forecasts in the price and growth pressures created by tariffs,
- Additional geopolitical tensions in the Ukraine-Russia front that directly involve Europe,
- A pronounced slowdown in China alongside a tighter-than-expected monetary policy stance in Japan.

Türkiye: Risks and Expectations

The year 2025 closed largely in line with the expectations set at the beginning of the year in terms of domestic macroeconomic indicators. Inflation remained sticky, a limited improvement was observed in the balance of payments, the budget performance showed a negative trend, and production indicators and economic activity experienced a recovery throughout the year.

For 2026, we can say that the outlook appears more optimistic for investors in terms of monetary and fiscal policy, as well as real and financial economic indicators. The Central Bank of the Republic of Türkiye (CBRT) updated its year-end inflation forecast in the latest report to a 31–33% range, while maintaining an interim target of 16% for 2026. Considering wage increases, exchange rate movements, administered/managed prices, and inflation inertia together, we forecast year-end 2026 inflation in the 21–25% range, with a midpoint of 23%. We also leave room for the possibility that temporary domestic or external shocks—whether demand- or supply-driven—may create a slightly positive or limited negative effect, depending on the direction of the shock.

In terms of macro indicators, growth has been performing above expectations. The CBRT's main scenario was based on the assumption that the tight monetary policy stance would increase downward pressure on growth and establish disinflation through a negative output gap. However, a more positive trajectory in the output gap than the CBRT had projected has boosted growth and prompted upward revisions in inflation indicators. With the anticipated interest rate cuts, we maintain our expectation for continued momentum in growth performance and a recovery in economic activity throughout 2026.

The management of the exchange rate's real appreciation and the expectations channel formed the two main pillars in the establishment of disinflation. Within this framework, the economic authorities made significant progress, closing 2025 with approximately a 10% real appreciation. Based on policy statements indicating the removal of the real exchange rate appreciation anchor and the expectation of continued interest rate cuts, we anticipate a movement in the real exchange rate by the end of 2026 that aligns with inflation, reflecting a decline in real appreciation.

In terms of the balance of payments, 2025 showed a slightly weaker performance compared to 2024, yet domestic demand remained robust. With the year expected to close with a current account deficit of approximately USD 25 billion, vulnerabilities are likely to persist throughout 2026. Despite tight monetary policy, the resilience of domestic demand in the near term keeps pricing and inflation risks via the balance of payments elevated. We anticipate that the financing quality of the current account deficit will shift more toward portfolio investments in 2026.

On the other hand, although regular general elections are expected to take place in 2028, we anticipate that discussions around the possibility of an early election or a constitutional referendum in 2027 will rise to the top of the agenda closely monitored by markets in the second half of 2026.

Main local market risks

- Inflation inertia and the weakening of the transmission mechanism through the expectations channel,
- The continuation of political uncertainties and rising financial volatility,
- The spillover of geopolitical tensions between countries to regions and alliances,
- Upward inflationary pressures on monetary policy stemming from fiscal measures.

Repricing of Deferred Opportunities…

The base case scenario for financial markets in 2026 is built on the cumulative effect of demand and opportunities deferred in 2025, combined with 2026 expectations. We anticipate a positive environment, particularly for riskier assets, as the real losses experienced in 2025 are expected to be offset.

Although inflation inertia will continue, a period of real gains for risk-free assets is expected to extend throughout 2026. We anticipate that year-end inflation, at around 23%, will result in a real gain of approximately 6 percentage points, below our policy rate forecast of 29%.

While the central bank maintains a tight stance, declining real interest rates will curb the tendency to hold cash and stimulate risk appetite. We expect 2026 to be a year in which sectors and companies highly sensitive to interest rates will particularly outperform.

We are entering a period in which the Turkish lira's phase of real appreciation will be behind us, and sectors and companies with high export ratios that pass cost increases to final prices more quickly are expected to deliver stronger performance.

In the first half of the year, the CBRT will adjust its monetary policy stance based on the trajectory of inflation, aiming to observe the cumulative effect of interest rate cuts. We expect a portfolio shift from risk-free assets toward riskier assets, as holding cash becomes costly. Within this framework, we believe a portfolio allocation that increases equity exposure while maintaining 5-10% cash as a buffer against volatility risks will be more effective.

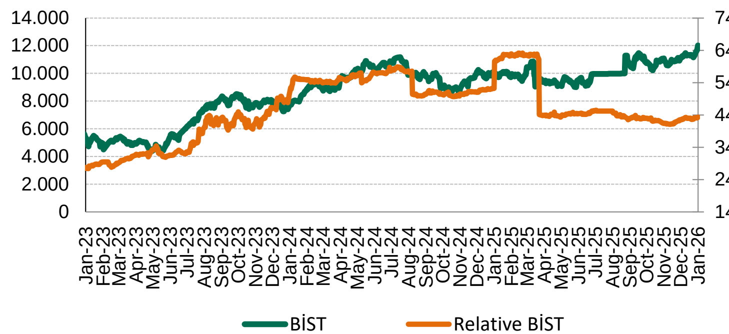
We expect fixed-income securities and foreign currency-linked instruments to underperform relative to riskier assets. In 2026, sectors and companies with strong cash flow and high interest rate/exchange rate sensitivity are likely to significantly outperform. Upward movements in the exchange rate, reflected in foreign currency sales, and lower financing costs due to interest rate cuts will offset the negative impact these sectors and companies experienced in 2025. Meanwhile, sectors that are less sensitive to economic cycles, shocks, and short-term volatility will continue to be favored in the model portfolio.

The interest rate policies of global central banks will remain the main theme monitored by financial markets. Other key topics for market participants will include trade wars, artificial intelligence and technological transformation, developments in precious and industrial metals, and geopolitical risks—primarily related to Ukraine and Russia.

Facts & Figures	Close*	YtD	YE25 Close	YoY
BIST - 100, TRY	12.029	6,8%	11.262	14,6%
BIST - 100, USD	280	6,5%	263	-5,7%
MSCI Turkey	306.059	7,4%	285.042	-4,7%
MSCI EMEA	266	2,5%	259	27,0%
MSCI EM	1.463	4,2%	1.404	30,6%
Benchmark Bond	36,77%	-45bps	37,22%	-347bps
USD/TL	42,9743	0,30%	42,8457	21,8%
EUR/TL	50,2287	-0,11%	50,2859	36,7%
P/E				
Banking	6,8			
Industrial	101,5			
Iron&Steel	33,1			
REIT	11,5			
Telecom	15,5			
2026E P/E	17,2			
TR Libor Rate, 3M %	16,01%			

*Close as of January 07, 2026

BIST &Portfolio



Şeker Invest

We expect a moderate increase in foreign fund inflows… Rating: BUY

The decline in global interest rates alongside the Fed, reduced uncertainty regarding tariffs, optimistic expectations for the resolution of the Russia-Ukraine war, and low energy prices support a recovery in the global economy and provide relief for Türkiye implementing a disinflation program.

Among the main dynamics expected to affect BIST in 2026, the trajectory of inflation and the resulting interest rates, as well as developments in Europe and neighboring countries—our main export markets—stand out.

In addition, expectations regarding geopolitical risks—primarily developments in Russia-Ukraine, the Middle East, and Syria—as well as relations with the U.S., particularly concerning F-35 procurement and CAATSA sanctions, will remain key topics closely monitored by the markets. Following the credit rating upgrades in 2024, only Moody’s issued an upgrade in 2025. For 2026, we expect that, depending on the continuation of the disinflation program, the first-half reviews may see an improvement in outlook, while a credit rating upgrade in the second half could support a positive trend in CDS spreads.

In line with these developments, we expect a moderate improvement in foreign capital inflows, which remained limited last year—particularly in the equity markets—compared to other emerging markets.

In light of these expectations, we anticipate that the banking sector—exempt from inflation accounting—will continue to outperform in 2026, benefiting from interest rate cuts. In addition to banking, related sectors such as insurance, REITs, construction, cement, and glass, which are likely to be among the first to feel the impact of lower rates, are expected to stand out. In the second half of the year, with reduced financing costs for industrial companies due to interest rate cuts and a revival in domestic demand, we expect companies in food-retail, metal-based manufacturing (automotive, white goods), defense, retail, telecommunications, energy, aviation, iron and steel, sectors to gain prominence.

In line with our macro revisions, we keep the average risk-free rate used in our discounted cash flow analysis at 20.0% and the market risk premium at 5.50%. Following these adjustments, we set our 12-month target for the BIST-100 index at 16,500. Given that this target implies a 37% upside potential, we maintain our BUY recommendation.

While we retain AKBNK, ASELS, CIMSA, ISCTR, MGROS, SAHOL, TCELL,THYAO in our medium and long-term portfolio, we remove FROTO, and add DOAS, YKBNK to our portfolio.

Model Portfolio

Top Picks	Close	Target	Pot.
AKBNK.TI	72,30	108,10	49,5%
ASELS.TI	263,50	340,00	29,0%
CIMSA.TI	45,80	68,00	48,5%
DOAS.TI	204,40	302,90	48,2%
ISCTR.TI	14,42	26,25	82,0%
MGROS.TI	581,00	850,00	46,3%
SAHOL.TI	90,45	173,19	91,5%
TCELL.TI	98,80	140,00	41,7%
THYAO.TI	290,75	445,00	53,1%
YKBNK.TI	37,64	62,17	65,2%
Average			

*Close as of January 07, 2026

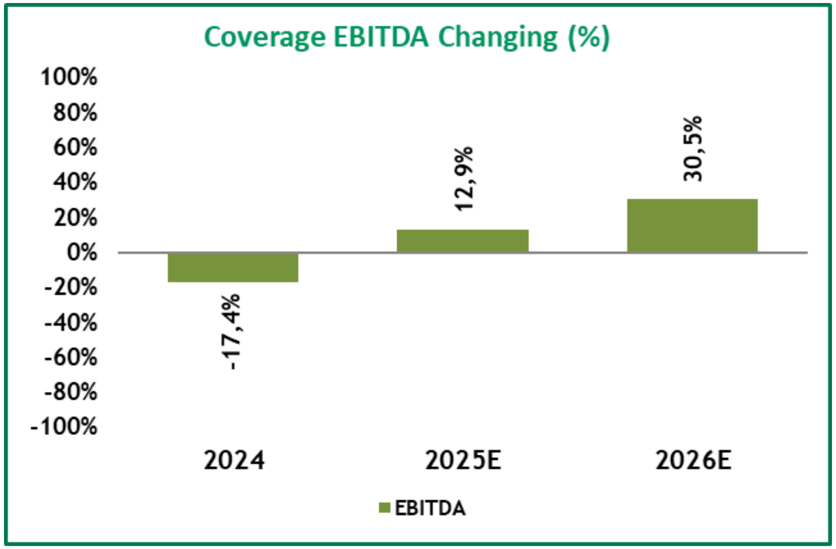
Add
DOAS
YKBNK

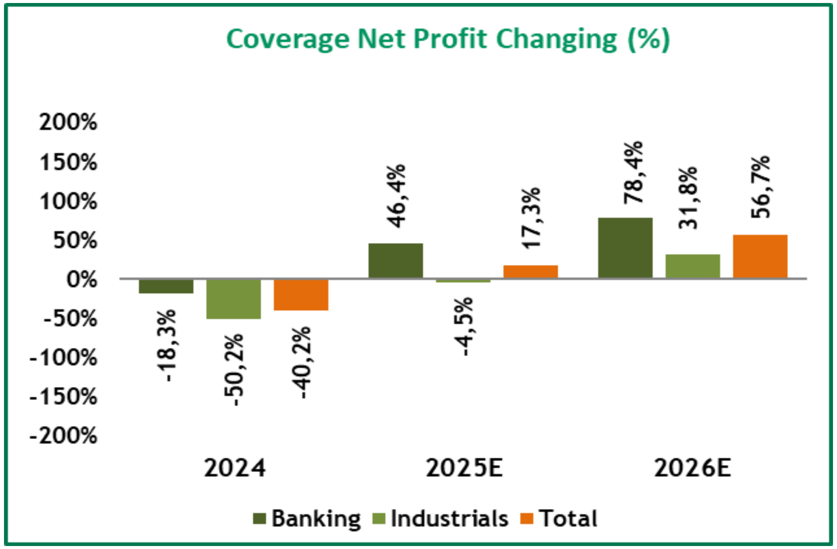
Remove
FROTO

Maintain
AKBNK
ASELS
CIMSA
ISCTR
MGROS
SAHOL
TCELL
THYAO

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

Cherry-picking stocks is necessary…





In 2025, we expect the net profit of the industrials we cover to contract by 4.5% YoY, while EBITDA is expected to grow by 12.9% YoY, and the net profit of banks to increase by 46.4%.

In 2026, with the expected rebound, industrials should deliver 31,8% and 30,5% YoY net income and EBITDA growth YoY, while we expect the banks' earnings to increase by 78.4% YoY.

The BIST-100 is trading at attractive multiples compared to its peers. The MSCI Turkey Index is trading at a 22% and 54% discount, vs. the MSCI EM Index for 2026E with P/E and P/BV multiples of 6.53x and 0.90x, respectively.

Recommendations List

Recommendation List

January 7, 2026

BANKING	Close (TRY)	Rating	Old TP (TRY)	TP (TRY)	Mcap TRY mn	Target Mcap TRY mn	Upside Potential	P/E	P/BV
AKBNK	72,30	OP	88,90	108,10	375.960	562.120	49,5%	7,81	1,36
GARAN	146,20	OP	172,28	203,65	614.040	855.330	39,3%	5,62	1,50
HALKB	42,02	MP	34,19	46,32	301.904	332.799	10,2%	14,91	1,53
ISCTR	14,42	OP	18,80	26,25	360.500	656.249	82,0%	6,57	0,95
TSKB	13,50	OP	18,86	20,06	37.800	56.168	48,6%	3,05	0,89
VAKBN	32,96	OP	36,74	52,28	326.829	518.404	58,6%	5,93	1,24
YKBNK	37,64	OP	41,36	62,17	317.947	525.153	65,2%	7,16	1,32
HOLDING	**Close (TRY)**	**Rating**	**Old TP (TRY)**	**TP (TRY)**	**Mcap TRY mn**	**Target Mcap TRY mn**	**Upside Potential**	**P/E**	**P/BV**
KCHOL	183,00	OP	243,75	318,51	464.069	807.702	74,0%	72,99	0,72
SAHOL	90,45	OP	146,24	173,19	189.979	363.759	91,5%	-	0,56
TAVHL	315,50	OP	384,00	425,30	114.615	154.502	34,8%	28,97	1,43
INDUSTRIAL	**Close (TRY)**	**Rating**	**Old TP (TRY)**	**TP (TRY)**	**Mcap TRY mn**	**Target Mcap TRY mn**	**Upside Potential**	**P/E**	**P/BV**
AKCNS	158,90	OP	200,20	211,00	30.421	40.395	32,8%	60,14	1,27
AKSEN	69,50	OP	75,00	85,00	85.231	104.244	22,3%	63,30	1,60
ARCLK	109,90	OP	170,00	149,50	74.263	101.021	36,0%	-	1,09
ASELS	263,50	OP	240,00	340,00	1.201.560	1.550.400	29,0%	64,04	6,45
BIMAS	587,00	OP	772,00	800,00	352.200	480.001	36,3%	30,97	2,32
CCOLA	61,50	OP	75,00	90,70	172.082	253.780	47,5%	17,46	2,36
CIMSA	45,80	OP	63,00	68,00	43.308	64.300	48,5%	40,83	1,35
DOAS	204,40	OP	259,90	302,90	44.968	66.639	48,2%	9,59	0,67
EREGL	24,44	OP	39,70	32,47	171.080	227.320	32,9%	33,69	0,61
FROTO	97,55	OP	143,00	143,00	342.313	501.805	46,6%	12,67	2,16
KRDMD	26,62	MP	30,35	30,90	20.770	24.109	16,1%	-	0,47
MGROS	581,00	OP	780,00	850,00	105.193	153.896	46,3%	22,53	1,39
PETKM	16,78	MP	15,75	15,90	42.527	40.308	-5,2%	-	0,63
PGSUS	205,10	OP	365,60	345,30	102.550	172.649	68,4%	6,71	0,91
SELEC	80,35	MP	110,00	110,10	49.897	68.372	37,0%	78,23	1,75
SISE	39,88	OP	55,00	55,00	122.161	168.470	37,9%	46,70	0,53
TCELL	98,80	OP	136,60	140,00	217.360	308.000	41,7%	22,76	0,89
THYAO	290,75	OP	495,50	445,00	401.235	614.102	53,1%	3,80	0,48
TOASO	280,75	OP	284,70	338,50	140.375	169.248	20,6%	96,73	2,66
TTKOM	58,85	OP	72,50	80,00	205.975	280.000	35,9%	11,98	1,02
TUPRS	199,10	OP	237,80	283,79	383.625	546.799	42,5%	17,40	1,12
ULKER	115,80	OP	170,00	159,80	42.762	59.010	38,0%	6,98	1,07
VESBE	7,89	OP	15,00	12,50	12.624	20.000	58,4%	-	0,33
ZOREN	3,07	MP	4,20	4,30	15.350	21.500	40,1%	-	0,22

BIST Dividend Player

BIST Ticker	Mcap (TRYmn)	2025E Net Profit (TRY mn)	Pay Out Ratio	Gross Pay Out (TRY mn)	Dividend Yield
TUPRS	383.625	47.093	139%	65.223	17,0%
DOAS	44.968	7.791	50%	3.896	8,7%
ULKER	42.762	8.300	33%	2.698	6,3%
FROTO	342.313	36.547	40%	14.619	4,3%
EREGL	171.080	4.300	155%	6.665	3,9%
CCOLA	172.082	20.353	30%	6.106	3,5%
TCELL	217.360	18.760	39%	7.316	3,4%
GARAN	614.040	115.206	15%	17.281	2,8%
YKBNK	317.947	56.410	15%	8.462	2,7%
ISCTR	360.500	63.430	15%	9.514	2,6%
TOASO	140.375	5.619	60%	3.371	2,4%
AKBNK	375.960	59.492	15%	8.924	2,4%
MGROS	105.193	7.898	30%	2.369	2,3%
BIMAS	352.200	23.259	34%	7.908	2,2%
CIMSA	43.308	3.918	24%	940	2,2%
AKCNS	30.421	821	70%	574	1,9%
SISE	122.161	8.450	22%	1.859	1,5%
SELEC	49.897	1.200	12%	144	0,3%
ASELS	1.201.560	26.280	5%	1.314	0,1%

Returns compared to peers

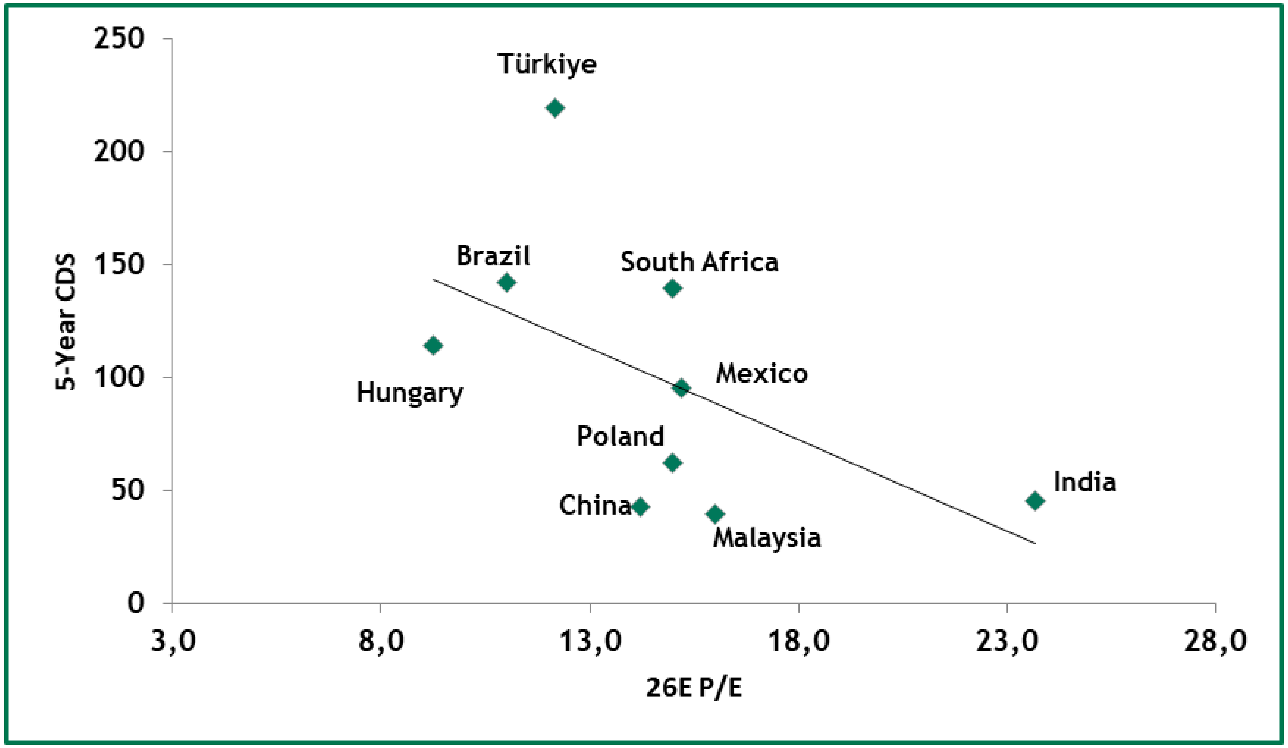
- The MSCI Türkiye Index has risen by 0.2% in absolute terms over the past 12 months. Thus, it has underperformed the MSCI EM, and the MSCI EMEA index by 35.1%, and 28.3%, respectively during same period.

Absolute Change	1m	3m	12m	YtD
MSCI Turkey	9,8%	5,6%	0,2%	7,4%
MSCI EM	5,6%	6,4%	35,5%	4,2%
MSCI EMEA	5,4%	5,1%	28,6%	2,5%
MSCI Eastern Europe	11,4%	17,6%	69,4%	4,0%
MSCI World	1,6%	3,7%	20,3%	1,4%

Relative to MSCI Turkey	1m	3m	12m	YtD
MSCI EM	-3,86%	0,7%	35,1%	-3,0%
MSCI EMEA	-4,1%	-0,4%	28,3%	-4,5%
MSCI Eastern Europe	1,5%	11,4%	69,0%	-3,2%
MSCI World	-7,5%	-1,8%	20,0%	-5,6%

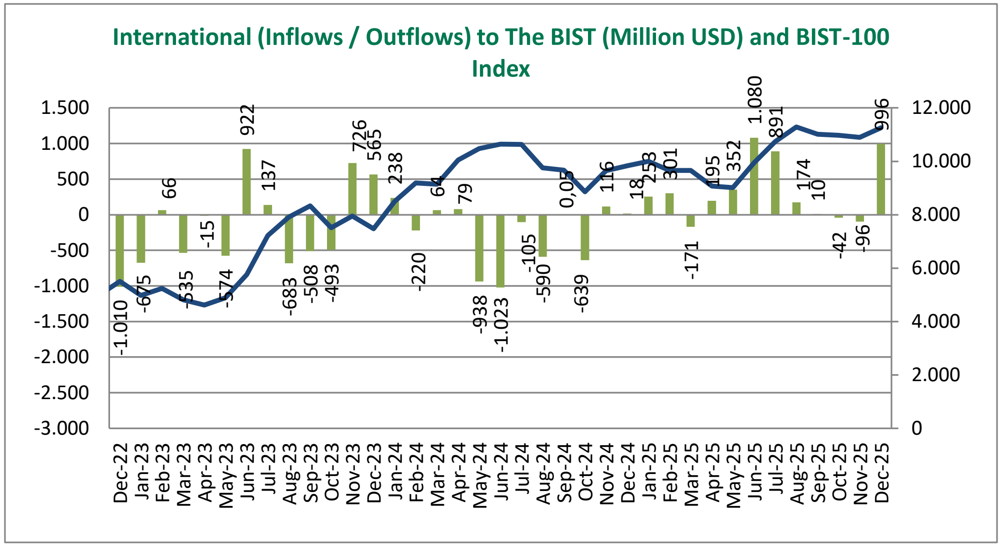
As of January 07, 2026

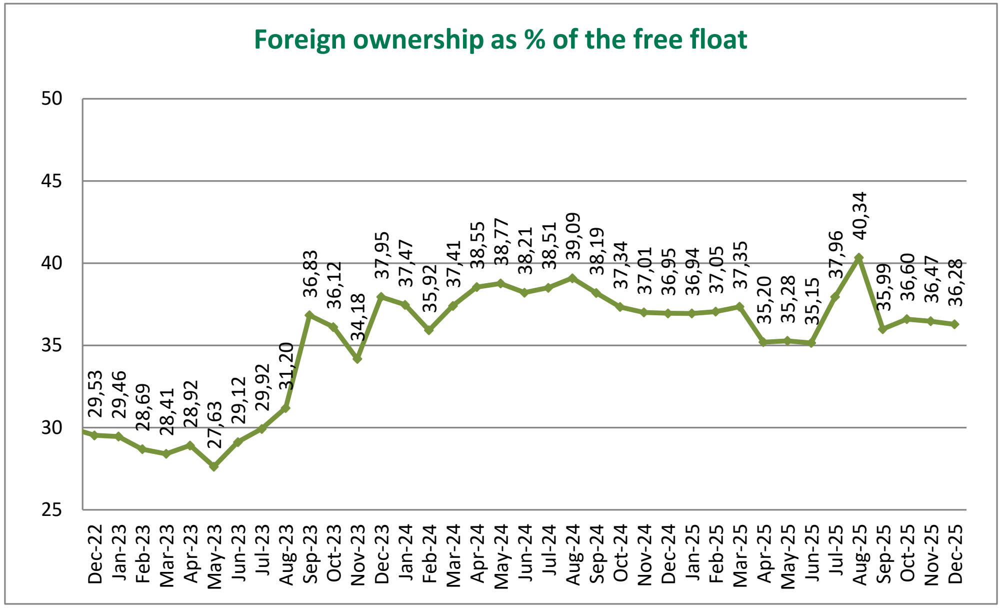
5-Year CDS



As of January 07, 2026

Int. flow and foreign ownership





- Overall, in 2025, foreign investors were net buyers of USD 3.94 bn.

- Foreign ownership has slightly decreased to 36.28% in 2025 (2024: 36.95%).

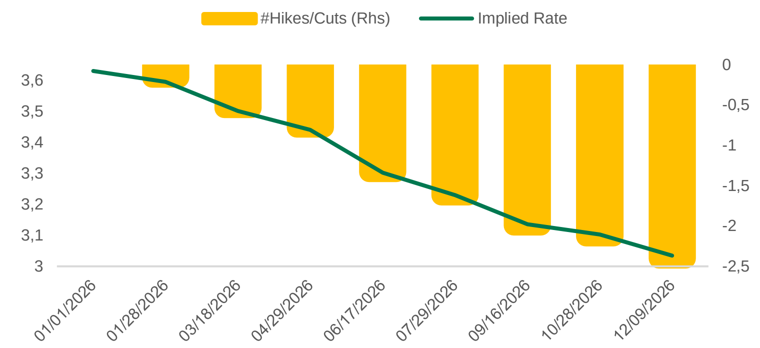
Important Dates

MEETING DATES OF CENTRAL BANKS IN 2026 / IMPORTANT DATES											
COUNTRY	TURKEY			US	EU	UK	JAPAN	Credit Rating Review Dates			MSCI Index Change
CENTRAL BANKS	CBRT	Inflation Report	Financial Stability Report	FED	ECB	BOE	BOJ	MOODY'S	S&P	FITCH	
JANUARY	22			28			23	23		23	
FEBRUARY		12			5	5					
MARCH	12			18*	19	19	19				2
APRIL	22			29	30	30	28		17		
MAY		14	22								
JUNE	11			17*	11	18	16				1
JULY	23			29	23	30	31	24		17	
AUGUST		13									
SEPTEMBER	10			16*	10	17	18				1
OCTOBER	22			28	29		30		16		
NOVEMBER		12	27			5					
DECEMBER	10			9*	17	17	18				1
* Meeting associated with a Summary of Economic Projections											

2026 Macro Outlook

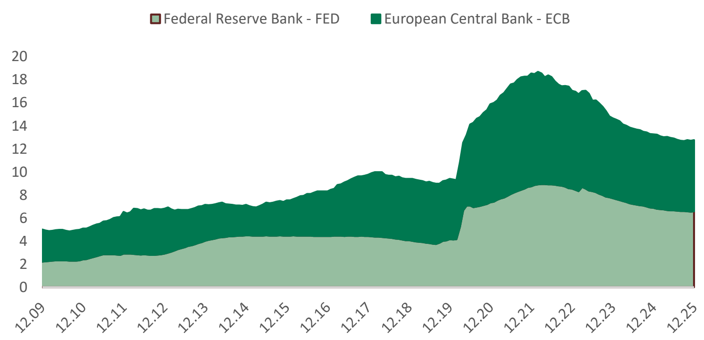
Global Financial Market Indicators

Number of Rate Hike/Cut and Implied Policy Rate



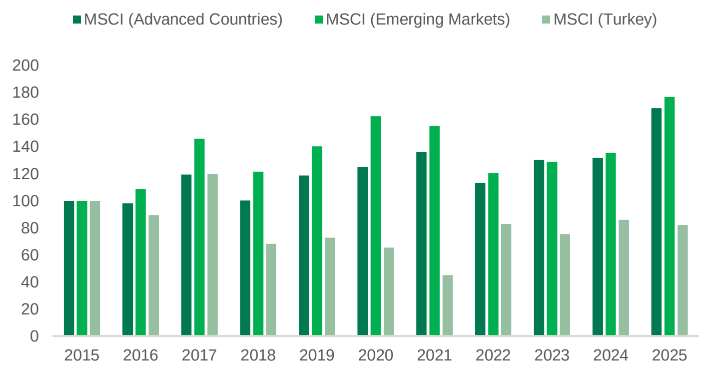
The Fed ended 2025 with an effective interest rate of 3.64%. Markets are pricing in two more rate cuts by the Fed until the end of 2026, continuing its soft landing strategy (to 3% by year-end). This represents a positive monetary policy stance for emerging markets and risk appetite.

Balance Sheets of Main Central Banks (Trillion USD)



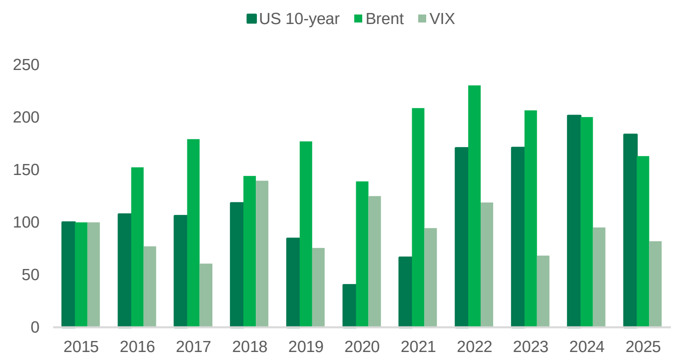
The two major central banks (Fed and ECB) have reduced their balance sheets by approximately $6 trillion compared to their 2022 peak. Although the pace of balance sheet reduction has slowed, it will continue to create liquidity-related pressure on risk appetite.

MSCI Indices (2015 normalized as 100)



MSCI indices experienced a relatively positive period in 2025 for both developed and developing countries. During the same period, Türkiye diverged negatively in USD terms, decreased approximately 4.7%. With the cumulative effect of this decline, 2026 presents attractive opportunities for Türkiye.

Selected Financial Market Indicators (2015 normalized as 100)

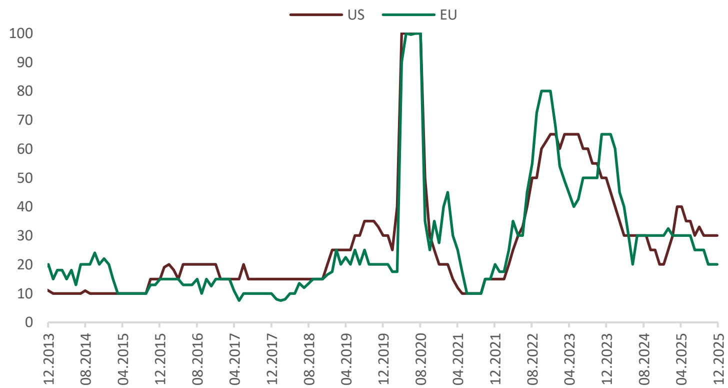


Throughout 2025; US Treasury yields, oil prices, and volatility/risk indicator indices have declined compared to the previous year. These indicators, which positively impacted stock market performance during the year, remain low even when considering their ten-year averages, with the exception of Treasury yields. This creates a positive atmosphere for risk appetite in 2026…

Source: CBRT, SEKER Invest, Bloomberg

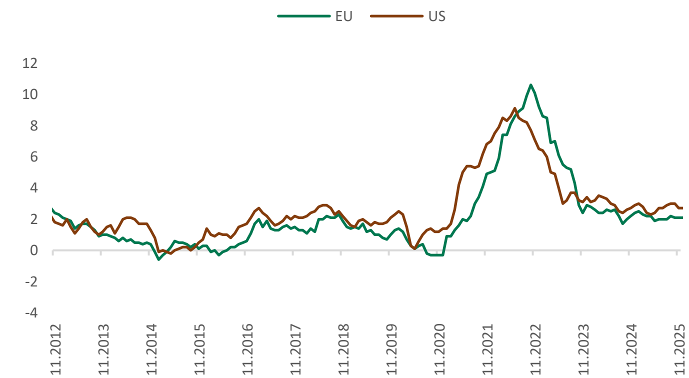
Global Real Market Indicators

Probability of Recession



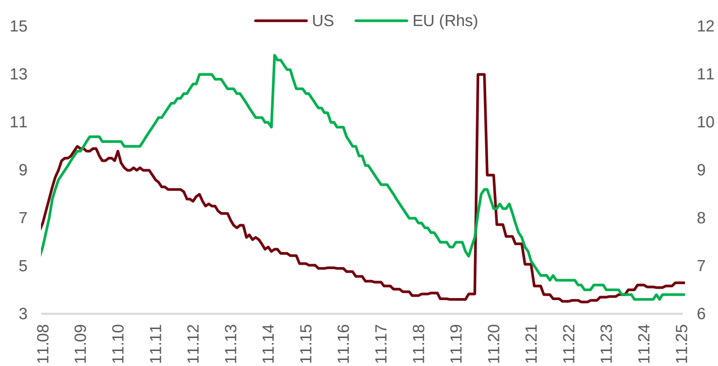
Front-loaded interest rate cuts in the European Union have reduced the probability of a recession to around 20%, while in the US, which has been more cautious about rate cuts, this rate has fallen to around 30%. Despite the differences between the two regions, markets see a low probability of recession.

Inflation Rates (%)



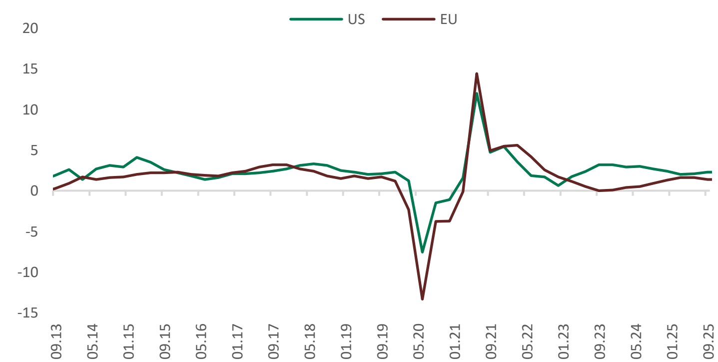
While the European Union, having largely achieved its inflation target, adopts a looser monetary policy stance, the US, with its tighter inflation outlook, has room for interest rate cuts. The outlook is for inflation to remain relatively flat in the US and experience limited declines in the European Union throughout 2026.

Unemployment Rates (%)



The Federal Reserve and the European Central Bank are closely monitoring the economic slowdown and developments in the labor market to determine their monetary policy stance. While interest rate cuts in Europe have resulted in relatively high but flat unemployment rates, the Fed will continue with rate cuts due to the gradually increasing unemployment rate.

GDP Growth (YoY, %)



Despite interest rate cuts, Europe has failed to generate a significant revival in real economic activity, with the main problem being that value-added sectors are lagging behind their US and Chinese competitors. We expect growth to slow only slightly in Europe and remain relatively flat in the US by 2026.

Source: CBRT, SEKER Invest, Bloomberg

Monetary Policy and Inflation Outlook

2025 ended with a continued tight monetary policy stance and gradual interest rate cuts. In 2026, monetary policy will continue to utilize Turkish Lira and foreign currency liquidity management as complementary tools to the policy interest rate while achieving price stability. In this context, currency protected deposits (KKM) gradually decreased throughout 2025, falling to USD 0.3 billion. During the same period, the share of Turkish Lira deposits increased to 61% as part of the liraization strategy.

2025 ended with a relatively calm USD/TRY exchange rate and a real appreciation of approximately 9.4% in the Turkish Lira. We expect limited real appreciation in 2026 and a USD/TRY movement close to inflation.

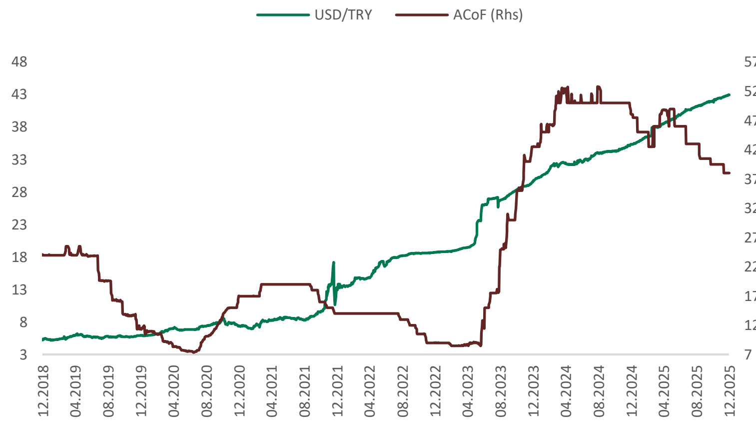
The policy rate has been reduced by a total of 950 basis points throughout 2025, reaching 38%. We anticipate that gradual reductions, focused on the inflation outlook, will continue throughout 2026, and that the year will end with a policy interest rate in the 28-30% range.

The liquidity surplus in the system decreased from 846 billion TL at the beginning of the year to 476 billion TL by the end of 2025. This decrease of 370 billion TL is a result of changes in the monetary base and net domestic borrowing. Within the scope of liquidity management, the current open market operation portfolio is approximately 262 billion TL, while the target for 2026 is 450 billion TL.

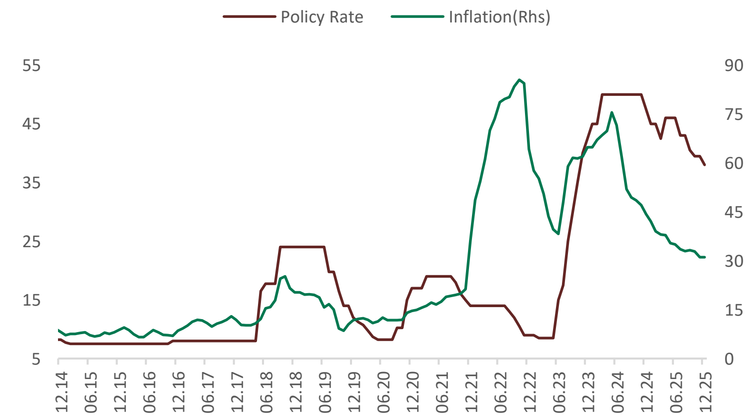
Foreign exchange liquidity and reserves will continue to support monetary policy objectives and act as a buffer against economic shocks. The TL stock against foreign currency in swap auctions has been reduced to zero, and the TL against gold has reached 31.9 tons. Furthermore, gross reserves have risen to 190.8 billion USD, and net reserves excluding swaps have increased to 66 billion USD.

The primary objective of monetary policy in 2026 will continue to be price stability. While achieving this primary objective, the Central Bank aims to bring actual inflation closer to the targeted inflation rate through short-term intermediate targets. Assuming no demand/supply related domestic/foreign external shocks impact monetary policy, we forecast that the year will end with inflation in the range of approximately 21-25%.

Average Cost of Funding (ACoF) and USD/TRY



Inflation and Policy Rate



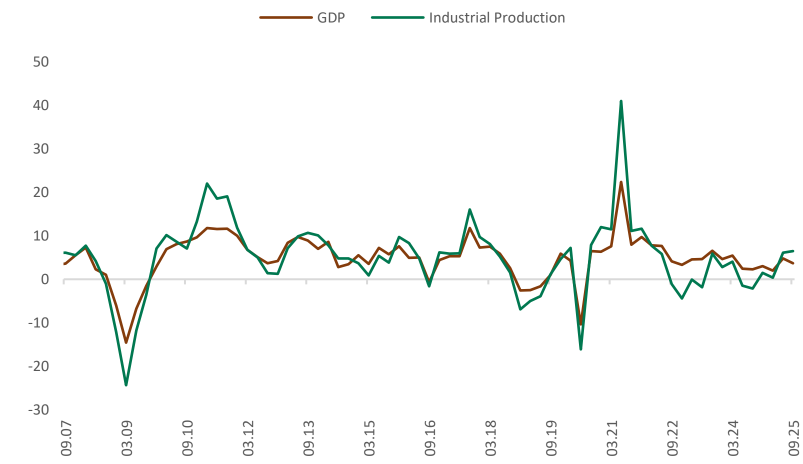
Source: CBRT, SEKER Invest, Bloomberg

Growth and External Balance

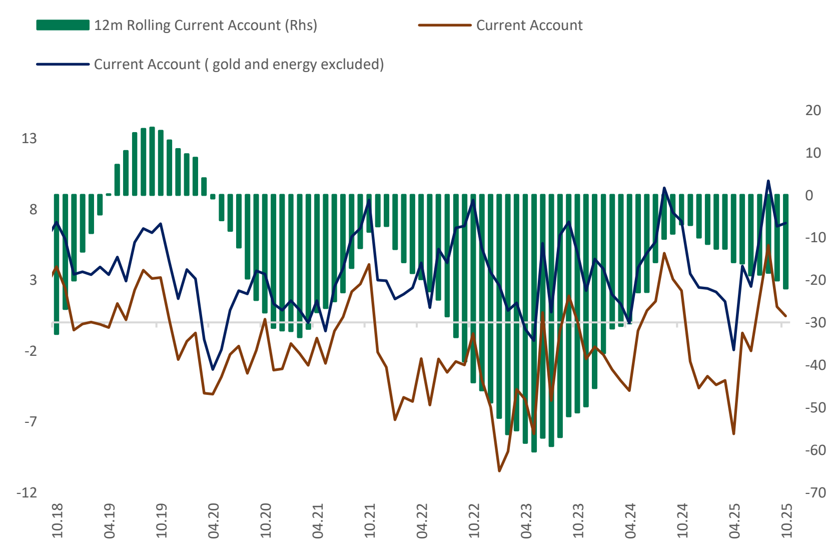
While the monetary policy process has been built after 2023, the main priority was to complete the disinflation path without sacrificing growth and production. Despite the relatively tight monetary policy, growth figures are quite positive. As of the third quarter of 2025, annual growth is at 3.7%, with final consumption continuing to be the engine of growth. From this side, we understand that demand/consumption indicators are not at the targeted output gap level. We estimate that the contribution of investment to growth in the last quarter is important for sustainable growth and that this effect will continue throughout 2026 with interest rate cuts. The correlation between industrial production and the growth cycle had weakened after 2023, but as of the last quarter of 2025, we see that production is converging with growth indicators. Production/investment based growth, rather than consumption-led growth, will provide a more positive macro-financial outlook in terms of both employment and inflation indicators.

