

Corporate Credit Rating

☐ New ☒ Update

Sector: Furniture Industry
Publishing Date: 25/11/2025

Senior Analyst

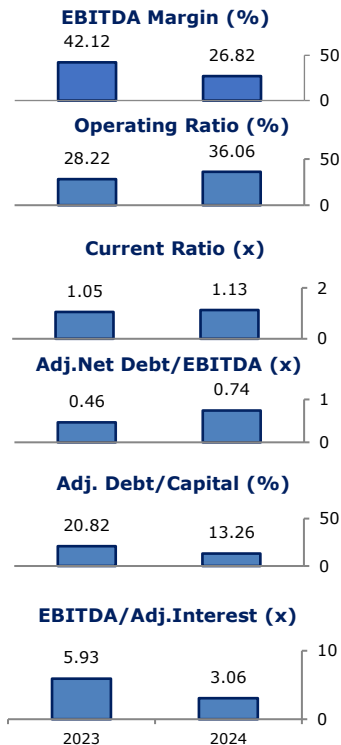
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A+ (tr)	J1 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	International LC ICR Outlooks	Stable	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Affirmed by JCR on September 1, 2025



KOLEKSİYON MOBİLYA SANAYİ A.Ş.

JCR Eurasia Rating has evaluated the consolidated structure of "Koleksiyon Mobilya Sanayi A.Ş." in the investment grade category with high credit quality, affirmed the Long-Term National Issuer Credit Rating at 'A+ (tr)' and the Short-Term National Issuer Credit Rating at 'J1 (tr)' with 'Stable' outlooks. On the other hand, the Long-Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were determined as 'BB/Stable' in line with the sovereign ratings and outlooks of Republic of Türkiye.

"Koleksiyon Mobilya Sanayi A.Ş." (hereinafter referred to as "Koleksiyon Mobilya" or "the Group" or "the Company") was established on August 18, 1998 in İstanbul, Türkiye. The Company's main activity is manufacturing, importing, selling and marketing of home and office furniture products. The Company has a production capacity of 400 thousand m² of wooden furniture and 54 thousand pieces of upholstered furniture in its factory in Tekirdağ, which has an open area of 86 thousand m² and a closed area of 45 thousand m².

The Company has a 100% consolidated subsidiary, "Büyükdere Gayrimenkul Yatırım ve İnşaat Ticaret A.Ş.", established in 1983 and operating in the field of property leasing as of 3Q2025. Koleksiyon Mobilya and its consolidated subsidiary are hereinafter referred to as "the Group". The Group has a total of 467 employees as of 3Q2025 (FYE2024: 480).

As of 3Q2025, the Company's shareholders are "M. Koray Malhan", "Ayşe Malhan" and "Doruk Malhan" with 24.25% shares each, "Faruk Malhan" with 2.24%. Remaining 25% of shares are publicly traded on the Borsa İstanbul with the ticker symbol "KLSYN".

Key rating drivers, as strengths and constraints, are provided below.

Strengths

- Satisfactory sales revenue in 3Q2025 supported by ongoing and newly added projects,
- Reasonable core profitability margins, despite contraction in FY2024,
- Low level of net debt to EBITDA multiplier in the last two-year period supporting the Company's leverage profile,
- Compliance with corporate governance practices and quality standards as a publicly traded company,
- Long-lasting presence in the sector dating back to 1998.

Constraints

- Long cash conversion cycle and high operating expenses pressuring efficiency,
- Short FX position in the last two-year period, despite partially mitigated through export revenues,
- As actions for a global soft-landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty.

Considering the aforementioned points, the Group's Long-Term National Issuer Credit Rating has been affirmed at 'A+ (tr)'. The Group's satisfactory sales revenue, reasonable core profitability margins and low level of net debt to EBITDA multiplier as well as long cash cycle, high operating expenses, short FX position and uncertainties in the global economy have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Group's financial structure, sales and profitability performance, liquidity and leverage indicators will be closely monitored by JCR Eurasia Rating in the upcoming periods. The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.