In the balance of payments, the current account deficit, which fell to record lows in 2024, was realized at 10.4 billion USD at the end of 2025 (15-year average 30.4 billion USD). While tight monetary policy, particularly its effect on limiting import demand, created a positive atmosphere, gradual interest rate cuts led to an increase in the current account deficit throughout 2025. We expect to end the year with a current account deficit of approximately 24-25 billion USD. For 2026, we anticipate a current account deficit of 26-30 billion USD, in line with interest rate cuts. The quality of deficit financing is also changing. We are entering a period where the weight of short-term deposits/loans will shift towards portfolio investments. Keeping the current account deficit at sustainable levels will both reduce financial vulnerability and alleviate inflationary pressures from exchange rates and import prices.

GDP Growth and Industrial Production (YoY, %)



Current Account Balance (Billion USD)



Source: CBRT, SEKER Invest, Bloomberg

2026 Macro Scenario – Macro Forecasts

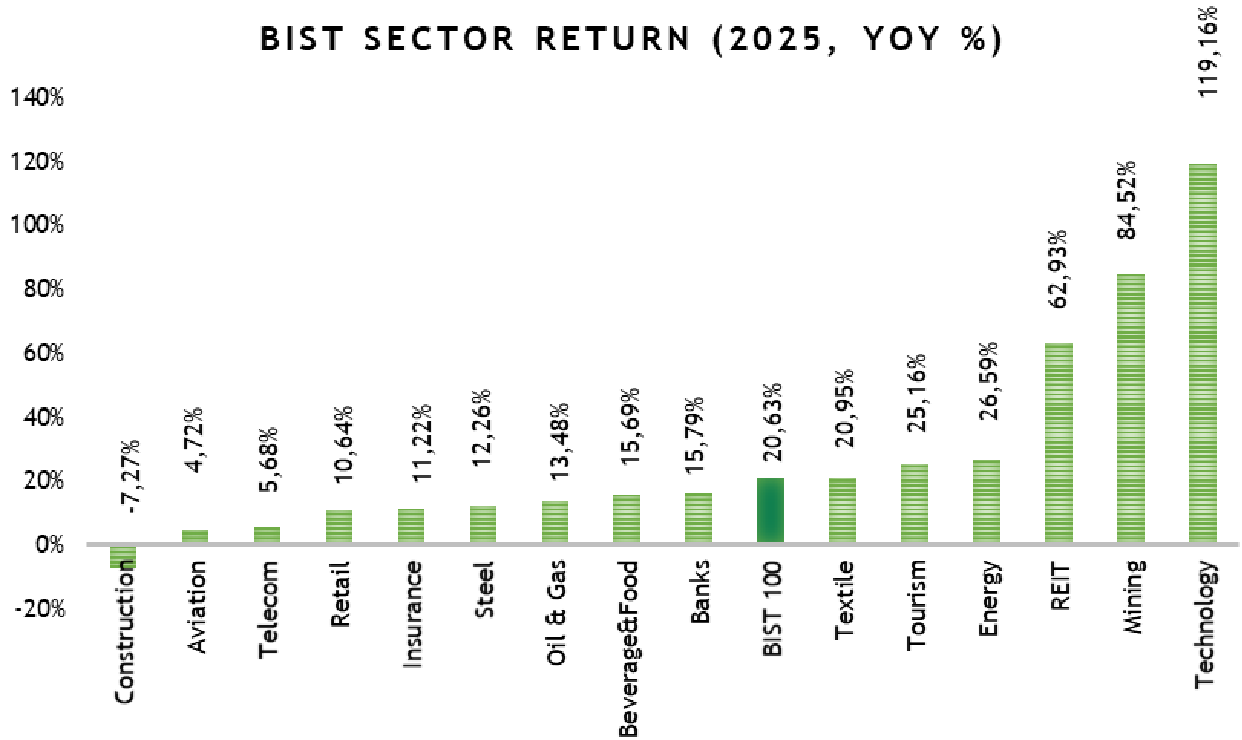
Most of the 2025 realization and 2026 estimates for the baseline line scenarios under those assumptions are as follows:

		2025	2026
USD/TRY	End of Period	42,954	52,787
	Period Average	39,627	49,811
EUR/TRY	End of Period	50,454	63,397
	Period Average	45,056	59,278
EUR/USD	End of Period	1,175	1,201
	Period Average	1,135	1,190
CPI Inflation	End of Period	30,9%	22,9%
	Period Average	36,0%	26,9%
Core Inflation	End of Period	31,7%	21,9%
	Period Average	34,0%	24,9%
10 YR Bond Yield	End of Period	29,0%	22,8%
Policy Rate	End of Period	38,00%	29,00%
GDP Growth	Full Year	3,4%	4,2%
GDP (Billion TRY)	Full Year	58.252	74.032
GDP (Billion USD)	Full Year	1.470	1.486
Unemployment Rate	End of Period	8,5%	8,3%
Budget Balance	% of GDP	-3,9%	-3,5%
Primary Balance	% of GDP	-1,1%	-0,3%
C/A Balance	% of GDP	-1,7%	-1,9%

Sectors & Companies

January 2026

Sector performances



As of January 07, 2026

Banks 2026: A Profitability Cycle Driven by Margin Recovery

- Following the weakening in profitability in 2024, the banking sector exhibited a pronounced recovery trend in 2025. During this period, interest income recorded a strong increase, while growth in fee and commission income remained more moderate amid declining inflation; nevertheless, as of the third quarter, these revenues grew above inflation and made a positive contribution to profitability. On the other hand, one of the main factors weighing on profitability in 2025 was the increase in expected credit loss provisions.
- We expect the key theme for the Turkish banking sector in 2026 to be a pronounced recovery in net interest margins driven by declining funding costs. Margin improvement, which was deferred due to more limited-than-expected rate cuts in 2025, is likely to translate more clearly into profitability in 2026. Accordingly, we believe net interest margin expansion will be the primary driver of sector earnings.
- While net fee and commission income provided strong support to bank profitability in 2025, we expect its contribution to be less decisive in 2026. We foresee a slowdown in fee and commission income growth and a normalization trend in the fee-to-cost ratio when compared to operating expenses. Nevertheless, supported by ongoing contributions from payment systems and digital banking revenues, we expect any deterioration in the fee-to-cost ratio to remain limited.
- On asset quality, we expect the upward trend in problem loans to continue in 2026, albeit at manageable levels across the sector. In this environment, banks with low NPL ratios, high coverage ratios and effective cost-of-risk management are likely to outperform peers from a valuation perspective.
- On the macro front, financial stability supported by the CBRT’s tight monetary policy stance in 2025 and the recovery in FX reserves has led to a meaningful decline in Türkiye’s country risk premium (CDS). We expect this favorable trend in CDS to be maintained in 2026, continuing to support valuation multiples across the banking sector.
- Within this framework, we model the peak in swap-adjusted net interest margins to occur in 3Q26, with margin recovery providing a strong tailwind to sector profitability. Despite a relatively weaker contribution from fee and commission income, we expect margin-driven earnings growth to deliver robust net profit growth across the sector.

Banks remain attractive in terms of valuation

- We expect the banks under our coverage to deliver average net profit growth of 48% in 2025, accelerating to 80% in 2026. Our net profit growth outlook is primarily driven by strong net interest income (including swaps), which we expect to increase by 189% in 2025, followed by a further 100% growth in 2026.
- We expect net fee and commission income growth to moderate in 2026. After forecasting a 55% increase in 2025, we estimate fee and commission income to grow by 29% in 2026. In addition, following a sharp 125% increase in loan loss provisions in 2025, we forecast a more moderate 41% increase in 2026, which should reduce the drag from provisioning expenses on profitability.
- On the operating expense side, while we expect a slowdown in growth momentum in line with the declining inflation outlook, strong increases in personnel expenses and ongoing infrastructure investments are likely to keep operating expense growth above average inflation, at around 32%.

Summary Income Statement	Total (AKBNK, GARAN, ISCTR, HALKB, VAKBN, YKBNK)						
	2023	2024	2025T	2026T	2024	2025T	2026T
Net interest income (incl. swap costs)	309,985	186,524	538,259	1,075,583	-40%	189%	100%
Fee	193,210	413,636	639,852	824,818	114%	55%	29%
Others*	205,807	215,745	147,003	191,108	5%	-32%	30%
Gross operating profit	**709,002**	**815,905**	**1,325,113**	**2,091,509**	**15%**	**62%**	**58%**
OPEX	311,781	500,449	742,469	983,725	61%	48%	32%
PPOP	**397,221**	**315,457**	**582,645**	**1,107,785**	**-21%**	**85%**	**90%**
Expected Credit Losses (net)	82,239	95,301	214,226	302,017	16%	125%	41%
Net operating profit	**314,982**	**220,156**	**368,418**	**805,767**	**-30%**	**67%**	**119%**
Income/loss from Subs.	65,665	80,418	106,830	137,214	22%	33%	28%
Net operating profit before tax.	**380,647**	**300,574**	**475,248**	**942,981**	**-21%**	**58%**	**98%**
Tax provision	49,949	35,184	83,369	239,254	-30%	137%	187%
Net profit	**329,242**	**264,556**	**390,824**	**703,727**	**-20%**	**48%**	**80%**

Net trading income/loss (excluding swap costs) and other operating income (excluding loan loss provision reversals)

Top picks

- Following updates to our assumptions regarding the macroeconomic outlook and bank balance sheets, we estimate an average upside potential of 45% for the banks under our coverage based on our updated target prices.
- We believe that the decline in inflation within the framework of economic normalization and the tight monetary policy stance, together with expectations of interest rate cuts shaped by this outlook, will be key drivers of equity performance. As economic predictability improves, we expect the positive trend in the country risk premium to continue into 2026, while assessments from credit rating agencies are also likely to support equity performance.
- In a declining interest rate environment, we expect the following banks to stand out within the sector:
  - Banks with a high share of TRY funding and short funding maturities,
  - Banks with relatively long-dated loan portfolios,
  - Banks with a high share of TRY-denominated loans,
  - Banks that have reduced their exposure to CPI-linked securities while increasing the share of fixed-rate securities,
  - Banks with strong asset quality (low NPL ratios and high coverage ratios).
- **Recommendation updates:** We maintain our OUTPERFORM recommendations for Akbank, Garanti BBVA, Is Bankasi, VakifBank, Yapı Kredi and TSKB, while reiterating our MARKETPERFORM recommendation for Halkbank. We are adding Yapı Kredi to our model portfolio, which already includes Akbank and Is Bankasi.

Revisions to target prices and recommendations

(BRSA Bank-only, TRY) Banks	Old TP	New TP	Change	Current Price	Upside	Old Rating	New Rating
AKBNK	88.90	108.10	22%	72.30	50%	Outperform	Outperform
GARAN	172.28	203.65	18%	146.20	39%	Outperform	Outperform
HALKB	34.19	46.32	35%	42.02	10%	Marketperform	Marketperform
ISCTR	18.80	26.25	40%	14.42	82%	Outperform	Outperform
VAKBN	36.74	52.28	42%	32.96	59%	Outperform	Outperform
YKBNK	41.36	62.17	50%	37.64	65%	Outperform	Outperform
Tier I Banks	**392.27**	**498.77**	**27%**	**346**	**44%**		
TSKB	18.86	20.06	6%	13.50	49%	Outperform	Outperform
Tier II Banks	**18.86**	**20.06**	**6%**	**13.50**	**49%**		
Coverage	**411.13**	**518.83**	**26%**	**359.04**	**45%**		

Source: Seker Invest Research. Market prices are as of Jan 07, 2026.

Top picks

- **We are adding Yapı Kredi to our model portfolio. Our model portfolio currently consists of Akbank, Is Bankasi and Yapi Kredi.**
- We expect Akbank to deliver a balanced margin performance in 2026 in a declining interest rate environment, supported by its high share of TRY funding and its portfolio of high-yielding, long-dated TRY fixed-rate securities. The bank's strong balance sheet, high capital adequacy ratio, low Stage 2 loan ratio and favorable fee-to-cost dynamics stand out as key strengths.
- Yapı Kredi stands out among the banks under our coverage with the highest total non-interest-bearing deposit ratio as well as the highest share of TRY non-interest-bearing deposits. In addition, the high share of short-term TRY deposits in total deposits provides a highly favorable funding structure in terms of repricing flexibility.
- We expect Is Bankasi to stand out in 2026 with its strong share of non-interest-bearing deposits and a diversified interest-earning asset structure. The bank's low NPL ratio, strong provisioning levels, recently improving net interest margin and effective cost management are among its main strengths. Having lagged peers in terms of profitability in the recent period, we expect Is Bankasi to deliver net profit growth above the sector average in 2026.

Seker Invest vs. Bloomberg consensus earnings estimates

(BRSA Bank-only, TRYmn)	2025E			2026E		
Banks	Seker Invest	Consensus	Diff %	Seker Invest	Consensus	Diff %
AKBNK	59,492	62,809	-5%	107,239	112,200	-4%
GARAN	115,206	114,051	1%	165,863	170,857	-3%
ISCTR	63,430	60,886	4%	133,558	104,170	28%
YKBNK	56,410	54,281	4%	107,239	98,162	9%
Tier I Banks	294,538	292,027	1%	513,899	485,389	6%
TSKB	11,217	12,450	-10%	13,408	16,632	-19%
Tier II Banks	11,217	12,450	-10%	13,408	16,632	-19%
Coverage	305,755	304,477	0%	527,307	502,021	5%

Source: Bloomberg, Seker Invest Research

Akbank (OP, 12M TP: TRY108.10) Upside: 50%
Balanced Margins, Strong Growth, Controlled Risk

We expect Akbank to deliver a balanced margin performance in 2026 amid a declining interest rate environment, supported by its high share of TRY funding and long-duration, high-yield fixed-rate TRY securities portfolio. The bank's strong balance sheet, high capital adequacy ratio, low Stage 2 loan ratio and robust fee-to-cost ratio stand out as its key strengths.

Controlled margin recovery during the rate-cut cycle. With gradual policy rate cuts expected in 2026, we foresee an improvement in net interest margins. We believe effective funding management will help optimize funding costs, while the high share of TRY deposits within short-term funding and the TRY-heavy structure of the loan and securities portfolios should limit margin volatility. This structure is expected to provide additional support to margin development as funding costs decline.

Credit growth supported by market share gains. Following strong recent market share gains in TRY loans, we expect Akbank to deliver above-inflation credit growth in 2026. The bank's solid capital base and broad customer franchise are likely to support credit growth outperforming the sector average.

Sound asset quality and manageable cost of risk. Thanks to its relatively low Stage 2 loan ratio, we expect limited migration to non-performing loans in 2026. Given the bank's strong provisioning levels, we forecast net cost of risk to remain in the 150–175 basis point range.

Profitability supported by fee income generation. While we expect net fee and commission income growth to moderate in 2026, we believe revenues from payment systems and digital banking will continue to support the income mix. The ability of fee income to cover operating expenses should remain a positive contributor to overall profitability.

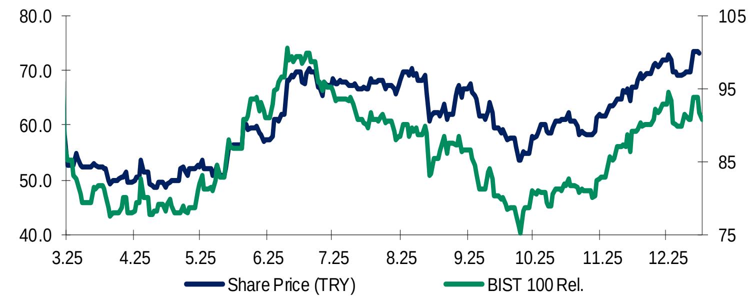
Strong ROE outlook driven by margin recovery and credit growth. Under our assumptions of net interest margin recovery, strong credit growth and a controlled cost of risk, we estimate Akbank to deliver an ROE of approximately 32% in 2026. We forecast net profit growth of 40% in 2025 and 80% in 2026, and reiterate our OUTPERFORM recommendation with a target price of TRY 108.10.

Mcap (TRYmn)	375,960	Beta (12M)	1.21
Mcap (USDmn)	8,750	Avr. Daily Vol. (TRYr	6,688
Close	72.30	Foreign Ownership i	49.6%
Last 12M High	75.05	Free Float (%)	52.0%
Last 12M Low	47.88	Weight	5.38%

Quick Facts (TRY Mn)	2024A	2025E	2026E	2027E
Net interest income	41,766	64,124	130,357	186,629
% Change, YoY	*-29.9%*	*53.5%*	*103.3%*	*43.2%*
Net fee income	69,162	115,033	146,011	177,295
% Change, YoY	*124.3%*	*66.3%*	*26.9%*	*21.4%*
Net income	42,366	59,492	107,239	150,085
% Change, YoY	*-36.3%*	*40.4%*	*80.3%*	*40.0%*

Ratios	2024A	2025E	2026E	2027E
NPL ratio	2.9%	3.8%	3.9%	3.5%
CoR (net) Exc. Currency	1.4%	2.2%	1.6%	0.8%
NIM (Swap adj.)	2.4%	2.8%	3.9%	4.3%
ROAA	2.0%	2.1%	2.8%	3.0%
ROAE	19.0%	22.6%	31.8%	33.5%

Multiples	2024A	2025E	2026E	2027E
P/E	2.9	8.0	6.3	3.5
P/BV	0.90	1.40	1.26	0.95



Return	1M	3M	6M	12M
TRY Return (%):	7.9	22.3	6.4	14.2
US$ Return (%):	6.4	18.5	-1.7	-6.2
BIST-100 Relative (%):	-1.3	10.0	-10.6	-5.4

Source: Bank financials, Seker Invest Research

Garanti BBVA (OP, 12M TP: TRY203.65) Upside: 39%
Asset profitability to remain strong

Garanti BBVA stands out with an ROE above the sector average despite operating with lower leverage compared to peers. Given the already elevated profitability base, we expect profitability growth in 2026 to remain more limited relative to other banks.

Strong margin level, limited room for expansion. With a comparatively strong swap-adjusted net interest margin, we expect margin expansion at Garanti BBVA to remain limited in 2026 due to base effects, despite declining funding costs.

Earnings structure supported by high TRY loan exposure. The bank's TRY loan share within interest-earning assets is the highest among the banks under our coverage, representing one of the key drivers behind its profitability outperformance. While the higher loan intensity and relatively low securities portfolio imply a riskier asset mix, the below-sector-average leverage ratio serves as an important mitigating factor.

Manageable asset quality with relatively higher cost of risk. Due to the relatively high Stage 2 loan ratio, we expect a manageable increase in the non-performing loan ratio in 2026. While we anticipate Garanti Bank to further strengthen its loan loss provisions in 2026, we forecast the net cost of risk to materialize in the 175–200 basis points range.

Moderate fee growth amid rising cost pressures. We expect the currently very strong fee-to-expense ratio to record a limited decline in 2026. Net fee and commission income is likely to exhibit more moderate growth in 2026, while operating expenses are expected to run slightly above the sector average in line with the bank's planned investments. Accordingly, we forecast the fee/expense ratio to decline to the 85-90% range.

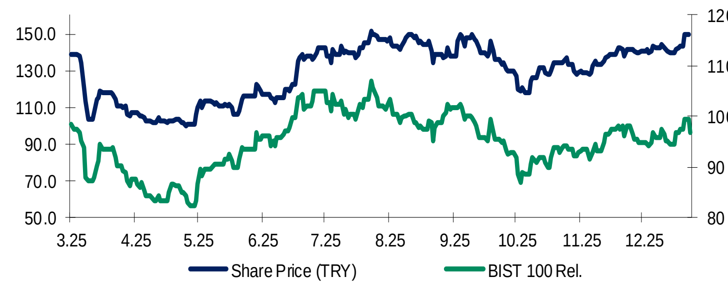
Solid earnings outlook with moderate growth. We forecast net profit growth of 25% in 2025 and 44% in 2026 for Garanti BBVA. We reiterate our OUTPERFORM recommendation with a target price of TRY 203.65.

Mcap (TRYmn)	614,040	Beta (12M)	1.21
Mcap (USDmn)	14,291	Avr. Daily Vol. (TRYr	3,809
Close	146.20	Foreign Ownership i	8.8%
Last 12M High	154.50	Free Float (%)	14.0%
Last 12M Low	98.75	Weight	2.37%

Quick Facts (TRY Mn)	2024A	2025E	2026E	2027E
Net interest income	70,413	139,179	230,272	315,247
% Change, YoY	*1.2%*	*97.7%*	*65.4%*	*36.9%*
Net fee income	94,124	143,297	187,933	231,379
% Change, YoY	*130.9%*	*52.2%*	*31.1%*	*23.1%*
Net income	92,175	115,206	165,863	222,742
% Change, YoY	*5.5%*	*25.0%*	*44.0%*	*34.3%*

Ratios	2024A	2025E	2026E	2027E
NPL ratio	2.2%	3.4%	3.8%	3.2%
CoR (net) Exc. Currency	1.2%	1.9%	1.8%	1.2%
NIM (Swap adj.)	3.5%	4.8%	5.8%	6.1%
ROAA	4.0%	3.6%	3.7%	3.8%
ROAE	32.6%	30.6%	33.7%	33.9%

Multiples	2024A	2025E	2026E	2027E
P/E	2.8	5.7	5.3	3.7
P/BV	1.00	1.58	1.45	1.12



Return	1M	3M	6M	12M
TRY Return (%):	3.3	8.7	7.2	19.4
US$ Return (%):	1.9	5.3	-1.0	-2.0
BIST-100 Relative (%):	-5.5	-2.3	-9.9	-1.0

Source: Bank financials, Seker Invest Research

HalkBank (MP, 12M TP: TRY46.32) Upside: 10%
Advantaged balance sheet in the rate-cut cycle

Advantaged positioning in the rate-cut cycle supported by TRY-heavy funding and long-duration loans. We believe Halkbank is relatively well positioned for the rate-cut cycle, supported by its TRY deposit-heavy funding structure and long-duration loan portfolio. Having been more adversely affected than peers during the rate-hike period, we expect the bank to deliver a stronger recovery in the easing cycle and to outperform the sector average in net profit growth in 2026.

Margin recovery supported by long-duration loan structure. Compared to peers, Halkbank's longer loan duration allows it to benefit more effectively from declining funding costs in terms of the loan-deposit spread. We expect the recent recovery in net interest margins to continue into 2026. The relatively low share of short-term loans versus private banks, together with the longer average loan maturity, supports the margin outlook.

TRY-heavy funding mix, easing cost pressure. While the share of non-interest-bearing TRY deposits and the elevated TRY share within total deposits support funding, Halkbank's high reliance on deposits results in higher funding costs compared to peers. That said, we expect this dependency—already showing signs of easing—to remain a constraining factor in 2026, albeit with a gradually diminishing impact.

High sensitivity to securities and CPI-linkers. The high share of securities and CPI-linked bonds within total assets indicates that Halkbank's balance sheet is more sensitive than peers to changes in securities yields in 2026.

Cautious growth due to capital constraints. Given the high leverage level and relatively limited capital adequacy, we expect asset growth to be driven primarily by the securities portfolio. Accordingly, we forecast credit growth to remain slightly below the sector average in 2026.

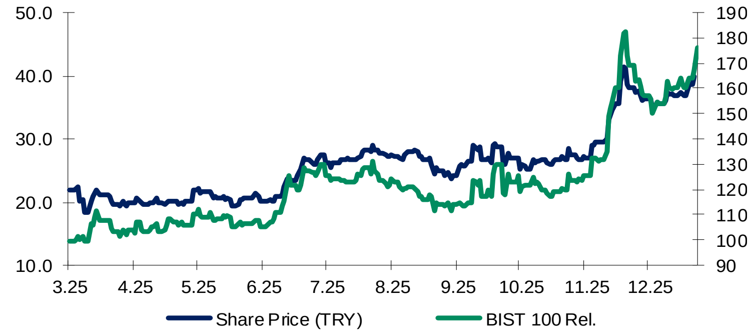
Strong earnings recovery outlook. We forecast net profit growth of 68% in 2025 and 136% in 2026 for Halkbank. We reiterate our MARKETPERFORM recommendation with a target price of TRY 46.32.

Mcap (TRYmn)	301,904	Beta (12M)	1.24
Mcap (USDmn)	7,027	Avr. Daily Vol. (TRYmn)	1,483
Close	42.02	Foreign Ownership in FF	0.5%
Last 12M High	44.70	Free Float (%)	9.0%
Last 12M Low	16.74	Weight	0.75%

Quick Facts (TRY Mn)	2024A	2025E	2026E	2027E
Net interest income	4,964	77,197	159,138	197,743
% Change, YoY	*-77.5%*	*1455.0%*	*106.1%*	*24.3%*
Net fee income	39,367	59,750	79,257	97,953
% Change, YoY	*107.8%*	*51.8%*	*32.6%*	*23.6%*
Net income	15,105	25,410	59,962	75,859
% Change, YoY	*49.4%*	*68.2%*	*136.0%*	*26.5%*

Ratios	2024A	2025E	2026E	2027E
NPL ratio	2.1%	3.6%	4.3%	3.9%
CoR (Net)	-0.4%	1.2%	1.7%	1.3%
NIM (Swap adj.)	1.0%	2.8%	4.4%	4.6%
ROAA	0.6%	0.7%	1.3%	1.4%
ROAE	11.0%	14.4%	26.5%	26.6%

Multiples	2024A	2025E	2026E	2027E
P/E	11.9	5.0	4.0	3.2
P/BV	1.49	1.16	0.94	0.77



Return	1 M	3M	6M	12M
TRY Return (%):	10.6	61.1	60.4	143.5
US$ Return (%):	9.1	56.1	48.1	100.0
BIST-100 Relative (%):	1.2	44.8	34.8	101.8

Source: Bank financials, Seker Invest Research

Isbank (OP, 12M TP: TRY26.25) Upside: 82%

Recovering profitability outlook and effective cost management

Strong positioning supported by a high share of non-interest-bearing deposits and a diversified earning-asset base. We expect Is Bankasi to stand out in 2026 with its high share of non-interest-bearing deposits and diversified interest-earning asset structure. Low NPL ratio, strong provisioning levels, a recovering net interest margin and effective cost management remain among the bank's key strengths. Having lagged peers in terms of profitability in recent periods, we expect the bank to deliver above-sector net profit growth in 2026.

Accelerating margin recovery during the rate-cut cycle. With gradual policy rate cuts expected in 2026, the high share of short-term and non-interest-bearing deposits should allow declines in funding costs to be transmitted more rapidly to net interest margins. Accordingly, we expect the improvement in net interest margins to continue throughout 2026.

Above-inflation credit growth and balance sheet expansion. We forecast credit growth to exceed average inflation in 2026. The commercial loan-focused portfolio structure and broad customer base are expected to support loan growth, while the sizable securities portfolio within interest-earning assets should continue to contribute to overall asset growth.

Manageable asset quality and controlled cost of risk. The bank's relatively low NPL ratio compared to peers supports a manageable level of potential asset quality deterioration in 2026. Supported by a prudent risk management approach and strong provisioning, we expect net cost of risk to remain in the 150–200 basis point range by end-2026.

Moderate fee growth with a balanced cost outlook. While we expect net fee and commission income growth to moderate broadly in line with the sector, effective cost control should keep the fee-to-cost ratio broadly flat. As a result, fee income is expected to continue supporting overall profitability.

Above-sector net profit growth outlook. Supported by a strong commercial loan portfolio, solid funding structure and prudent risk management, we expect Is Bankasi to deliver net profit growth above the sector average in 2026.

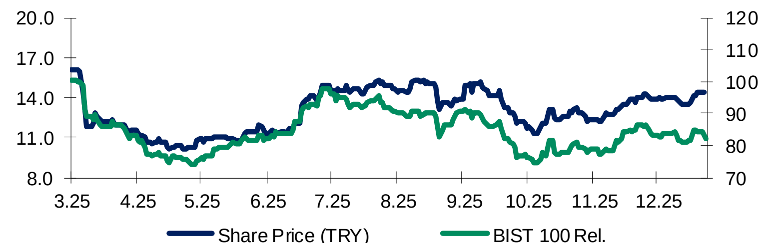
We forecast net profit growth of 39% in 2025 and 110% in 2026 for Is Bankasi, and reiterate our OUTPERFORM recommendation with a target price of TRY 26.25.

Mcap (TRYmn)	360,500	Beta (12M)	1.25
Mcap (USDmn)	8,390	Daily Volume (12M)	6,476
Close	14.42	Foreign Ownership in FF	24.7%
Last 12M High	16.36	Free Float (%)	31.0%
Last 12M Low	10.07	Weight	3.08%

Quick Facts (TRY Mn)	2024A	2025E	2026E	2027E
Net interest income	-13,182	64,889	173,986	248,522
% Change, YoY	*n.m*	*n.m*	*168.1%*	*42.8%*
Net fee income	91,411	134,586	172,459	211,042
% Change, YoY	*115.4%*	*47.2%*	*28.1%*	*22.4%*
Net income	45,517	63,430	133,558	191,356
% Change, YoY	*-37.0%*	*39.4%*	*110.6%*	*43.3%*

Ratios	2024A	2025E	2026E	2027E
NPL ratio	2.1%	3.0%	3.5%	3.3%
CoR (Net)	1.1%	2.1%	1.8%	0.9%
NIM (Swap adj.)	-0.5%	1.9%	3.7%	4.1%
ROAA	1.6%	1.6%	2.5%	2.8%
ROAE	15.8%	17.8%	29.4%	32.2%

Multiples	2024A	2025E	2026E	2027E
P/E	7.4	5.7	2.7	1.9
P/BV	1.06	0.90	0.68	0.52



Return	1M	3M	6M	12M
TRY Return (%):	2.5	11.9	4.3	4.5
US$ Return (%):	1.1	8.4	-3.6	-14.2
BIST-100 Relative (%):	-6.2	0.6	-12.3	-13.3

Source: Bank financials, Seker Invest Research

VakifBank (OP, 12M TP: TRY52.28) Upside: 59%
Margin Recovery, Strong Earnings

Advantaged positioning in the rate-cut cycle supported by TRY-heavy funding and long-duration loans. Despite its relatively low share of non-interest-bearing deposits, VakıfBank stands out as one of the banks best positioned for the rate-cut cycle, supported by its high share of TRY deposits and long-duration loan portfolio. Compared to private deposit banks, the longer loan structure allows loan yields to adjust more slowly in a declining rate environment, supporting the recovery in net interest margins. We expect the recently improving net interest margin to increase significantly in 4Q25, driven by strong income from CPI-linked securities, and to continue its recovery trend in 2026 as the easing cycle progresses.

Capital constraints weighing on credit growth. We expect relatively weak core capital adequacy to continue constraining credit growth potential. Accordingly, we forecast credit growth to remain slightly below the sector average, with asset growth primarily driven by the securities portfolio.

Manageable asset quality deterioration with strengthening provisions. We expect the non-performing loan ratio, which is currently at manageable levels, to record a limited yet controllable increase in the coming period. Supported by improving profitability, we anticipate the bank to continue strengthening its loan loss provisioning. That said, given the bank's high leverage, a deterioration in asset quality beyond our expectations could exert relatively greater pressure on profitability.

Cost pressure weighing on fee performance. Despite strong growth in fee and commission income in 2025, elevated operating expense growth has kept the fee-to-cost ratio relatively weaker compared to private deposit banks. In line with our expectation of more moderate fee growth in 2026, we forecast a limited deterioration in this ratio.

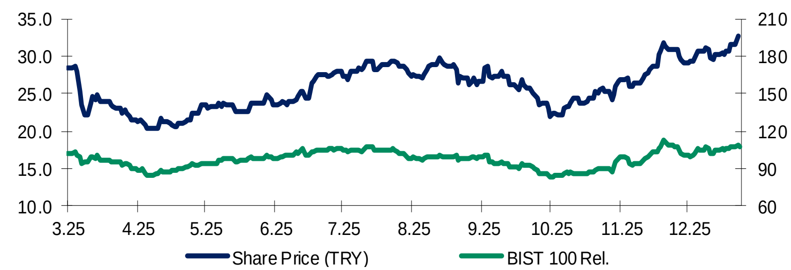
Strong earnings growth supported by margin recovery. While VakıfBank's relatively low capital adequacy and high leverage may weigh on valuation versus peers, we expect strong earnings growth supported by margin recovery. Accordingly, we forecast net profit growth of 75% in 2025 and 81% in 2026. We reiterate our **OUTPERFORM** recommendation with a target price of **TRY 52.28**.

Mcap (TRYmn)	326,829	Beta (12M)	1.03
Mcap (USDmn)	7,607	Avr. Daily Vol. (TRYr	970
Close	32.96	Foreign Ownership i	1.9%
Last 12M High	33.86	Free Float (%)	6.0%
Last 12M Low	19.92	Weight	0.54%

Quick Facts (TRY Mn)	2024A	2025E	2026E	2027E
Net interest income	68,704	134,247	234,433	321,628
% Change, YoY	*66.1%*	*95.4%*	*74.6%*	*37.2%*
Net fee income	46,474	75,888	97,186	117,258
% Change, YoY	*80.5%*	*63.3%*	*28.1%*	*20.7%*
Net income	40,375	70,876	128,076	192,690
% Change, YoY	*61.2%*	*75.5%*	*80.7%*	*50.4%*

Ratios	2024A	2025E	2026E	2027E
NPL ratio	1.8%	3.0%	3.8%	3.7%
CoR (net) Exc. Currency	2.1%	1.8%	2.5%	1.5%
NIM (Swap adj.)	2.5%	3.2%	4.0%	4.5%
ROAA	1.2%	1.5%	2.1%	2.5%
ROAE	20.9%	28.2%	36.6%	39.4%

Multiples	2024A	2025E	2026E	2027E
P/E	5.7	4.6	2.6	1.7
P/BV	1.05	1.11	0.78	0.55



Return	1M	3M	6M	12M
TRY Return (%):	6.6	32.8	20.6	37.4
US$ Return (%):	5.1	28.6	11.4	12.9
BIST-100 Relative (%):	-2.5	19.4	1.4	13.9

Source: Bank financials, Seker Invest Research

Yapi Kredi Bank (OP, 12M TP: TRY62.17) Upside: 65%
Funding Structure Well Positioned for Repricing

Yapi Kredi Bank stands out among the banks under our coverage with the highest share of total and TRY non-interest-bearing deposits. The high share of short-term TRY deposits within total deposits provides a highly favorable funding structure in terms of repricing flexibility.

Accelerating margin expansion potential in the rate-cut cycle. This funding mix allows deposit costs to decline rapidly during the easing cycle, forming the core of our strong net interest margin expansion expectation. The bank's relatively more active use of swap funding may further support a faster decline in funding costs in the early phase of the rate-cut cycle.

Sector-aligned credit growth despite capital adequacy constraints. Although Yapi Kredi's core capital adequacy ratio remains slightly below that of private deposit banks, we expect credit growth to remain broadly in line with the sector and above inflation in 2026. Following the recent period of selective growth, during which market share declined in a controlled manner, we expect the bank to re-enter a phase of market share gains going forward.

Strong asset quality and controlled cost of risk. The recently stable NPL ratio and a well-contained cost of risk continue to differentiate Yapi Kredi positively from peers in terms of asset quality. Given relatively low NPL inflows, we forecast a limited increase in the NPL ratio in 2026, while provisioning levels are expected to continue strengthening over the same period.

Fee income continues to cover operating expenses. While we expect the fee-to-cost ratio—currently at strong levels—to decline slightly in 2026 in line with more moderate fee income growth, we still anticipate fee and commission income to continue covering nearly all operating expenses.

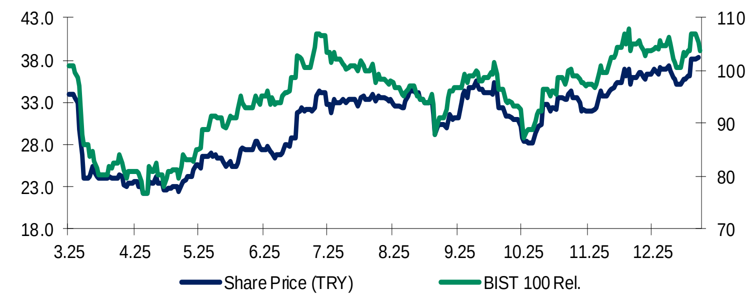
Strong profitability outlook supported by margin expansion. Supported by a strong funding mix, solid asset quality and a diversified loan portfolio, we expect Yapi Kredi to deliver a meaningful net interest margin expansion, strong net profit growth and high ROE in 2026. Accordingly, we forecast net profit growth of 95% in 2025 and 109% in 2026. We reiterate our **OUTPERFORM** recommendation with a target price of **TRY 62.17**.

Mcap (TRYmn)	317,947	Beta (12M)	1.27
Mcap (USDmn)	7,400	Avr. Daily Vol. (TRYr	6,573
Close	37.64	Foreign Ownership i	30.3%
Last 12M High	38.92	Free Float (%)	39.0%
Last 12M Low	21.92	Weight	3.41%

Quick Facts (TRY Mn)	2024A	2025E	2026E	2027E
Net interest income	13,860	58,623	147,397	213,127
% Change, YoY	*-79.3%*	*323.0%*	*151.4%*	*44.6%*
Net fee income	73,097	111,298	141,973	173,206
% Change, YoY	*112.0%*	*52.3%*	*27.6%*	*22.0%*
Net income	29,017	56,410	109,030	164,408
% Change, YoY	*-57.3%*	*94.4%*	*93.3%*	*50.8%*

Ratios	2024A	2025E	2026E	2027E
NPL ratio	3.1%	3.7%	4.0%	3.7%
CoR (net) Exc. Currency	0.8%	2.0%	2.1%	1.4%
NIM (Swap adj.)	0.7%	2.4%	4.4%	4.9%
ROAA	1.4%	2.0%	2.9%	3.3%
ROAE	15.7%	25.2%	36.0%	39.4%

Multiples	2024A	2025E	2026E	2027E
P/E	8.9	5.6	2.9	1.9
P/BV	1.34	1.22	0.88	0.64



Return	1M	3M	6M	12M
TRY Return (%):	5.0	19.6	17.9	20.7
US$ Return (%):	3.5	15.9	8.9	-0.9
BIST-100 Relative (%):	-3.9	7.6	-0.9	0.1

Source: Bank financials, Seker Invest Research

TSKB (OP, 12M TP: TRY 20.06)

Upside: 49%

Sustainable Growth, Strong Margins and Predictable Profitability

Resilient business model with sustainable growth and predictable profitability. TSKB stands out within the sector with its long-term and sustainable loan growth, strong net interest margin and predictable earnings profile. The FX-heavy balance sheet structure and development banking–focused business model limit the bank's exposure to regulation- and policy-driven volatility. While ROE has remained well above deposit banks in recent periods and throughout 2025, we expect it to normalize in 2026, albeit remaining above inflation.

Strong margin profile despite gradual normalization. We expect TSKB to close 2026 with a relatively strong net interest margin. While the bank's margin—having remained resilient unlike deposit banks—should gradually normalize and decline below the 5% level in 2026, we still view this level as a solid margin. The long-term and predominantly FX-denominated funding structure is expected to provide limited upside during the rate-cut cycle, but continues to shield the bank from TRY rate volatility and regulatory risks.

Disciplined and sustainable credit growth outlook. We expect TSKB's long-term and disciplined loan growth strategy to remain intact in 2026. Accordingly, we forecast USD-denominated loan growth of around 10%. Project finance and sustainability-linked lending are expected to remain the key drivers of credit growth.

Strong asset quality supported by high provisioning levels. Compared to deposit banks, TSKB continues to stand out with its strong asset quality and high coverage ratios. While we expect a limited and manageable increase in NPLs in 2026, strong provisioning and existing free provisions should keep the bank's asset quality outlook more resilient than the sector average.

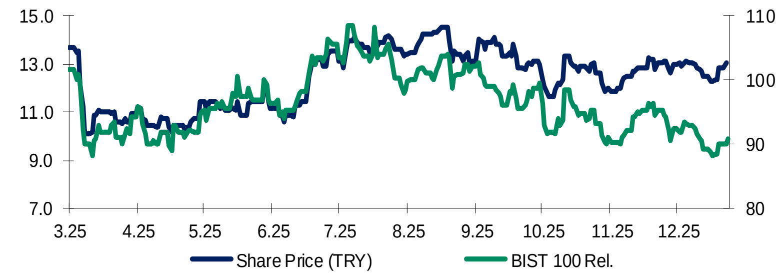
Limited provisioning risk amid a solid asset quality profile. The bank's high coverage ratios and low NPL ratio significantly limit the risk of higher provisioning expenses stemming from a potential deterioration in asset quality. Accordingly, we forecast net profit growth of 11% in 2025 and 19,5% in 2026. We reiterate our **OUTPERFORM** recommendation with a target price of **TRY 20.06**.

Mcap (TRYmn)	37,800	Beta (12M)	1.26
Mcap (USDmn)	880	Avr. Daily Vol. (TRYr	6,688
Close	13.50	Foreign Ownership i	22.0%
Last 12M High	14.73	Free Float (%)	39.0%
Last 12M Low	9.59	Weight	0.41%

Quick Facts (TRY Mn)	2024A	2025E	2026E	2027E
Net interest income	11,937	14,474	14,959	18,033
% Change, YoY	*24.9%*	*21.3%*	*3.4%*	*20.5%*
Net fee income	514	402	572	697
% Change, YoY	*13.4%*	*-21.7%*	*42.2%*	*21.9%*
Net income	10,135	11,217	13,408	15,307
% Change, YoY	*43.9%*	*10.7%*	*19.5%*	*14.2%*

Ratios	2024A	2025E	2026E	2027E
NPL ratio	2.2%	1.6%	1.1%	0.7%
CoR (net) Exc. Currency	-0.6%	0.8%	0.3%	0.4%
NIM (Swap adj.)	6.1%	5.5%	4.3%	4.1%
ROAA	4.9%	3.9%	3.5%	3.2%
ROAE	38.1%	29.1%	26.6%	23.9%

Multiples	2024A	2025E	2026E	2027E
P/E	2.6	3.4	3.4	2.8
P/BV	0.86	1.05	0.88	0.69



Return	1M	3M	6M	12M
TRY Return (%):	3.7	3.8	4.7	4.6
US$ Return (%):	2.3	0.6	-3.4	-14.1
BIST-100 Relative (%):	-5.1	-6.6	-12.1	-13.3

Source: Bank financials, Seker Invest Research

DuPont Analysis

Our DuPont analysis indicates that Garanti's strong return on equity is driven by robust asset profitability supported by net interest margin performance, while its relatively low leverage underpins a higher-quality and more sustainable earnings profile. In contrast, we expect the increase in return on equity at state-owned banks in 2026 to be largely driven by leverage effects.

AKBNK	2024	2025E	2026E
NII (incl. Swap cost)	**1.9%**	**2.2%**	**3.3%**
Fees	3.1%	3.9%	3.7%
Other income	1.6%	1.2%	1.0%
ECL	0.7%	1.2%	0.9%
OPEX	3.6%	3.6%	3.5%
ROA	**2.0%**	**2.1%**	**2.8%**
Equity Multiplier	10.5	11.0	11.0
ROE	**21%**	**23%**	**31%**

GARAN	2024	2025E	2026E
NII (incl. Swap cost)	**2.9%**	**4.1%**	**5.0%**
Fees	3.9%	4.2%	4.1%
Other income	2.6%	1.6%	1.4%
ECL	0.7%	1.1%	1.1%
OPEX	3.9%	4.5%	4.7%
ROA	**4.0%**	**3.6%**	**3.7%**
Equity Multiplier	7.9	9.0	9.2
ROE	**33%**	**31%**	**34%**

HALKB	2024	2025E	2026E
NII (incl. Swap cost)	**0.2%**	**2.0%**	**3.3%**
Fees	1.4%	1.6%	1.6%
Other income	0.6%	0.4%	0.4%
ECL	-0.2%	0.6%	0.9%
OPEX	2.2%	2.8%	2.8%
ROA	**0.6%**	**0.7%**	**1.3%**
Equity Multiplier	19.7	20.8	19.8
ROE	**11%**	**14%**	**27%**

ISCTR	2024	2025E	2026E
NII (incl. Swap cost)	**-0.4%**	**1.6%**	**3.1%**
Fees	3.0%	3.3%	3.1%
Other income	3.1%	1.4%	1.3%
ECL	0.5%	1.1%	0.9%
OPEX	3.9%	3.5%	3.4%
ROA	**1.6%**	**1.6%**	**2.5%**
Equity Multiplier	10.4	11.6	11.7
ROE	**16%**	**18%**	**29%**

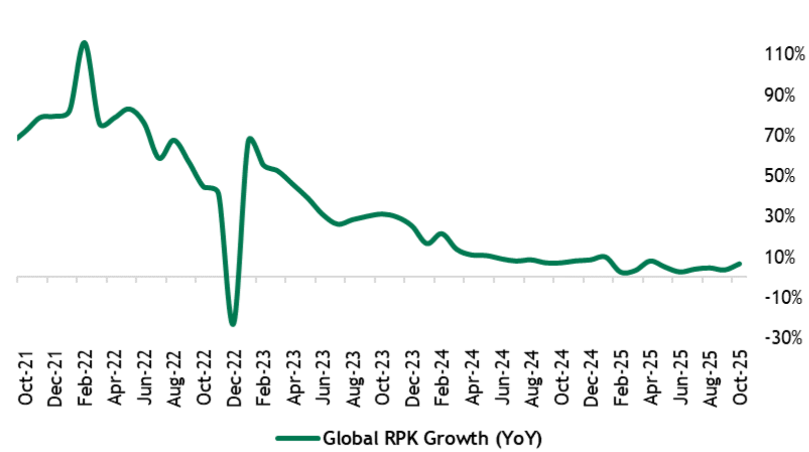
VAKBN	2024	2025E	2026E
NII (incl. Swap cost)	**2.0%**	**2.8%**	**3.7%**
Fees	1.3%	1.6%	1.5%
Other income	1.7%	1.0%	1.4%
ECL	1.3%	0.9%	1.3%
OPEX	2.1%	2.5%	2.5%
ROA	**1.2%**	**1.5%**	**2.1%**
Equity Multiplier	18.3	18.7	16.3
ROE	**21%**	**28%**	**37%**

YKBNK	2024	2025E	2026E
NII (incl. Swap cost)	**0.6%**	**2.0%**	**3.7%**
Fees	3.3%	3.8%	3.6%
Other income	1.3%	1.5%	1.1%
ECL	0.4%	1.0%	1.1%
OPEX	3.5%	4.0%	3.7%
ROA	**1.4%**	**2.0%**	**2.9%**
Equity Multiplier	12.3	12.6	12.1
ROE	**16%**	**25%**	**36%**

Aviation

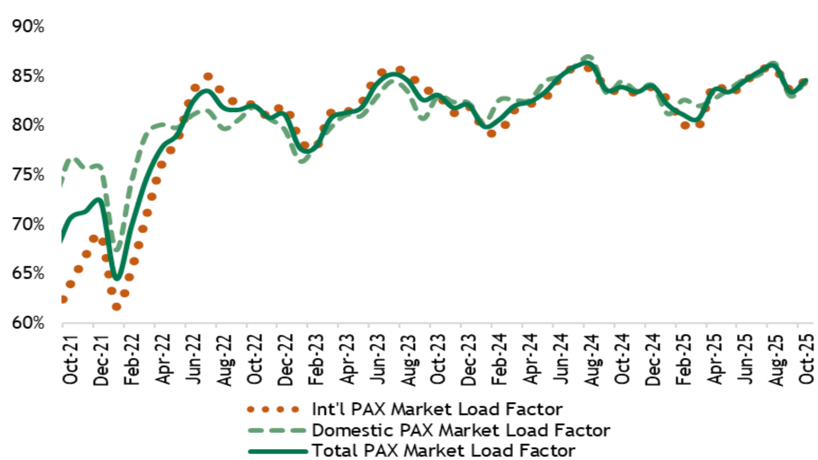
2025 marked a year in which underlying demand in the aviation sector remained intact; however, pricing power was constrained by geopolitical risks, aircraft delivery delays, and cost inflation, resulting in high LFs not translating into profitability to the extent desired. The conflicts in Ukraine and the Middle East had a limiting effect on traffic growth expectations. Despite a challenging backdrop, airlines were able to grow PAX and cargo volumes supported by elevated load factors. Flight numbers and ASKs grew more slowly on a YoY basis, and RASK expansion remained limited for the same reason. Meanwhile, delivery postponements created capacity bottlenecks, forcing airlines to retain older and less fuel-efficient aircraft or lease additional aircraft, while Pratt & Whitney GTF engine issues led to groundings even in relatively young fleets, resulting in operational output below potential.

Global RPK Growth (%) (YoY)



Source: *IATA, Seker Invest*

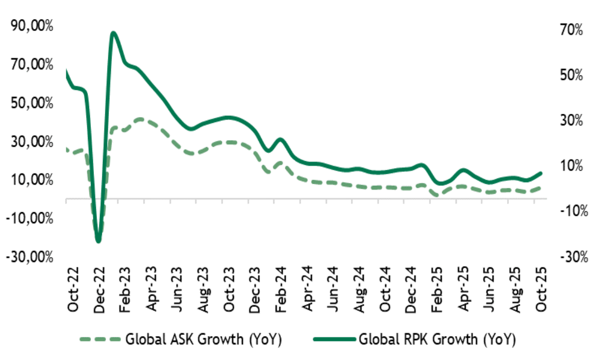
Global Passenger LF (%) (YoY)



Source: *IATA, Seker Invest*

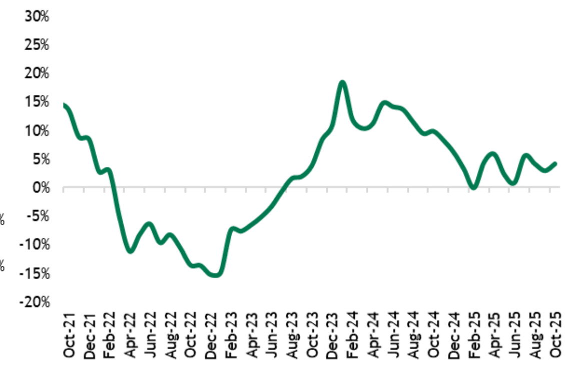
Aviation

Global RPK & ASK Growth (%) (YoY)



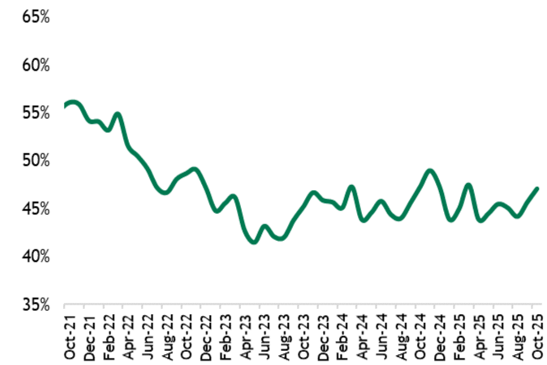
Source: *IATA, Seker Invest*

Global CTK Growth (YoY) (%)



Source: *IATA, Seker Invest*

Global Cargo Load Factor (%)



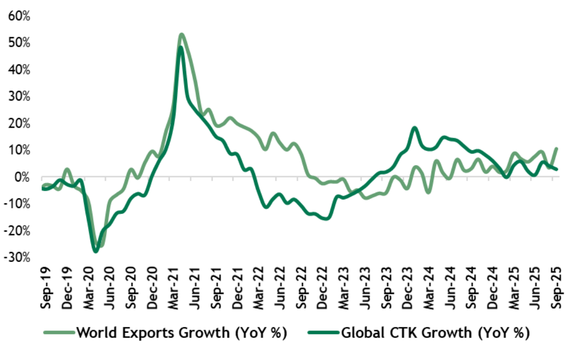
Source: *IATA, Seker Invest*

Lower fuel prices acted as a stabilizing factor for costs through the year. However, non-fuel expenses remained elevated due to wage inflation, maintenance & repair costs, aircraft leasing expenses, and higher airport charges. Cargo operations proved more fragile in 2025. Rising protectionism and trade policy uncertainty weighed on global trade flows, while the removal of the *“de minimis”* exemption in the U.S. adversely affected volume-yield dynamics. Additionally, declining sea freight rates eroded the relative competitive advantage of air cargo.

In the domestic market, both PAX and ASKs continued to grow despite macroeconomic and geopolitical headwinds. According to DHMI data, as of 11M25 domestic passenger traffic increased by 6.2% YoY to 93.8mn, while int’l passenger traffic rose by 7.3% YoY to 135.7mn. Including transit passengers, total traffic reached 229.6mn, up 6.7% YoY. DHMI data also indicate a noticeable deceleration in transit passenger traffic in Türkiye during 2025. While route adjustments stemming from the conflicts in the Middle East and Ukraine supported overflight traffic through Turkish airspace, transit passenger flows weakened. Although total traffic was preserved, the decline in high-value transit passengers compressed unit revenue quality.

Aviation

Global CTK Growth vs. World Exports Growth (%) (YoY)

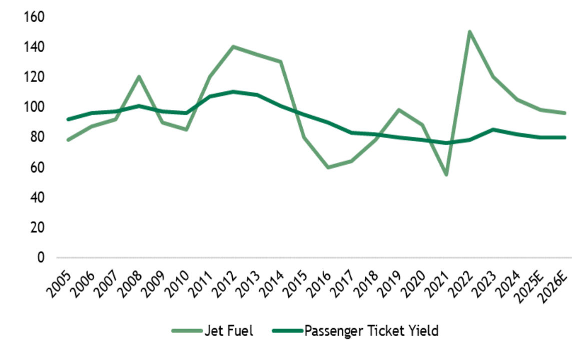


Source: IATA, Seker Invest

Global CTK Growth vs. Global New Export Orders

Source: IATA, Seker Invest

Passenger Ticket Yield & Jet Fuel Price, Index, 2010=100



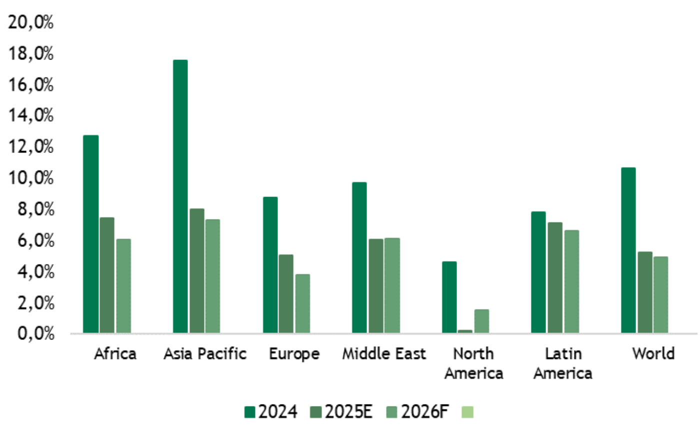
Source: IATA, Seker Invest

2026 Outlook & Risks: Sector expectations point to continued delays in aircraft and engine production, with GTF-related issues likely to persist. On the cargo side, persistently low sea freight rates may continue to pressure air cargo pricing. In contrast, passenger demand in 2026 is expected to remain strong and resilient, while fuel prices are anticipated to remain at moderate levels, providing some cost support. Conditional on capacity availability, traffic growth and high load factors are expected to continue into 2026.

According to DHMI projections, total passenger traffic is forecast to reach 246.1mn in 2025, 258.2mn in 2026 and 265.4mn in 2027. Key drivers supporting the growth outlook for the Turkish aviation sector include: (i) increased utilization of Istanbul Airport and incremental capacity at Sabiha Gökçen following the launch of the second terminal, (ii) fleet expansion plans of Turkish carriers, (iii) strong tourism activity supported by favorable weather conditions, and (iv) the construction of a new cargo terminal at Istanbul Airport, which is expected to support cargo operations.

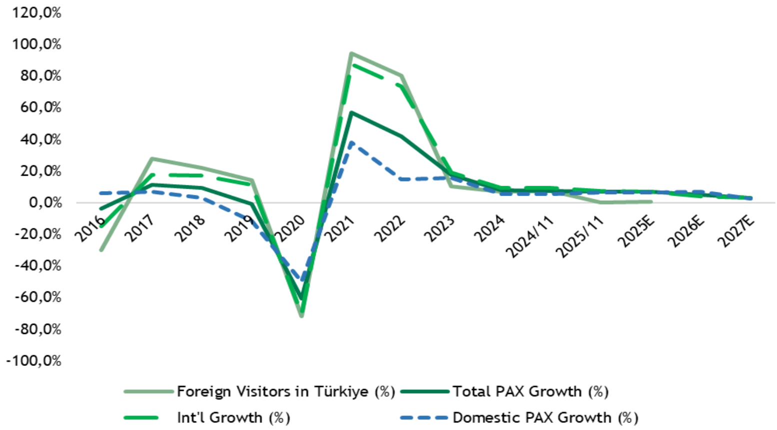
Aviation

Regional PAX Growth (%) (YoY)



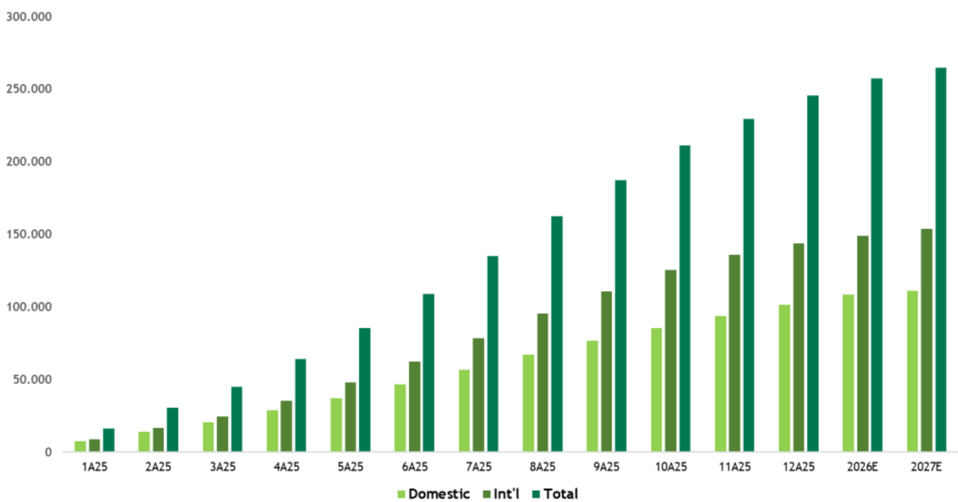
Source: *IATA, Seker Invest*

Tourism Statistics, & Total # of PAX



Source: *Ministry of Culture and Tourism, 2026 Yılı Cumhurbaşkanlığı Yıllık Programı, DHMI*

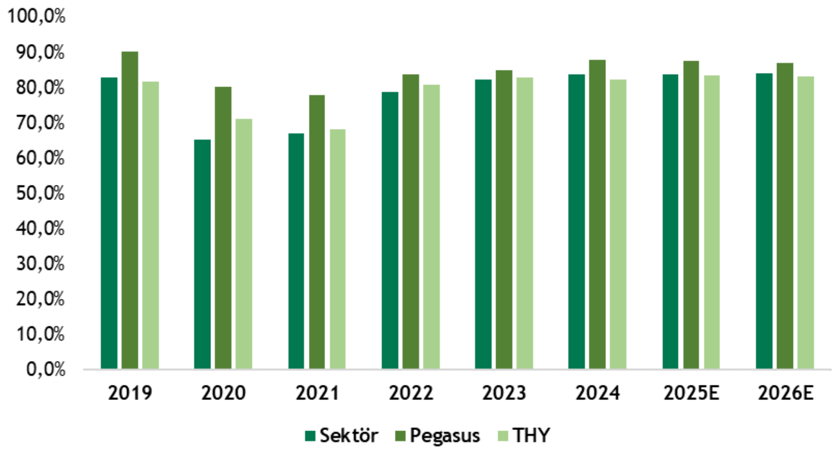
DHMI # of PAX (thousand)



Source: *DHMI*

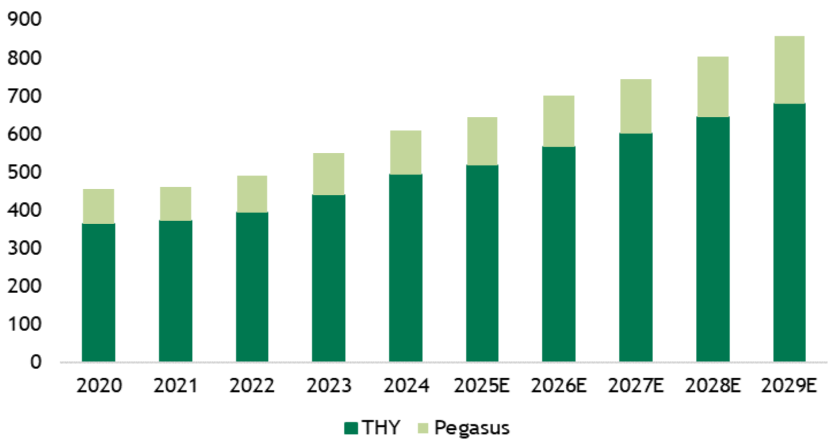
Aviation

Passenger Load Factor (%)



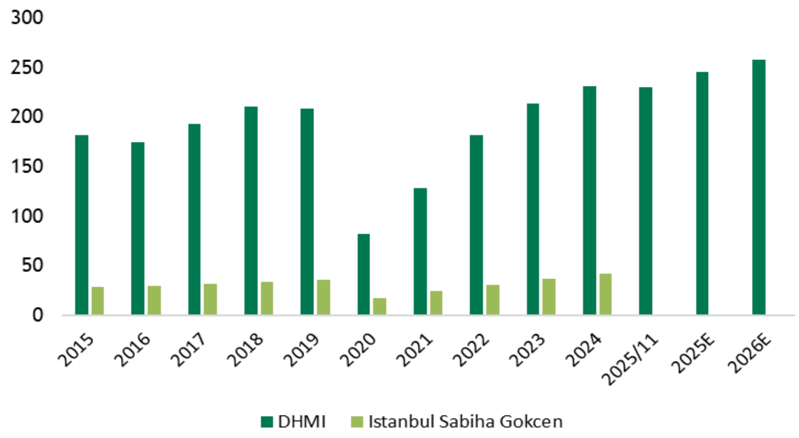
Source: *IATA, Pegasus, Turkish Airlines, Seker Invest*

Total # of Aircraft in Fleet



Source: *Pegasus, Turkish Airlines, Seker Invest*

Total # of PAX (mn) of Airports



Source: *DHMI*

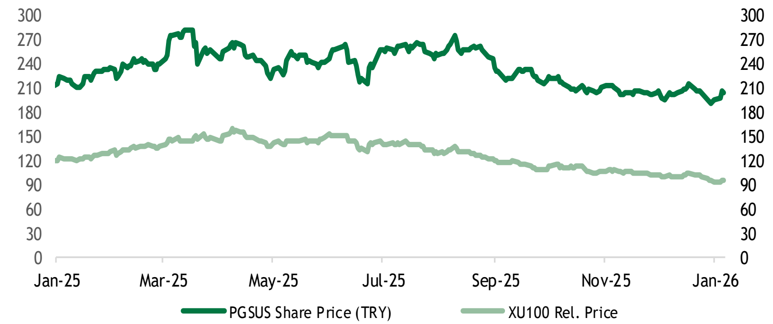
Pegasus Airlines (OP, 12M TP: TRY 345.30) Upside: 68%

Strategic Moves Continue to Underpin Operational Strength…

- We have slightly downgraded our target share price for Pegasus Airlines from **TRY 365.60/shr to TRY 345.30/shr.** Pegasus' robust EBITDA margin, which surpasses that of its peers, and expansion on European markets, underscore the Company's balanced and resilient long-term projections. We reiterate our **"OUTPERFORM"** recommendation, with the revised target price indicating a **68% upside potential**, based on the January 7, 2026, closing price. Pegasus currently trades at **2026E P/E of 6.0x** and **EV/EBITDA of 4.97x**.
- Pegasus plans to add 43 A321neo aircraft to its fleet by the end of 2029 and to begin taking delivery of Boeing 737-10 aircraft starting in 2028. We expect the Company's fleet to reach 127 aircraft in 2025 and 135 aircraft in 2026. Despite a weaker-than-desired growth in the tourism activities in 2025, we forecast Pegasus to reach 42.7mn total PAX by 2025, representing 13.9% YoY growth. For 2026, we expect total passenger numbers to increase by 10.7% YoY to 47.23mn. We forecast total ASK to increase by 16.5% YoY in 2025 (Pegasus: 14%-16%), followed by a 9.6% YoY increase in 2026. We expect Pegasus to close 2025 with a PLF of 87.3%, reflecting a 0.4pp YoY decline, while in 2026 we anticipate a limited normalization, with PLF remaining around 87%, still above historical averages.
- We estimate ancillary/PAX to reach €29.5 in 2025, representing a 4.5% YoY increase (Pegasus guidance: low single-digit growth). Passenger RASK is expected to decline by 7.2% YoY to 4.34 €c in 2025 (Pegasus: 6%-8% decline). For 2026, we expect RASK to remain broadly flat at 4.32 €c, in line with 2025 levels with the contribution of higher LF. We expect the Company to generate €3,358mn of revenue in 2025 and €3,742mn in 2026, representing 11.4% YoY growth, supported by ancillary revenues and int'l operations. We believe the high share of ancillary revenues within total revenues will continue to mitigate the negative impact of competitive ticket pricing. On the cost side, we forecast total CASK to decline by 1.2% YoY to 3.81 €c in 2025 (Pegasus: 1%-3% decrease), while ex-fuel CASK is expected to increase by 4% YoY to 2.66 €c (Pegasus: 3%-5% increase). We assume Brent crude prices to remain at relatively low levels in 2026, but cautious about jet fuel costs as a factor that cause put pressure on CASK. We estimate EBITDA to reach €850mn in 2025 and €1,002mn in 2026, while we expect the EBITDA margin to be sustained at 25.3% in 2025 (Pegasus 2025E: ~26%) and to improve to 26.8% in 2026. We believe the Smartwings acquisition will provide operational support to Pegasus through Smartwings' EBITDA generation and operating licenses in the long term. Despite Smartwings' relatively older fleet profile, the predominance of operating leases does not raise material concerns.
- **Downside Risks:** Potential delays in aircraft deliveries, a slowdown in global GDP, natural disasters, geopolitical risk, rising competition at ISG, volatility in jet fuel prices, and fluctuations in the €/USD.

Code	PGSUS.TI / PGSUS.IS	Close	205,10
MCap (TRY mn)	102.550	Last 12M High	287,25
MCap (€ mn)	2.042	Last 12M Low	191,60
EV (TRY mn)	253.411	Beta	0,92
EV (€ mn)	5.136	Avg. Daily Trading Vol. (€ mn)	68,0
Free Float (%)	45,37	Foreign Ownership in FF (%)	19,64

Key Figures (€ mn)	2023	2024	2025E	2026E
Revenues	2.670	3.126	3.358	3.742
Growth (%)	9,0%	17,1%	7,4%	11,4%
EBITDA	838	888	850	1.002
EBITDA Margin (%)	31,4%	28,4%	25,3%	26,8%
Net Profit	790	361	315	339
EPS	1,58	0,72	0,63	0,68
Dividend Yield	0,0%	0,0%	0,0%	0,0%
Net Debt/EBITDA (x)	2,88	3,10	3,38	2,92
Net Debt/Equity (x)	1,44	1,35	1,22	1,09
ROAE	61,2%	19,4%	14,3%	13,4%
ROAA	14,4%	5,2%	3,9%	3,9%
Valuation Metrics	**2023**	**2024**	**2025E**	**2026E**
P/E	2,58	5,65	6,48	6,03
EV/EBITDA	5,33	5,41	5,79	4,97
EV/Sales	1,67	1,54	1,47	1,33
P/BV	1,22	1,01	0,87	0,76
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	4,75	-8,48	6,99	-6,18
€ Return (%):	2,87	-11,72	7,18	-31,95
BIST-100 Relative (%):	-4,15	-17,72	0,17	-22,22



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

TAV Airports Holding (OP, 12M TP: TRY 425.30) Upside: 35%

Investments Drive TAV's Upside…

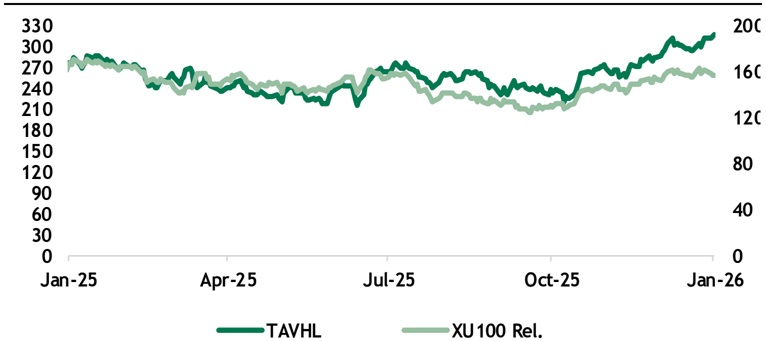
➢ In our valuation of TAVHL shares, we have upwardly revised **our 12-month target price from TRY 384.00/shr to TRY 425.30/shr**. We reiterate our "**OUTPERFORM**" recommendation. The robust performance of TAV's Almaty operations and the announcement of the "2025-2028 Almaty Investment Plan" underpin compelling growth prospects. Additionally, ongoing inorganic growth opportunities and anticipated revenue expansion, driven by terminal upgrades at the New Ankara and New Antalya Airports, support our conviction in TAV's ability to sustain its positive momentum and deliver a strong operational performance. The Group's diversified and expanding portfolio remains a key catalyst for its shares. As of the closing price on January 07, 2026, our revised target price implies an **upside potential of 35%**. The stock currently trades at a 2026E P/E of 14.09x and a 2026E EV/EBITDA of 6.17x, offering an attractive valuation.

➢ **Strategic Investments & Forward Guidance:** The Company opened the new Antalya Airport terminal to passenger traffic in 2Q25 (65mn capacity). With the new phase of investment planned to start in 2038, total capacity is expected to reach over 80mn passengers. At Ankara, with the start of the new concession period, the company expects higher tariffs and increased revenue compared to the previous concession, given the same number of passengers served in 2024 and the end of the passenger guarantee/IFRIC 12 impact. TAV projects Ankara's IFRS based EBITDA contribution at around €45mn for FY25. For 2025, TAV expects net sales revenue around €1.750mn - €1.850mn, total passenger traffic in the range of 110mn - 120mn, and int'l PAX traffic in the range of 75mn - 83mn. TAV forecasts 2025 EBITDA in the range of €520mn - €590mn and expects the Net Debt/EBITDA ratio to be in the range of 2.5-3.0 by the end of 2025. 2025 CapEx is expected in the €220–240mn, including €70mn earmarked for the Almaty Program (total CapEx: €315mn). However, TAV does not expect 2025 net profit to exceed 2024 levels because of EBITDA dilution due to: • Higher interest expenses and depreciation from completed investments, • Additional amortization of purchase price allocations, • Potential pressure on TGS and ATU's profitability from a stronger TRY, and • Rent amortization from Ankara, BTA Antalya, and TAV OS new NY Lounge.

➢ Our revenue forecasts indicate an increase of 10.6% YoY to €1,836mn in 2025, followed by a further 13% YoY growth to €2,076mn in 2026. We project EBITDA at €561mn for 2025 and €665mn for 2026, with margins improving to 32.0% in 2026. Our net profit forecast is at €83mn in 2025 and €188mn in 2026.

Code	TAVHL.TI/TAVHL.IS	Close	315,50
MCAp (TRY mn)	114.615	Last 12M High	319,00
MCAp (US$ mn)	2.667	Last 12M Low	212,80
EV (TRY mn)	174.240	Beta	0,96
EV (US$ mn)	4.104	Avg. Daily Trading Vol. (US$ mr	16,9
Free Float (%)	49,82	Foreign Ownership in FF (%)	71,40

Key Figures (€ mn)	2023	2024	2025E	2026E
Revenues	1.310	1.660	1.836	2.076
Growth (%)	24,57%	26,75%	10,61%	13,08%
EBITDA	385	489	561	665
EBITDA Margin (%)	29,4%	29,5%	30,6%	32,0%
Net Profit	249	183	83	188
EPS (€)	0,69	0,50	0,23	0,52
Dividend Yield	0,0%	0,0%	0,0%	0,0%
Net Debt/EBITDA (x)	4,34	3,52	2,88	2,08
Net Debt/Equity (x)	1,18	1,07	0,96	0,71
ROAE	19,0%	12,1%	5,0%	10,4%
ROAA	6,1%	3,8%	1,7%	3,4%
Valuation Metrics	**2023**	**2024**	**2025E**	**2026E**
P/E	10,70	14,57	32,13	14,17
EV/EBITDA	10,67	8,38	7,31	6,17
EV/Sales	3,13	2,47	2,23	1,98
P/BV	1,89	1,66	1,59	1,37
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	11,29	33,18	5,78	14,31
US$ Return (%):	9,76	29,01	5,53	-6,11
BIST-100 Relative (%):	1,84	19,73	-0,96	-5,23



Source: PDP, TAV Airports Holding, Finnet, Seker Invest Research Estimates

Turkish Airlines (OP, 12M TP: TRY 445.00) Upside: 53%

Growth Underpinned by Fleet Investments and Network Positioning…

➢ We have revised our target share price for Turkish Airlines (THYAO) **downward from TRY 495.50/shr to TRY 445.00/shr**, reflecting updates to our macroeconomic and FX assumptions as well as revisions to profitability metrics. We reiterate our **"OUTPERFORM"** recommendation, with the new target price—based on the January 7, 2026, closing price—offering an attractive **53% upside potential**. THY is currently trading at 2026E P/E of 3.73x and 2026E EV/EBITDA of 3.60x.

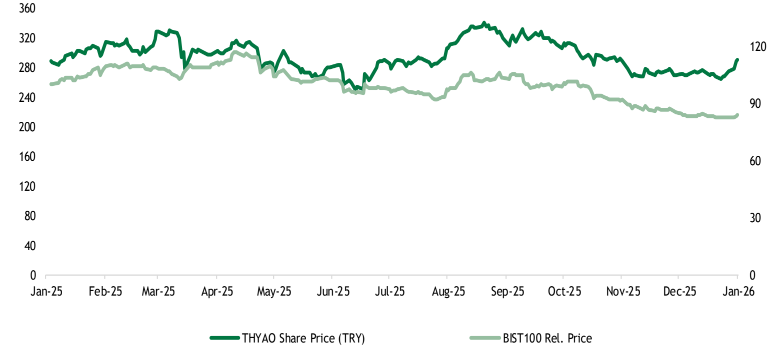
➢ In line with the phased induction of Boeing 787 aircraft into the fleet between 2029 and 2034 and the completion of negotiations with Boeing regarding the purchase of 150 Boeing 737 MAX aircraft, we expect THY's fleet size to reach 566 aircraft in 2026, in line with management expectations (2025: 516 aircraft). We estimate that total PAX will increase by 8.1% YoY to 92.1mn in 2025, and further rise by 9% YoY to 100.3mn in 2026. We expect PLF to reach 83.2% in 2025 and to normalize to 82.9% in 2026. We forecast total ASK to increase by 7.6% YoY in 2025 (THY guidance: 7–8%), while in 2026 we expect ASK growth of 9.4%, driven by contributions from Far East & Middle East routes as well as AJet. In cargo operations, we assume volumes will reach 2,136k tons in 2025, followed by ~10% volume growth in 2026.

➢ We estimate THY's cargo revenues to decline by 4.6% YoY to USD 3,333mn in 2025. Taking into account the pressure from competitive ticket pricing on passenger revenues, as well as weak cargo revenues driven by slowing global trade and intensifying competition from sea freight, we expect total revenues to increase by 5.8% YoY to USD 23,993mn in 2025 (THY guidance: 5-6%), followed by 6.9% growth in 2026. We forecast passenger RASK to remain broadly flat at 7.25 US$c, while not anticipating aggressive pricing pressure in total passenger unit revenues despite the competitive environment, and estimate passenger R/Y at 8.72 US$c in 2025, and to remain flat in 2026. On the cost side, we expect ex-fuel CASK to increase by 5.2% YoY to 6.04 US$c in 2025, driven by higher personnel unit costs and GTF-related operational challenges; however, supported by lower fuel CASK, we expect total CASK to remain broadly flat at 8.13 US$c. While we expect Brent oil prices to remain at relatively low levels in 2026, we note that elevated jet fuel crack spreads may continue to exert pressure on CASK. We estimate a dividend yield of approximately 1.3% for 2026. The gradual return to service of GTF-powered NEO aircraft throughout 2026 is expected to serve as a key positive catalyst, while the Air Europa investment is anticipated to support THY's long-term growth potential by generating passenger and cargo synergies through strategic network expansion across the Latin America–Europe–Türkiye corridor.

➢ Risks - delays in aircraft deliveries, slowing global growth, natural disasters, geopolitical risks, increased global competition, and fluctuations in jet fuel prices.

Code	THYAO.TI/THYAO.IS	Close	290,75
MCAp (TRY mn)	401.235	Last 12M High	342,72
MCAp (US$ mn)	9.337	Last 12M Low	246,66
EV (TRY mn)	786.497	Beta	0,93
EV (US$ mn)	18.619	Avg. Daily Trading Vol. (US$ mn)	245,3
Free Float (%)	50,40	Foreign Ownership in FF (%)	22,21

Key Figures (USD mn)	2023	2024	2025E	2026E
Revenues	20.942	22.669	23.993	25.641
Growth (%)	*13,7%*	*8,2%*	*5,8%*	*6,9%*
EBITDA	5.533	5.059	4.942	5.175
EBITDA Margin (%)	*26,4%*	*22,3%*	*20,6%*	*20,2%*
Net Profit	6.021	3.425	2.522	2.506
EPS	4,36	2,48	1,83	1,82
Dividend Yield	0,00%	0,00%	2,37%	1,34%
Net Debt/EBITDA (x)	1,3	1,0	1,6	1,3
Net Debt/Equity (x)	0,5	0,3	0,4	0,3
ROAE	47,6%	19,6%	12,5%	11,2%
ROAA	18,1%	9,1%	6,0%	5,4%
Valuation Metrics	**2023**	**2024**	**2025E**	**2026E**
P/E	1,55	2,73	3,70	3,73
EV/EBITDA	3,36	3,68	3,77	3,60
EV/Sales	0,89	0,82	0,78	0,73
P/BV	0,57	0,46	0,42	0,38
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	7,59	-7,33	8,29	1,41
US$ Return (%):	6,11	-10,23	8,02	-16,71
BIST-100 Relative (%):	-1,55	-16,69	1,38	-15,93

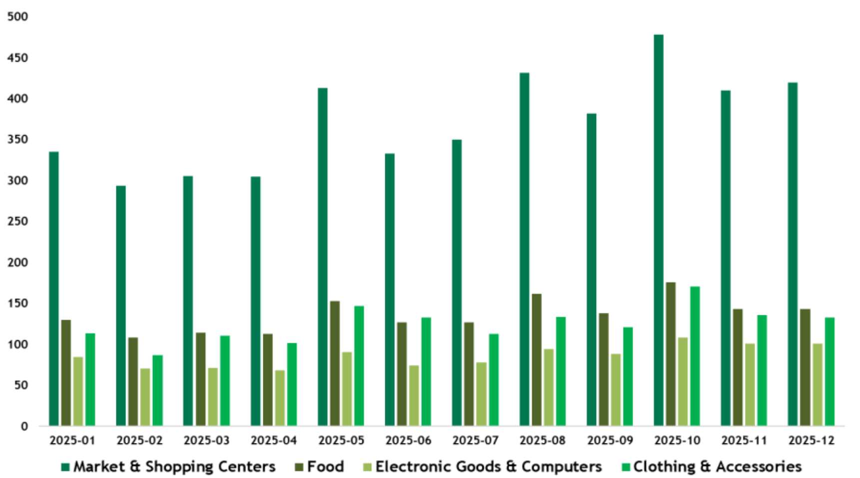


Source: Turkish Airlines, PDP, Finnet, Seker Invest Research

Retail Sector

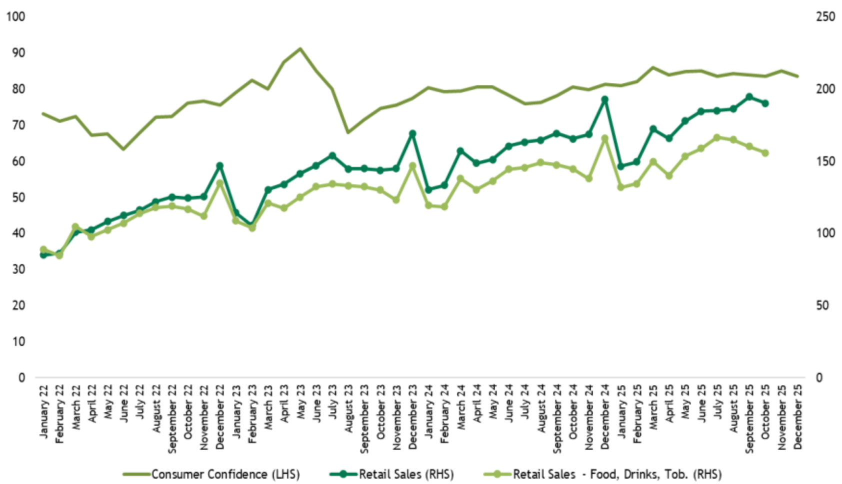
- The food retail sector concluded 2025 in a high-inflation environment, characterized by strong nominal revenue growth, while real sales growth remained relatively flat. The inability to fully offset the erosion in purchasing power throughout the year limited a meaningful recovery in real consumption, while customer traffic exhibited a flat to declining trend compared to previous years. Although the 30% increase in the minimum wage implemented at the beginning of the year supported household incomes, the absence of any additional wage adjustment during the year proved insufficient to counterbalance the weakening in purchasing power amid elevated price levels.
- According to TURKSTAT data, despite a broadly flat trend in consumer confidence throughout 2025, retail sales growth was sustained; however, a deceleration became evident in the food, beverage, and tobacco category during the second half of the year. Based on CBRT card spending statistics, market & shopping expenditures increased by 69.4% YoY in 2025, while food expenditures rose by 57.5% YoY. The share of market & shopping expenditures within total card spending increased to 30.5% (2024: 28.6%), whereas the share of food expenditures remained broadly flat at 11.2% (2024: 11.3%). In our view, the increase in essential consumption expenditures has been driven predominantly by price effects rather than volume growth.

Figure 1: CBRT, Debit & Credit Card Total Expenditure Amount (TRY bn)



Source: CBRT, EVDS

Figure 2: Consumer Confidence and Retail Sales (%)



Source: TURKSTAT

Retail Sector

- Intense competition continued to define the sector in 2025, with companies supporting their operations through multi-channel growth strategies such as online sales, food delivery services, and packaged ready-meal production. Store openings maintained a moderate pace, with new store investments proceeding at a lower speed. As of 9M25 traffic growth remained in a slightly positive/negative band, while basket size and sales per store exhibited a more stable trend, indicating that the sector is growing more through pricing and product mix rather than traffic and volume.

# of Stores (QoQ)	3Q24	4Q24	1Q25	2Q25	3Q25
Bim		**1,5%**	**1,7%**	**1,9%**	**1,1%**
Bim Türkiye		1,1%	1,4%	1,6%	0,9%
File		5,5%	2,8%	5,8%	5,4%
Bim Fas		4,0%	4,9%	5,0%	3,3%
Bim Mısır		6,1%	1,7%	1,6%	0,9%
Migros		**2,0%**	**0,5%**	**1,2%**	**1,3%**
Migros (M, MM, MMM)		2,1%	1,1%	1,1%	1,5%
Migros Jet		0,9%	-0,8%	0,4%	0,1%
5M		0,0%	0,0%	0,0%	-3,7%
Toptan		-3,3%	0,0%	0,0%	0,0%
Macrocenter		7,0%	3,0%	6,8%	5,5%
Mion		6,4%	0,0%	2,0%	2,9%
Petimo					
**** Online Service Stores***		***10,3%***	***2,1%***	***7,0%***	***21,1%***
Şok Marketler		**0,2%**	**0,3%**	**0,2%**	**0,2%**

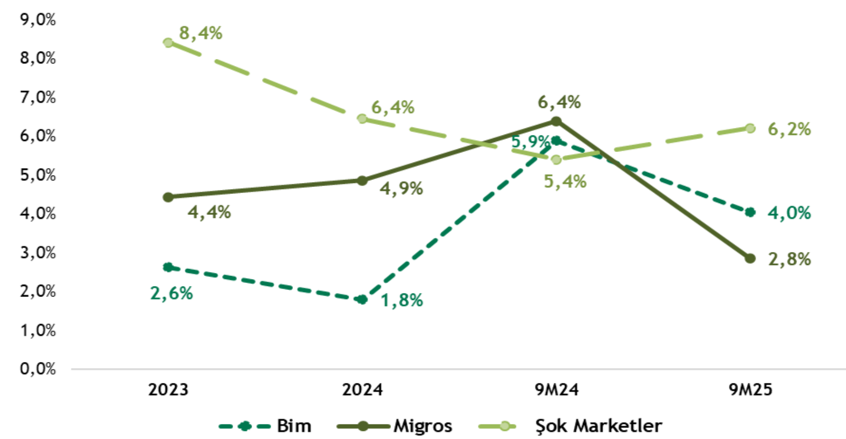
LfL Sales Growth (%) (Exc. IAS 29)	3Q24	4Q24	1Q25	2Q25	3Q25
Bim	63,8%	57,6%	48,1%	40,0%	38,9%
Migros	49,7%	40,2%	35,1%	28,2%	32,0%

LfL Basket Size Growth (%) (Exc. IAS 29)	3Q24	4Q24	1Q25	2Q25	3Q25
Bim	63,0%	54,9%	47,4%	37,8%	37,8%
Migros	54,4%	47,3%	40,3%	34,1%	35,0%

LfL Customer Traffic Growth (%)	3Q24	4Q24	1Q25	2Q25	3Q25
Bim	0,5%	1,8%	0,5%	1,6%	0,8%
Migros	-3,0%	-4,8%	-3,7%	-4,4%	-2,2%
Şok Marketler	-0,9%	-1,4%	-0,7%	0,9%	1,9%

Source: Bim, Migros, Sok Marketler

Figure 3: FCF/Net Sales (%)



Source: Bim, Migros, Sok Marketler

We expect 2026 to be a year in which real growth, cash generation capacity, and margin sustainability come to the forefront rather than nominal growth. We assume that customer traffic can be largely preserved and store openings will continue at a selective pace. The 27% min. wage increase may create limited pressure on personnel expenses, while store costs—driven by energy prices and rental rates—represent downside risks. A potential flat/slightly negative trend in customer traffic, coupled with a more stagnant growth pattern in sales per store, could create negative pressure on sector performance.