1. Rating Rationale

With respect to the factors mentioned below, JCR Eurasia Rating has affirmed the Long-Term National Issuer Credit Rating of the Group at '**A+ (tr)**' and the Short-Term National Issuer Credit Rating at '**J1 (tr)**' in JCR Eurasia Rating's notation system which denotes the investment grade category with high credit quality.

When the global and national scale rating matching published by JCR Eurasia Rating is considered, the Company's Long-Term International Foreign and Local Currency Issuer Credit Ratings are determined as '**BB**' in line with the sovereign ratings of Republic of Türkiye.

Satisfactory Sales Revenue in 3Q2025 Supported by Ongoing and Newly Added Projects

Koleksiyon Mobilya started its activities in 1998 and its main activity is manufacturing, importing, selling and marketing of home and office furniture products. The Company has a production capacity of 400 thousand m² of wooden furniture and 54 thousand pieces of upholstered furniture in its factory in Tekirdağ, which has an open area of 86 thousand m² and a closed area of 45 thousand m².

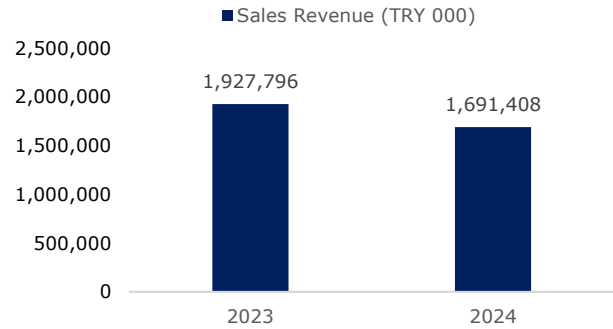
The product categories that the Company manufactures and sells consist of two groups; home group and office group.

In the home group, armchairs and sofas, TV units, sideboard, wardrobes, loaders, coffee tables, work tables, bookcases and shelves are produced. In addition, dining sets, tea cups and sets, lighting, home textiles (bed linen and bedspreads) product groups are also sold.

In the office group, tables, storage, divider panel systems, armchairs, sofas and chairs are produced for use in working areas in sectors such as education, finance, IT, housing, health, industry and tourism. These products are produced as projects within the scope of corporate sales and office furniture is also sold in retail.

In FY2024, share of domestic revenue was at 86.02% and share of international revenue was at 13.98% (FY2023: 80.09% - 19.91%).

The Company's sales revenue performance in the last two-year period is as shown in the chart below.



According to the 3Q2025 Annual Report, as of September 30, 2025, the Company's total domestic order amount is TRY 1.16bn and the total number of customers is 2,749. The Company's ongoing domestic projects amounted to TRY 630mn.

The Group's sales revenue amounted to TRY 1.44bn as of 3Q2025 (3Q2024: TRY 1.40bn). In addition, in 3Q2025, share of domestic revenue was at 81.74% and share of international revenue was at 18.26% (3Q2024: 74.19% - 25.81%).

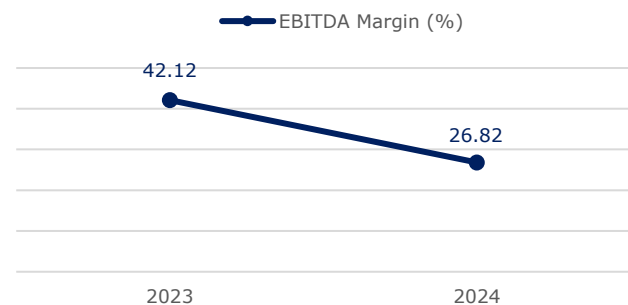
Although sales revenue decreased in FY2024, it was realized above 3Q2024 in 3Q2025 with the contribution of the projects.

Reasonable Core Profitability Margins, Despite Contraction in FY2024

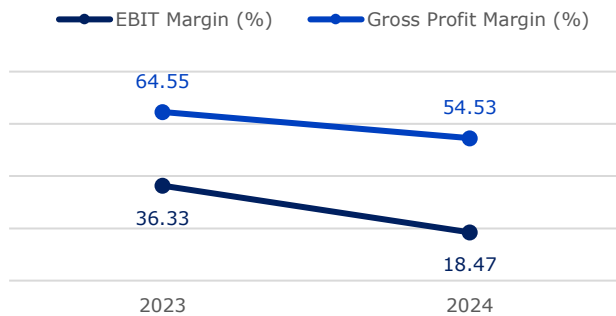
Koleksiyon Mobilya operates in the manufacturing, importing, selling and marketing of home and office furniture products.