Bim (OP, 12M TP: TRY 800.00) Upside: 36%

Defensive & Positive Stance Underpinned by Expected Operational Improvement…

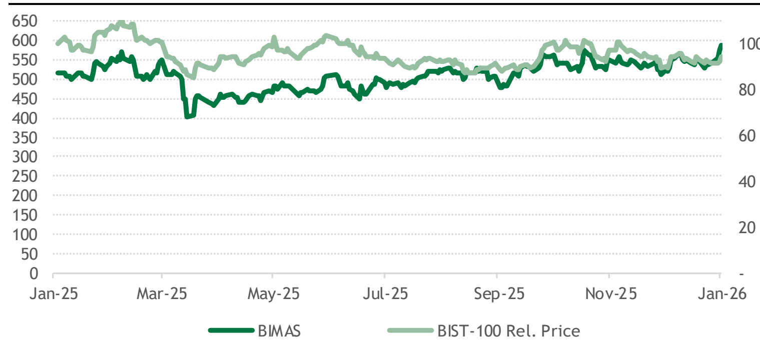
We have revised our target price for Bim upward from TRY 772.00/sh **to TRY 800.00/shr**, while maintaining our **"OUTPERFORM"** recommendation. As of the closing price on January 7, 2026, the stock is trading at 2026E EV/EBITDA of 6.3x and 2026E P/E of 12.2x, implying an upside potential of 36%. We have a **positive outlook for Bim**, one of the companies that has managed to stand out in the food retail sector, thanks to the expansion of the private-label product portfolio, the strong contribution from FİLE stores, and store basket growth in nominal terms outperforming both inflation and Bimflation were the key drivers behind BİM's solid performance in 2025.

We expect net sales to grow by 22.5% YoY in 2026, supported by a recovery in store traffic, sustained pricing power, and continued growth in LfL sales. Given competitive dynamics and input costs, we anticipate that gross margin expansion will remain gradual. With the expected recovery in operating profitability, we forecast EBITDA to reach TRY 60.9bn in 2026, with the EBITDA margin improving from 5.4% to 6.7%. In our view, focusing on EBITDA and cash generation capacity rather than net profit is a more appropriate approach for valuing BİM.

Always at a premium to its peers on strong organic growth and a debt-free financial structure already appreciated by investors. In parallel with sustainable growth in net profit and the maintenance of targeted EBITDA levels, overseas operations approaching maturity, rising growth appetite domestically and internationally, and a successful business model, we continue to favor BİM's shares. We appreciate BIMAS as the Company is debt free, has no FX risk, and has a strong cash-flow to equity ratio. We project a dividend yield of 2.2% based on 2025E earnings.

Code	BIMAS TI / BIMAS IS	Close	587,00
MCap (TRY mn)	352.200	Last 12M High	590,50
MCap (US$ mn)	8.196	Last 12M Low	394,02
EV (TRY mn)	382.021	Beta	1,03
EV (US$ mn)	8.914	Avg. Daily Trading Vol. (US$ m)	79,7
Free Float (%)	71,60	Foreign Ownership in FF (%)	46,67

Key Figures (TRY mn)	* 2023	* 2024	2025E	2026E
Revenues	620.692	680.073	743.698	910.739
Growth (%)		*9,6%*	*9,4%*	*22,5%*
EBITDA	25.987	29.527	40.067	60.854
EBITDA Margin (%)	*4,2%*	*4,3%*	*5,4%*	*6,7%*
Net Profit	29.180	24.329	23.927	28.796
EPS (TRY)	48,06	40,07	39,88	47,99
Dividend Yield (%)	1,7%	2,2%	2,2%	2,3%
Net Debt/EBITDA (x)	1,36	1,51	0,82	0,55
Net Debt/Equity (x)	0,27	0,29	0,22	0,19
ROAE (%)	22,1%	17,0%	15,6%	17,4%
ROAA (%)	10,4%	8,3%	7,4%	7,9%
Valuation Metrics	*** 2023**	*** 2024**	**2025E**	**2026E**
P/E	12,1	14,5	14,7	12,2
EV/EBITDA	14,7	12,9	9,5	6,3
EV/Sales	0,6	0,6	0,5	0,4
P/BV	2,7	2,3	2,3	2,0
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	15,1	4,4	9,4	12,8
US$ Return (%):	13,5	1,2	9,1	-7,4
BIST-100 Relative (%):	5,3	-6,1	2,4	-6,5



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

** 2023 & 2024 financials are indexed according to 2025 with IAS-29.*

Migros (OP, 12M TP: TRY 850.00) Upside: 46%

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

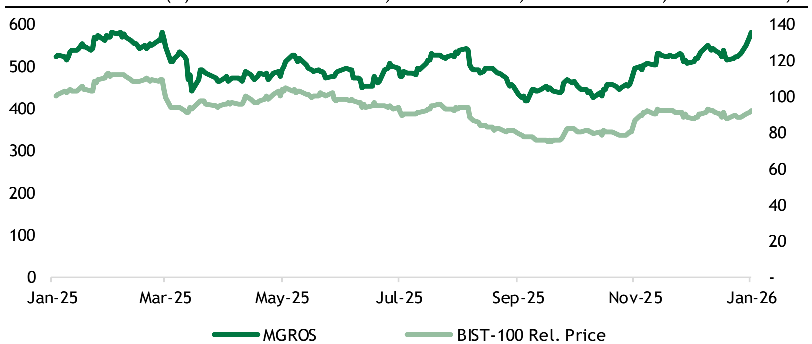
We have revised our target price for Migros upward from **TRY 780.00/shr to TRY 850.00/shr**, while maintaining our **"OUTPERFORM"** recommendation. As of the closing price on January 7, 2026, the stock is trading at 2026E EV/EBITDA of 2.8x and 2026E P/E of 10.5x, implying 46% upside potential.

Despite high inflation and an increasingly competitive landscape, we view positively Migros' ability to expand its FMCG market share through a multi-channel growth strategy. We expect the increase in store count and associated sales area, along with the positive contribution from online channels, to continue supporting net sales in 2026.

Strong FCF generation, real sales growth, and total financial debt levels that remain significantly lower compared to previous years underpin our constructive view on the Company. In addition, efficiency-enhancing initiatives have driven improvements in gross profitability despite price discounts, which we believe can support a more favorable medium-to-long-term margin outlook. Furthermore, stronger LfL sales and basket growth relative to peers differentiate Migros, while low but positive customer traffic should continue to support basket size expansion.

Code	MGROS TI / MGROS IS	Close	581,00
MCap (TRY mn)	105.193	Last 12M High	587,42
MCap (US$ mn)	2.448	Last 12M Low	412,49
EV (TRY mn)	105.033	Beta	0,92
EV (US$ mn)	2.444	Avg. Daily Trading Vol. (US$ m)	28,1
Free Float (%)	50,82	Foreign Ownership in FF (%)	32,19

Key Figures (TRY mn)	2023	2024	2025E	2026E
Revenues	343.111	384.535	411.823	539.191
Growth (%)		*12,1%*	*7,1%*	*30,9%*
EBITDA	5.939	20.676	27.334	36.940
EBITDA Margin (%)		*5,4%*	*6,6%*	*6,9%*
Net Profit	16.830	8.605	7.898	10.065
EPS (TRY)	92,95	47,53	43,62	55,59
Dividend Yield (%)	1,2%	1,7%	2,3%	2,9%
Net Debt/EBITDA (x)		-0,09	-0,27	-0,45
Net Debt/Equity (x)		-0,03	-0,09	-0,17
ROAE (%)	28,1%	12,0%	10,0%	11,2%
ROAA (%)	10,3%	4,6%	3,7%	4,0%
Valuation Metrics	**2023**	**2024**	**2025E**	**2026E**
P/E	6,3	12,2	13,3	10,5
EV/EBITDA	17,7	5,1	3,8	2,8
EV/Sales	0,3	0,3	0,3	0,2
P/BV	1,5	1,4	1,3	1,1
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	14,3	25,3	11,3	11,9
US$ Return (%):	12,7	21,4	11,0	-8,1
BIST-100 Relative (%):	4,6	12,7	4,2	-7,3



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

** 2023 & 2024 financials are Indexed according to 2025 with IAS-29.*

Automotive Sector

- The automotive sector delivered a stronger-than-expected performance in 2025, contrary to initial expectations. Improved vehicle availability, front-loaded demand in EV's ahead of the new SCT regulation, and aggressive promotional activity driven by intense price competition supported sales momentum throughout the year. The limited depreciation of the TRY against EUR and USD, increased competitive pressure from Chinese OEMs, and tighter financing conditions put pressure on the pricing strategies of domestic producers.
- Domestic PC + LCV retail sales grew by 10.49% YoY in 2025, reaching 1.37mn units (FY24: 1.24mn units). PC retail sales rose by 10.62% YoY to 1.08mn units (FY24: 980k), while LCV retail sales increased by 9.97% YoY to 284k units (FY24: 258k). On the supply side, total production reached 1.32mn units in 11M25, up 2.7% YoY (11M24: 1.28mn), while exports increased by 4.6% YoY to 971k units (11M24: 928k).

Figure 01: Domestic Auto Market (unit sales, thousand)

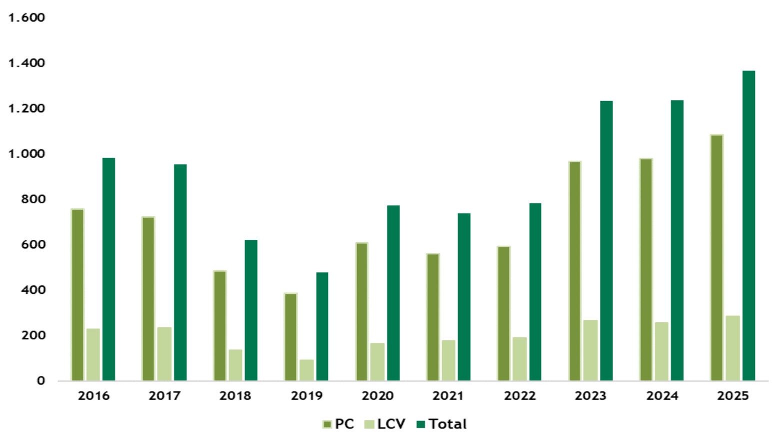
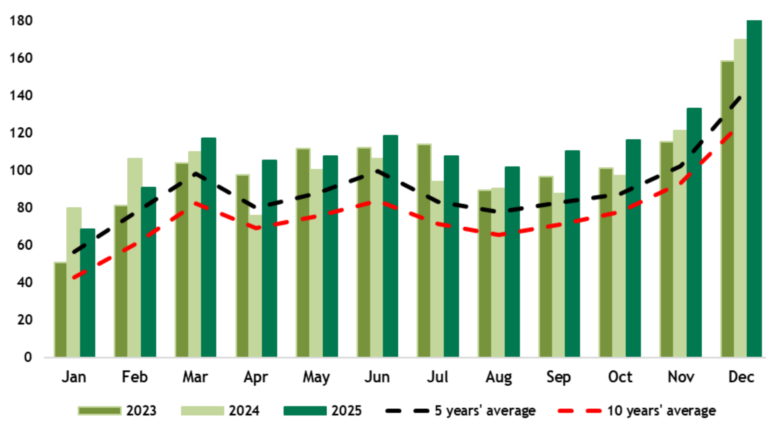


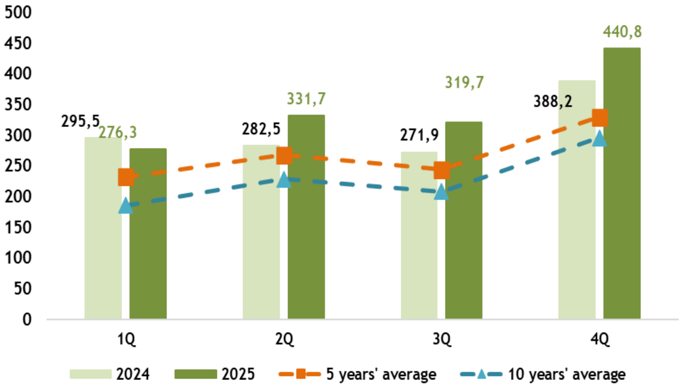
Figure 02: Monthly Domestic (PC + LCV: unit sales, thousand)



Source: Automotive Manufacturers Association, Automotive Distributors' & Mobility Association, Seker Invest

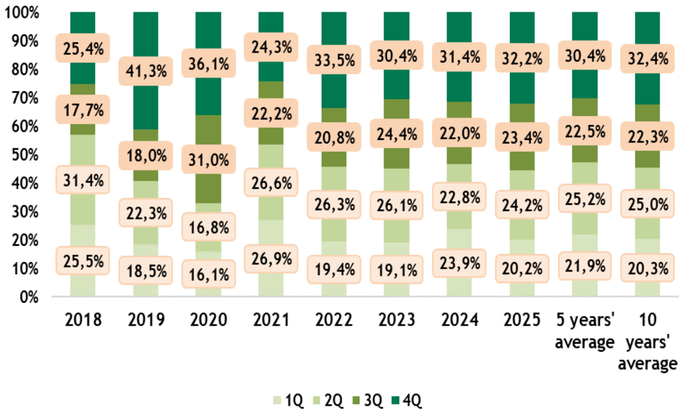
Automotive Sector

Figure 03: Quarterly Domestic (PC + LCV: unit sales, k)



Source: Automotive Manufacturers Association, ADMA

Figure 04: Quarterly Sales Distribution (PC + LCV) (%)

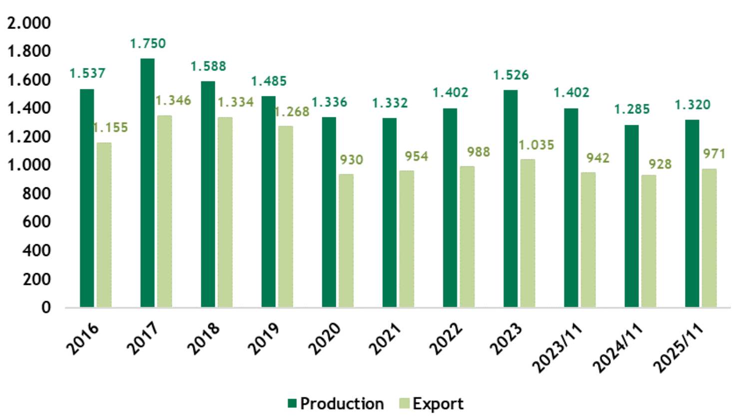


Source: ADMA

In the EU market, demand remained subdued in 2025 due to weak macro conditions, high interest rates, and low consumer confidence. Electrification progressed more slowly than expected as incentive cuts, insufficient charging infrastructure, and consumer hesitancy weighed on EV penetration, while hybrid models gained share. Competitive pressure intensified as Chinese OEMs pursued aggressive pricing and product positioning, creating segment-level price pressure on European manufacturers.

Following a record market size in 2025, we expect more normalized market conditions in 2026. Assuming a gradual improvement in financing availability, domestic demand could track similar levels to 2025. Increasing EV penetration and new model launches are also expected to support sales volumes. Key downside risks include intensifying competition leading to weaker pricing, persistent financing constraints for consumers, and a flat/weak EU market weighing on exporters. In addition, if Türkiye is excluded from the EU's "Made in Europe" criteria within the EV incentive framework, export volumes could come under pressure amid already weak EU demand conditions.

Figure 05: Production and Export (Unit, thousand)



Dogus Otomotiv (OP, 12M TP: TRY 302.90) Upside: 48%

Market Share Maintained as the Operational Outlook Strengths...

We maintain our TP for Doğuş Otomotiv of TRY 302.90/shr to **TRY 302.90/shr**, and our **"OUTPERFORM"** recommendation. As of the closing price on January 7, 2026, the stock is trading at 2026E EV/EBITDA of 3.3x and 2026E P/E of 4.2x, implying an upside potential of 48%.

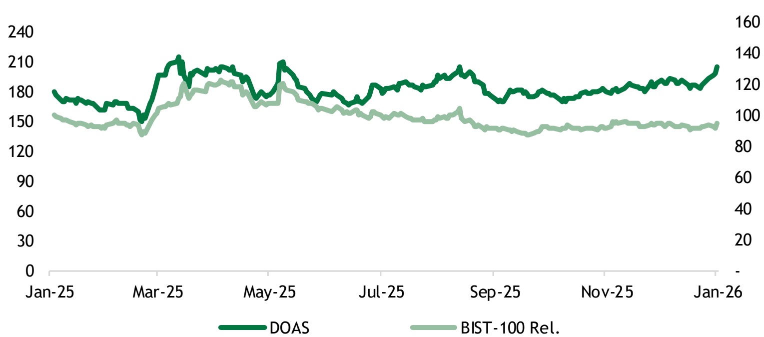
Doğuş Otomotiv's total vehicle sales, including Škoda, reached 206.5k units in 12M25 (up 12.2% YoY), while total market share increased to 15.1% (PC + LCV + HCV). In the PC segment, including Škoda, we expect total PC sales to continue growing in 2026 at a low-to-flat single-digit. In the LCV segment, we assume that growth may decelerate in 2026 due to intensifying competition and base effects. In the HCV segment, we believe a limited contraction may materialize in 2026, largely in line with domestic market conditions.

We expect an improving profitability outlook from 2026 onward. On the EBITDA front, supported by a strong sales outlook and relatively well-contained operating expenses, we forecast a gradual margin recovery following 2025. Based on an operationally driven normalization, relatively insulated from accounting effects and supported by contributions from associates/joint ventures, we project net income to increase by 47% YoY in 2026, with the net profit margin improving by 0.5pp to 3.4%.

The Company's market share gains in 2025 are expected to be sustained into 2026, underpinned by a strategic focus on profitability and market penetration, especially on EV's. We view the Company's alignment with electrification trends as a critical advantage, bolstered by its strategy to introduce at least one electric model across its brand portfolio. Moreover, we foresee the continued growth of TÜVTÜRK's contributions to the Company's Financials. Other business lines, including the expanding REIT portfolio and the D-Charge EV charging network, are likely to provide incremental value to Doğuş Otomotiv's operational ecosystem. We see the Company's initiative to expand VW-branded PC sales and after-sales services into Iraq, Azerbaijan, and the Syrian Arab Republic as a potential medium-term growth catalyst. For 2025 and 2026, we estimate dividend yields of 9.2% and 13.5%, respectively.

Code	DOAS TI/DOAS IS	Close	204,40
MCap (TRY mn)	44.968	Last 12M High	220,51
MCap (US$ mn)	1.046	Last 12M Low	148,48
EV (TRY mn)	68.814	Beta	0,79
EV (US$ mn)	1.621	Avg. Daily Trading Vol. (US$ m)	11,2
Free Float (%)	39,50	Foreign Ownership in FF (%)	19,12

Key Figures (TRY mn)	* 2023	* 2024	2025E	2026E
Revenues	282.044	246.568	274.774	340.706
Growth (%)		*-12,6%*	*11,4%*	*24,0%*
EBITDA	46.634	21.912	17.075	23.301
EBITDA Margin (%)	*16,5%*	*8,9%*	*6,2%*	*6,8%*
Net Profit	37.082	9.938	7.791	11.457
EPS	168,55	45,17	35,41	52,08
Dividend Yield	23,0%	15,7%	8,7%	12,7%
Net Debt/EBITDA (x)	0,13	0,16	1,52	1,19
Net Debt/Equity (x)	0,07	0,05	0,35	0,32
ROAE (%)	64,7%	13,1%	10,5%	14,3%
ROAA (%)	42,7%	8,0%	5,9%	7,6%
Valuation Metrics	*** 2023**	*** 2024**	**2025E**	**2026E**
P/E	1,2	4,5	5,8	4,2
EV/EBITDA	1,5	3,1	4,1	3,3
EV/Sales	0,2	0,3	0,3	0,2
P/BV	0,6	0,6	0,6	0,5
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	8,9	15,3	8,7	14,8
US$ Return (%):	7,4	11,7	8,4	-5,7
BIST-100 Relative (%):	-0,4	3,7	1,7	-4,8



Source: PDP, Dogus Otomotiv, Finnet, Seker Invest Research Estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

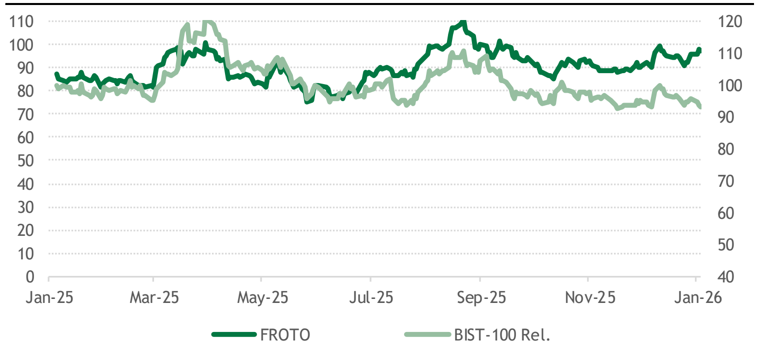
Ford Otosan (OP, 12M TP: TRY 143.00) Upside: 47%

We maintain our TP of TRY 143.00/shr for the Company and our "OUTPERFORM" recommendation. Based on the January 7, 2026 closing price, Ford Otosan is currently trading at 2026E EV/EBITDA of 6.4x and 2026E P/E of 6.8x. Ford Otosan increased its LCV sales by 10.5% YoY to 83,131 units in 2025 (2024: 75,245 units), while PC sales declined by 10.8% YoY to 26,454 units (2024: 29,662 units). As a result, the Company's total sales rose by 4.5% YoY to 109,585 units (2024: 104,907 units). Ford Otosan strengthened its position in the LCV market by increasing its share to 29.3% (2024: 29.1%).

While the discontinuation of the Ford Focus model is expected to weigh on the PC segment from 2026 onwards, we believe this impact can be gradually offset through a stronger product mix. Ramp-up processes for new models have largely stabilized, although certain variants are expected to continue ramping into 2026. Although economic uncertainty in the EU market and insufficient charging infrastructure & incentive mechanisms keep the demand outlook unclear, a potential recovery in demand amid easing macro conditions represents an upside risk for the Company. In this context, we expect export volumes to remain broadly flat in 2026, largely driven by demand conditions in the EU market. Assuming a gradual improvement in CUR, we forecast the 2026 operational outlook to track broadly in line with 2025. Over the medium to long term, we remain constructive on Ford Otosan given progress in electrification and the contribution of new product launches. Despite near-term weakness in PC and lingering uncertainty in the European market, we maintain a defensively positive view on Ford Otosan supported by its strong LCV market positioning, export-oriented business model, solid product mix, and cost-plus export contracts.

Code	FROTO TI/FROTO IS	Close	97,55
MCap (TRY mn)	342.313	Last 12M High	111,01
MCap (US$ mn)	7.966	Last 12M Low	73,99
EV (TRY mn)	440.085	Beta	0,91
EV (US$ mn)	10.321	Avg. Daily Trading Vol. (US$ m)	33,3
Free Float (%)	20,31	Foreign Ownership in FF (%)	36,43

Key Figures (TRY mn)	* 2023	* 2024	2025E	2026E
Revenues	778.423	778.804	849.268	1.122.170
Growth (%)	*27,7%*	*0,0%*	*9,0%*	*32,1%*
EBITDA	80.714	52.184	51.026	68.519
EBITDA Margin (%)	*10,4%*	*6,7%*	*6,0%*	*6,1%*
Net profit	92.706	50.869	36.547	50.541
EPS (TRY)	26,42	14,50	10,42	14,40
Dividend Yield (%)	5,9%	8,0%	4,3%	3,4%
Net Debt/EBITDA (x)	1,42	1,75	2,08	1,58
Net Debt/Equity (x)	0,83	0,60	0,78	0,59
ROAE (%)		35,2%	25,5%	31,7%
ROAA (%)	25,1%	12,1%	9,1%	12,2%
Valuation Metrics	*** 2023**	*** 2024**	**2025E**	**2026E**
P/E	0,5	1,6	9,4	6,8
EV/EBITDA	0,5	1,7	8,6	6,4
EV/Sales	0,1	0,1	0,5	0,4
P/BV	0,3	0,6	2,5	1,9
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	7,4	6,8	5,3	12,0
US$ Return (%):	6,0	3,4	5,0	-8,0
BIST-100 Relative (%):	-1,7	-4,0	-1,4	-7,2



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

** 2023 & 2024 financials are Indexed according to 2025 with IAS-29.*

Tofas (OP, 12M TP: TRY 338.50) Upside: 21%

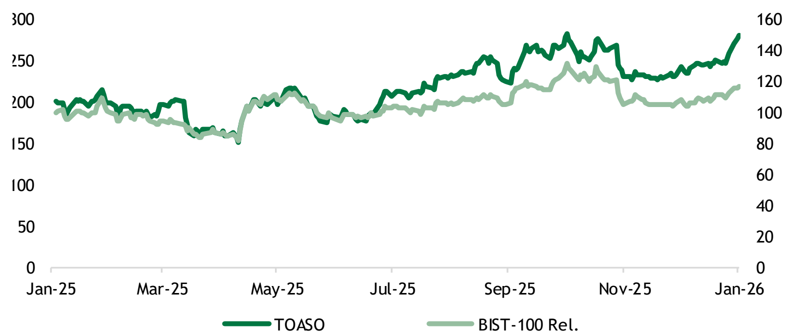
We are revising our target share price for Tofas slightly upward from TRY 284.70/shr to **TRY 338.50/shr**, while maintaining our "**OUTPERFORM**" recommendation. Based on the closing price as of January 7, 2026, Tofas is trading at 2026E 8.4x EV/EBITDA and 2026E P/E of 13.9x, indicating a 21% upside potential.

Tofaş has commenced production of the K0 model's LCV and Combi versions for Fiat, Opel, Citroën and Peugeot, targeting 1mn units over 2024–2032, with a contract in place for 230k units to be exported to North America. We expect the Scudo (K0) model's contribution to LCV sales to increase gradually. In addition, the planned launch of the K9 model's LCV and Combi versions for Stellantis brands as of 3Q26 constitutes a positive catalyst for the Tofas's growth outlook. The K9 model's strategic focus on Türkiye and MEA market is likely to support operations over the long term. Meanwhile, the extension of Egea contracts until 2H26 provides short-term protection on the PC side; however, over the medium to long term, the news flow around potential successor models and associated investment programs will remain a key focus.

We view the Tofas's financials supported by take-or-pay agreements, together with the brand strength of FCA and PSA, as positive for the operational outlook. Following the completion of the Stellantis Otomotiv consolidation, we expect the impact on financial performance to become more visible over the medium term.

Code	TOASO TI/TOASO IS	Close	280,75
MCap (TRY mn)	140.375	Last 12M High	285,25
MCap (US$ mn)	3.266	Last 12M Low	150,10
EV (TRY mn)	159.922	Beta	1,09
EV (US$ mn)	3.737	Avg. Daily Trading Vol. (US$ m)	37,0
Free Float (%)	24,52	Foreign Ownership in FF (%)	23,71

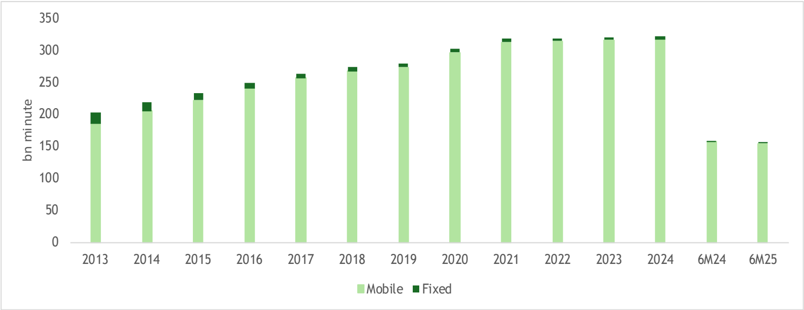
Key Figures (TRY mn)	* 2023	* 2024	2025E	2026E
Revenues	241.141	157.420	307.611	481.692
Growth (%)		*-34,7%*	*95,4%*	*56,6%*
EBITDA	37.152	12.147	9.377	18.958
EBITDA Margin (%)	*15,4%*	*7,7%*	*3,0%*	*3,9%*
Net Profit	28.505	6.834	5.619	10.118
EPS	57,01	13,67	13,79	20,73
Dividend Yield	8,9%	5,2%	2,4%	3,6%
Net Debt/EBITDA (x)	-0,39	0,51	2,21	0,26
Net Debt/Equity (x)	-0,35	0,17	0,33	0,06
ROAE (%)		10,4%	9,0%	13,6%
ROAA (%)		5,1%	4,0%	4,9%
Valuation Metrics	*** 2023**	*** 2024**	**2025E**	**2026E**
P/E	4,9	20,5	25,0	13,9
EV/EBITDA	4,3	13,2	17,1	8,4
EV/Sales	0,7	1,0	0,5	0,3
P/BV	1,8	2,1	3,5	2,8
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	20,2	0,7	13,7	46,0
US$ Return (%):	18,6	-2,4	13,4	19,9
BIST-100 Relative (%):	10,0	-9,5	6,4	21,0



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

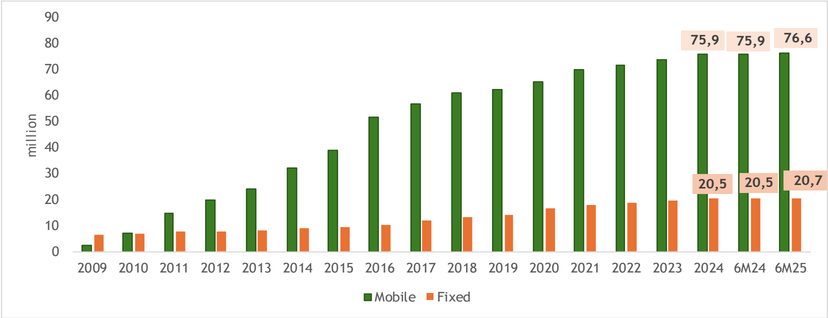
**2023 and 2024 financials are Indexed according to 2024 with IAS -29*

Total Annually Call Traffic (bn mt)



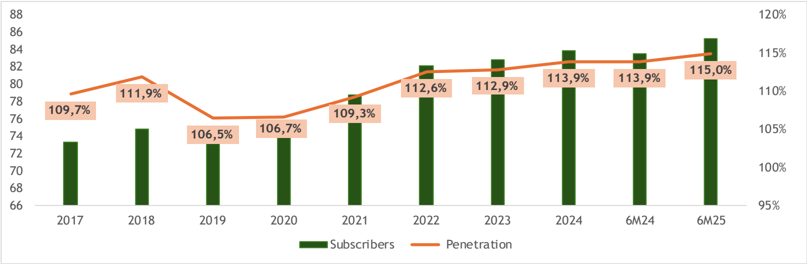
Source: ICTA

Broadband Internet Subscribers (mn)



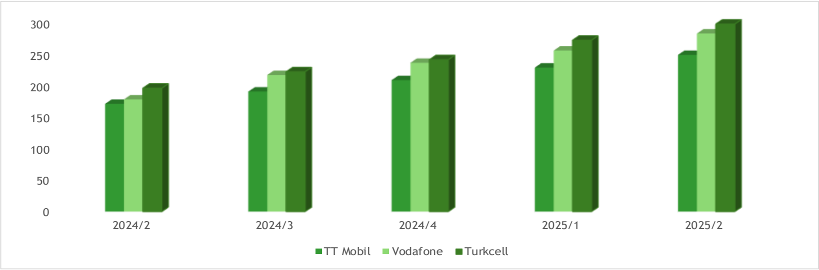
Source: ICTA

Mobile Subscribers and Penetration



Source: ICTA

ARPU by Operators (Monthly Revenue per Subscriber)



Source: ICTA

2025 marked a period in which structural transformation in the telecommunications sector accelerated both in Türkiye and globally, characterized by intensified investments in technological infrastructure and a more pronounced shift in the revenue mix toward data-centric services. Growth in mobile subscriber numbers, the acceleration of fiber deployment, the uninterrupted increase in data consumption, and strong growth in digital business services revenues were among the key factors supporting sector demand dynamics throughout the year.

Mobile market subscriber dynamics and ARPU outlook - According to the Information and Communication Technologies Authority (BTK) data for the 2025/06 period, the number of fixed-line subscribers reached 8.8 million, while mobile subscribers increased to approximately 96.5 million. Mobile penetration stood at 112.6%, rising to 115% when machine-to-machine (M2M) lines and the population aged 0–9 are excluded.

Telecommunications

The strong growth in data traffic was supported by factors such as video streaming, cloud-based applications, multi-device usage, and the expansion of the gaming ecosystem. Meanwhile, the increasing share of postpaid subscriptions within the total subscriber base had a positive impact on operators' ARPU metrics. In line with rising data consumption and the strengthening trend of migration from prepaid to postpaid plans, we expect mobile revenues to evolve into a healthier, more predictable, and sustainable structure in 2026.

Infrastructure investments and preparations for the transition to 5G - One of the most critical developments in 2025 was the 5G frequency auction held in October. The auction represented a strategic milestone in Türkiye's transition to next-generation mobile communication technologies and signaled that 5G services will be gradually rolled out starting in 2026. Throughout 2025, operators made substantial investments in areas such as core network modernization, expansion of fiber infrastructure, and network capacity enhancements. These investments are critical not only for mobile broadband, but also for Internet of Things (IoT) applications, Industry 4.0, smart city projects, and industrial use cases requiring ultra-low latency.

Fiber expansion and fixed broadband growth - In 2025, the number of fiber subscribers and fixed broadband penetration increased significantly. The diversification of digital content consumption, the permanence of remote working practices, and the migration of essential services such as education and healthcare to online platforms further strengthened demand for fixed internet infrastructure. Operators' fiber deployment strategies not only expanded household coverage but also played a strategic role in meeting the backhaul requirements of 5G base stations.

Growth in digital business services, data centers, and cloud services - In 2025, telecom companies extended their revenue models beyond traditional subscription services, placing strategic emphasis on high value-added segments such as digital business services, enterprise IT solutions, cybersecurity services, cloud offerings, and data center operations. Rising digitalization demand in the enterprise segment accelerated the positioning of telecom operators as comprehensive technology service providers, rather than pure connectivity providers.

Competitive dynamics and financial sustainability - Competitive intensity among operators remained elevated in 2025, as evidenced by high activity in the mobile number portability market. While subscriber acquisition became increasingly costly, price sensitivity and product bundle diversity moved to the center of competitive strategies. High investment requirements, combined with exchange rate and interest rate volatility, underscored the need for careful management of financial sustainability. Cash flow pressures, the balance between investments and revenues, and operational efficiency emerged as key challenges for the sector in 2025.

Our expectations for 2026 point to continued real ARPU growth, driven by a rising share of postpaid subscribers, a shift in package composition toward data-heavy offerings, and the continuation of gradual price adjustments in data-focused tariffs. In addition, we expect growth momentum to be sustained through increasing data consumption, the expansion of digital services, and continued acceleration in enterprise IT solutions.

Nevertheless, the following risks remain key factors requiring close management:

- Rising foreign-currency-denominated investment costs
- Cash flow pressure due to high capital expenditures
- Intense competition and pricing pressure
- Risk of increasing leverage

However, over the medium to long term, we believe that the scaling of the 5G ecosystem, enterprise digitalization, cloud services, security solutions, data center services, and value-added digital business services will help offset these risks and support the sector's sustainable growth trajectory.

Turkcell (OP, 12M TP: TRY 140.00) Upside: 41%

We expect the Google Cloud partnership to strengthen Turkcell's technology leadership and support its sustainable growth trajectory.

Despite challenging macro conditions in the telecom sector, Turkcell delivered a strong and well-balanced performance in 2025. In addition to growth driven by data usage and a focus on postpaid subscribers, expansion in digital business services (such as data centers) and the Techfin segment helped the company maintain operational resilience throughout the year. Looking ahead, given that the first two installments of the 5G license fee will be paid in 2026, and that USD 1 billion of investments are planned for three data centers to be completed by 2032 as part of the Google Cloud collaboration, we expect the share of data center investments within total capex to increase starting from 2026. However, we do not expect operational capex / revenues to exceed 24%.In addition, thanks to the Eurobond issuance at the beginning of the year and various financing facilities secured from Gulf countries to prepare for investments in 5G, data centers, and solar energy, Turkcell has proactively strengthened its financial structure. Accordingly, we expect net debt / EBITDA to remain below 1.0x in 2026.**The strategic partnership with Google Cloud announced in November 2025 stands out as one of the most critical milestones in Turkcell's transformation from a traditional telecom operator into a technology service provider.** With a USD 1 billion investment plan through 2032, the company aims to double its data center capacity and increase USD-denominated cloud revenues by approximately six times compared to current levels. Within the scope of this agreement, Turkcell becoming an authorized partner and reseller of Google Cloud is expected to provide procurement cost advantages while also strengthening margin structure on the sales side. We believe this partnership will not only create a new revenue stream, but also enable Turkcell to redirect cash flows toward higher value-added and more scalable technology solutions, compared to traditional telecom services. Overall, we view this collaboration as a strategic inflection point that diversifies Turkcell's FX-denominated revenues, enhances earnings quality, and supports its long-term growth strategy. Throughout the year, postpaid subscriber growth in mobile and rising demand for fixed broadband packages offering speeds of 100 MHz and above were key drivers supporting Turkcell's core revenues. Following the 14% mass price increase implemented in January, additional segment-based pricing actions and initiatives encouraging customers to migrate to higher-tier packages further supported revenue growth. We expect this pricing and upselling strategy to continue in 2026.

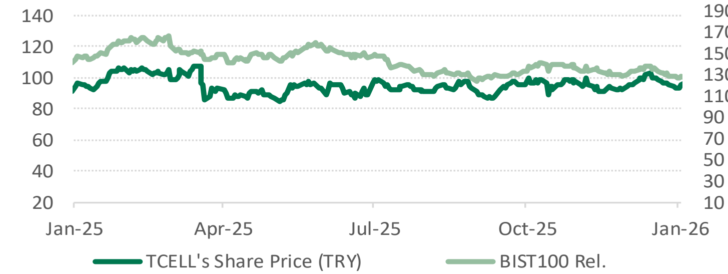
The rising postpaid subscriber ratio and pricing adjustments contributed positively to ARPU growth, while the expansion in the fiber subscriber base accelerated the shift toward a higher value-added customer mix. This trend has made the company's revenue composition more sustainable. Digital business services, data centers, cloud solutions, and cybersecurity offerings have increased revenue diversification within the enterprise segment. Digital transformation projects for corporate clients have supported revenues through high value-added contracts, while also contributing positively to margin quality.

Turkcell is also preparing to bring the 5G experience into homes through Superbox 5G modems. The Superbox 5G devices currently on sale will automatically become 5G-compatible as of 1 April 2026, when 5G services are launched. While currently operating on a 4.5G network, the new-generation Superbox 5G will operate over Wi-Fi 7 technology with 5G, targeting speeds up to ten times faster than 4.5G. This initiative aims to deliver fiber-like internet quality to households through wireless connectivity.

For 2026, we expect continued real ARPU growth driven by a higher share of postpaid subscribers and the continuation of segment-based pricing strategies. We also expect data consumption and digital business service revenues to be supported by the gradual rollout of 5G. Although capital expenditures are likely to increase in nominal terms due to high infrastructure investments, we do not expect capex / revenues to exceed 24%, supported by revenue growth. We also forecast net debt / EBITDA to remain below 1.0x.

In line with our expectations, we revise our 12-month target price for Turkcell (TCELL.TI) upward from TRY 136.60/shr to TRY 140.00/shr. Based on the January 7, 2026 closing price, our target price implies a 41% upside potential, and we maintain our OUTPERFORM recommendation.

Code	TCELL.TI	Close		98,80
MCAp (TRY m)	217.360	Last 12M High		107,10
MCAp (US$ m)	4.949	Last 12M Low		81,29
EV (TRY m)	261.676	Beta		1,05
EV (US$ m)	5.924	Avg. daily trading vol. (US$ m)		62,1
Free float (%)	44,00	Foreign ownership in FF (%)		45,1%
Key figures	***2023A**	***2024A**	**2025E**	**2026E**
Revenues	194.580	207.928	241.350	320.250
Growth		*6,9%*	*16,1%*	*32,7%*
EBITDA	88.922	92.523	103.780	130.380
EBITDA margin	*45,7%*	*44,5%*	*43,0%*	*40,7%*
Net profit	23.725	30.790	18.760	24.300
EPS	10,78	14,00	8,53	11,05
Dividend yield	2,16%	3,62%	3,39%	3,59%
Net debt /EBITDA	0,54	0,40	0,21	0,20
Net debt /Equity	0,21	0,15	0,08	0,08
ROAE		12,9%	7,1%	8,0%
ROAA		6,7%	3,9%	4,4%
Valuation metrics	***2023A**	***2024A**	**2025E**	**2026E**
P/E	9,8	8,7	11,6	8,9
EV/EBITDA	3,2	3,3	2,5	2,0
EV/Sales	0,8	1,2	1,1	0,8
P/BV	1,0	1,1	0,8	0,7
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 2025 with IAS -29*

Turk Telekom (OP, 12M TP: TRY 80.00) Upside: 35%

Normalizing pricing, strengthening subscriber and fiber dynamics…

In 2025, no price revision above inflation was implemented. In contrast, during the 2022–2024 period, price adjustments were executed above inflation, supported by strong pricing discipline and upsell-focused product and package strategies. With the contribution of these factors, real ARPU growth of 15–17% was achieved in 2023 and 2024.The 9M25 results indicate that a normalization process in pricing has begun, alongside a notable shift in the composition of growth. During this period, growth was driven primarily by subscriber base expansion rather than price increases. Indeed, the average subscriber base grew by 4.4% YoY in 2024 and accelerated to 10.9% in the first nine months of 2025, pointing to a significantly stronger subscriber acquisition momentum compared to previous years. We expect this momentum on the subscriber side to be maintained in 2026. Accordingly, we believe that in 2026, one of the key drivers of revenue growth will be subscriber acquisition and volume effects stemming from an expanding subscriber base, rather than price hikes.

On the fixed broadband side, we expect fiber infrastructure investments, which constitute Türk Telekom's core strategic focus, to remain at the center of the growth story. The rapid migration of the existing FTTC subscriber base to FTTH infrastructure is expected to enhance both connection quality and revenue potential. Following strong subscriber gains in the fiber segment in 2025, we anticipate that growth momentum will continue in 2026.

2025 guidance - While the company has maintained its guidance of 10% consolidated revenue growth (excluding IFRIC 12) and a capex-to-revenue ratio of 29% for 2025, the EBITDA margin forecast has been revised upward from 41% to 41.5%, supported by stronger-than-expected EBITDA performance in the first nine months of the year. The company assumes a year-end inflation rate of 29% for 2025 in its guidance.

We believe that TTKOM's strong fiber infrastructure provides a structural advantage in terms of backhaul connectivity for 5G base stations. While 5G license payments may create temporary pressure on capex and cash flow heading into 2026, the robust fiber backbone is expected to support revenue growth and business model quality over the medium to long term.

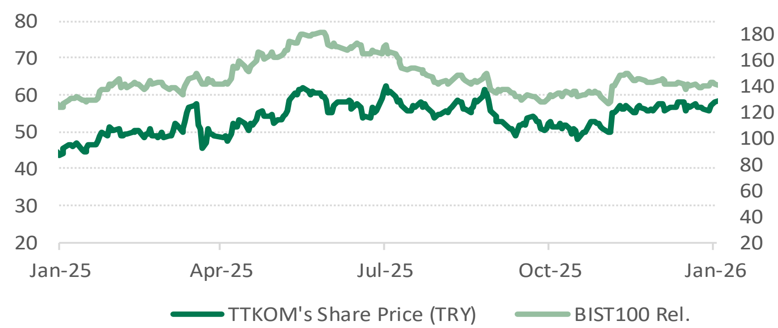
In line with our expectations, we revise our 12-month target price for Turk Telekom (TTKOM.TI) upward from TRY 72.50/shr to TRY 80.00/shr. Based on the January 7, 2026 closing price, our target price implies a 35% upside potential, and we maintain our OUTPERFORM recommendation.

Code	TTKOM.TI	Close	58,85
MCAp (TRY m)	205.975	Last 12M High	62,80
MCAp (US$ m)	4.654	Last 12M Low	44,32
EV (TRY m)	262.875	Beta	1,00
EV (US$ m)	6.139	Avg. daily trading vol. (US$ m)	27,6
Free float (%)	13,00	Foreign ownership in FF (%)	46,5%

Key figures	*2023A	*2024A	2025E	2026E
Revenues	189.330	211.589	234.895	309.250
Growth		*11,8%*	*11,0%*	*31,7%*
EBITDA	61.694	77.274	97.960	131.200
EBITDA margin	*32,6%*	*36,5%*	*41,7%*	*42,4%*
Net profit	31.034	11.068	29.200	34.875
EPS	8,87	3,16	8,34	9,96
Dividend yield	0,00%	0,00%	0,00%	0,00%
Net debt /EBITDA	1,36	0,89	0,60	0,58
Net debt /Equity	0,45	0,36	0,27	0,30
ROAE		5,9%	14,2%	14,8%
ROAA		3,1%	8,2%	9,3%

Valuation metrics	*2023A	*2024A	2025E	2026E
P/E	5,2	18,0	7,1	5,9
EV/EBITDA	4,0	3,5	2,7	2,0
EV/Sales	0,8	1,0	1,1	0,9
P/BV	0,9	1,0	0,9	0,8

Return	1M	3M	YtD	YoY
TRY Return (%):	-3,5	-1,5	23,9	12,2
US$ Return (%):	-5,3	-6,6	7,8	-8,6
BIST-100 Relative (%):	-13,5	-13,3	16,1	14,8



Source: PDP, Finnet, Seker Invest Research estimates

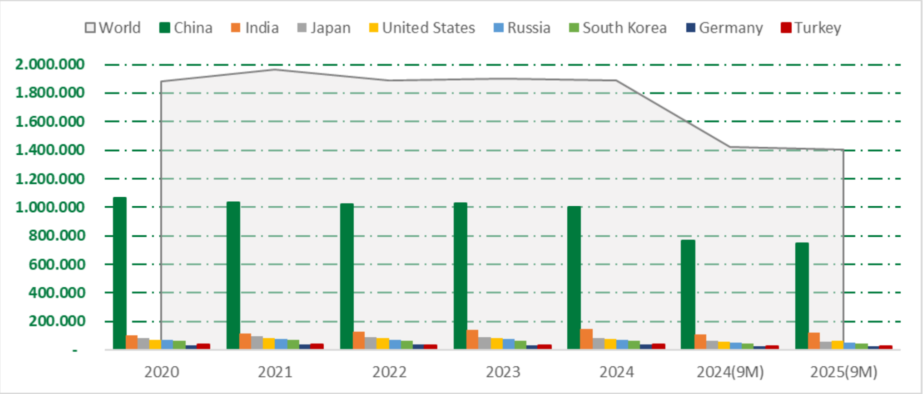
**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

Steel Sector

In 2025, the global steel industry faced a reshaped demand environment driven by ongoing geopolitical tensions and a slowdown in economic activity. While the deceleration in China's real estate sector persisted, rising excess supply—particularly across parts of Asia—was increasingly redirected to global markets through discounted and dumping-priced exports. This development prompted advanced economies such as Europe and the United States to revisit protectionist measures, leading to the reintroduction of trade defense mechanisms and higher import tariffs.

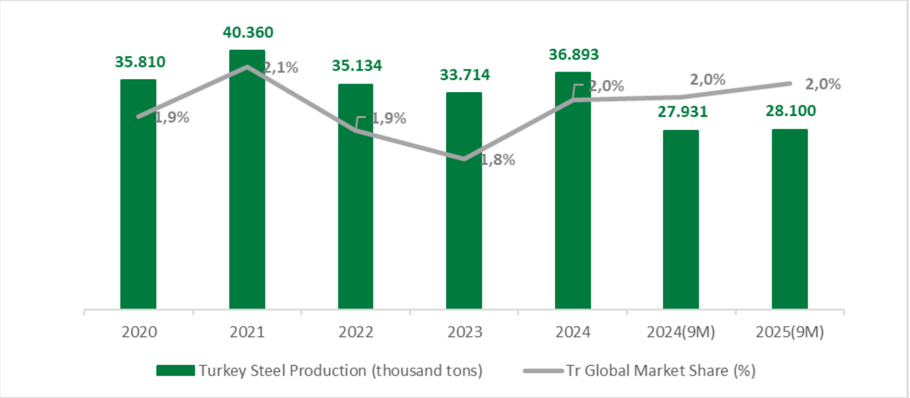
According to data from the World Steel Association (Worldsteel), global crude steel production declined by 1.16% year-on-year in the first nine months of 2025, reaching approximately 1.4 billion tons. Major steel-producing countries, including China, India, Japan, and Russia, continued to dominate global output, while Turkey's share of worldwide production remained broadly stable at around 2% on an annual basis. The accompanying charts provide a detailed view of long-term production trends among leading steel-producing countries, as well as Turkey's evolving position within the global steel market.

Global Steel Production and Key Producing Countries (2020 – 2025/9M) (thousand tonnes)



Source: *World Steel Association, Seker Invest*

Turkey's Steel Production and Global Market Share (2020 – 2025/9M), (thousand tons)



Source: *World Steel Association, Seker Invest*

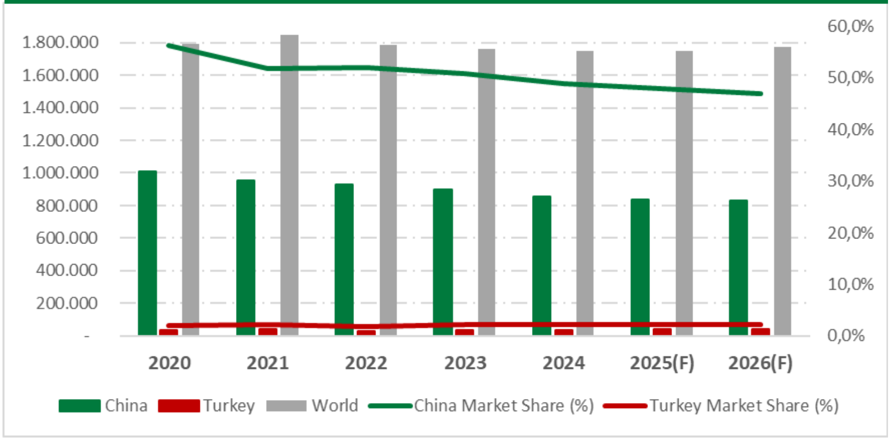
Steel Sector

During the 2020–2023 period, global steel consumption exhibited limited year-on-year fluctuations, supported by the post-pandemic recovery process. However, in 2024 and 2025, consumption levels have followed a relatively flat trajectory. Global steel consumption amounted to 1,749.4 million tons in 2024, while it is expected to remain broadly unchanged at 1,749.2 million tons in 2025. According to 2026 projections, a modest increase to 1,772.5 million tons is anticipated.

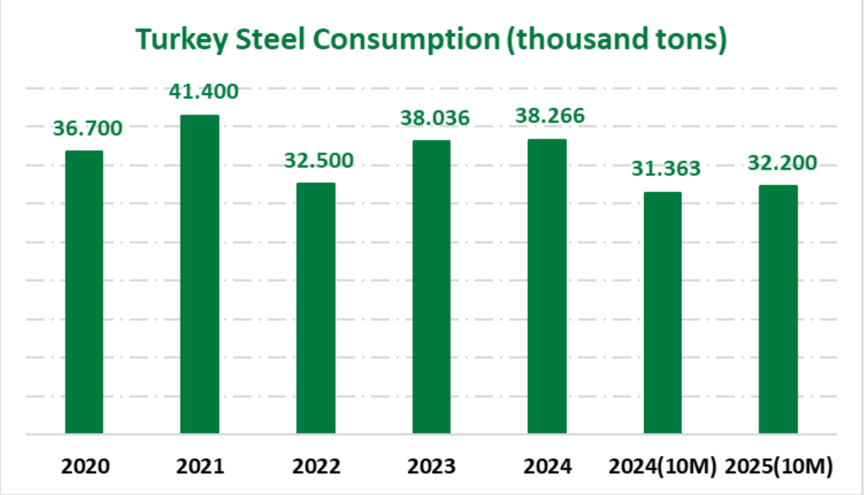
China's share in global steel consumption is projected to decline from 56.4% in 2020 to 46.9% by 2026. This gradual contraction in China's consumption reflects weak domestic demand and a low-margin environment, which have prompted producers to pursue capacity rationalization and supply discipline. In contrast, continued capacity expansions in several Asian countries, particularly India, are keeping global oversupply concerns on the agenda. In this context, regional imbalances in the global steel market are likely to persist in 2026.

In Türkiye, steel consumption experienced pronounced volatility between 2020 and 2025. Following a strong performance of 41.4 million tons in 2021, consumption declined sharply to 32.5 million tons in 2022. Although demand recovered in 2023 and 2024, the 2025 estimate of 39.7 million tons remains below the 2021 peak level. Türkiye's share in global steel consumption, which fell to 1.8% in 2022, is estimated to have increased to 2.3% in 2025.

Global Steel Consumption (k tons) & Market Share of China and Turkey (%)



Source: *World Steel Association, Seker Invest*



Source: *Turkish Steel Exporters Association, TCUD, Seker Invest*

Steel Sector

Capacity Utilization: Rising Imports and Cost Pressures

As of 2025, capacity utilization in Türkiye's basic metals industry has been hovering around 75%, while utilization rates in the steel sector have declined to below 70%. This deterioration is mainly driven by two key factors:

- Increasing import pressure
- Rising production costs

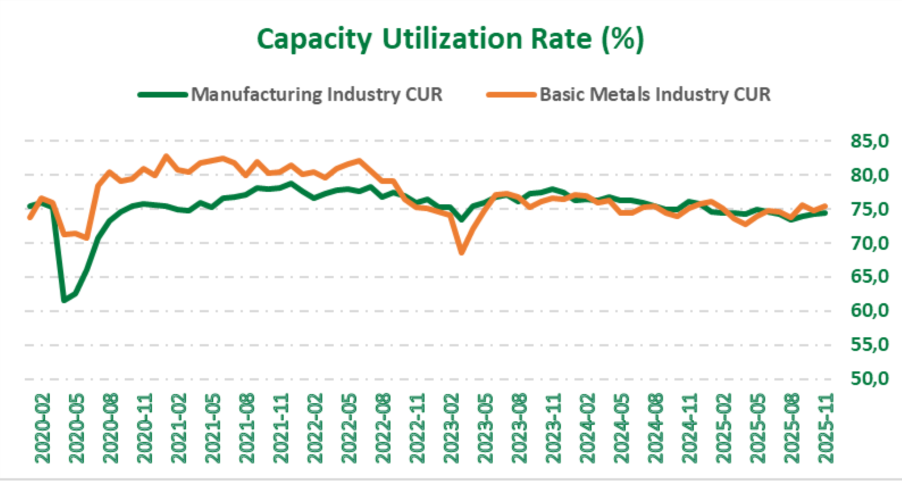
China's increase in steel exports toward the Turkish market through dumped and low-priced products led domestic producers to lose pricing competitiveness and weakened their pricing power in 2024 and 2025. During the same period, while exports remained weak, steel imports resumed an upward trend, further intensifying competitive pressure in the domestic market.

In addition, currency depreciation and elevated energy and input costs have weighed on producers' profitability, prompting some companies to scale back production or shift to single-shift operations.

Risks Toward 2026: CBAM and EU Quotas

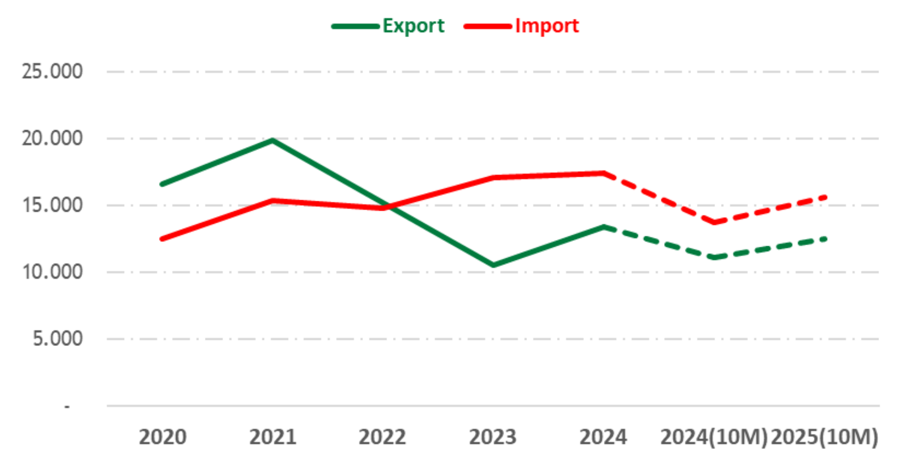
The European Union's Carbon Border Adjustment Mechanism (CBAM) and existing quota restrictions continue to pose risks to export markets. In response, Türkiye has initiated anti-dumping investigations against countries such as China, India, and Russia.

However, measures aimed at restricting imports, while protecting domestic production, also carry the risk of increasing costs for industrial users.



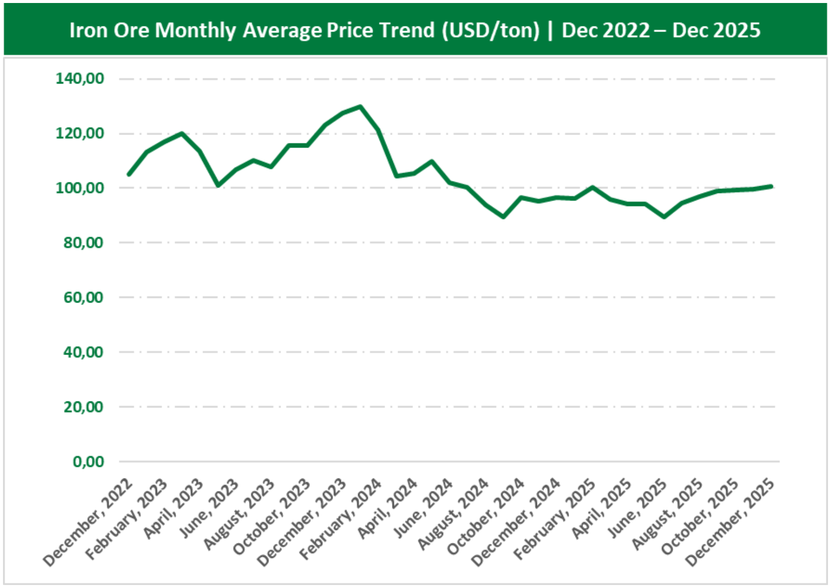
***Source:** TURKSTAT, CBRT, Seker Invest*

Turkey Steel Foreign Trade – Import & Export Balance (Thousand Tons)



***Source:** TURKSTAT, TCUD, Seker Invest*

Steel Sector

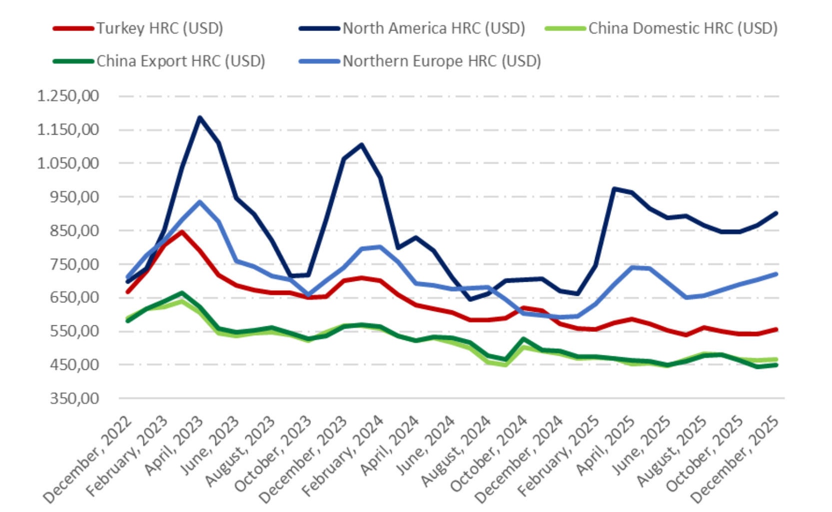


Source: *Bloomberg, Seker Invest*

Throughout 2025, iron ore prices followed a volatile trajectory, driven by shifts in the global supply–demand balance. In the first half of the year, weakening demand stemming from the slowdown in China's real estate and construction sectors exerted downward pressure on prices. In the second half, however, a renewed restocking cycle and supply disruptions originating from Brazil due to drought conditions led to a partial price recovery. Iron ore remains one of the primary cost components for integrated flat and long steel producers. In this context, any volatility in iron ore prices directly affects production costs and, consequently, profit margins. Particularly during periods of sharp increases in spot prices, when producers' ability to pass rising costs through to final product prices is limited, pressure on gross profitability intensifies. An analysis of 2025 data indicates that average iron ore prices remained relatively flat compared to the beginning of the year. Nevertheless, pronounced month-to-month fluctuations increased uncertainty across the raw material supply chain and made cost management more critical. Variations in demand conditions among major consumers such as China and India played a decisive role in shaping global price dynamics. From Turkey's perspective, the high dependence on imported iron ore makes exchange rate movements an additional key cost driver. Therefore, the effective use of hedging mechanisms—such as forward contracts and natural hedging practices—remains essential for producers to mitigate exposure to such volatility.

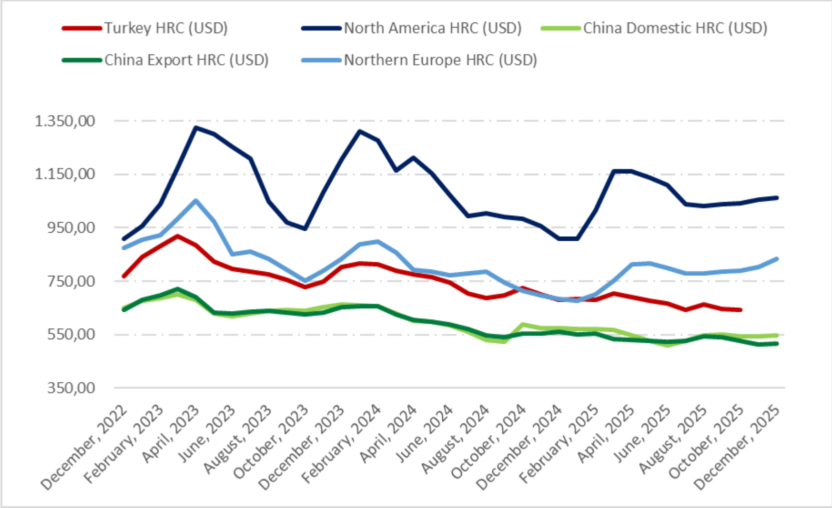
Steel Sector

Global HRC Monthly Average Prices (USD) & Turkey's Position



***Source:** Bloomberg, Seker Invest*

Global CRC Monthly Average Prices (USD) & Turkey's Position

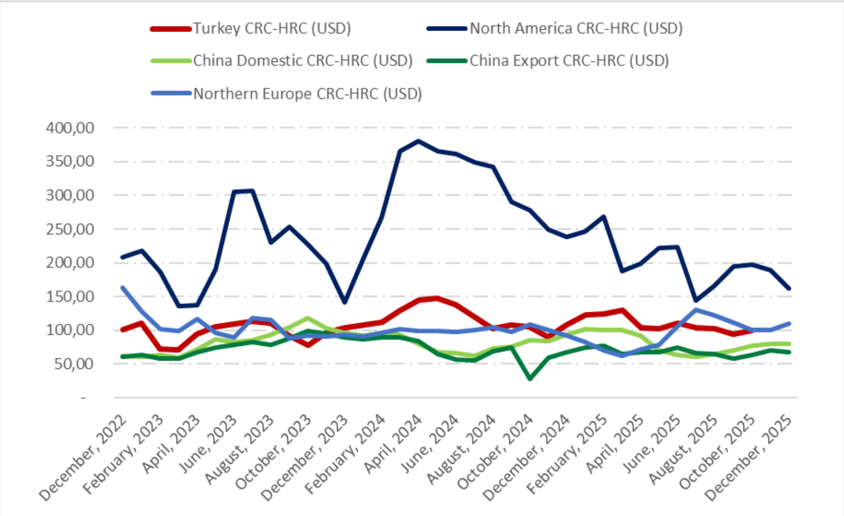


***Source:** Bloomberg, Seker Invest*

As of 2025, prices of HRC (hot-rolled coil) and CRC (cold-rolled coil) have exhibited a volatile pattern driven by global economic developments. Concerns surrounding China's real estate sector, the monetary tightening cycles of the U.S. and European central banks, and volatility in energy costs have been among the key factors shaping price dynamics. While HRC prices are more closely linked to basic construction and industrial demand, CRC prices generally reflect demand from more refined, higher value-added end products. As a result, CRC is structurally priced at a premium to HRC. Despite the persistent volatility observed throughout 2025, prices have shown signs of stabilizing within certain ranges since the second half of the year.

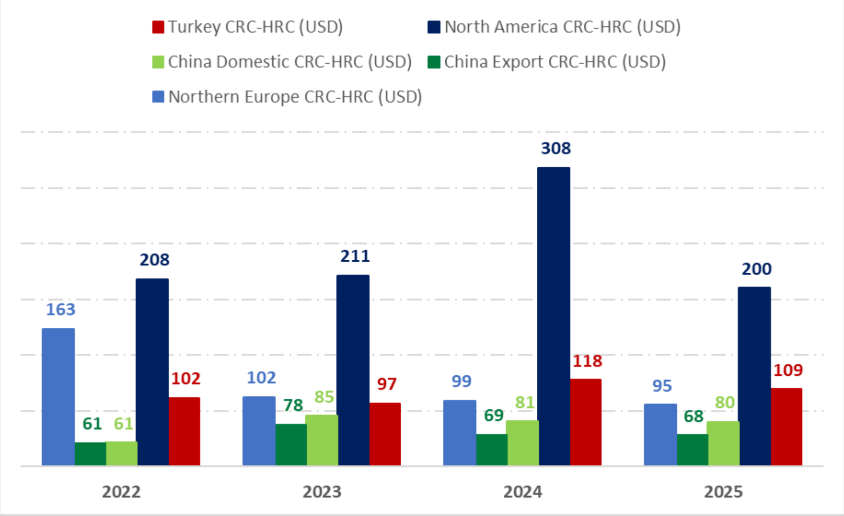
Steel Sector

CRC–HRC Price Spreads: Global Comparison and Turkey's Position (USD/ton)



Source: *Bloomberg, Seker Invest*

CRC–HRC Price Spreads (Annual Average, USD/ton) – Regional Comparison



Source: *Bloomberg, Seker Invest*

The profitability of integrated steel producers is largely assessed through the price spread between HRC and CRC. The wider the premium of CRC prices over HRC, the more value-added the producer is assumed to generate, reflecting an improved margin structure. In this respect, CRC represents a more refined product within the production chain compared to HRC, and the price differential also serves as an indicator of product mix quality. Recent data indicate that the CRC-HRC price spread in China remains at notably low levels compared to other regions. This is primarily driven by excess supply conditions in China and persistently low pricing, which has increasingly become a global reference point. Such dynamics have resulted in intensified pressure from low-priced imports in countries like Türkiye, exerting significant downward pressure on the profitability of domestic producers. In response to these pressures, regions such as the United States and the European Union have implemented anti-dumping measures and tax regulations aimed at protecting domestic steel producers.

Erdemir (OP, 12M TP: TRY 32.47) Upside: 31%

As we leave behind a challenging year, we enter 2026 with cautious optimism.

2025 proved to be a difficult year for Erdemir, driven by both weak external demand and intensifying competition. Throughout the year, the European Union's decision to reduce import quotas by 47% and increase customs duties to 50% weighed on export volumes. Meanwhile, in the domestic market, intensified competition from producers such as China and Russia through dumped pricing practices constrained pricing power.

EBITDA per ton remained at USD 61.95/ton, while volatility in flat steel prices in particular exerted downward pressure on margins. Capacity utilization declined to as low as 78% over the year, increasing pressure on economies of scale. Nevertheless, the relatively flat trend in iron ore and scrap prices, together with declining interest rates and limited depreciation of the Turkish lira, provided partial support to the operating environment.

2025 Expectations: We expect Erdemir to close the year with an approximate sales volume of 7.6 million tons, net sales revenues of TRY 207,194 million, EBITDA of TRY 18,658 million, and net profit of TRY 4,300 million. Market median expectations for the same period point to net sales of TRY 211,713 million, EBITDA of TRY 20,464 million, and net profit of TRY 3,933 million.

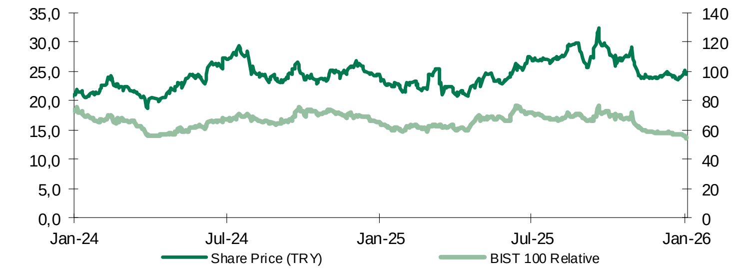
2026 Outlook: We expect protectionist tendencies in global trade policies to persist in the coming year. The EU's restrictions on Türkiye are likely to continue weighing on the export channel in the short term. On the other hand, the shortening of the Inward Processing Regime period and regulations promoting the use of domestic inputs in Türkiye stand out as key factors supporting domestically oriented production. In addition, the potential gold resource at Ermaden's Alacahan site represents an optional value element that could support the cost structure over the long term by increasing domestically sourced raw material supply.

For 2026, we expect Erdemir's sales volume to reach 7,843 thousand tons, net sales revenues to increase to TRY 282,443 million, and EBITDA to reach TRY 26,606 million. Market median expectations stand at TRY 285,720 million in net sales, TRY 38,874 million in EBITDA, and TRY 12,692 million in net profit. We believe the pronounced divergence on the EBITDA front reflects our more cautious stance compared to the market's more optimistic assumptions regarding margin recovery, driven by ongoing high competition, pricing pressures, and a gradual normalization of margins over time.

As a result of changes in our macroeconomic assumptions and company-specific expectations, we revise our target price from TRY 39.70/shr to TRY 32.47/shr. Based on a 31.4% upside potential relative to the January 7, 2026 closing price, we maintain our OUTPERFORM recommendation.

Code	EREGL.TI / EREGL.IS	Close	24,7
MCAp (TRY m)	173.040	Last 12M High	32,7
MCAp (US$ m)	4.027	Last 12M Low	19,9
EV (TRY m)	222.134	Beta	0,9
EV (US$ m)	5.209	Avg. daily trading vol. (US$ m)	118,1
Free float (%)	46,5	Foreign ownership in FF (%)	21,2%

Key figures (TRY, mn)	2023	2024	2025E	2026E
Revenues	147.900	204.060	207.194	282.443
Growth	*112,9%*	*38,0%*	*1,5%*	*36,3%*
EBITDA	16.989	21.092	18.658	26.606
EBITDA margin	*11,5%*	*10,3%*	*9,0%*	*9,4%*
Net profit	4.033	13.481	4.300	5.372
EPS	1,15	1,93	0,61	0,77
Dividend yield	1,2%	1,0%	3,9%	0,4%
Net debt /EBITDA	2,47	3,06	0,25	0,34
Net debt /Equity	0,23	0,27	0,02	0,04
ROAE	2,7%	6,4%	1,9%	2,4%
ROAA	1,7%	3,7%	0,9%	1,0%
Valuation metrics	**2023**	**2024**	**2025E**	**2026E**
P/E	35,6	12,8	40,2	32,2
EV/EBITDA	10,9	10,5	11,9	8,3
EV/Sales	1,3	1,1	1,1	0,8
P/BV	0,9	0,7	0,8	0,7
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	2,3	-11,1	3,8	5,6
US$ Return (%):	0,9	-13,9	3,5	-13,4
BIST-100 Relative (%):	-5,3	-20,9	-3,3	-13,6



Source: PDP, Finnet, Seker Invest Research estimates

Kardemir D (MP, 12M TP: TRY 30.91) Upside: 16%

The year 2025 represents a balancing and transition period for Kardemir, driven by weak domestic demand conditions in the long steel segment and ongoing global pricing pressures. While China-originated oversupply and the slowdown in global economic activity weighed on product prices, the relative stabilization in raw material costs and improvements in the product mix contributed to maintaining operational profitability.

On the operational side, Kardemir's integrated production structure enabled capacity utilization rates to remain broadly stable throughout the year. Published utilization data indicate that high utilization levels were sustained, particularly in coke ovens and liquid pig iron production. Meanwhile, relatively high utilization rates in rail-profile and continuous rolling mills supported an increased share of value-added products in total sales. This operating profile demonstrates the Company's ability to maintain production continuity even under challenging demand conditions, while also allowing operating leverage to become more pronounced in the event of a potential demand recovery.

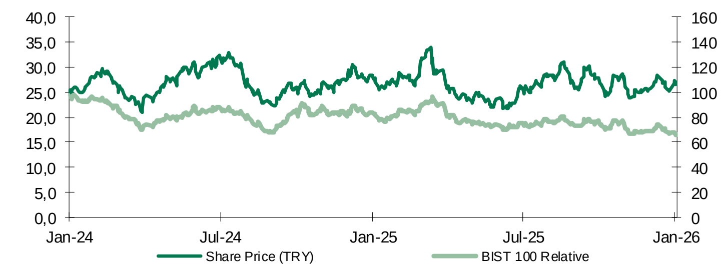
From a financial perspective, although net debt increased due to ongoing capital expenditures, we assess that leverage levels have remained manageable, supported by the Company's strong operational cash generation capacity. This assessment is further corroborated by the Net Debt / EBITDA ratio, which declined from 1.49x in 2Q25 to 1.27x as of 3Q25. Nevertheless, we believe that the current leverage structure continues to constrain net profit recovery, particularly due to elevated financing costs.

Within this framework, we forecast 2025 net sales of TRY 68,968 million and EBITDA of TRY 5,842 million. Market median expectations for the same period point to TRY 64,272 million in net sales, TRY 5,791 million in EBITDA, and TRY 664 million in net profit. Our estimates primarily reflect our expectation that operational profitability will be preserved, supported by improvements in the product mix, especially during the second half of the year.

Looking ahead to 2026, we expect the operating outlook to strengthen, supported by a gradual recovery in domestic demand and the contribution of infrastructure investments. Accordingly, we forecast 2026 net sales of TRY 97,517 million and EBITDA of TRY 7,222 million. Market median expectations stand at TRY 77,355 million in net sales, TRY 9,052 million in EBITDA, and TRY 2,255 million in net profit. While we acknowledge that the divergence on the EBITDA front reflects the market's more optimistic assumptions regarding margin recovery, our view remains that margin improvement will follow a more gradual and cautious trajectory.

In line with our expectations, we set our 12-month target price at TRY 30.91/shr. Our target price implies a 16% upside potential from the January 7, 2026 closing price, and we maintain our "MARKETPERFORM" recommendation for Kardemir D-class shares.

Code	KRDMD.TI / KRDMD.IS	Close		27,1
MCAp (TRY m)	21.129	Last 12M High		34,1
MCAp (US$ m)	492	Last 12M Low		21,2
EV (TRY m)	26.090	Beta		1,4
EV (US$ m)	611	Avg. daily trading vol. (US$ m)		37,1
Free float (%)	68,4	Foreign ownership in FF (%)		17,9%
Key figures (TRY, mn)	**2023***	**2024***	**2025E**	**2026E**
Revenues	66.766	50.615	68.968	97.517
Growth	*96,4%*	*-24,2%*	*36,3%*	*41,4%*
EBITDA	4.151	3.751	5.842	7.222
EBITDA margin	*6,2%*	*7,4%*	*8,5%*	*7,4%*
Net profit	2.054	-2.716	-617	1.234
EPS	2,63	-3,48	-0,79	1,58
Dividend yield	0,0%	0,0%	0,0%	0,0%
Net debt /EBITDA	-0,80	0,45	0,14	0,13
Net debt /Equity	-0,07	0,04	0,01	0,01
ROAE	5,6%	-5,8%	-1,1%	1,8%
ROAA	2,3%	-2,5%	-0,6%	1,2%
Valuation metrics	**2023***	**2024***	**2025E**	**2026E**
P/E	9,0	-7,8	-34,3	17,1
EV/EBITDA	3,9	7,0	4,5	3,6
EV/Sales	0,2	0,5	0,4	0,3
P/BV	0,4	0,5	0,3	0,3
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	4,8	1,4	7,2	-1,6
US$ Return (%):	3,3	-1,8	6,9	-19,2
BIST-100 Relative (%):	-3,0	-9,8	-0,1	-19,5

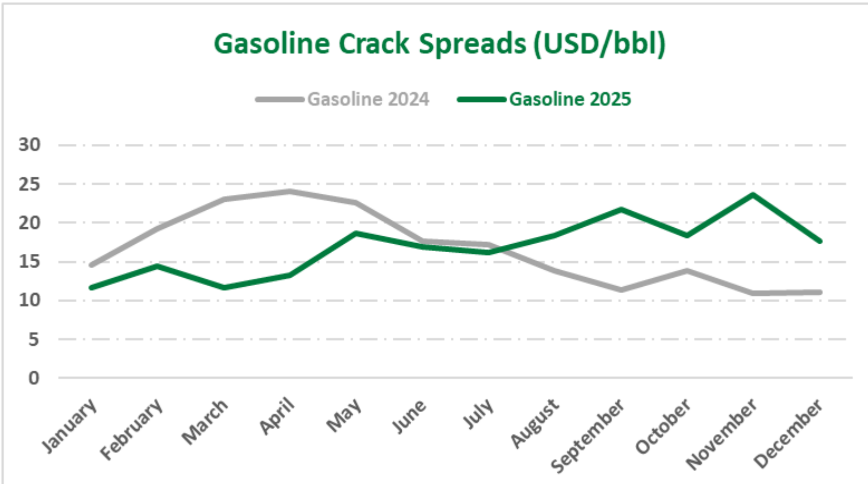


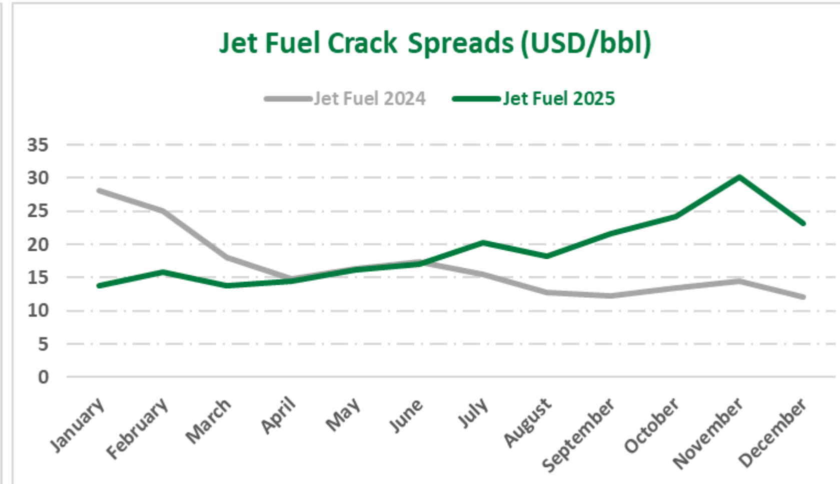
Source: PDP, Finnet, Seker Invest Research estimates

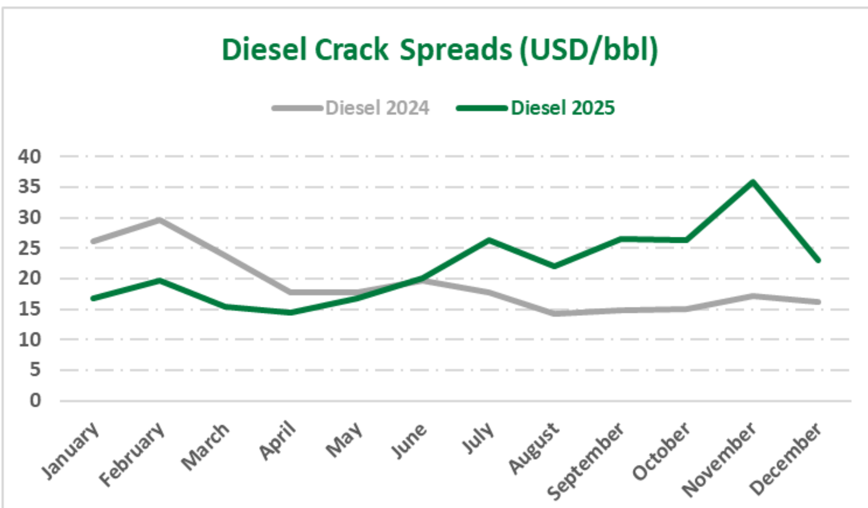
**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

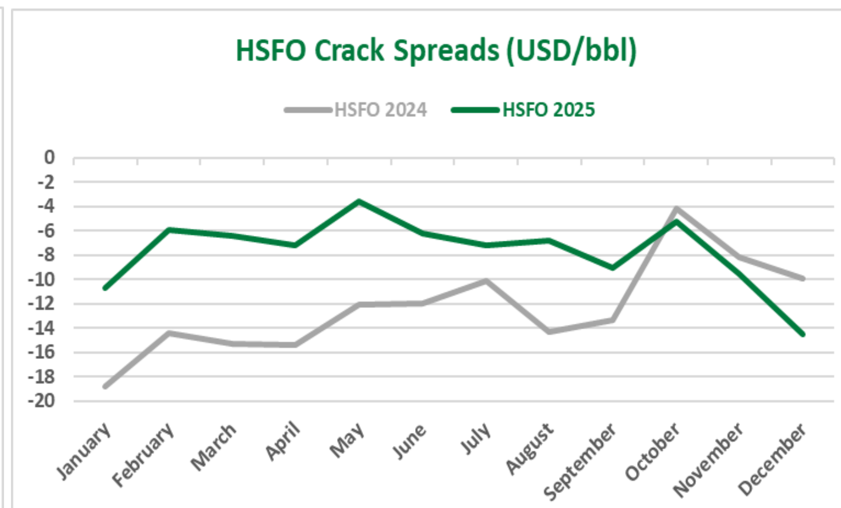
Refinery Sector

In 2025, refinery product margins showed a general recovery trend in the second half of the year compared to 2024, with a particularly notable periodical strengthening in diesel and jet fuel margins.



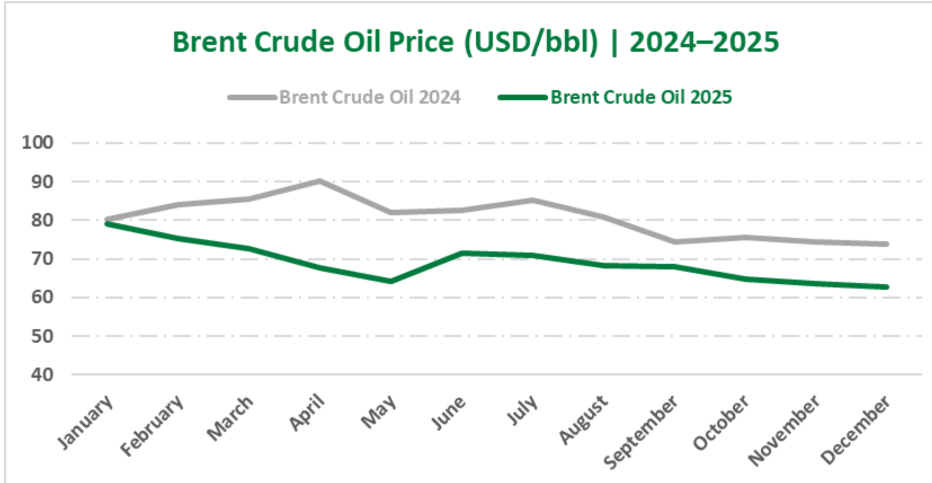






Source: *Tupras, Şeker Invest*

Refinery Sector



Source: *Tupras, Şeker Invest*

Throughout 2025, Brent crude oil prices followed a volatile path, driven by the Russia–Ukraine war, geopolitical developments in the Middle East, OPEC+ decisions on supply cuts, and post-pandemic demand dynamics. During this period, sanctions and shifting trade flows created uncertainty on the supply side, while rising non-OPEC supply and concerns over a global economic slowdown exerted a balancing pressure on prices. As a result, Brent crude prices traded within a range close to historical averages throughout 2025, and crude oil costs did not emerge as a binding constraint on refinery margins. Instead, product-specific margin divergences came to the forefront. Entering 2026, relatively comfortable supply conditions and elevated inventory levels point to persistent downside risks for Brent prices.

Tupras (OP, 12M TP: TRY 283.79) Upside: 42%

Following a strong operational performance in 2025, we enter 2026 for Tupras with a more balanced yet profitability-wise sustainable outlook. In a global refining environment where product-specific margin differentiation, rather than crude oil price levels, continues to be the key driver of profitability, we believe Tupras is well positioned to deliver a more resilient performance compared to the sector average, supported by its high-complexity refineries and flexible production structure.

For 2025, we expect Tupras to generate net sales of TRY 841,839 million, EBITDA of TRY 66,122 million, and net income of TRY 47,093 million. We believe the company's guidance of approximately 30 million tons of sales volume and a net refining margin of USD 6.0–6.5/bbl has been supported by strong demand for middle distillates in the second half of the year, along with high capacity utilization rates. Market median expectations for the same period point to TRY 844,921 million in net sales, TRY 65,064 million in EBITDA, and TRY 33,402 million in net income.

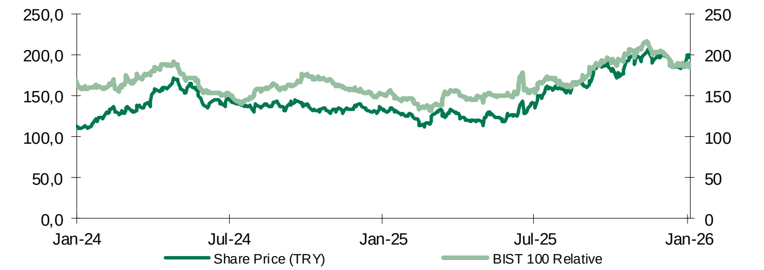
For 2026, we forecast net sales of TRY 929,151 million, EBITDA of TRY 66,746 million, and net income of TRY 59,974 million. Market median expectations stand at TRY 1,020,474 million in net sales, TRY 71,338 million in EBITDA, and TRY 39,532 million in net income. Our relatively cautious stance on EBITDA reflects our assumption that product margins will normalize into a more balanced range compared to 2025. The divergence in net income estimates, on the other hand, is primarily driven by strong operational cash generation and the financial flexibility provided by the company's net cash position.