The Group's sales revenue decreased by 12.26% YoY to TRY 1.69bn in FY2024. Core profitability margins such as gross profit margin, operating profit margin and EBITDA margin declined in FY2024, mainly due to the increase in costs. Despite the decline, profitability margins were assessed to be at a reasonable level.

The Group's EBITDA margin is as shown in the graph below.

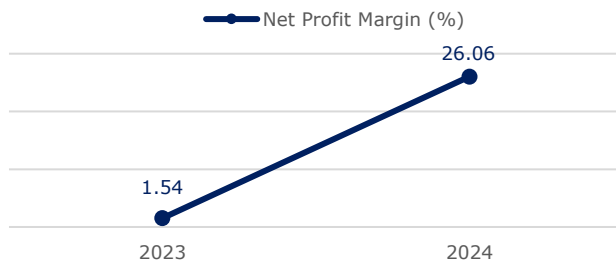


Changes in gross profit margin and EBIT margin are as shown in the graph below.



The Group prepared its consolidated financial statements for the year ended December 31, 2024 by applying TAS 29 "Financial Reporting in Hyperinflationary Economies".

Due to the effect of TAS 29, lands in Tekirdağ and Sarıyer/İstanbul were impaired and this had a negative impact on net profit for the period of FY2023. Net profit margin of the Group is shown in the graph below.



The Group's net profit for the period was amounted to TRY 440.78mn in FY2024 (FY2023: TRY 29.63mn).

Moreover, as of 3Q2025, the Group's net profit for the period was amounted to TRY 48.04mn (3Q2024: TRY 261.43mn).

Low Level of Net Debt to EBITDA Multiplier in the Last Two-Year Period Supporting the Company's Leverage Profile

Financial leverage ratios are important tools for evaluating a company's financial health and assessing its ability to meet its financial obligations.

Net debt to EBITDA is a financial multiplier that measures a company's debt relative to its EBITDA. It is one of the leverage indicators that shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

In addition, a low level of net debt to EBITDA multiplier indicates that a company may be in a stronger financial

position. It may indicate that a company has been able to manage its debt effectively and is in a strong position to pursue growth and investment opportunities.

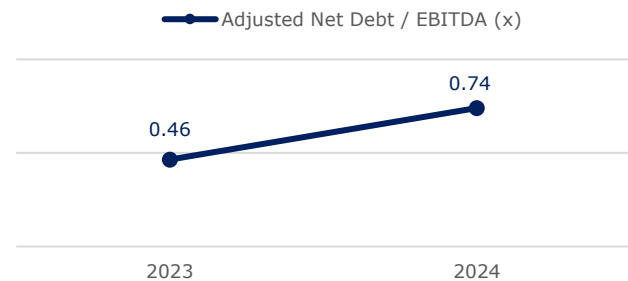
Adjusted net debt is calculated by subtracting cash and cash equivalents from total financial debts. The adjusted net debt of the Group is as shown in the table below.

(000' TRY)	FYE2023	FYE2024
Adjusted Debt*	460,175	398,516
Cash & Cash Equivalents	82,896	62,792
Adjusted Net Debt**	377,279	335,724

* Adjusted Debt refers to Total Financial Debt.

**Adjusted Net Debt is calculated by subtracting cash and cash equivalents from total financial debt (Adjusted Debt).

The Group's net debt to EBITDA multiplier has been at low levels as shown in the graph below, supporting the Group's financial structure in the last two-year period.

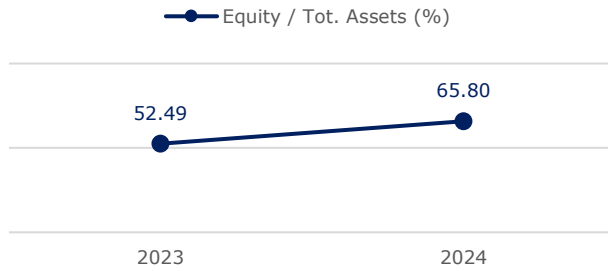


In addition, the Group's equity increased by 48.87% in FYE2024 and equity structure is as shown in the table below.