On the macroeconomic front, we expect global growth to remain moderate, while geopolitical risks continue to influence energy markets. Brent crude oil prices are likely to fluctuate within a limited range amid elevated inventory levels and relatively comfortable supply conditions. In such an environment, we believe product margin composition, rather than absolute crude oil price levels, will remain the key determinant of profitability for Tupras. Accordingly, a diesel- and jet fuel-weighted product slate, high capacity utilization, and effective cost management stand out as the main factors supporting the company's profitability outlook.

Based on our updated macro assumptions and financial forecasts, we raise our 12-month target price for Tupras to TRY 283.79/shr. Our target price implies a 42% upside potential from January 7, 2026 closing price, and we maintain our OUTPERFORM recommendation on the stock.

Code	TUPRS.TI / TUPRS.IS	Close	196,7
MCAp (TRY m)	379.001	Last 12M High	209,3
MCAp (US$ m)	8.819	Last 12M Low	111,9
EV (TRY m)	304.570	Beta	0,8
EV (US$ m)	7.026	Avg. daily trading vol. (US$ m)	79,1
Free float (%)	46,8	Foreign ownership in FF (%)	34,2%

Key figures (TRY, mn)	2023*	2024*	2025E	2026E
Revenues	1.297.408	1.060.732	841.839	929.151
Growth	*141,1%*	*-18,2%*	*-20,6%*	*10,4%*
EBITDA	181.875	66.368	66.122	66.746
EBITDA margin	*14,0%*	*6,3%*	*7,9%*	*7,2%*
Net profit	101.251	23.973	47.093	59.974
EPS	52,55	12,44	24,44	31,13
Dividend yield	15,6%	10,7%	17,2%	18,0%
Net debt /EBITDA	-0,65	-1,35	-0,55	-0,91
Net debt /Equity	-0,31	-0,24	-0,09	-0,16
ROAE	36,3%	6,4%	12,4%	15,4%
ROAA	19,5%	3,7%	7,7%	8,5%
Valuation metrics	**2023***	**2024***	**2025E**	**2026E**
P/E	2,7	15,8	8,0	6,3
EV/EBITDA	1,0	4,6	4,6	4,6
EV/Sales	0,1	0,3	0,4	0,3
P/BV	1,0	1,0	1,0	1,0
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	-1,2	9,0	6,7	50,0
US$ Return (%):	-2,6	5,5	6,4	23,1
BIST-100 Relative (%):	-8,5	-3,0	-0,6	22,7



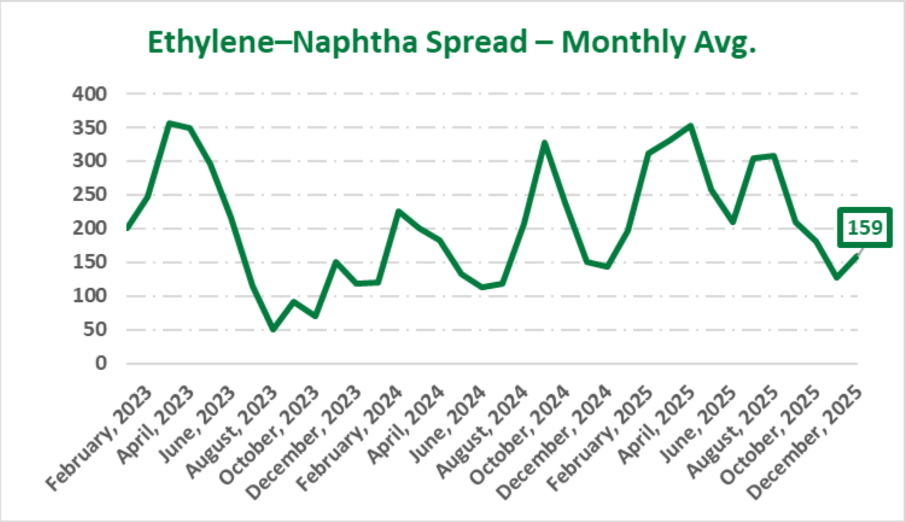
Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

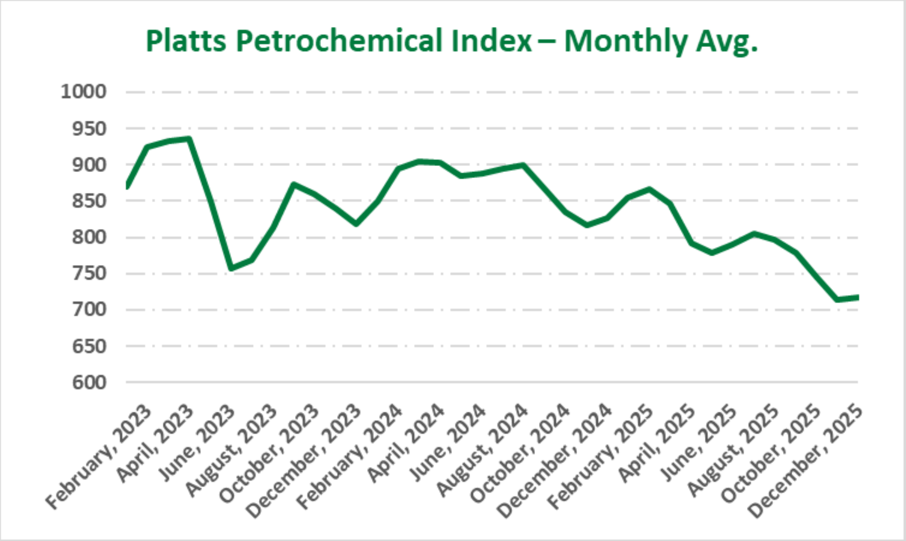
Petrochemicals Sector

In 2025, the weak pace of global economic activity continued to weigh on demand conditions for petrochemical products, resulting in limited pricing power across the sector. While the Platts Petrochemical Index exhibited a volatile trend throughout the year, the pronounced decline observed in the second half points to a delayed recovery on the demand side. From a margin perspective, the ethylene–naphtha spread displayed high volatility over the course of 2025; although relatively stronger levels were recorded in the first half of the year, averages trended downward in the second half amid rising supply pressure and weak end-market demand. In particular, new capacity additions originating from Asia and the redirection of China-driven oversupply toward regional markets continued to exert downward pressure on product prices. Although volatility in Brent crude oil prices affected production costs via naphtha prices, the weak demand environment and elevated supply levels limited the pass-through of these cost increases to end-product prices. As a result, a sustained recovery in margins proved difficult to achieve.

Entering 2026, the continuation of the global interest rate easing cycle and expectations of a gradual normalization in financial conditions stand out as supportive factors for the sector. Nevertheless, elevated capacity additions and the ongoing risk of oversupply suggest that a meaningful recovery in sector margins may be delayed. In this context, while we expect a demand-driven, limited improvement in the petrochemical sector in 2026, we anticipate that margins will continue to remain below historical averages.



Source: *Petkim, Seker Invest*



Source: *Petkim, Seker Invest*

Petkim (MP, 12M TP: TRY 15.90) Upside: -5%

When forming our expectations for Petkim over the 2025–2026 period, we believe that persistent oversupply in the global petrochemical sector, weak demand conditions, and ongoing pressure on margins will continue to be the key determining factors. In 2025, subdued global economic activity and, in particular, new capacity additions originating from Asia are expected to maintain pressure on product prices and the ethylene–naphtha spread.

In this context, we forecast net sales of TL 84,806 million, EBITDA of TL -5,051 million, and a net loss of TL -13,241 million for Petkim in 2025. Market median expectations for the same period point to net sales of TL 88,947 million, EBITDA of TL –1,401 million, and a net loss of TL –7,873 million. Our more cautious stance compared to market expectations mainly reflects our assumptions of weak end-market demand, persistently low capacity utilization rates, and the continuation of oversupply pressures weighing on margins throughout the year.

From a margin perspective, we expect the ethylene-naphtha spread to remain volatile but below historical averages throughout 2025, limiting any meaningful recovery in operational profitability. While the company's cost optimization initiatives and capacity curtailments in low-margin units help contain losses, sector-wide pressures are likely to prevent a full offset of these headwinds.

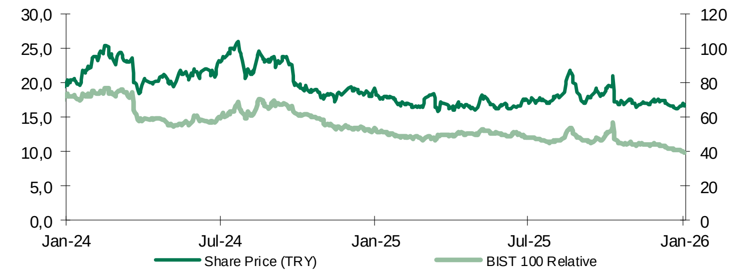
Entering 2026, the continuation of the global interest rate easing cycle and expectations of a gradual normalization in financial conditions provide limited support for petrochemical demand. However, given elevated capacity additions and ongoing oversupply, we do not anticipate a rapid or strong margin recovery. That said, supported by the low base effect from 2025, continued cost discipline, and expectations of a partial recovery in the ethylene–naphtha spread, we foresee a notable improvement in operational results in 2026.

Accordingly, we forecast net sales of TL 107,744 million, EBITDA of TL 13,660 million, and a net loss of TL –34,681 million for 2026. Market median expectations, on the other hand, imply net sales of TL 104,892 million, EBITDA of TL 4,013 million, and a net profit of TL 333 million. While we expect a stronger EBITDA recovery than the market, we remain cautious on the net profit outlook due to high financing expenses and the company's debt repayment schedule.

In line with our expectations, we maintain our 12-month target price at TL 15.90/shr. Our target price implies a 5.2% downside relative to the January 7, 2026 closing price, and we reiterate our "MARKETPERFORM" recommendation for Petkim shares.

Code	PETKM.TI / PETKM.IS	Close	16,7
MCAp (TRY m)	42.198	Last 12M High	22,1
MCAp (US$ m)	982	Last 12M Low	15,2
EV (TRY m)	83.627	Beta	0,9
EV (US$ m)	1.980	Avg. daily trading vol. (US$ m)	26,0
Free float (%)	49,0	Foreign ownership in FF (%)	7,3%

Key figures (TRY, mn)	2023*	2024*	2025E	2026E
Revenues	114.223	101.286	84.806	107.744
Growth	*136,7%*	*-11,3%*	*-16,3%*	*27,0%*
EBITDA	-4.009	-1.418	-5.051	-13.660
EBITDA margin	*-3,5%*	*-1,4%*	*-6,0%*	*-12,7%*
Net profit	13.966	-8.303	-13.241	-34.681
EPS	5,51	-3,28	-5,22	-13,68
Dividend yield	0,0%	0,0%	0,0%	0,0%
Net debt /EBITDA	-12,33	-33,04	-10,18	-5,19
Net debt /Equity	0,51	0,61	0,77	1,09
ROAE	19,8%	-9,6%	-18,4%	-52,7%
ROAA	9,8%	-4,8%	-8,4%	-20,2%
Valuation metrics	**2023***	**2024***	**2025E**	**2026E**
P/E	3,3	-5,1	-3,2	-1,2
EV/EBITDA	-20,9	-59,0	-16,6	-6,1
EV/Sales	0,7	0,8	1,0	0,8
P/BV	0,4	0,6	0,6	0,7
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	-5,5	-13,1	2,6	-8,3
US$ Return (%):	-6,8	-15,8	2,3	-24,7
BIST-100 Relative (%):	-12,5	-22,6	-4,4	-24,9



Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

Energy Sector

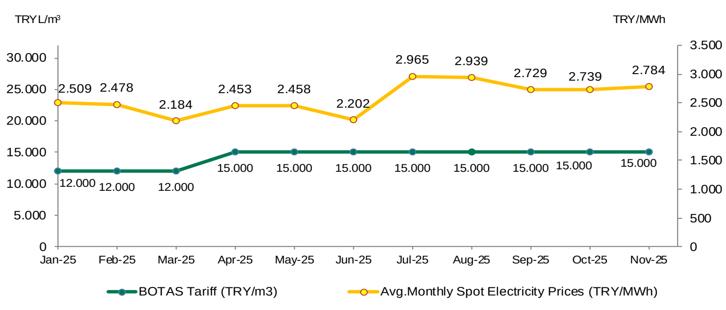
The Energy Market Regulatory Authority (EPDK) has updated the spot price cap mechanism in the electricity market, increasing the hourly upper limit from TRY 3,000/MWh to TRY 3,400/MWh, effective 5 April 2025. This increase is particularly significant for producers selling electricity in the spot market and has positively impacted the profitability of natural gas-fired combined cycle plants and coal-fired power plants, which typically have higher marginal generation costs. Raising the price cap enhances the competitiveness of these plants within the market while also supporting security of supply. Considering rising energy demand, volatility in fuel prices, and persistently high generation costs, a further increase in the spot electricity price cap in 2026 appears likely. Such a potential adjustment could help offset cost pressures on producers, depending on the global trajectory of natural gas and coal prices.

Installed Capacity- According to TEİAŞ data, Türkiye's total installed electricity capacity reached 121,461 MW as of November 2025. Compared to October, installed capacity increased by approximately 66 MW, entirely driven by unlicensed solar power plants. In November, around 2 MW of natural gas–based capacity was observed to be offline. In terms of capacity by source, 62% of total installed capacity consists of power plants generating electricity from renewable energy sources. Hydroelectric power plants account for 27% of total installed capacity, while wind and solar power plants combined represent 32%. Total electricity generation in Türkiye amounted to 27,398 GWh in November. Average daily generation reached 913 GWh, representing an increase of approximately 1% month-on-month. By generation source, 25% of total electricity production came from imported coal-fired plants, while 23% was generated by natural gas–fired plants. The share of thermal power plants in total generation reached 63%. Due to seasonal factors, fossil fuels continue to play a decisive role in the energy supply mix. Total electricity consumption in Türkiye reached 27,212 GWh in November, with average daily consumption of 907 GWh, representing a 0.6% month-on-month decline compared to October.

Electricity and Natural Gas Prices- As of April 2025, the price of natural gas used for electricity generation was increased by 25% by BOTAŞ, and prices have remained stable since then. As noted above, EPDK raised the hourly spot electricity price cap to TRY 3,400/MWh effective 5 April 2025. As of end-November, the 11-month average spot electricity price reached TRY 2,586/MWh. Consequently, quarterly average spot prices increased by 21.4%, with 3Q25 averaging TRY 2,878/MWh, compared to TRY 2,371/MWh in 2Q25.

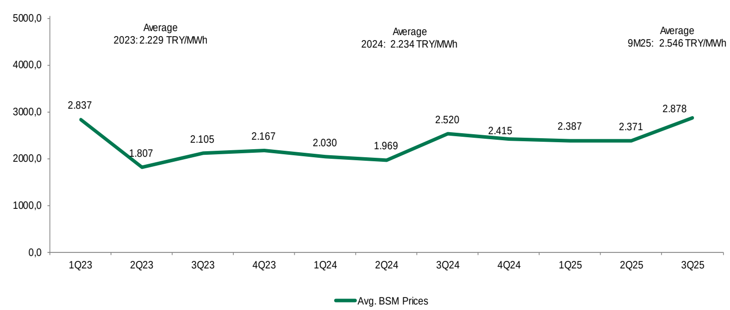
According to the Renewable Energy Roadmap of the Ministry of Energy and Natural Resources, Türkiye aims to reach a total of approximately 120 GW of installed solar and wind capacity by 2035. This strong renewable energy focus presents a significant growth and transformation opportunity for Aksa Enerji, particularly as the company seeks to expand its portfolio through storage-integrated solar and wind projects. Rising industrial demand for green energy and EU carbon regulations may further enhance the value of revenues generated from renewable electricity. In line with Aksa Enerji's target to increase the share of renewables to 20% by 2028, we believe the current policy framework could provide the company positive financial and strategic support.

Spot Electricity and Natural Gas Prices



Source: BOTAS, EPIAS

BSM Prices by quarterly (TRY / Mwh)



Source: BOTAS, EPIAS

Aksa Energy (OP, 12M TP: TRY 85.00) Upside: 22%

We expect 2026 to mark the year when investments begin to translate into EBITDA…

EBITDA is projected to increase on an annual basis starting from 2026, with the company guiding that EBITDA will rise from USD 215 million in 2024 to USD 660 million by 2028. At the same time, the EBITDA margin, which stood at 24% in 2024, is targeted to increase to 42% by 2028. From 2026 onwards, approximately 90% of EBITDA is expected to be generated from guaranteed foreign currency-denominated contracts and the YEKDEM mechanism.

Total installed capacity is at 3,008 MW – Aksa Enerji currently operates a 900 MW natural gas power plant in Antalya, a 188 MW fuel-oil plant in Cyprus, and a 270 MW domestic lignite plant in Bolu, resulting in total domestic installed capacity of 1,358 MW. In Africa, the company operates two power plants with a total capacity of 430 MW (Ghana: 370 MW dual-fuel plant using liquid fuel and natural gas; Mali: 60 MW liquid fuel plant). In addition, Aksa Enerji owns four natural gas power plants in Uzbekistan with a total capacity of 1,220 MW (Bukhara: 298 MW, Tashkent A: 240 MW, Tashkent B: 252 MW, and Talimarjan: 430 MW). The company also divested its 66 MW liquid fuel power plant in Madagascar in September 2024 as part of its strategy to focus on renewable energy investments. The plant will continue to be operated by Aksa Enerji for two additional years (2025–2026) in return for an operating fee.

In 2026, we expect a total of 11 projects to be commissioned, including 10 power plants with a combined installed capacity of 1,094 MW and one standalone electricity storage facility. Of these projects, five will be located in Africa, one in Central Asia, and five renewable energy plants in Türkiye. The company plans to commission approximately one plant per month, particularly focusing on the commercial operation dates of ongoing projects. Aksa Enerji plans to commission a 130 MW simple-cycle power plant in January 2026, followed by the first phase of the 179 MW Kumasi natural gas combined-cycle plant in March. In April, the company aims to commission the 240 MW Kyzylorda natural gas combined heat and power plant in Kazakhstan, followed by the 145 MW Gabon natural gas combined-cycle plant in June, and 160 MW of the 255 MW Senegal natural gas combined-cycle plant in August. In addition, AKSEN plans to commission a 119 MW liquid fuel power plant investment in Burkina Faso in the fourth quarter of 2026.With this investment, Aksa Enerji's under-construction capacity in Africa will increase from 750 MW to 869 MW, while existing installed capacity in the region stands at 430 MW. While multiple plants, particularly in Africa, are expected to be commissioned gradually in 2026, we expect the Burkina Faso investment to begin making a meaningful contribution to margins starting in 2027.

The company aims to increase its installed capacity to 5,000 MW by 2028. As of today, Aksa Enerji operates 10 power plants across 7 countries, with total installed capacity exceeding 3,000 MW. The company targets expanding its geographic footprint from 7 to 10 countries, and increasing the number of power plants from 11 to 21 by 2028. Installed capacity is targeted to reach 4,000 MW in 2026 and 5,000 MW in 2028. Currently, 14% of installed capacity is located in Africa, 41% in Central Asia, and 45% in Türkiye*. By 2028, the capacity mix is expected to shift to 24% Africa, 29% Central Asia, and 47% Türkiye*. In addition, the share of renewable energy within total installed capacity is targeted to reach 20% by 2028 (*including Northern Cyprus).

In 2026, we expect Aksa Enerji to commission five renewable energy projects in Türkiye with a total capacity of 251 MW. The company plans to bring online the Gaziantep solar power plant (40.5 MW) in February 2026, the Şanlıurfa standalone electricity storage facility (50 MW) in March, the Kırşehir solar power plant (50 MW) in June, the Mersin wind power plant (100 MW) in October, and the Kayseri solar power plant (10 MW) in December. With these investments, the company projects its total solar capacity to reach 225.5 MW, total wind capacity to reach 665.91 MW, and standalone electricity storage capacity to reach 50 MW, bringing total storage-integrated wind and solar capacity to 941 MW.

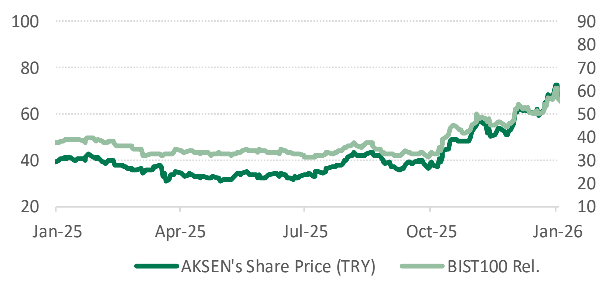
Aksa Enerji has also signed an agreement with EÜAŞ for the sale of electricity generated at the 270 MW Bolu Göynük lignite power plant under a purchase guarantee with a minimum price of USD 75/MWh. The electricity sales contract, covering the period 11 November 2025 to 31 December 2029, is expected to provide up to approximately USD 10 million of additional EBITDA contribution annually.

As a result, we expect Aksa Enerji's debt to increase in line with ongoing investments and the related use of borrowings; however, we believe that the company will be able to keep its leverage under control thanks to its strong EBITDA performance. With the rapid commissioning of its projects, we expect the leverage ratio to decline to around 2x.

As a result of the changes we have made in macroeconomic variables and our expectations regarding the company, we revise our target price upward from TRY 75.00/shr to TRY 85.00/shr. Based on the closing price as of January 7, 2026, our target price implies a 22% upside potential, we maintain our OUTPERFORM recommendation.

Code	AKSEN.TI	Close	69,50
MCAp (TRY m)	85.231	Last 12M High	75,00
MCAp (US$ m)	1.171	Last 12M Low	29,92
EV (TRY m)	126.542	Beta	0,79
EV (US$ m)	1.985	Avg. daily trading vol. (US$ m)	4,3
Free float (%)	21,00	Foreign ownership in FF (%)	4,3%

Key figures	*2023A	*2024A	2025E	2026E
Revenues	63.695	39.684	39.350	55.600
Growth		*-37,7%*	*-0,8%*	*41,3%*
EBITDA	14.402	9.002	12.400	18.500
EBITDA margin	*22,6%*	*22,7%*	*31,5%*	*33,3%*
Net profit	9.954	2.518	3.600	6.836
EPS	8,47	2,14	2,94	5,58
Dividend yield	3,23%	3,92%	0,00%	0,00%
Net debt /EBITDA	1,54	3,94	3,73	3,70
Net debt /Equity	0,37	0,67	0,76	0,97
ROAE		4,4%	6,3%	10,4%
ROAA		2,4%	3,1%	5,1%
Valuation metrics	***2023A**	***2024A**	**2025E**	**2026E**
P/E	6,6	23,9	23,7	12,5
EV/EBITDA	6,1	10,5	10,2	6,8
EV/Sales	0,8	2,1	3,2	2,3
P/BV	1,1	1,2	1,4	1,2
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	18,7	20,3	-1,3	-11,7
US$ Return (%):	16,4	14,0	-14,1	-28,1
BIST-100 Relative (%):	6,4	5,8	-7,5	-9,6



Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

Zorlu Energy (MP, 12M TP: TRY 4.30)

Upside: 40%

A growth strategy focused on renewable energy

Market Perform maintained- We maintain our "MARKETPERFORM" recommendation for the company with a target price of TRY 4.30/shr (pre. 4.20/shr). Zorlu Energy's current price is at TRY 3.07/share, while our target value represents 40% upside potential. The stock trades at a 6.9x 26E EV/EBITDA multiple compared to international and local peers' 10.3x.

Current total installed capacity of 666.4 MW as of YE25- The Company's total installed capacity amounts to 666.4 MW, comprising 608.4 MW in Türkiye, 56.4 MW in Pakistan, and 1.5 MW in Palestine. The Company operates a 49.5 MW natural gas power plant (Lüleburgaz), two wind power plants totaling 191.4 MW (135 MW in Osmaniye and 56.4 MW in Pakistan), seven hydroelectric power plants with a total capacity of 118.94 MW, a 1.5 MW solar power plant, and four geothermal power plants with a combined capacity of 305 MW. Currently, 92.6% of the Company's total installed capacity is based on renewable energy sources (48.8% geothermal, 28.7% wind, 17.8% hydroelectric, and 0.2% solar), while 7.2% is based on natural gas. In addition, the Company carries out electricity distribution and retail sales to 2.1 million subscribers in the Osmangazi region (Afyonkarahisar, Bilecik, Eskişehir, Kütahya, and Uşak), which accounts for approximately 4% of Türkiye's electricity distribution. The Company is also the market leader in Türkiye in the sale, installation, and operation of electric vehicle charging stations, with a market share of 18.9%.

Focused on renewable energy sources – In 2025, the Company fully exited Israel on the generation side by transferring its 25% stake in the Dorad Natural Gas Power Plant in Israel for ~USD 210 million. Through share sales carried out particularly in 2024 and 2025, Zorlu Enerji has continued its strategy of divesting from fossil fuel–based investments and, within this scope, has come significantly closer to its goal of 100% renewable energy in its generation activities both in Türkiye and abroad.

The Company is currently continuing the construction of 40 MW of new capacity. Of this, 20 MW consists of solar hybrid investments, while the remaining 20 MW relates to a geothermal investment carried out under the Alkan license. The solar hybrid investments are planned to be commissioned in 1H26, while the 20 MW Alkan Geothermal investment is expected to be completed in 3Q27. The Company also continues feasibility studies and drilling preparations in its new licensed field in Ağrı.

Medium-term Net Debt/EBITDA target at 3.0x – Following the sale of its stake in Dorad, Zorlu Energy's financial net debt position declined to USD 1,231 million as of 9M25 (YE24: USD 1,254 million). Accordingly, the Net Debt/EBITDA ratio stood at 3.42x in 9M25 (YE24: 3.62x). While Zorlu Enerji targets this ratio to remain around 3.5x in the short term, it plans to reduce it to 3.0x in the medium term (The Company's EBITDA calculation includes financial income related to the electricity distribution business and the indexation difference on receivables arising from service concession arrangements, while other operating income and expenses are excluded).

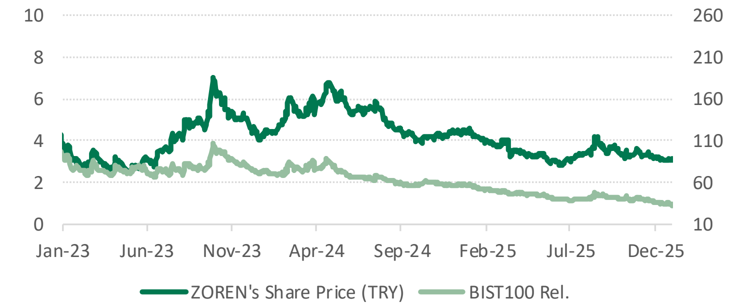
What to expect in 2026- We expect TRY 34,406 million in revenues for 2025, rising to TRY 38,131 million in 2026, according to inflation accounting provisions (IAS-29). We expect the company to generate EBITDA of TRY 9,566 million in 2025 and TRY 10,715 million in 2026 (IAS-29).

Code	ZOREN.TI	Close	3,07
MCAp (TRY m)	15.350	Last 12M High	4,53
MCAp (US$ m)	357	Last 12M Low	2,80
EV (TRY m)	66.432	Beta	0,90
EV (US$ m)	1.588	Avg. daily trading vol. (US$ m)	6,0
Free float (%)	36,00	Foreign ownership in FF (%)	9,3%

Key figures	2023*	2024*	2025E	2026E
Revenues	51.558	38.820	34.406	38.131
Growth		*-24,7%*	*-11,4%*	*10,8%*
EBITDA	12.243	8.635	9.566	10.715
EBITDA margin	*23,7%*	*22,2%*	*27,8%*	*28,1%*
Net profit	20.639	-2.467	-5.246	-3.494
EPS	8,26	-0,49	-1,05	-0,70
Dividend yield	0,0%	0,0%	0,0%	0,0%
Net debt /EBITDA	6,20	6,70	5,57	4,73
Net debt /Equity	1,05	0,75	0,72	0,65
ROAE		-3,3%	-6,9%	-4,6%
ROAA		-1,5%	-3,2%	-2,2%

Valuation metrics	2023*	2024*	2025E	2026E
P/E	0,7	-	-	-
EV/EBITDA	2,2	7,7	6,9	6,2
EV/Sales	0,5	1,7	1,9	1,7
P/BV	0,2	0,2	0,2	0,2

Return	1M	3M	YtD	YoY
TRY Return (%):	-3,2	-9,7	0,0	-32,1
US$ Return (%):	-4,5	-12,5	-0,2	-44,2
BIST-100 Relative (%):	-11,4	-18,8	-6,4	-43,7



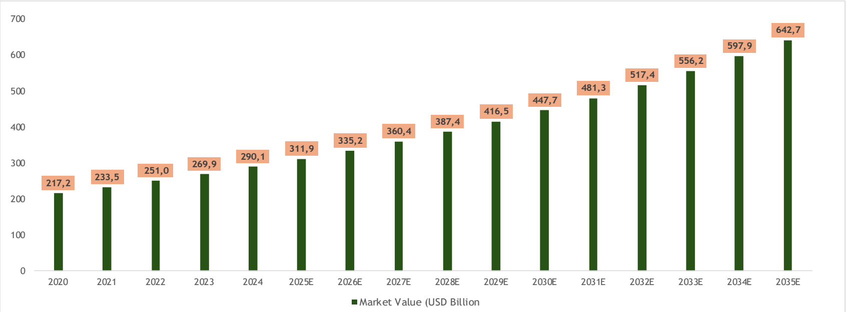
Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

Glass Sector

The glass industry, like many other sectors, is affected by market volatility, trade tensions, and high energy costs. As an energy-intensive industry, the importance of renewable energy usage, energy efficiency, and sustainability investments continues to increase each year. Operational efficiency, cost control and optimization initiatives, R&D investments, and a shift toward high value-added products stand out as the key transformation themes shaping the sector. During the January–August 2025 period, Türkiye's glass imports increased in volume terms but declined in value terms, while glass exports recorded declines both in volume and value. This trend reflects global price pressure and intensifying competition. In particular, the return of Far East producers such as China and India to the market with aggressive pricing, alongside the normalization of freight costs, has resulted in a high-volume, low-value import structure. Weak demand for construction and container glass in Europe, coupled with high energy and labor costs in Türkiye, has further constrained export competitiveness. The global glass manufacturing market with long-term growth is supported by energy-efficient buildings, automotive demand, solar energy applications, and sustainable glass solutions. While China and India stand out with higher growth rates, Europe and the United States are expected to grow primarily through value-added and technical glass products. As of 2024, global exports of glass and glass products amount to approximately USD 89–90 billion. Energy costs and low-carbon production capabilities are the key factors determining export competitiveness. Accordingly, producers with high energy efficiency gain a competitive advantage in international markets. Nevertheless, the glass industry is currently not among the sectors covered by carbon border adjustment mechanisms (CBAM). In the context of Türkiye, the glass industry stands out thanks to its strong domestic raw material base and high regional export potential. Heavy reliance on domestically sourced raw materials—such as silica sand, soda ash, and limestone, which are key inputs in glass production—provides a structural advantage in terms of supply security and cost sustainability. This structure enhances the sector's relative resilience to global commodity price fluctuations and geopolitical risks. On the export side, Türkiye's geographical proximity to Europe, the Middle East, and North Africa, its developed logistics infrastructure, and its broad product range—including flat glass, architectural glass, automotive glass, glass packaging, and specialty glass products—position the country as a regional supply hub in the global glass market.

Global Glass Manufacturing Market (USD Billion)

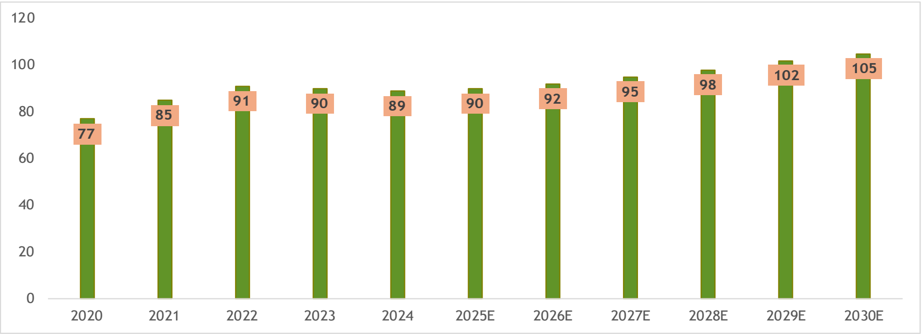


Source: Future Market Insights (FMI)

Glass Sector

Rising demand for energy-efficient and high value-added glass products stands out among key factors supporting the export potential of Türkiye's glass industry in the medium term. From a medium-term perspective, urban transformation projects, energy-efficiency regulations, and low-carbon production targets provide significant support to the sector in terms of both domestic demand and product mix. The tightening of standards for energy-efficient buildings is increasing demand for high value-added architectural glass products, such as Low-E and Solar Control Low-E glass, while this transformation is steering manufacturers toward more technologically advanced and higher-margin products. At the same time, investments aimed at reducing carbon footprints are emerging as a strategic factor that could enhance competitiveness in the European market over the long term. On the other hand, the key risks faced by the sector remain relevant. Given that glass production is an energy-intensive activity, high energy costs continue to exert pressure on profitability. In addition, tight financial conditions and elevated interest rates are among the factors constraining both investment appetite and domestic demand. On the import side, low-priced products originating from China and India, coupled with the normalization of freight costs, are intensifying competition and reinforcing price pressure. Overall, while Türkiye's glass industry maintains its medium- and long-term growth potential thanks to its structural advantages, its sensitivity to cost structures, global competition, and financing conditions necessitates a cautious and disciplined approach to risk management.

Global Glass and Glass Products Exports (Value Based, USD Billion



Source: Future Market Insights (FMI)

Sisecam (OP, 12M TP: TRY 55.00) Upside: 37%

Medium- to long-term growth outlook strengthened by optimization initiatives

2025 was a period in which operational resilience came to the forefront for Şişecam, while efficiency and optimization initiatives accelerated alongside the disciplined management of investments. Despite a weakening in net profitability, production levels, sales volumes, export performance, and ongoing investments indicate that the company has maintained its strategic positioning in line with long-term objectives. Meanwhile, energy glass, value-added product investments, and efficiency-driven projects remain the key pillars supporting the company's medium- to long-term growth potential.

In 2025, within the scope of efficiency and optimization initiatives, several steps were taken, including the consolidation of encapsulation production facilities in Europe within the automotive glass sub-segment, the relocation of handmade glassware production from Denizli to the Kırklareli facility, and the rescheduling of the cold repair at the Northern Italy flat glass plant to an earlier date. With the consolidation of encapsulation facilities in Germany and Hungary into a single hub in Slovakia, the company aims to achieve higher production efficiency, cost savings, and improved supply chain effectiveness starting from 2026. In the glassware segment, the transfer of production from Denizli to Kırklareli has created operational simplification and logistical advantages. However, the extent to which these gains translate into overall performance will largely depend on macroeconomic conditions. If the expected decline in inflation and interest rates continues, we expect the resulting recovery in domestic demand to support segment performance positively.

We believe that the frosted glass furnace commissioned in Tarsus in September 2025, together with investments in energy glass processing capacity, as well as the TR9 flat glass furnace scheduled to be commissioned in 2026, and coated line investments in Türkiye, Italy, and Bulgaria, will contribute positively to the performance of the architectural glass segment. In addition, regulations promoting energy-efficient glass and the ongoing green transition in both the EU and Türkiye are expected to continue supporting architectural glass demand over the medium term. Furthermore, the TS 825 Thermal Insulation Rules in Buildings Standard, which entered into force in Türkiye in April 2025, is expected to make 2026 a year characterized by volume growth and an increasing share of value-added products within the architectural glass segment.

In the glass packaging segment, the ongoing two-furnace glass packaging plant investment in Hungary aims to strengthen the company's presence in the European market and to create scale economies and cost advantages within the segment. In the glassware segment, we believe that the production and demand outlook could be supported by cyclical developments, such as improvements in macroeconomic indicators, declining interest rates, and a recovery in consumer confidence. Within this framework, should these conditions materialize, a meaningful improvement in operational performance from 2026 onwards stands out as a key potential upside.

In the soda ash segment, we expect soda ash prices in 2026 to follow a more balanced trajectory after the sharp declines experienced in previous years. A reduction in China-driven supply pressure and a potential recovery in flat glass demand could contribute to stronger price stability.

Overall, while weak demand in Europe is likely to continue exerting pressure in the short term, we expect Şişecam to move toward a stronger and more sustainable growth path over the medium to long term, supported by efficiency initiatives, a strategy to increase the share of value-added products, and the commissioning of new investments.

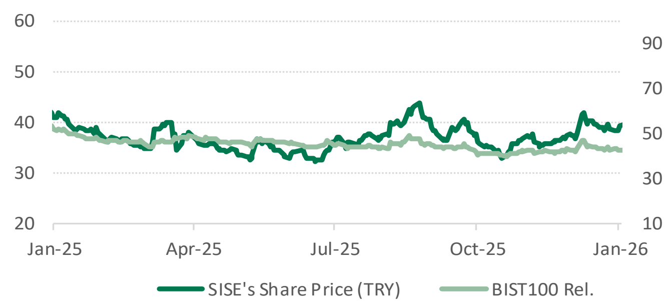
We maintain our target price of TRY 55.00/shr for the company as well as our OUTPERFORM recommendation. Based on the closing price as of January 7, 2026, our target price implies a 37% upside potential.

Code	SISE.TI	Close	39,88
MCAp (TRY m)	122.161	Last 12M High	44,20
MCAp (US$ m)	2.753	Last 12M Low	31,94
EV (TRY m)	236.274	Beta	0,93
EV (US$ m)	5.407	Avg. daily trading vol. (US$ m)	34,9
Free float (%)	49,00	Foreign ownership in FF (%)	12,4%

Key figures	*2023A	*2024A	2025E	2026E
Revenues	287.240	242.922	210.565	280.600
Growth		*-15,4%*	*-13,3%*	*33,3%*
EBITDA	38.852	14.165	17.350	27.140
EBITDA margin	*13,5%*	*5,8%*	*8,2%*	*9,7%*
Net profit	32.446	6.574	8.450	11.500
EPS	10,59	2,15	2,76	3,75
Dividend yield	1,76%	2,04%	1,52%	1,88%
Net debt /EBITDA	1,97	6,82	6,64	4,98
Net debt /Equity	0,28	0,40	0,41	0,42
ROAE		2,6%	3,2%	3,8%
ROAA		1,2%	1,5%	1,8%

Valuation metrics	*2023A	*2024A	2025E	2026E
P/E	8,2	25,3	14,5	10,6
EV/EBITDA	8,7	18,6	13,6	8,7
EV/Sales	0,7	0,9	1,1	0,8
P/BV	1,0	0,7	0,4	0,4

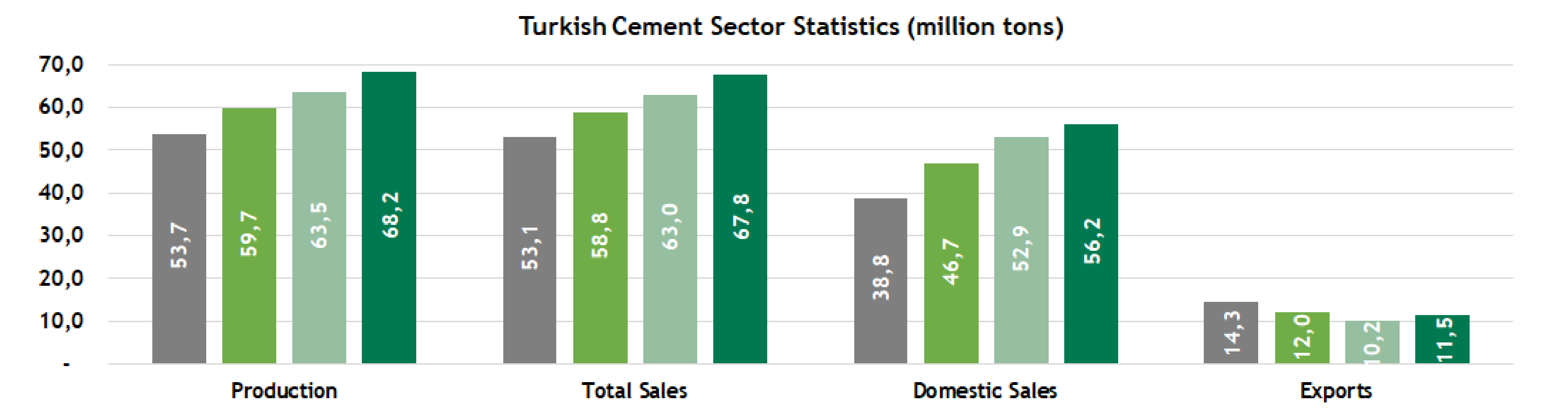
Return	1M	3M	YtD	YoY
TRY Return (%):	5,4	6,4	-10,6	-21,1
US$ Return (%):	3,4	0,9	-22,2	-35,8
BIST-100 Relative (%):	-5,5	-6,4	-16,2	-19,3



Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

Cement Sector



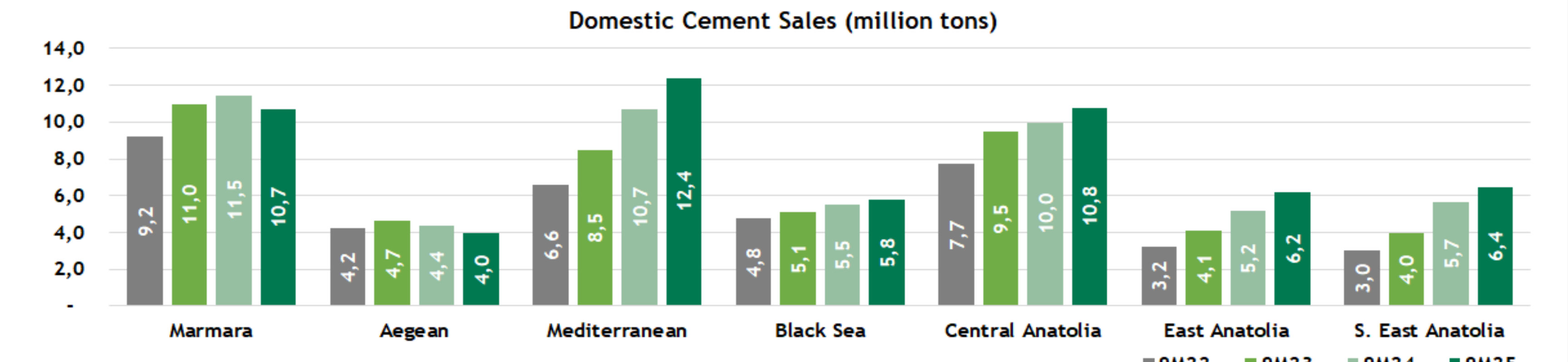
Resources: Turkish Cement Manufacturers' Association (TÜRKÇİMENTO), Şeker Invest Research

Türkiye's Position in the Global Cement Industry - The Turkish cement sector ranks as the leading producer in Europe and the fifth-largest globally. With zero annual cement imports, Türkiye is the world's second-largest exporter of cement and clinker, positioning the country as a key player in the global cement industry. With a strong annual production capacity of 120 million tons, a strategic geographical advantage, production quality in compliance with international standards, uninterrupted operational performance, logistical advantages, and competitive product pricing, the Turkish cement sector stands out in the global cement market. Sector producers continue their manufacturing activities through a total of 56 integrated plants and 21 grinding facilities distributed across the country's seven geographical regions.