(000' TRY)	FYE2023	FYE2024
Paid-in Capital	431,420	431,420
Capital Adjustment Differences	2,028,111	2,028,111
Others	10,451	425,191
Restricted Reserves	84,414	84,414
Previous Years Profits or Losses	-833,494	-803,868
Net Profit or Loss	29,626	440,780
Total Equity	1,750,528	2,606,048

The Group's equity is mainly comprised of capital adjustment differences in the last two-year period.

The share of equity in total assets in the analyzed periods is as shown in the graph below.



Compliance with Corporate Governance Practices and Quality Standards as A Publicly Traded Company

Corporate governance refers to the system of rules, practices and processes by which a company is managed and controlled. Compliance with corporate governance provides guidance and sustainability for companies through the enhancement of their efficiency via transparent, widely accepted and continuously monitored processes and policies.

Koleksiyon Mobilya is subject to the regulations of the Capital Markets Board and its shares have been publicly traded on the BIST with the ticker symbol "KLSYN" since March 4, 2022.

BIST Indices that the Company is included are:

- BIST All 100
- BIST Forest, Paper, Print
- BIST Buyback
- BIST 500
- BIST Industrial
- BIST Participation All
- BIST Tekirdağ
- BIST All
- BIST Main Market

Koleksiyon Mobilya is subject to certain compliance requirements concerning corporate governance principles and framework identified by Capital Markets Board of Türkiye. Within this scope, the Company submits the notifications required to be disclosed to the public in accordance with the capital market and stock exchange regulations to the Public Disclosure Platform.

The requirements, which the Company to be obliged to comply, helps to sustain the transparency, quality of financial reporting and efficiency.

Additionally, Audit Committee, Corporate Governance Committee and Early Detection of Risk Committee has been established in order to assist the Board with their supervisory and control duties.

The Company's website has a functional investor relations section with contact information. Easy access to information such as articles of association, year-end financial results, annual reports, shareholding structure, Board of Directors and top management, committees, corporate governance compliance reports, policies, general meetings of shareholders, internal directives, social responsibility projects and so on are provided to investors and stakeholders in the stated website.

Long-Lasting Presence in the Sector Dating Back to 1998

The ability of a company to operate in an industry for a long time can be achieved by a combination of factors such as consistently providing high quality products or services, adapting changes in the industry and maintaining strong relationships with customers.

The foundations of the Company were laid in 1972 by architect Faruk Malhan in a small metal workshop in Ankara. In 1988, a production facility with a closed area of 15 thousand m² on a land of 86 thousand m² was established in Tekirdağ.

Koleksiyon Mobilya was established on August 18, 1998 in İstanbul, Türkiye.

The Company's main activity is manufacturing, importing, selling and marketing of home and office furniture products. The Company has a production capacity of 400 thousand m² of wooden furniture and 54 thousand pieces of upholstered furniture in its factory in Tekirdağ, which has an open area of 86 thousand m² and a closed area of 45 thousand m².

Koleksiyon Mobilya's shares with a nominal value of TRY 107.85mn were offered to the public on February 24-25, 2022 at a price of TRY 1.45 and started to be traded on the Borsa İstanbul (BIST) with the ticker symbol "KLSYN" on March 4, 2022.

The Group has a total of 467 employees as of 3Q2025 (FYE2024: 480).

Long Cash Conversion Cycle and High Operating Expenses Pressuring Efficiency

The cash cycle is a financial metric that measures the length of time it takes for a company to convert its investments in inventory and other resources into cash flow from sales. Whether the cash cycle is long or short has an impact on many aspects of a company's liquidity, profitability, financing costs, etc.

The table below shows the Group's cash conversion cycle and its three components.