Sectoral Dynamics - Cement is the primary binding material of concrete, which is the second most consumed construction material worldwide after water. The construction sector is the main determinant of global cement demand, with key dynamics such as sectoral growth rates, the development of investment projects, and the status of urban transformation initiatives directly influencing cement demand worldwide. In this context, the advancement of infrastructure, residential, and industrial facility projects plays a decisive role in shaping the operational performance of the cement sector. In the recent years, particularly in Europe, production and demand conditions in the cement industry have been reshaped by sustainability and environmental compliance policies, and countries and producers that adapt rapidly to this process have come to the forefront of the sector.

9M25 Period Statistics - According to data published by Turkish Cement Manufacturers' Association, cement production volume in Türkiye increased by 7.5% year-on-year during the first nine months of 2025, reaching 68.2 million tons. Total cement sales volume also grew in line with production, recording a year-on-year increase of 7.5% to 67.8 million tons in the 9M25 period. Of the total cement sold during the first nine months of the year, 16.9% was allocated to exports, and total cement exports increased by 13.7% year-on-year to 11.5 million tons (9M24: 10.2 million tons). Accordingly, following the contraction observed during the first nine months of 2023 and 2024, the export volume of the Turkish cement sector returned to an upward trend in the first nine months of 2025, increasing by 1.4 million tons compared to the same period of the previous year. Domestic cement sales volume, following year-on-year growth of 9.2% in 2024, continued to expand in the first nine months of 2025, increasing by 6.3% to 56.2 million tons. On a monthly basis, the sector entered January 2025 with growth in both domestic sales and exports. In February and March, production and domestic sales declined due to base effects. Sales recovered in April, while May recorded the highest domestic sales volume in history. The sector maintained its growth momentum over the subsequent four months. On a regional basis, domestic sales declined in the Marmara and Aegean Regions, while increases were recorded in the remaining regions.

Cement Sector



Resources: Turkish Cement Manufacturers' Association (TÜRKÇİMENTO), Şeker Invest Research

Regional Breakdown of Domestic Sales - During the first nine months of 2025, domestic cement sales in Türkiye were recorded as 10.7 million tons in the Marmara Region, a 6.4% year-on-year decline; 4.0 million tons in the Aegean Region, a 9.0% year-on-year decline; 12.4 million tons in the Mediterranean Region, a 15.7% year-on-year increase; 5.8 million tons in the Black Sea Region, a 4.4% year-on-year increase; 10.8 million tons in the Central Anatolia Region, an 8.0% year-on-year increase; 6.2 million tons in the Eastern Anatolia Region, a 19.5% year-on-year increase; and 6.4 million tons in the Southeastern Anatolia Region, a 13.3% year-on-year increase. The highest year-on-year sales growth during the 9M25 period was recorded in the Eastern Anatolia, Mediterranean, and Southeastern Anatolia Regions.

Expectations for 2026 - Over the past three years, domestic sales have increased due to demand in earthquake-affected regions, urban transformation projects, and other construction activities. We anticipate that 2025 will mark the highest domestic sales volume in the sector's history. On the export side, demand from key markets such as the United States, Syria, and Italy plays a decisive role in the sector's export performance. In December 2025, TOKİ concluded the "Construction Campaign of the Century" in earthquake-affected regions, completing the construction of 455,000 residential units and workplaces. In 2026, construction activity volume in earthquake-affected regions is expected to decrease compared to 2025. However, this decline in domestic sales is likely to be offset by the continued positive impact of economic policies on mortgage interest rates, the initiation of TOKİ's 500,000 social housing project, and other construction activities. Accordingly, our domestic sales forecast for 2026 projects moderate growth. Regarding exports, volumes are expected to increase, driven by sustained demand in existing markets, the continuation of reconstruction efforts in Syria following the regime change, and potential increases in construction activities provided that lasting peace is achieved in conflict regions such as Russia-Ukraine and Gaza-Israel. Additionally, we anticipate that the increase in the use of alternative fuels in cement production over the years, along with the integration of artificial intelligence into production processes, will drive efficiency gains and cost improvements, positively impacting profit margins.

Sustainability - Cement producers operating in Türkiye manufacture cement in compliance with TS EN standards, harmonized with European (EN) standards. Globally, cement production accounts for approximately 7% of total greenhouse gas emissions. Türkiye continues to implement its Long-Term Climate Strategy with a low-emission and climate-resilient development approach, targeting net-zero emissions by 2053. Within this framework, the Turkish cement sector continues to carry out R&D activities and investments aimed at reducing and controlling greenhouse gas emissions, including improving energy efficiency, increasing the use of alternative fuels, and promoting the use of blended cement to reduce the clinker-to-cement ratio, as well as integrating new and innovative technologies into production process. According to the Communiqué published in the Official Gazette on 16 March 2024 by the Ministry of Environment, Urbanization and Climate Change, from 2025 onwards, restrictions will be applied to other types of cement in public procurement contracts to promote the use of low-carbon, green cement. Accordingly, to encourage the use of green cement, which stands out for its environmental sustainability and technical superiority, in public construction contracts and cement-related material procurements between 1 January 2025 and 31 December 2029, the clinker content of cement is limited to a maximum of 80%, and from 1 January 2030 onwards, to a maximum of 75%.

Akcansa (OP, 12M TP: TRY 211.00) Upside: 33%

With Disciplined Cost Management, Quarterly Margin Recovery and Stronger Operational Performance…

Regional Domestic Demand Shifts and Total Sales - During the 9M25 period, strong construction activity in earthquake-affected regions positively supported cement demand domestically, while demand contraction was observed in Akçansa's core operating regions (Marmara, Aegean, Black Sea). According to data from the Turkish Cement Manufacturers' Association, domestic cement sales volumes increased by 6.3% year-on-year in 9M25; however, sales declined by 6.4% in Marmara and 9.0% in the Aegean, while the Black Sea region recorded a 4.4% increase. Overall, total demand across the three regions contracted by 4.2%. Türkiye's cement exports rose by 13.7% over the same period, marking a return to growth following declines in the previous two years. Akçansa's total sales volume of cement and related products increased by 10% quarter-on-quarter in 3Q25, gaining positive momentum, while nine-month sales volumes rose by 1% year-on-year, supported by the Company's strong market position and export contribution. Ready-mixed concrete sales increased by 31% in the third quarter, signaling strengthening demand; however, the 11% decline on a nine-month basis reflected weak market conditions experienced during the first half of the year.

During the 9M25 period, the Company's net sales revenues declined by 18.1% year-on-year, impacted by the challenging pricing environment in the domestic market, while the EBITDA margin contracted by 6.3 percentage points year-on-year, reaching 12.1%. On a quarterly basis, the EBITDA margin, which had fallen to 4.3% in the first quarter, rose to 13.3% in the second quarter and 16.9% in the third quarter. This recovery in the EBITDA margin indicates a stronger operational performance, supported by the Company's ongoing disciplined cost management.

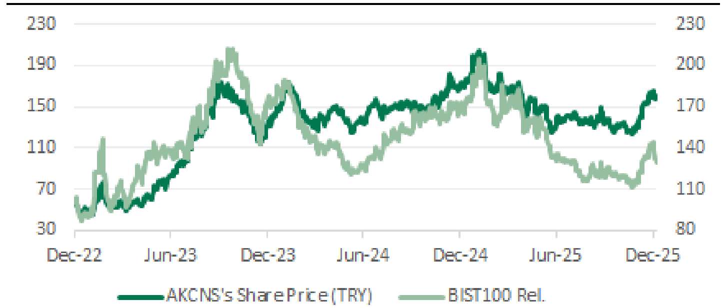
Export Growth - During the 9M25 period, the Company's gross sales revenues declined by 18.2% year-on-year. In the same period, domestic sales revenues fell by 22.9%, while international sales revenues increased by 1.1%. As a result, the Company's export ratio rose by 4.6 percentage points year-on-year, reaching 24.3% in 9M25 (9A24: 19.7%).

Sustainability - In 2025, the Company signed a 10-year partnership with Akademi Çevre for the establishment of a Waste-Derived Fuel (WDF) Preparation Facility with a capacity of 60,000 tons/year. The fuel to be produced at the facility is expected to enable a reduction of 130,000 tons of carbon emissions over the duration of the contract.

In 2026, In 2026, we expect the Company to maintain a high capacity utilization rate, increase the alternative fuel usage ratio, which is 22% as of 1H25, and continue to improve margins through disciplined cost management. We also expect domestic demand for cement and related products in the Company's operating regions to rise, supported by the launch of TOKİ's 500,000-unit housing project and the ongoing interest rate reduction process. Price increases are expected to be in line with or slightly below inflation. On the export side, we expect demand growth to align with sector projections. We expect Akçansa to achieve sales revenue of TRY 23,354 million, EBITDA of TRY 2,893 million, and net profit of TRY 821 million in 2025. For 2026, we expect the Company to reach TRY 29,380 million in sales revenue, TRY 4,050 million in EBITDA, and TRY 1,455 million in net profit.

In line with these expectations and the revisions in our macroeconomic forecasts, we have upwardly revised our 12-month target price for Akçansa (AKCNS.TI) from TRY 200.20/shr to TRY 211.00/shr. Given that our target price, as of January 7, 2026, implies a return potential of 33%, we maintain our "OUTPERFORM" recommendation.

Code	AKCNS.TI	Close		158,90
MCAp (TRY m)	30.421	Last 12M High		210,14
MCAp (US$ m)	708	Last 12M Low		121,80
EV (TRY m)	30.996	Beta		0,65
EV (US$ m)	722	Avg. daily trading vol. (US$ m)		2,6
Free float (%)	19,00	Foreign ownership in FF (%)		10,2%
Key figures	**2023A***	**2024A***	**2025E**	**2026E**
Revenues	35.386	28.291	23.354	29.380
Growth		*-20,0%*	*-17,5%*	*25,8%*
EBITDA	7.427	5.051	2.893	4.050
EBITDA margin	*21,0%*	*17,9%*	*12,4%*	*13,8%*
Net profit	4.481	2.189	821	1.455
EPS	23,41	11,43	4,29	7,60
Dividend yield	3,8%	3,0%	1,5%	2,8%
Net debt /EBITDA	-0,23	-0,44	0,21	0,19
Net debt /Equity	-0,07	-0,08	0,03	0,03
ROAE		8,3%	3,2%	6,0%
ROAA		5,9%	2,3%	4,0%
Valuation metrics	**2023A***	**2024A***	**2025E**	**2026E**
P/E	11,5	20,6	38,6	20,9
EV/EBITDA	6,7	8,5	10,7	7,7
EV/Sales	0,7	1,1	1,4	1,1
P/BV	2,0	1,7	1,3	1,3
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	16,3	15,3	-3,9	-8,8
US$ Return (%):	14,7	11,7	-4,2	-25,1
BIST-100 Relative (%):	6,4	3,7	-10,1	-24,4



Source: PDP, Finnet, Seker Invest Research estimates
**2023 and 2024 financials are indexed according to 2025 with IAS-29*

Cimsa (OP, 12M TP: TRY 68.00) Upside: 48%

Sustaining Growth amid Transformation into a Global Building Materials Company…

Since 2020, Çimsa has embarked on a transformation process from a traditional cement company to a global building materials company. As part of its product diversification and global expansion strategy, the Company expanded its global operations by acquiring Mannok, one of the leading building materials and sustainable packaging solutions manufacturers in the United Kingdom and Ireland, in September 2024.

In the 9M25 period, the Company's consolidated sales revenues increased by 34.3% year-on-year in real terms, supported by Mannok's inorganic contribution, reaching TRY 34,543 million. During the same period, the Company recorded a consolidated net profit of TRY 2,451 million and an EBITDA of TRY 6,057 million. (9M25 figures are indexed to the year 2025.) The EBITDA margin was realized at 17.5%.

Developments in 2025 - The Company's grey cement grinding plant investment in the United States, initiated in September 2023, was completed after an approximately two-year investment period, becoming operational as of October 2025. With a total investment of USD 82.5 million, the facility provides the Company with an annual grey cement grinding capacity of 600,000 tons. In addition, with the solar power (SPP) and waste heat recovery (WHR) plant investments in Eskişehir, completed and commissioned in 2025, the Company gained a total annual electricity generation capacity of 60,000 MWh, comprising 20,000 MWh from solar and 40,000 MWh from WHR. These investments are expected to contribute positively not only to reduced energy costs but also to achieving carbon emission reduction targets. Furthermore, within the framework of the asset transfer agreement signed on October 1, 2025, under Sabancı Holding's Material Technologies Group, Kratos Construction Solutions, operating under Kordsa, was integrated into Afyon Cement, a 51% subsidiary of Çimsa. This represents another significant step in Çimsa's journey toward becoming a global building materials company.

Alternative Fuel Usage Rate - In line with its sustainability and production cost improvement objectives, the Company accelerated actions to increase the use of alternative fuels and, in the 9M25 period, achieved alternative fuel usage rates of 17% at its Türkiye plants, 30% at the Buñol plant, and 67% at the Mannok plant. These rates are targeted to increase to 40%, 40%, and 80%, respectively, by 2030.

In 2026, we expect the Company to maintain a high capacity utilization rate, domestic cement sales volumes to remain at 2025 levels, and international sales volumes to increase, supported by the inorganic contribution of the grey grinding plant commissioned in the United States. In addition, with the capacity expansion investment of the CAC plant at the Mersin facility, planned to be commissioned in the first half of 2026, the Company's globally leading CAC production capacity is projected to increase by 50%, reaching 197,000 tons. This investment is expected to support growth in export markets, expand the value-added product portfolio, and strengthen the Company's operational performance in the medium term. We anticipate that in 2025, Çimsa will achieve sales revenue of TRY 46,598 million, EBITDA of TRY 8,131 million, and net profit of TRY 3,918 million. For 2026, we project sales revenue of TRY 62,115 million, EBITDA of TRY 10,887 million, and net profit of TRY 4,928 million.

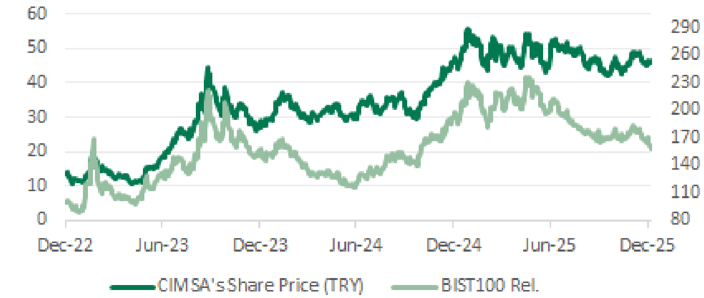
After reviewing our expectations for the Company and macroeconomic forecasts, we have upwardly revised our 12-month target price for Çimsa (CIMSA.TI) from TRY 63.00/shr to TRY 68.00/shr. Given that our target price, as of January 7, 2026, implies a return potential of 48%, we maintain our "OUTPERFORM" recommendation.

Code	CIMSA.TI	Close	45,80
MCAp (TRY m)	43.308	Last 12M High	56,69
MCAp (US$ m)	1.008	Last 12M Low	41,18
EV (TRY m)	64.581	Beta	1,07
EV (US$ m)	1.520	Avg. daily trading vol. (US$ m)	13,8
Free float (%)	45,00	Foreign ownership in FF (%)	8,1%

Key figures	2023A*	2024A*	2025E	2026E
Revenues	38.750	36.847	46.598	62.115
Growth		*-4,9%*	*26,5%*	*33,3%*
EBITDA	6.916	6.658	8.131	10.877
EBITDA margin	*17,8%*	*18,1%*	*17,4%*	*17,5%*
Net profit	4.707	3.518	3.918	4.928
EPS	34,85	3,72	4,14	5,21
Dividend yield	3,2%	1,2%	1,8%	2,4%
Net debt /EBITDA	0,64	2,71	2,68	2,43
Net debt /Equity	0,13	0,56	0,68	0,79
ROAE		10,4%	12,2%	15,1%
ROAA		4,4%	4,2%	4,5%

Valuation metrics	2023A*	2024A*	2025E	2026E
P/E	11,1	16,4	11,2	8,8
EV/EBITDA	8,2	11,4	7,9	5,9
EV/Sales	0,8	1,7	1,4	1,0
P/BV	1,5	1,8	1,4	1,3

Return	1M	3M	YtD	YoY
TRY Return (%):	-4,9	4,8	-1,5	2,1
US$ Return (%):	-6,2	1,5	-1,7	-16,1
BIST-100 Relative (%):	-13,0	-5,8	-7,8	-15,4



Source: PDP, Finnet, Şeker Invest Research estimates
*2023 and 2024 financials are indexed according to 2025 with IAS-29

Consumer Durables

Following the pressures experienced in 2025, we anticipate a balanced improvement in 2026…

2025 emerged as a transitional year for the global white goods (home appliances) industry, characterized by challenging conditions, heightened uncertainties, and mounting pressure factors. In **key export markets—particularly Europe—**a high interest rate environment, weak consumer confidence, and postponed durable goods spending exerted significant pressure on demand. On the export side, aggressive pricing strategies adopted by Chinese manufacturers, supported by economies of scale, intensified competition—especially in the European market—bringing price and margin pressure to the forefront, particularly in the entry and mid-range product segments. Meanwhile, the EU's energy efficiency and sustainability-focused regulations increased compliance costs in the short term, thereby constraining export performance.

In the domestic Turkish market, tight credit conditions and high financing costs put pressure on sales volumes, with demand largely driven by replacement needs. Within this context, 2025 stood out as a year focused less on volume growth and more on cost control, capacity optimization, and efficiency-driven restructuring initiatives for the sector.

For 2026, we expect a gradual normalization rather than a sharp recovery in the white goods (home appliances) sector. In Europe, the increasing visibility of interest rate cuts and a potential improvement in consumer confidence could help ease pressure on demand. At the same time, rising demand for energy-efficient and value-added products is likely to provide margin support for manufacturers that are able to upgrade their product mix. Companies that comply with EU regulations and are positioned in the premium segment may achieve stronger pricing power compared to producers of lower-efficiency products. In the domestic market, progress in the disinflation process and a potential improvement in credit conditions could lead to a more balanced demand outlook in 2026 compared to 2025. On the other hand, we believe that margins will remain cautious, shaped by raw material costs and foreign exchange dynamics.

In summary, we do not expect 2026 to be a post-crisis rebound year for the white goods sector. We believe that margins will remain cautious, shaped by raw material costs and foreign exchange dynamics. However, as interest rate cuts become more visible in the second half of the year, we expect a gradual recovery in both domestic demand and exports, which should support companies' operational performance. That said, we expect the second half of 2026 to stand out as a period of gradual and more sustainable recovery for the white goods sector, driven by efficiency initiatives, restructuring efforts, improvements in product mix, and technological transformation.

White Goods Industry Data

6 Main Products (Refrigerator, Washing Mach., Dish Mach., Oven, Deep Frezer, Oven)

(unit)	Jan-November 2024	Jan-November 2025	Change
Production	29.694.014	27.040.512	-9%
Domestic Sales	9.563.571	9.166.917	-4%
Exports	20.697.687	18.740.007	-9%
Imports	689.984	905.758	31%

Source: TURKBESD (White Goods Manufacturers Association of Turkey)

(unit)	Jan-November 24	Jan-November 25	Change (Yearly)
Refrigerator			
Domestic Sales	2.127.262	2.143.621	1%
Production	6.592.553	5.824.134	-12%
Exports	4.369.195	3.772.288	-14%
Washing Machine			
Domestic Sales	2.326.656	2.298.116	-1%
Production	6.572.414	5.377.174	-18%
Exports	4.430.692	3.326.724	-25%
Dish Machine			
Domestic Sales	1.790.467	1.764.050	-1%
Production	5.516.738	5.349.429	-3%
Exports	3.832.696	3.680.665	-4%
Oven			
Domestic Sales	919.270	897.345	-2%
Production	5.424.078	5.161.365	-5%
Exports	4.480.873	4.303.861	-4%
Deep Freeze			
Domestic Sales	899.430	759.123	-16%
Production	1.632.037	1.387.757	-15%
Exports	819.121	723.194	-12%
Dryer			
Domestic Sales	1.500.486	1.304.662	-13%
Production	3.956.194	3.940.653	0%
Exports	2.765.110	2.933.275	6%

Arcelik (OP, 12M TP: TRY 149.50)

Upside: 36%

For Arçelik, 2025 stood out as a transitional year marked by challenging macroeconomic conditions at both the global and regional levels, during which the company's operational and financial performance remained under various pressure factors. A high interest rate environment—both in Türkiye and in Europe, the company's main export market—constrained consumer demand, while the postponement of durable goods spending exerted significant pressure on white goods sales volumes. Weak demand conditions in Europe, in particular, had a negative impact on Arçelik's sales performance and profitability. In addition, aggressive pricing strategies adopted by Chinese manufacturers, supported by economies of scale in global markets, intensified price competition—especially in the entry and mid-range product segments—thereby increasing margin pressure. Meanwhile, the European Union's energy efficiency and sustainability-focused regulations emerged as another factor limiting export performance in the short term by raising compliance and investment costs. These regulations created additional cost pressure in 2025, particularly due to the need for portfolio restructuring and incremental investments in production processes.

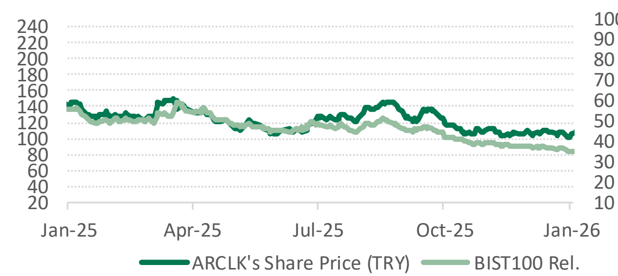
On the operational side, the steps taken as part of the restructuring process supported financial performance positively compared to the previous year; as the synergy gains and cost savings achieved during this process were gradually realized, the improvement became more visible and sustainable. In the domestic Turkish market, however, tight monetary policy, high financing costs, and constraints on access to credit led demand to be driven largely by replacement needs, resulting in limited sales volumes. Nevertheless, thanks to its strong brand positioning and extensive distribution network, Arçelik was able to deliver a relatively resilient performance in the domestic market. Overall, 2025 can be characterized as a transitional year for Arçelik, in which profitability was under pressure, while the cost structure was reshaped and a productivity-focused structural transformation gained momentum. Although the restructuring and cost optimization initiatives undertaken during this period constrained financial performance in the short term, we believe they have laid an important foundation for a more sustainable profitability profile from 2026 onwards.

For Arçelik in 2026, we anticipate a gradual normalization and recovery process, as the effects of restructuring and cost optimization initiatives begin to translate more visibly into financials. From the second half of the year, we expect domestic demand conditions and the financing environment to improve gradually in line with progress in the disinflation process. In European operations, however, we foresee a limited and controlled improvement rather than a strong rebound. As the restructuring process is largely completed, rising operational efficiency is expected to act as a margin-supportive factor. In Italy, the closure of the Siena facility and rescaling measures at the remaining plants aim to permanently lower the cost base. While the euro-denominated revenue structure and the relatively strong performance of the euro support revenues, competition and EU regulations are likely to steer export growth toward value-added and energy-efficient products rather than volume expansion. Overall, we believe that 2026 will not be a strong breakout year for Arçelik, but rather one of normalization and recovery, in which profitability gradually improves, supported by restructuring efforts, efficiency gains, an upgraded product mix, and more balanced macroeconomic conditions.

Due to changes in macroeconomic variables and our expectations for the company, we are revising our target price from TRY 170.00/shr to TRY 149.50/shr. Our target price represents a 36% upside potential compared to the closing price on January 7, 2026.

Code	ARCLK.TI	Close	109,90
MCAp (TRY m)	74.263	Last 12M High	152,40
MCAp (US$ m)	2.029	Last 12M Low	99,65
EV (TRY m)	224.495	Beta	0,96
EV (US$ m)	5.679	Avg. daily trading vol. (US$ m)	8,9
Free float (%)	18,00	Foreign ownership in FF (%)	13,9%

Key figures	*2023A	*2024A	2025E	2026E
Revenues	485.876	560.937	520.350	632.550
Growth		*15,4%*	*-7,2%*	*21,6%*
EBITDA	38.422	29.185	31.741	44.275
EBITDA margin	*7,9%*	*5,2%*	*6,1%*	*7,0%*
Net profit	25.531	2.211	-7.350	2.300
EPS	37,78	3,27	-10,87	3,40
Dividend yield	2,65%	0,00%	0,00%	0,00%
Net debt /EBITDA	2,61	3,91	5,20	4,43
Net debt /Equity	0,94	1,30	1,63	1,69
ROAE		2,3%	-7,8%	2,1%
ROAA		0,4%	-1,3%	0,4%
Valuation metrics	***2023A**	***2024A**	**2025E**	**2026E**
P/E	11,3	56,8	-	32,3
EV/EBITDA	6,9	8,2	7,1	5,1
EV/Sales	0,3	0,4	0,4	0,4
P/BV	1,6	1,4	0,7	0,6
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	1,2	4,5	-14,4	-33,6
US$ Return (%):	-0,7	-1,0	-25,5	-45,9
BIST-100 Relative (%):	-9,2	-8,1	-19,7	-32,0



Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

Vestel Beyaz Esya (OP, 12M TP: TRY 12.50) Upside: 58%

2025 stood out as a transitional year for Vestel White Goods, marked by challenging macroeconomic conditions both globally and regionally. A high interest rate environment weighed on consumer demand in both Türkiye and the company's main export market, Europe, while the postponement of durable goods spending exerted a pronounced downward impact on white goods sales volumes. In particular, market share losses in the domestic market led to a weaker sales performance and profitability profile.

Against this challenging backdrop, the company shifted away from a volume-driven growth strategy and placed greater emphasis on production, cost and operational optimization. Throughout 2025, initiatives such as the streamlining of inefficient production lines, tighter cost control and increased focus on R&D projects came to the forefront. This strategic transformation aimed to preserve profitability and cash flow discipline rather than support short-term revenue growth. Against this challenging backdrop, the company shifted away from a volume-driven growth strategy and placed greater emphasis on production, cost and operational optimization. Throughout 2025, initiatives such as the streamlining of inefficient production lines, tighter cost control and increased focus on R&D projects came to the forefront. This strategic transformation aimed to preserve profitability and cash flow discipline rather than support short-term revenue growth.

Looking into 2026, we expect Vestel White Goods to pursue a more selective growth strategy, focusing on profitable customers and higher-margin product segments. While we do not anticipate an aggressive revenue expansion, we believe that improvements in product mix, pricing discipline and cost control will support a recovery in EBITDA.

The decline in headcount recorded in 2025 has created the potential for a structural improvement in the company's cost base. In 2026, we expect total labor expenses to follow a more controlled trajectory, supported by a gradual reduction in headcount and ongoing operational efficiency gains. This development should serve as an important buffer for margin recovery in an environment where energy and raw material cost pressures remain elevated.

In order to limit financing expenses in a high interest rate environment, the company aims to reduce its reliance on TRY-denominated borrowing and gradually deleverage its balance sheet. Meanwhile, positioning the U.S. market as a strategic growth avenue remains one of the key pillars of the 2026 outlook. Previous investments in U.S.-based sales entities and larger-scale white goods product groups provide a scalable growth platform in this market. In particular, we expect revenue contribution from the U.S. to become more visible starting from the second half of 2026.

In summary, while 2025 represented a restructuring year for Vestel White Goods, characterized by demand pressure and profitability challenges, 2026 points to a more balanced and selective recovery driven by a profitability-focused strategy. A shift toward margin and efficiency rather than volume growth, together with the growth potential in the U.S. market and improvements in the cost structure, underpin the company's medium-term outlook.

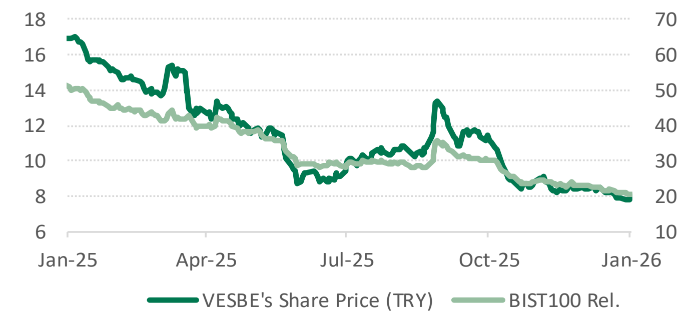
As a result of the changes we have made in macroeconomic variables and our expectations regarding the company, we revise our target price downward from TRY 15.00/shr to TRY 12.50/shr. Based on the closing price as of January 7, 2026, our target price implies a 58% upside potential, and we maintain our OUTPERFORM recommendation

Code	VESBE.TI	Close	7,89
MCAp (TRY m)	12.624	Last 12M High	17,03
MCAp (US$ m)	408	Last 12M Low	7,62
EV (TRY m)	31.325	Beta	0,81
EV (US$ m)	798	Avg. daily trading vol. (US$ m)	2,0
Free float (%)	19,00	Foreign ownership in FF (%)	7,3%

Key figures	*2023A	*2024A	2025E	2026E
Revenues	115.410	98.597	82.385	101.870
Growth		*-14,6%*	*-16,4%*	*23,7%*
EBITDA	14.922	7.570	3.500	5.150
EBITDA margin	*12,9%*	*7,7%*	*4,2%*	*5,1%*
Net profit	8.928	348	-3.600	300
EPS	5,58	0,22	-2,25	0,19
Dividend yield	1,62%	5,05%	0,36%	0,48%
Net debt /EBITDA	0,49	1,79	4,80	5,20
Net debt /Equity	0,18	0,31	0,33	0,46
ROAE		0,8%	-7,6%	0,5%
ROAA		0,4%	-3,6%	0,3%

Valuation metrics	*2023A	*2024A	2025E	2026E
P/E	5,4	102,0	-	42,1
EV/EBITDA	3,8	6,5	9,0	6,1
EV/Sales	0,3	0,4	0,4	0,3
P/BV	1,2	0,8	0,2	0,2

Return	1M	3M	YtD	YoY
TRY Return (%):	13,8	-12,0	-38,9	-50,5
US$ Return (%):	11,6	-16,6	-46,8	-59,7
BIST-100 Relative (%):	2,0	-22,6	-42,7	-49,3

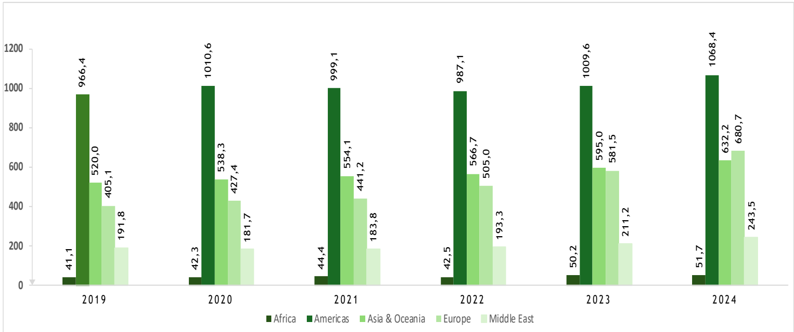


Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

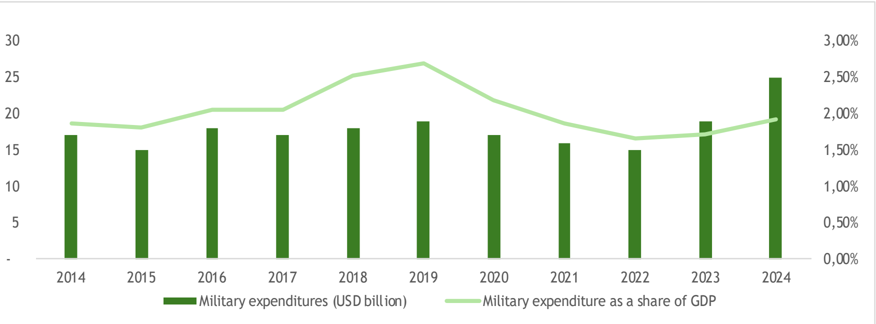
Defense Industry Sector

Global Military Expenditures (USD billion)



Source: SIPRI

Military Expenditure-to-GDP Ratio in Türkiye



Source: SIPRI

We expect the global defense industry to maintain its growth momentum from 2026 onwards, driven by rising geopolitical risks, deepening great-power competition, the persistence of regional conflicts, the acceleration of technological transformation, and rapidly increasing defense budgets across countries. In 2026, we believe that military spending will continue to rise both regionally and globally. The main drivers behind this increase can be summarized as follows:

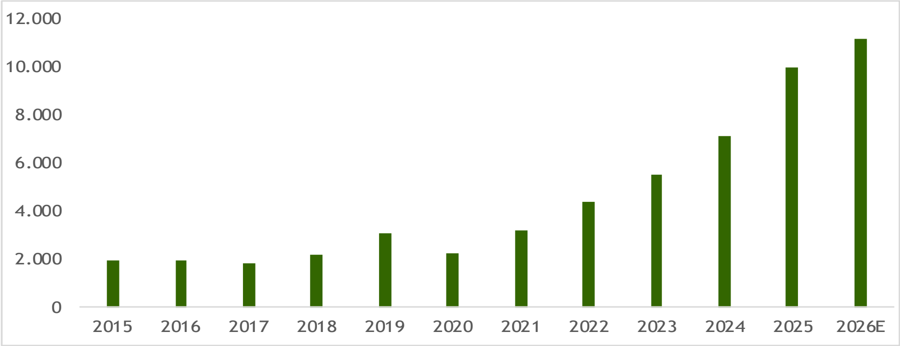
- Global power competition continues to intensify, with the strategic and technological rivalry between the United States and China emerging as one of the primary forces shaping the international system.
- Security risks persist across Europe. Uncertainty surrounding Russia's military capabilities and the trajectory of the Russia–Ukraine war continues to heighten regional instability.
- The outcomes of the Russia–Ukraine war and the uncertainty regarding the future of the conflict keep both European security and global geopolitical balances under pressure.
- Uncertainty in the Middle East is deepening. The Israel–Palestine conflict carries the potential for regional spillover, while tensions between Iran and the US/Israel continue to pose strategic risks at both regional and global levels.

Rising global defense budgets toward 2026 and Türkiye's position- As 2026 progresses, global defense spending is exhibiting a clear upward trend, driven by escalating geopolitical tensions, deepening major-power competition, and the persistent nature of regional conflicts. High-impact military developments, such as Israel's operations against Iran, are **reshaping security perceptions—particularly in the Middle East—**and are directly pushing regional defense budgets higher. In parallel with these global dynamics, Türkiye's military expenditures are also seen to be maintaining an upward trajectory. NATO's increasing emphasis in recent years on multi-layered air defense, modernization, and logistical capacity, as well as the intensity of military exercises is creating an additional need for defense-related resources for Türkiye.

NATO countries have strengthened their defenses on the eastern flank. Russia's actions since 2014, which have undermined regional security—most notably the invasion of Ukraine in 2022—have significantly heightened threat perceptions along NATO's eastern border. In this context, the Alliance has reinforced its deterrence posture by deploying additional military forces, air defense systems, and radar capabilities to areas at direct risk, such as Poland, the Baltic states, and Romania. The primary objective of these measures is to deter potential aggression in advance and to rapidly and effectively enhance the region's defense capacity.

Defense Industry Sector

Türkiye's Defense Industry Exports (USD mn)



Source: Turkish Exporters Assembly

EU member states have approved an €800 billion defense plan. As geopolitical threats and next-generation hybrid attack risks have intensified across Europe, EU countries have increased their defense spending. As a result, Türkiye's defense industry products—including UAVs, unmanned ground vehicles, naval platforms, and electronic warfare systems—may capture potential export opportunities. Türkiye can enhance its technological capabilities and exports by participating in direct projects with the EU or by integrating into European defense supply chains. The EU is expected to invest in new defense technologies, which could create opportunities for joint R&D projects in areas where Türkiye has strong expertise, such as UAVs and unmanned systems. Such collaborative projects offer opportunities for technology transfer and the development of production capacity. Given its strategic location and logistics infrastructure, Türkiye could act as an intermediate supplier or logistics hub in the EU's military mobility and defense supply initiatives, particularly in Eastern Europe and the Mediterranean, thereby increasing Türkiye's strategic importance. While EU countries tend to prioritize supporting their domestic industries, the need for cooperation with external suppliers may create alternative market opportunities for Türkiye. In particular, Türkiye could gain a competitive advantage in mid-scale defense systems.

NATO members have agreed to raise their annual defense spending to 5% of GDP by 2035. At the NATO summit—of particular importance for Türkiye—the main agenda item for the Alliance's 32 member states was the increase in defense industry expenditures. Within this framework, the existing target, which had been set at 2% of GDP in 2014, is planned to be raised to 5%.

Strengthening position of Türkiye's defense exports- Türkiye's defense industry achieved a historic record in 2025, with exports of goods and services reaching USD 10.5 billion. This represents an increase of approximately 49% year-on-year, compared to USD 7.1 billion recorded in the previous year. In addition, strong momentum was observed in newly signed sales contracts. While the value of new contracts stood at USD 10 billion in 2024, it rose sharply to USD 17.8 billion in 2025, indicating a growth rate of close to 80%. Looking ahead to 2026, we expect the uptrend in exports to continue, particularly driven by high value-added products such as air defense systems, UAV/UCAV platforms, naval vessels, and engine programs. Supported by the increase in global defense spending and the strengthening modernization demand from NATO and EU countries, we believe that Türkiye's defense and aerospace exports will maintain their growth trajectory.

The importance of SAHA EXPO in strengthening the defense industry supply chain and exports: Organized by SAHA Istanbul—the largest industrial cluster in Türkiye and Europe—SAHA EXPO is preparing to open its doors for the fifth time at the Istanbul Expo Center on May 5–9, 2026. SAHA EXPO makes critical contributions to increasing exports, opening new markets, and expanding and deepening the defense industry supply chain. By bringing together prime contractors and SMEs, the fair strengthens domestic production capacity, reduces external dependency, and facilitates the formation of new partnerships. At the same time, it is a showcase for advanced technology products, supporting the R&D ecosystem, enhancing the visibility of innovation, and boosting sector competitiveness. With the participation of international delegations, the fair also strengthens defense diplomacy, reinforces Türkiye's position in the global defense market, and paves the way for long-term strategic collaborations.

Defense industry objectives for 2026: In 2026, we believe that the defense industry's strategic priorities—such as modern air defense, indigenous platform production, export growth, and high-technology-focused systems—will accelerate growth momentum by expanding production capacity and position companies more visibly and with higher value added in global competition. Progress in critical projects such as KAAN, HÜRJET, ALTAY, SİPER, and the ÇELİKKUBBE multi-layered air defense architecture will not only deepen the production ecosystem but also increase the weight of knowledge-intensive processes, enabling the institutionalization of technology development capabilities within the defense industry. Thus, we consider the post-2026 period to be a strategic threshold enabling the defense industry to become a more decisive actor within the national security architecture and to achieve a more visible, sustainable, and high value-added position in the global defense economy. Within Türkiye's defense industry, efforts are expected to focus next year on the development of deep and breakthrough technologies—including quantum technologies, artificial intelligence, autonomous systems, and hypersonic technologies—for both military and civilian applications.

Aselsan (OP, 12M TP: TRY 340.00) Upside: 29%

The increase in the company's export-oriented order structure, effective financial management, and rising capital expenditures are the key factors supporting Aselsan's long-term sustainable growth. In addition, we believe that higher R&D spending and investments aimed at serial production will further strengthen the company's technology development and manufacturing capabilities, making a significant contribution to sustainable growth. Moreover, with the commissioning of new investments in additional capacity in the production of ÇELİKKUBBE components in the period ahead, we expect Aselsan's global position within the defense industry to be further reinforced.

We expect Aselsan to close 2025 with a backlog exceeding USD 19 billion. Continuing its export-oriented growth strategy with determination, the company secured USD 5.7 billion worth of new orders in 9M25, of which USD 1.45 billion came from international markets (9M24: USD 535 million). As of 9M25, 98% of the company's total order backlog consists of defense-related contracts, while 2% is derived from non-defense orders. In terms of currency composition, long-term orders as of 9M25 are denominated 52% in USD, 40% in EUR, and 8% in TRY.

The company's net debt position improved significantly, with net debt declining by 40% compared to 3Q24, reaching TRY 23,769 million. As of 9M25, the Net Debt/EBITDA ratio decreased to 0.57x, down from 1.27x in the same period of the previous year.

Aselsan has incorporated a newly allocated 6,500-decare site in Oğulbey, Ankara, which has been designated for investment purposes, as part of its strategy to further strengthen its global position in defense technologies. With construction having commenced and completion targeted for 2030, this new campus is expected to provide a larger-scale and more integrated production infrastructure compared to the company's existing facilities. The facility, which is planned to become operational from mid-2026, is expected to contribute directly to company revenues, as well as to the financing of the investment. We expect this investment to enable higher-volume serial production of several critical technologies—most notably air defense systems under the ÇELİKKUBBE framework—thereby supporting Aselsan's air defense systems exports. With this investment, Aselsan is expected to sustain its steady growth while further enhancing its mass production capacity, R&D capabilities, employment opportunities, and global competitiveness.

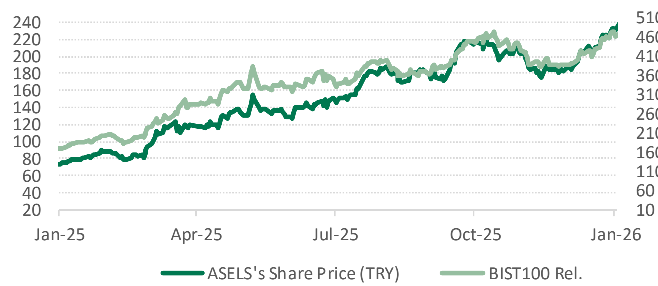
Significant developments were recorded in Türkiye's defense industry in 2025. In July, cooperation agreements regarding the export of KAAN to Indonesia came to the forefront, while in August, the delivery of 47 different sub-components—including radar, command-and-control, and missile elements—within the ÇELİKKUBBE architecture to the Turkish Armed Forces marked an important milestone in air defense. In November, Türkiye's first unmanned combat aircraft, KIZILELMA, successfully completed tests integrating the indigenous MURAD AESA radar and GÖKDOĞAN missile, demonstrating the advanced technological level achieved in unmanned aerial platforms. As Türkiye enters 2026, the development of advanced variants of TAYFUN, planned additional deliveries in air defense systems, and the maturation of critical platforms point to a transformation phase for the sector. In this context, increasing deliveries aimed at strengthening the air defense architecture and progress in strategic missile programs are expected to further enhance Türkiye's technological capabilities and production capacity in the defense industry. Accordingly, we expect Türkiye's defense industry capabilities and institutional capacity to strengthen markedly in 2026 and beyond, supported by the continuation of KAAN prototype flights, the initial deliveries of HÜRJET, the more visible induction of ALTAY into the inventory, and continued progress in the HİSAR and SİPER projects.

NATO's new target envisions an increased share of defense spending allocated by member states. NATO's revised approach toward higher defense expenditures implies that defense items will account for a larger portion of member countries' budgets. Within this framework, in countries like Türkiye, which have strong defense industry production capabilities, the expansion of government spending capacity is expected to create a significant opportunity to increase Aselsan's order volume and project portfolio.