(Days)	FYE2024
Cash Conversion Cycle*	196
Account Receivables Turnover	48
Inventory Turnover	210
Payables Turnover	62

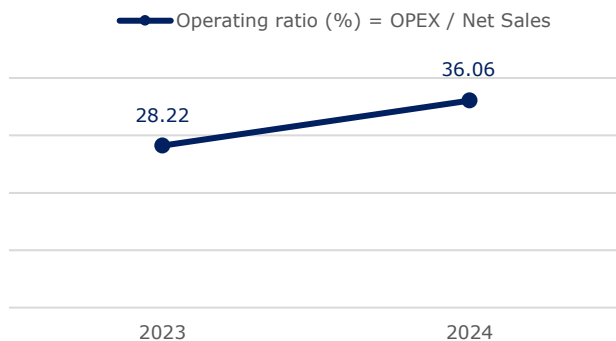
*Cash Conversion Cycle= Days Account Receivables + Days Inventory – Days Account Payables

As seen in the table above, the Group has a long cash cycle in FY2024. External financing is needed due to the long cash cycle.

Moreover, operating ratio is a financial metric that measures a company's efficiency in generating revenue and managing expenses. The operating ratio is calculated by dividing a company's operating expenses by its net sales revenue.

A high operating ratio can be a warning sign that a company is not managing its expenses effectively which can lead to lower profits and cash flow problems. Conversely, a low operating ratio can be an indication that a company is operating efficiently and is likely to generate higher profits.

The Group has high operating ratio in the last two-year period as shown in the graph below.



Short FX Position in the Last Two-Year Period, Despite Partially Mitigated Through Export Revenues

Koleksiyon Mobilya's main activity is manufacturing, importing, selling and marketing of home and office furniture products.

The Group's sales revenue decreased to TRY 1.69bn in FY2024 from TRY 1.93bn in FY2023. In FY2024, share of domestic revenue was at 86.02% and share of export revenue was at 13.98% (3Q2025: 81.74%-18.26%, 3Q2024: 74.19%-25.81%, FY2023: 80.09%-19.91%).

The Group has TRY and EUR denominated financial liabilities and EUR denominated financial liabilities increased in FYE2024 and in 3Q2025.

000' TRY	FYE2024	
	Currency Amount	TRY Equivalent
TRY	200,870	200,870
EUR	1,486	54,765
Total		255,635

000' TRY	FYE2023	
	Currency Amount	TRY Equivalent
TRY	434,965	434,965
EUR	286	13,437
Total		448,402

In addition, the Group's FX denominated financial debts amounted to EUR 1.97mn in 3Q2025.

The Group's FX denominated financial liabilities have increased in FYE2024 and there is a short FX position due to the increase in exchange rates as well as the relatively low level of exports.

The Group's foreign currency position for the last three years is as shown in the table below.

(000' TRY)	FYE2023	FYE2024
Current Assets	91,294	32,070
Non-Current Assets	-	-
Total Assets	91,294	32,070
Current Liabilities	103,333	49,891
Non-Current Liabilities	-	20,563
Total Liabilities	103,333	70,454
Net FX position	-12,039	-38,384

As of 3Q2025, the foreign exchange position deficit was realized as TRY -11.12mn (3Q2024: TRY -15.24mn).

As Actions for A Global Soft-Landing Gain Prominence, Decisions with the Potential to Adversely Affect Global Trade Are Engendering Considerable Uncertainty

Companies based in Türkiye face several headwinds, stemming from both global and domestic conditions. Major central banks hiked rates at the most rapid pace in near history and net lending standards tightened as well within a period of approximately 1 year from the second half of 2022. In Türkiye, Central Bank of Republic of Türkiye (CBRT) also joined the hiking central banks in June 2023, at a rapid pace as well. CBRT hiked the rates from 8.5% to 50% in a quick succession targeting ex-ante real interest and gradually