As a result of the changes we have made in macroeconomic variables and our expectations regarding the company, we revise our target price upward from TRY 240.00/shr to TRY 340.00/shr. Based on the closing price as of January 7, 2026, our target price implies a 29% upside potential, and we maintain our OUTPERFORM recommendation.

Code	ASELS.TI	Close	263,50
MCAp (TRY m)	1.201.560	Last 12M High	270,00
MCAp (US$ m)	20.188	Last 12M Low	76,05
EV (TRY m)	1.225.329	Beta	0,83
EV (US$ m)	20.721	Avg. daily trading vol. (US$ m)	96,6
Free float (%)	26,00	Foreign ownership in FF (%)	52,9%

Key figures	*2023A	*2024A	2025E	2026E
Revenues	139.076	157.340	177.950	252.500
Growth		*13,1%*	*13,1%*	*41,9%*
EBITDA	30.289	39.574	45.200	64.700
EBITDA margin	*21,8%*	*25,2%*	*25,4%*	*25,6%*
Net profit	13.778	20.025	26.280	35.850
EPS	3,02	4,39	5,76	7,86
Dividend yield	0,23%	0,18%	0,11%	0,17%
Net debt /EBITDA	0,83	0,53	0,54	0,47
Net debt /Equity	0,15	0,11	0,11	0,12
ROAE		11,5%	13,3%	15,8%
ROAA		6,6%	7,7%	9,1%
Valuation metrics	***2023A**	***2024A**	**2025E**	**2026E**
P/E	28,1	21,6	45,7	33,5
EV/EBITDA	13,6	11,5	27,1	18,9
EV/Sales	1,6	2,2	6,9	4,9
P/BV	2,3	2,4	5,7	4,9
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

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

Real Estate Investment Trusts (REITs) Sector

Real Estate Investment Trusts Premium/Discount Table (Mn TRY)

No.	Ticker	Company Name	Closing Price (07.01.26)	XGMYO Index Weight	Real Estate Portfolio Value	Associates and Subsidiaries	Other Data	Total Portfolio Value	Financial Liabilities	Non-Financial Liabilities	Total Liabilities	Net Asset Value (NAV)	Market Value (MV)	MV/NAV	NAV Premium/ Discount (-)	Book Value (BV)	Price to Book Ratio (P/B)	P/B Premium/ Discount (-)	Last 1-Year Return
1	ADGYO	Adra REIT	50,15	1,27%	8.595	3.950	2.870	15.415	0	406	406	15.009	14.729	0,98	-1,9%	9.009	1,63	63,5%	46,3%
2	AHSGY	Ahes REIT	19,00	1,23%	24	5	3.351	3.380	0	953	953	2.427	13.709	5,65	464,9%	6.948	1,97	97,3%	238,6%
3	AKFGY	Akfen REIT	2,65	1,60%	22.841	8.614	2.312	33.767	2.129	2.888	5.017	28.750	10.335	0,36	-64,1%	30.012	0,34	-65,6%	21,6%
4	AKMGY	Akmerkez REIT	238,00	0,20%	9.329	0	604	9.933	0	1.690	1.690	8.243	7.434	0,90	-9,8%	8.879	0,84	-16,3%	-5,7%
5	AKSGY	Akiş REIT	8,05	3,61%	42.561	88	2.328	44.977	2.653	4.613	7.266	37.711	19.441	0,52	-48,4%	40.927	0,48	-52,5%	8,8%
6	ALGYO	Alarko REIT	35,68	1,71%	17.945	98	3.846	21.889	1.890	4.188	6.078	15.811	10.340	0,65	-34,6%	17.264	0,60	-40,1%	66,4%
7	ASGYO	Asce REIT	10,75	0,61%	24.314	0	13.509	37.823	0	5.520	5.520	32.303	7.084	0,22	-78,1%	17.164	0,41	-58,7%	-13,2%
8	ATAGY	Ata REIT	14,35	0,14%	706	0	0	706	0	93	93	613	682	1,11	11,2%	707	0,96	-3,5%	25,8%
9	AVGYO	Avrasya REIT	9,90	0,21%	1.552	226	247	2.025	3	87	90	1.935	1.105	0,57	-42,9%	1.926	0,57	-42,6%	13,5%
10	AVPGY	Avrupakent REIT	52,45	1,80%	45.817	0	1.845	47.662	0	10.926	10.926	36.736	20.980	0,57	-42,9%	39.452	0,53	-46,8%	1,3%
11	BEGYO	Batı Ege REIT	4,81	0,42%	4.154	0	875	5.029	0	10	10	5.019	3.920	0,78	-21,9%	5.038	0,78	-22,2%	-30,3%
12	DGGYO	Doğuş REIT	31,08	0,18%	17.287	0	128	17.415	3.808	1.252	5.060	12.355	10.319	0,84	-16,5%	13.466	0,77	-23,4%	-31,1%
13	DZGYO	Deniz REIT	7,77	0,26%	4.192	0	1.459	5.651	16	832	848	4.803	3.108	0,65	-35,3%	5.221	0,60	-40,5%	-22,4%
14	EGEGY	Egeyapı Avrupa REIT	25,96	0,55%	4.467	0	0	4.467	258	6.352	6.610	-2.143	5.192	-2,42	NA	1.256	4,13	313,3%	0,0%
15	EKGYO	Emlak Konut REIT	21,36	14,24%	224.013	4.602	37.321	265.936	21.336	80.490	101.826	164.110	81.168	0,49	-50,5%	128.855	0,63	-37,0%	61,3%
16	EYGYO	EYG REIT	3,84	0,32%	3.620	0	242	3.862	974	315	1.289	2.573	2.688	1,04	4,5%	2.120	1,27	26,8%	72,8%
17	FZLGY	Fuzul REIT	14,39	1,30%	9.339	159	1.819	11.317	692	6.830	7.522	3.795	17.988	4,74	374,0%	4.561	3,94	294,3%	94,2%
18	HLGYO	Halk REIT	3,96	1,10%	49.623	382	7.741	57.746	4.151	11.597	15.748	41.998	15.206	0,36	-63,8%	43.726	0,35	-65,2%	51,1%
19	IDGYO	İdealist REIT	3,74	0,14%	362	0	41	403	136	153	289	114	561	4,92	392,1%	298	1,88	88,5%	37,5%
20	ISGYO	İş REIT	21,70	2,72%	49.123	41	3.267	52.431	2.147	4.590	6.737	45.694	20.805	0,46	-54,5%	48.810	0,43	-57,4%	13,8%
21	KLGYO	Kiler REIT	6,25	1,38%	33.409	1.804	2.854	38.067	92	7.816	7.908	30.159	8.719	0,29	-71,1%	22.576	0,39	-61,4%	24,5%
22	KRGYO	Körfez REIT	2,96	0,22%	2.176	0	170	2.346	0	162	162	2.184	2.930	1,34	34,2%	2.338	1,25	25,4%	-6,6%
23	KZBGY	Kızılbük REIT	11,92	1,72%	21.835	-121	2.433	24.147	2.539	6.993	9.532	14.615	14.304	0,98	-2,1%	20.262	0,71	-29,4%	68,6%
24	KZGYO	Kuzugrup REIT	24,46	0,42%	15.244	0	85	15.329	762	3.000	3.762	11.567	4.892	0,42	-57,7%	12.303	0,40	-60,2%	6,7%
25	MHRGY	MHR REIT	3,33	0,36%	6.085	0	2.083	8.168	0	1.365	1.365	6.803	4.131	0,61	-39,3%	7.426	0,56	-44,4%	-1,2%
26	MSGYO	Mistral REIT	5,92	0,27%	6.370	0	1.401	7.771	0	1.448	1.448	6.323	2.781	0,44	-56,0%	4.572	0,61	-39,2%	42,1%
27	NUGYO	Nurol REIT	11,65	0,69%	5.260	0	1.036	6.296	125	263	388	5.908	3.907	0,66	-33,9%	6.439	0,61	-39,3%	50,7%
28	OZGYO	Özderici REIT	2,03	0,25%	5.061	498	0	5.559	32	272	304	5.255	2.030	0,39	-61,4%	5.754	0,35	-64,7%	39,0%
29	OZKGY	Özak REIT	14,24	1,78%	47.099	578	17.554	65.231	602	6.003	6.605	58.626	20.733	0,35	-64,6%	63.197	0,33	-67,2%	6,4%
30	PAGYO	Panora REIT	85,00	0,97%	11.703	13	178	11.894	0	1.394	1.394	10.500	7.395	0,70	-29,6%	13.550	0,55	-45,4%	40,7%
31	PEKGY	Peker REIT	11,90	19,23%	611	10.186	10.136	20.933	4.461	1.548	6.009	14.924	59.500	3,99	298,7%	6.764	8,80	779,7%	876,8%
32	PSGYO	Pasifik REIT	2,46	1,94%	33.879	7.731	46.605	88.215	13.999	23.049	37.048	51.167	13.096	0,26	-74,4%	29.331	0,45	-55,4%	49,8%
33	RYGYO	Reysaş REIT	24,24	5,00%	65.503	1.058	3.317	69.878	3.597	6.686	10.283	59.595	48.480	0,81	-18,7%	67.261	0,72	-27,9%	40,3%
34	SNGYO	Sinpaş REIT	4,54	3,43%	46.345	16.576	23.256	86.177	5.236	6.978	12.214	73.963	18.160	0,25	-75,4%	50.048	0,36	-63,7%	45,0%
35	SRVGY	Servet REIT	3,28	0,77%	16.398	15.051	4.665	36.114	226	5.708	5.934	30.180	10.660	0,35	-64,7%	24.518	0,43	-56,5%	-28,8%
36	SURGY	Sur Tatil Evleri REIT	43,98	0,56%	26.332	0	2.572	28.904	41	3.164	3.205	25.699	7.367	0,29	-71,3%	9.093	0,81	-19,0%	4,1%
37	TDGYO	Trend REIT	41,74	0,86%	246	0	104	350	0	0	0	350	2.880	8,23	722,9%	347	8,29	728,8%	249,6%
38	TRGYO	Torunlar REIT	78,00	5,63%	115.386	3.841	23.581	142.808	1.289	20.821	22.110	120.698	78.000	0,65	-35,4%	124.326	0,63	-37,3%	35,4%
39	TSGYO	TSKB REIT	6,88	0,17%	5.883	39	224	6.146	131	480	611	5.535	4.472	0,81	-19,2%	5.902	0,76	-24,2%	-12,6%
40	VKGYO	Vakıf REIT	2,55	0,88%	27.538	0	2.495	30.033	0	4.148	4.148	25.885	8.798	0,34	-66,0%	23.411	0,38	-62,4%	17,5%
41	VRGYO	Vera Konsept REIT	2,36	0,46%	5.188	0	1.464	6.652	137	1.642	1.779	4.873	1.935	0,40	-60,3%	5.108	0,38	-62,1%	-30,6%
42	YGGYO	Yeni Gimat REIT	136,00	8,71%	17.839	91	3.426	21.356	1	4.744	4.745	16.611	32.901	1,98	98,1%	18.467	1,78	78,2%	129,3%
			Total	89,28%	1.055.254	75.510	233.444	1.364.208	73.463	251.469	324.932	1.039.276	624.864	0,60	-39,9%	948.630	0,66	-34,1%	

Resource: *TCMA, Finnet, Şeker Invest Research*

Notes:

1.The total portfolio and total liabilities values in the table correspond to the data for 06/2025 period published by the TCMA (Turkish Capital Markets Association).

2. The USD/TRY exchange rate for the relevant period (30.06.2025) has been calculated as TRY 39.8835.

3. The BIST Real Estate Investment Trusts (XGMYO) Index includes a total of 49 companies. The data for companies named Atakule REIT, Başkent Natural Gas Distrubition REIT, Koray REIT, Şeker REIT, Zeray REIT, and Ziraat REIT are not included in the table, as they are not accessible on the TCMA website. The company Martı REIT is also excluded from the table because its reporting period differs.

Conglomerates

January 2026

Koc Holding (OP, 12M TP: 318.51 TRY) Upside: 74%

Balanced Portfolio Structure Mitigates Sectoral and Cyclical Volatility…

Within Koç Holding's organizational structure, 22% of the Net Asset Value is allocated to Energy, 37% to Automotive, 5% to Durable Consumer Goods, 21% to Finance, and 15% to Other Assets and Cash segments. On the revenue side, the Holding's combined revenues are contributed by Energy (32%), Automotive (30%), Durable Consumer Goods (13%), Finance (20%), and Other segments (5%) as of the end of September 2025. This balanced portfolio structure enhances the Holding's resilience against sectoral and cyclical fluctuations.

9M25 Financial Results: Based on the financial results adjusted for inflation accounting, Koç Holding reported total revenues of TRY 2,040 billion and a consolidated net profit of TRY 14,977 million for the 9M25 period. During this period, consolidated net profit was negatively impacted by the Durable Consumer Goods and Automotive segments, while the Finance, Energy, and Other segments contributed positively.

Strong Cash Position: As of the 9M25 period, the Holding maintains a solo net cash position of USD 874 million and a solo net foreign currency (FC) position of USD 597 million. Excluding the Finance segment, the Combined Net Financial Debt/EBITDA ratio stood at 1.4x in the 9M25 period, supporting the sustainability of the balance sheet structure.

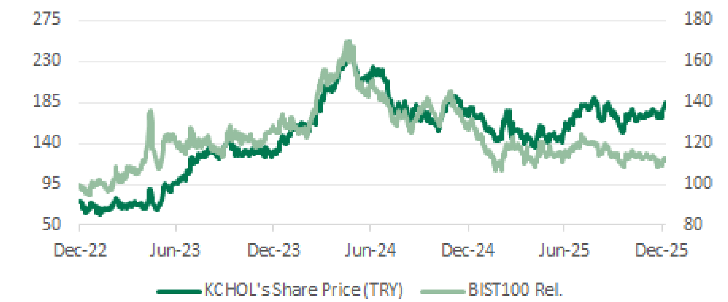
Consistency in Dividend Payments: Thanks to a diversified and balanced portfolio structure across segments, Koç Holding generated total dividend income of TRY 21.3 billion as of November 2025, primarily from subsidiaries that earn significant foreign currency or foreign currency-indexed revenues. The Holding, which has paid regular dividends every year since 2010, distributed a total of TRY 17.4 billion in dividends in April 2025, corresponding to a gross dividend of TRY 6.88 per share (net TRY 5.85 per share).

2026 Expectations: In 2026, we expect that the economic conditions in export markets, particularly in Europe, will continue to be a key determinant of the Holding's revenues, given the high export orientation of its subsidiaries operating in the industrial sector. We anticipate that the favorable Euro/US Dollar exchange rate will have a more pronounced positive impact on the subsidiaries' export revenues this year. Domestically, the sectorally diversified portfolio structure is expected to benefit from the CBRT's ongoing interest rate reduction process, thereby supporting the Holding's overall performance.

Our Net Asset Value (NAV) table for the Holding is presented in detail on the following page. Following the adjustments made to the valuations of its subsidiaries, we have revised our target price for Koç Holding (KCHOL.TI) upward from TRY243.75/shr to TRY318.51/shr. Based on the closing price on January 7, 2026, our target price implies a potential upside of 74%, and we maintain our "OUTPERFORM" recommendation for the stock.

Code	KCHOL.TI	Close	183,00
MCAp (TRY m)	464.069	Last 12M High	190,50
MCAp (US$ m)	10.799	Last 12M Low	133,70
EV (TRY m)	1.229.069	Beta	1,26
EV (US$ m)	29.229	Avg. daily trading vol. (US$ m)	126,1
Free float (%)	22,00	Foreign ownership in FF (%)	37,1%

Key figures (TRY m)	2023A*	2024A*	2024/09A*	2025/09A*
Revenues	2.303.722	2.109.315	1.614.119	1.359.110
Finance Sector Revenues	728.756	924.647	695.645	680.644
Total Revenues	3.032.478	3.033.962	2.309.764	2.039.754
Growth		*0,0%*		*-11,7%*
Consalidated net profit	141.594	1.709	9.705	14.977
EPS	55,84	0,67	3,67	5,66
Dividend yield	5,3%	3,5%		
Net debt /Equity	0,69	0,97	0,84	1,19
ROAE	19,4%	0,2%		1,0%
ROAA	2,6%	0,0%		0,1%
Valuation metrics	**2023A***	**2024A***	**2024/09A***	**2025/09A**
P/E	5,0	346,8	0,0	25,0
EV/Sales	0,3	0,5	0,3	0,6
P/BV	0,9	0,9	0,9	0,7
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	7,5	7,5	8,4	3,1
US$ Return (%):	6,0	4,1	8,1	-15,3
BIST-100 Relative (%):	-1,7	-3,4	1,5	-14,5



Source: PDP, Finnet, Seker Invest Research estimates

**2023, 2024, 2024/09 and 2025/09 financials are indexed according to 2025 with IAS -29.*

Koc Holding (OP, 12M TP: 318.51 TRY) Upside: 74%

Balanced Portfolio Structure Mitigates Sectoral and Cyclical Volatility…

Net Asset Value (NAV) Table

Koç Holding	Stake (%)	Mcap. (TRY mn)	Mcap. (USD mn)	Value of Stake (USD mn)	Valuation Method	Target Mcap. (USD mn)	Target Val. of Stake (USD mn)
Listed Companies							
Arçelik	48,53%	74.263	1.725	837	Target Mcap	2.347	1.139
Altınyunus Çeşme	30,00%	10.675	248	74	Current Mcap	248	74
Aygaz	40,68%	44.795	1.041	423	Current Mcap	1.041	423
Ford Otosan	38,65%	342.313	7.951	3.073	Target Mcap	11.656	4.505
Marmaris Altınyunus	60,08%	8.001	186	112	Current Mcap	186	112
Otokar	47,38%	58.710	1.364	646	Current Mcap	1.364	646
Tofaş Oto. Fab.	37,62%	140.375	3.261	1.227	Target Mcap	3.931	1.479
Türk Traktör	37,50%	54.687	1.270	476	Current Mcap	1.270	476
Tüpraş	42,08%	383.625	8.911	3.749	Target Mcap	12.701	5.344
Yapı ve Kredi Bankası	54,84%	317.947	7.385	4.050	Target Mcap	12.198	6.689
NAV of Listed Companies		**1.435.390**	**33.341**	**14.668**		**46.941**	**20.888**
Unlisted Companies							
Arçelik LG Klima San. Ve Tic. A.Ş.	5,00%	2.511	63	3	Book Value	63	3
Bilkom Bilişim Hizmetleri A.Ş.	100,00%	1.914	48	48	Book Value	48	48
Divan Turizm İşletmeleri A.Ş.	29,95%	5.370	135	40	Book Value	135	40
Koç Finansman A.Ş.	50,00%	2.531	64	32	Book Value	64	32
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	48,36%	4.650	117	56	Book Value	117	56
Koçtaş Yapı Marketleri Ticaret A.Ş.	49,78%	2.092	53	26	Book Value	53	26
Tek-Art Kalamış ve Fenerbahçe Marmara Turizm Tesisleri A.Ş.	83,76%	11.965	301	252	Book Value	301	252
Otokoç Otomotiv Tic. ve San. A.Ş.	99,76%	44.762	1.124	1.122	Book Value	1.124	1.122
Setur Servis Turistik A.Ş.	24,11%	5.448	137	33	Book Value	137	33
Token Finansal Teknolojiler A.Ş.	54,44%	2.808	71	38	Book Value	71	38
Zer Merkezi Hizmetler ve Ticaret A.Ş.	39,54%	3.937	99	39	Book Value	99	39
NAV of Unlisted Companies		**144.390**	**3.627**	**1.690**		**3.627**	**1.690**
Total NAV of Listed and Unlisted Companies (USD mn)			Current	16.358		Target	22.578
Net Cash (Dept) (USD mn)				874			874
Total NAV (USD mn)				17.232			23.452
NAV Discount Rate							20%
Target Mcap (USD mn)							18.761
Target Mcap (TRY mn)							807.702
Number of Outstandaing shares (mn)							2.536
Target Share Price (TRY)							**318,51**
Current Share Price (TRY)							183,00
Upside Potential							**74%**

Source: PDP, Koç Holding, Finnet, Seker Invest Research

Sabanci Holding (OP, 12M TP: TRY 173.19) Upside: 91%

Banking and Energy Lead the Holding's Performance…

Excluding Sabancı Holding's solo cash, 40% of its total Net Asset Value (NAV) is represented by the Banking and Financial Services segment, 38% by Energy and Climate Technologies, 15% by Material Technologies, 1% by Digital Technologies, and 6% by Other segments. In terms of combined revenues for 9M25, 55% is generated by the Banking segment, while 45% comes from non-banking segments. The high share of Banking in NAV, along with the strong contribution of Energy and Climate Technologies, plays a decisive role in the Holding's share performance.

9M25 Financial Results - Based on inflation-adjusted results, Sabancı Holding reported total revenues of TRY 883,718 million and a consolidated net loss of TRY 823 million for the 9M25 period. During this period, consolidated net profits were recorded in the Energy and Climate Technologies, Material Technologies, and Non-Banking Financial Services segments, while all other sectors reported consolidated net losses.

The Holding's solo net cash position declined slightly on a quarterly basis to USD 290 million, reflecting cash outflows related to the capital increase for Climate Technologies. Meanwhile, the Holding's non-banking Net Debt/EBITDA ratio stood at 1.7x, remaining below the Group's policy threshold of 2.0x.

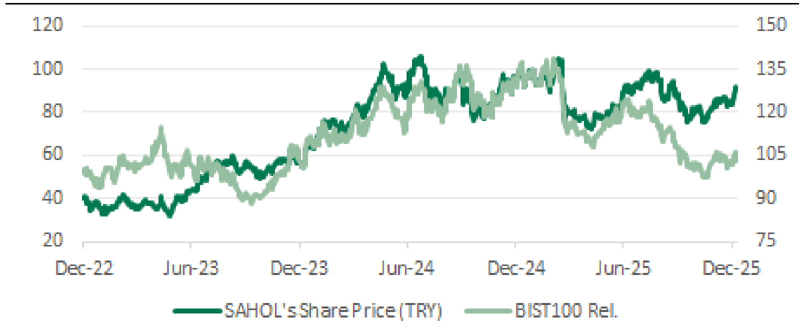
Balanced Dividend Income - In 2025, the Holding generated total dividend income of TRY 8.5 billion, with 35% coming from the Banking and Financial Services segment, 52% from Energy and Climate Technologies, and 13% from Material Technologies. The Holding, which has paid regular dividends every year since 2008, distributed a total of TRY 6.3 billion in dividends in April 2025, corresponding to a gross dividend of TRY 3.00 per share (net TRY 2.55 per share). The Holding's average Paid/Received Dividend Ratio over the last five years stands at approximately 62%.

2026 Expectations - We expect that the Banking and Financial Services segment, which represents a significant portion of the Holding's revenues, will benefit from the ongoing domestic interest rate reduction process in 2026. During the 2025 World Economic Forum meeting in Davos, Sabancı Holding's former CEO, Cenk Alper, stated that Enerjisa Üretim, a joint venture between the Holding and German energy company E.ON SE, has been prepared for an initial public offering (IPO), whereas TEMSA has not yet reached the scale required for a public listing. Should market conditions prove favorable, the IPO of Enerjisa Üretim could be considered in 2026. In addition, we anticipate that the Holding may explore divestment options for its underperforming subsidiaries, CarrefourSA (CRFSA) and Teknosa (TKNSA), through potential sales.

Our Net Asset Value (NAV) table for the Holding is presented in detail on the following page. Following adjustments to subsidiary valuations and the discount rate applied to NAV, we have raised our target price for Sabancı Holding (SAHOL.TI) from TRY 146.24/shr to TRY 173.19/shr. Based on the closing price on January 7, 2026, our target price implies a potential upside of 91%, and we maintain our "OUTPERFORM" recommendation for the stock.

Code	SAHOL.TI	Close	90,45
MCAp (TRY m)	189.979	Last 12M High	105,98
MCAp (US$ m)	4.421	Last 12M Low	71,70
EV (TRY m)	389.812	Beta	1,13
EV (US$ m)	9.235	Avg. daily trading vol. (US$ m)	63,0
Free float (%)	51,00	Foreign ownership in FF (%)	33,8%

Key figures (TRY m)	2023A*	2024A*	2024/09A*	2025/09A*
Revenues	258.921	255.362	188.559	183.099
Finance Sector Revenues	744.125	931.814	681.564	700.619
Total Revenues	1.003.047	1.187.176	870.123	883.718
Growth		*18,4%*		*1,6%*
Consolidated net profit	29.155	-20.255	-15.480	-823
EPS	14,29	-9,64	-7,06	-0,38
Dividend yield	4,5%	2,7%		
Net debt /Equity	0,10	0,33	0,21	0,59
ROAE	7,4%	-5,5%		-1,5%
ROAA	0,7%	-0,5%		-0,1%
Valuation metrics	**2023A***	**2024A***	**2024/09A***	**2025/09A***
P/E	8,0	0,0	0,0	0,0
EV/Sales	0,2	0,4	0,2	0,4
P/BV	0,6	0,7	0,7	0,5
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	7,1	7,2	7,4	-8,8
US$ Return (%):	5,6	3,9	7,1	-25,1
BIST-100 Relative (%):	-2,0	-3,6	0,5	-24,4



Source: PDP, Finnet, Seker Invest Research estimates

**2023, 2024, 2024/09 and 2025/09 financials are indexed according to 2025 with IAS -29*

Sabanci Holding (OP, 12M TP: TRY 173.19) Upside: 91%

Banking and Energy Lead the Holding's Performance…

Net Asset Value (NAV) Table

Sabancı Holding	Stake (%)	Mcap. (TRY mn)	Mcap. (USD mn)	Value of Stake (USD mn)	Valuation Method	Target Mcap. (USD mn)	Target Val. of Stake (USD mn)
Listed Companies							
Akbank	40,75%	375.960	8.748	3.565	Target Mcap	13.080	5.330
Akçansa	39,72%	30.421	708	281	Target Mcap	940	373
Aksigorta	36,00%	11.026	257	92	Current Mcap	257	92
AGESA Hayat Emeklilik	40,00%	38.250	890	356	Current Mcap	890	356
Brisa	43,62%	26.026	606	264	Current Mcap	606	264
Çimsa	54,54%	43.308	1.008	550	Target Mcap	1.496	816
Enerjisa Enerji	40,00%	110.725	2.577	1.031	Current Mcap	2.577	1.031
Carrefoursa	57,12%	14.886	346	198	Current Mcap	346	198
Kordsa Teknik Tekstil	71,11%	9.645	224	160	Current Mcap	224	160
Teknosa İç ve Dış Ticaret	50,00%	4.442	103	52	Current Mcap	103	52
NAV of Listed Companies		**664.689**	**15.467**	**6.548**		**20.520**	**8.672**
Unlisted Companies							
Enerjisa Üretim Santralleri A.Ş	50,00%		3.952	1.976	Book Value	3.952	1.976
DX Technology Services and Investment BV	100,00%		68	68	Book Value	68	68
Sabancı İklim Teknolojileri A.Ş.	100,00%		463	463	Book Value	463	463
Temsa Skoda Sabancı Ulaşım Araçları A.Ş. (TUA)	50,00%		218	109	Book Value	218	109
Cimsa Building Solutions BV	31,69%		572	181	Book Value	572	181
Other Unlisted Companies	100,00%		333	333	Book Value	333	333
NAV of Unlisted Companies			**5.606**	**3.130**		**5.606**	**3.130**
Total NAV of Listed and Unlisted Companies (USD mn)			**Current**	**9.678**		**Target**	**11.802**
Net Cash (Dept) (USD mn)				**290**			**290**
Total NAV (USD mn)				**9.968**			**12.092**
NAV Discount Rate							**30%**
Target Mcap (USD mn)							**8.465**
Target Mcap (TRY mn)							**363.759**
Number of Outstandaing shares (mn)							**2.100**
Target Share Price (TRY)							**173,19**
Current Share Price (TRY)							**90,45**
Upside Potential							**91%**

Source: PDP, Sabancı Holding, Finnet, Seker Invest Research

Other Companies

January 2026

Coca-Cola Icecek (OP, 12M TP: TRY 90.70) Upside: 48%

Gradual Improvement Dynamics in 2026…

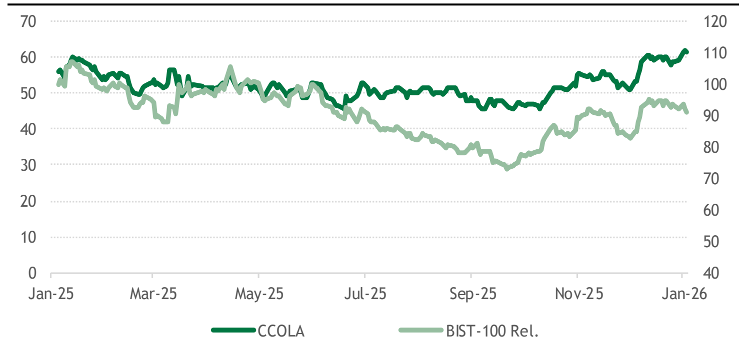
We revise our target share price for CCI upward from TRY 75.00/shr to **TRY 90.70/shr**, and maintain our "**OUTPERFORM**" recommendation. Based on the closing price as of January 7, 2026, CCI is trading at 2026E 4.6x EV/EBITDA and 2026E P/E of 6.9x, implying a potential return of 48%.

For CCI, we believe that the strong balance sheet and cash generation capacity have rendered the challenging demand and cost conditions encountered in the recent period manageable. We expect the anticipated recovery in int'l operations in 2026 to result in a more balanced volume mix, while a gradual improvement in domestic purchasing power should support volumes in the local market. In line with our consolidated sales volume growth assumptions for 2026, we estimate CCI's revenues to increase by +30.6% YoY to TRY 239.5 billion, while our EBITDA expectation for 2026 stands at TRY 42.8 billion. We expect FCF generation to strengthen following the completion of capacity investments, with the Net Debt/EBITDA ratio improving to 1.02x by end-2025, and further to around 0.7x in 2026E. Overall, we believe that the most challenging phase is largely behind the company, and that demand, margin, and balance sheet dynamics are entering a gradual yet steady improvement trajectory.

Upside risks include better-than-expected volume growth, favorable weather conditions, strong tourism activity, and recovery in int'l & Türkiye operations, and the addition of new international operations. Downside risks include rising raw material prices, weakening consumer confidence, supply chain disruptions in raw material procurement, weakening consumer confidence and purchasing power.

Code	CCOLA TI / CCOLA IS	Close	61,50
MCap (TRY mn)	172.082	Last 12M High	62,90
MCap (US$ mn)	4.004	Last 12M Low	45,14
EV (TRY mn)	196.269	Beta	0,79
EV (US$ mn)	4.587	Avg. Daily Trading Vol. (US$ m)	10,3
Free Float (%)	29,65	Foreign Ownership in FF (%)	74,86

Key Figures (TRY mn)	* 2023	* 2024	2025E	2026E
Revenues	190.951	180.217	183.419	239.540
Growth (%)	*8,4%*	*-5,6%*	*1,8%*	*30,6%*
EBITDA	34.256	33.177	32.333	42.807
EBITDA Margin (%)	*17,9%*	*18,4%*	*17,6%*	*17,9%*
Net profit	38.892	19.390	20.353	24.907
EPS (TRY)	13,90	6,93	7,27	8,90
Dividend Yield (%)	1,2%	1,7%	3,5%	4,3%
Net Debt/EBITDA (x)	0,81	1,02	1,02	0,69
Net Debt/Equity (x)	0,39	0,40	0,33	0,24
ROAE (%)		24,9%	22,0%	22,5%
ROAA (%)	19,6%	10,0%	10,2%	11,3%
Valuation Metrics	*** 2023**	*** 2024**	**2025E**	**2026E**
P/E	0,4	1,2	8,5	6,9
EV/EBITDA	0,5	0,8	6,1	4,6
EV/Sales	0,1	0,2	1,1	0,8
P/BV	0,2	0,3	1,7	1,4
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	20,6	30,4	4,6	11,4
US$ Return (%):	18,9	26,3	4,3	-8,5
BIST-100 Relative (%):	10,3	17,2	-2,1	-7,7



Source: PDP, Coca-Cola İçecek, Finnet, Seker Invest Research Estimates

** 2023 & 2024 financials are indexed according to 2025 with IAS-29.*

Selcuk Ecza Deposu (MP, 12M TP: TRY 110.00) Upside: 37%

We expect growth in sales revenues, driven by increases in pharmaceutical prices…

2025 was a year in which Selçuk Ecza's revenues and profitability remained under pressure due to the absence of pharmaceutical price increases, while growth was largely limited to volume expansion. In this context, the operating performance exhibited a more cautious outlook in the absence of regulation-driven price updates.

Our expectations for 2026 are based on the full-year impact of the price adjustment that came into effect on 20 December 2025, a potential additional price rise expected in February 2026, inflation expectations for 2026, limited volume growth, and assumptions of continued market share gains by the company.

We expect rising pharmaceutical prices to have a positive impact on net sales revenues. Within the scope of the amendment to the Decision on the Pricing of Medicinal Products for Human Use, the approximately 17% increase in the reference euro value used in drug price calculations for 2026 is considered a significant and positive development for Selçuk Ecza, and for the sector as a whole. With the Presidential Decree published in the *Official Gazette* and entering into force, the reference euro value has been raised from TRY 21.6721 to TRY 25.3346. This regulation increases TL-denominated drug selling prices and has a direct revenue-supporting effect for pharmaceutical wholesalers. As the price adjustment came into effect in the final days of 2025, it is expected to generate a full-year impact in 2026, creating a notable base effect on sales revenues for drug distributors. In addition, the increase in threshold amounts in line with the higher reference euro value—to TRY 87.34 for price-protected products and TRY 45.64 for other products—stands out as a factor that may help preserve distribution margins, particularly for high-priced products. In this context, we believe that the regulation may support both net sales revenues and cash flow and working capital dynamics through its effects on collections, inventory management, and supply balance.

In addition to the current update to the reference euro value, we consider the likelihood of an additional pharmaceutical price increase during 2026 to be high. Should such a scenario materialize, we believe that net sales growth in 2026 would carry further upside potential. Given the persistence of inflationary cost pressures, the need to preserve sector profitability and supply sustainability, and past pricing practices, an additional price adjustment during the year appears likely. Under such a scenario, we would expect the positive impact on Selçuk Ecza's sales revenues to strengthen further.

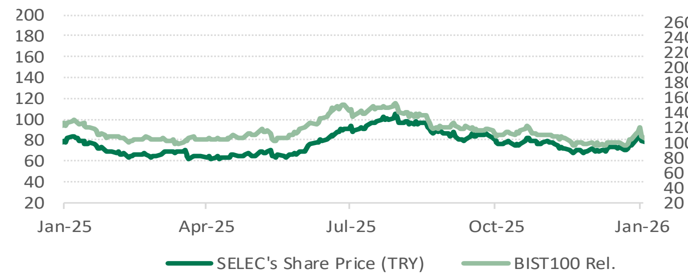
Based on sector data and current in-year indicators, the Turkish pharmaceutical market is expected to reach approximately TRY 660 billion in 2025. Supported by price adjustments and inflationary effects, the market is projected to post strong nominal growth in 2026. Within this context, Selçuk Ecza is likely to deliver performance above sector growth by modestly increasing its market share, supported by its strong distribution network and established market position.

While we expect growth in 2026 to be driven primarily by price updates, we also believe that a limited increase in volumes and the company's strong distribution capabilities will support sales performance through gains in market share. Overall, we expect the update to the reference euro value and potential additional price increases to be among the key factors supporting Selçuk Ecza's net sales performance in 2026; in parallel, we anticipate cash generation and the operational outlook to move toward a more balanced structure compared to 2025. While a significant portion of the strong nominal growth expected in 2026 is likely to stem from base effects and price updates, we anticipate a stable outlook in operational efficiency.

Our target price for the company is set at TRY 110.10/shr, and we maintain our MARKETPERFORM recommendation.

Code	SELEC.TI	Close	80,35
MCAp (TRY m)	49.897	Last 12M High	107,50
MCAp (US$ m)	1.544	Last 12M Low	58,58
EV (TRY m)	41.329	Beta	0,61
EV (US$ m)	1.345	Avg. daily trading vol. (US$ m)	3,8
Free float (%)	15,00	Foreign ownership in FF (%)	11,3%

Key figures	*2023A	*2024A	2025E	2026E
Revenues	184.670	168.353	171.106	248.370
Growth		*-8,8%*	*1,6%*	*45,2%*
EBITDA	9.306	7.607	3.900	7.250
EBITDA margin	*5,0%*	*4,5%*	*2,3%*	*2,9%*
Net profit	422	2.695	1.200	2.400
EPS	0,68	4,34	1,93	3,86
Dividend yield	0,48%	0,37%	0,34%	0,80%
Net debt /EBITDA	-0,68	-0,98	-2,13	-1,70
Net debt /Equity	-0,22	-0,24	-0,23	-0,30
ROAE		9,1%	3,6%	6,3%
ROAA		3,1%	1,2%	2,1%
Valuation metrics	***2023A**	***2024A**	**2025E**	**2026E**
P/E	171,4	24,1	41,6	20,8
EV/EBITDA	7,1	7,6	10,6	5,7
EV/Sales	0,2	0,3	0,2	0,2
P/BV	2,5	2,1	1,4	1,2
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	11,3	52,2	26,7	73,2
US$ Return (%):	9,1	44,3	10,3	41,1
BIST-100 Relative (%):	-0,2	33,9	18,7	77,3



Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

Ulker Biskuvi (OP, 12M TP: TRY 159.80) Upside: 38%

We expect 2026 to be shaped by limited growth and continued market share pressure, similar to 2025...

For Ülker, 2025 was a year in which signs of stabilization and a limited recovery came to the fore despite challenging demand conditions. In the first half of the year, a high interest rate environment, pressure on household purchasing power, and contraction in the snack market constrained the operational outlook. From the second half of the year onward, demand in both domestic and international markets remained volatile; however, a gradual improvement in consumer confidence became evident.

The total snack market contracted by 2.1% in 3Q25. While snack sales revenues increased by 5.1% year-on-year, biscuits (59% volume, 51% revenue) and chocolate (31% volume, 40% revenue) continued to be the main growth drivers within the product mix. Ülker maintained its leading position in Türkiye with a market share of 34% in biscuits and 27% in chocolate. The company generated TRY 80.9 billion in revenue in the first nine months, with 71% of revenues coming from domestic operations and 29% from international operations. Consolidated sales volume rose by 2.6% in the third quarter, while a slight contraction was observed in total volume over the first nine months. In a regional breakdown, Türkiye operations stood out with a 7.9% increase in EBITDA. In contrast, profitability declined in the Middle East, North Africa, Central Asia, and export regions due to inflationary cost increases and foreign exchange effects.

On a regional basis, North Africa stood out with a 29.5% increase in revenues. Revenue growth amounted to 5.9% in the Middle East, while Central Asia recorded 11.5% growth. However, in Central Asia, currency depreciation and inflationary cost increases put pressure on EBITDA. In international operations, a recovery was observed in the third quarter. Total sales volumes increased by 15% year-on-year, while Türkiye's export volumes returned to positive growth with a 2.8% increase. Export revenues from Türkiye rose by 19% year-on-year, and revenues from the Middle East–North Africa–Central Asia region increased by 14%.

Ülker took significant steps in 2025 to strengthen its balance sheet structure. In July 2024, the USD 550 million Eurobond was refinanced with a 7-year maturity (due in 2031). Subsequently, at the end of October 2025, the syndication loan originally maturing in 2026 was refinanced with a new 5-year maturity (extended to 2030). In addition, during the same period, a USD 250 million Eurobond was repaid in cash.

The net debt/EBITDA ratio, a key financial leverage indicator, increased to 1.76x as of the first nine months (year-end 2024: 1.24x). We believe this increase reflects temporary effects stemming from investments carried out in the first half of the year and the rising need for inventory financing. The company aims to enter 2026 with a balanced balance sheet structure, supported by strong cash generation and a well-spread long-term debt profile. In addition, 63% of the USD 549 million open foreign exchange position has been hedged, strengthening foreign exchange risk management.

The hedging policy is being actively implemented. The remaining part of 2025 is largely hedged, and partial hedging transactions for 2026 have also been completed. While cocoa prices remain a significant risk factor, the high volatility observed throughout the year suggests that a material decline in costs is unlikely in the short term. We expect the impact of lower spot prices on financials to be felt in the second half of 2026.

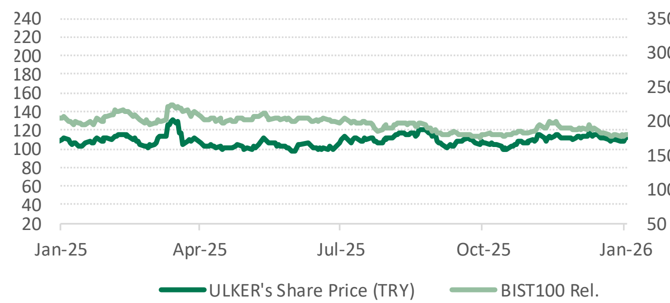
2025 Guidance- Ülker maintains its guidance for 2025, targeting revenue growth of 3% (±1) and an EBITDA margin of 17.5% (±0.5). Due to the strong base effect observed in the final quarter of last year, driven by the impact of Dubai chocolate, we expect a limited year-on-year decline in the same period of 2025; however, we anticipate that overall performance will remain in line with guidance.

In summary, we expect 2026 to be shaped by limited growth, no significant improvement on the demand side, and continued market share pressure, similar to 2025. Within this framework, we anticipate revenue and profitability growth to remain controlled, while margins are expected to stay stable and within the targeted range.

As a result of the changes we have made in macroeconomic variables and our expectations regarding the company, we revise our target price downward from TRY 170.00 /shr to TRY 159.80/shr. Based on the closing price as of January 7, 2026, our target price implies a 38% upside potential, and we maintain our OUTPERFORM recommendation.

Code	ULKER.TI	Close	115,80
MCAp (TRY m)	42.762	Last 12M High	131,23
MCAp (US$ m)	997	Last 12M Low	96,50
EV (TRY m)	81.659	Beta	0,92
EV (US$ m)	1.830	Avg. daily trading vol. (US$ m)	23,6
Free float (%)	39,00	Foreign ownership in FF (%)	15,1%

Key figures	*2023A	*2024A	2025E	2026E
Revenues	105.520	110.078	113.530	144.150
Growth		*4,3%*	*3,1%*	*27,0%*
EBITDA	20.033	20.414	20.300	25.450
EBITDA margin	*19,0%*	*18,5%*	*17,9%*	*17,7%*
Net profit	6.385	9.687	8.300	10.800
EPS	17,29	26,23	22,49	29,27
Dividend yield	0,00%	0,00%	6,28%	6,69%
Net debt /EBITDA	1,78	1,39	1,98	1,93
Net debt /Equity	1,05	0,69	0,85	0,91
ROAE		25,9%	18,9%	21,3%
ROAA		7,9%	6,1%	6,8%
Valuation metrics	***2023A**	***2024A**	**2025E**	**2026E**
P/E	8,9	5,9	5,2	4,0
EV/EBITDA	4,6	4,2	4,0	3,2
EV/Sales	0,5	0,6	0,7	0,6
P/BV	1,7	1,4	0,9	0,8
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	8,3	8,3	0,3	-28,9
US$ Return (%):	6,3	2,7	-12,7	-42,1
BIST-100 Relative (%):	-2,9	-4,7	-5,9	-27,2



Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2025 with IAS -29*

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