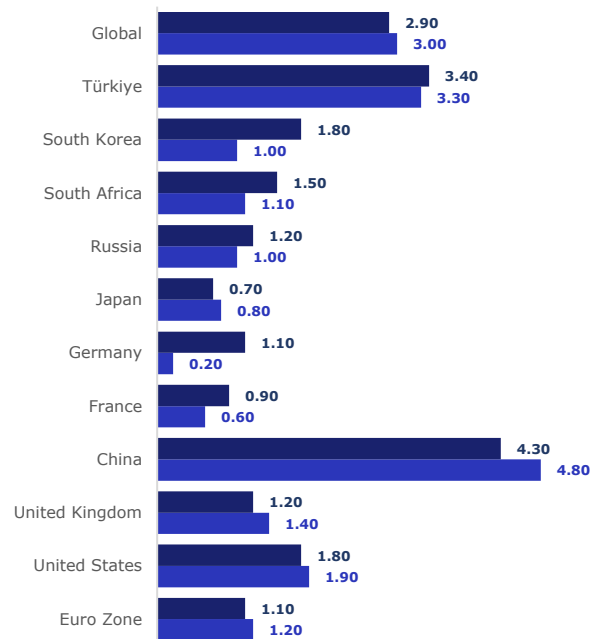
lifted previously implemented macroprudential measures affecting bank lending. The aim of administration is to achieve a soft landing via curbing consumption, though selective lending to support exports & investments persist. As such, export-focused growth policies of China loom as a threat to domestic exports, who also face a slow growth in key markets and significant production costs.

While the ECB initiated the easing cycle in June 2024, the Fed followed suit at its September FOMC meeting with the aim of engineering a soft landing. After two years of persistently tight financial conditions, these coordinated steps have paved the way for a gradual loosening in global liquidity. The ECB, having delivered initial rate cuts, opted to pause in July and kept its policy rate unchanged during both the September and October meetings. In contrast, the Fed shifted from a wait-and-see stance and implemented 25 bps rate cuts in two consecutive meetings (September and October). At the same time, the Fed announced that it will halt its balance sheet reduction, effectively ending its Quantitative Tightening programme as of 1 December.

On the domestic front, following a brief tightening in March to counter market volatility, the CBRT resumed its easing path in September, lowering the policy rate from 46% to 40.5%, and extended this momentum with an additional 100bps cut to 39.5% in October. Accordingly, soft-landing expectations have strengthened. Nevertheless, the CBRT underscored that it will closely monitor inflation dynamics and liquidity conditions, and stands ready to maintain a tight policy stance should macro-financial risks re-emerge.

With the significant easing of geopolitical tensions, the global landscape currently presents no major threats. Nevertheless, in an environment where uncertainties surrounding global growth persist and country-specific difficulties remain, policy decisions taken by economic authorities continue to shape the growth outlook and influence the course of monetary policy decisions by central banks.

GDP Outlook for 2025-26 (Annual Average Growth, %) **2025 2026**



Source: Refinitiv Datastream, Reuters Poll (Median Forecast)
 *As of 05-11-2025

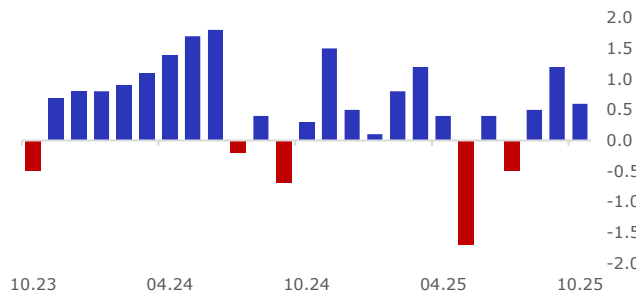
Accompanied by tightening financial conditions, a weak growth outlook emerged in 2023, especially in Europe. Despite initiated monetary easing steps as of half of 2024, while the Eurozone ended 2024 with a growth rate of 0.9%, below its pre-pandemic average, the German economy where economic activity deteriorated contracted by 0.2% in 2024. In contrast to the sluggish performance of major economies in 1Q, 2Q results exceeded expectations. After contracting in the first quarter, the U.S. economy rebounded in 2Q2025, expanding by 3.8% according to third estimate (second estimate: 3.2%) as concerns over tariffs eased. Similarly, China's economy grew by 5.2% (consensus: 5.1%). Meanwhile, the Euro Area economy posted only 0.1% quarterly growth, with Germany's performance remaining under pressure due to U.S. tariffs. Following the release of final Q2 data, global year-end growth forecasts were revised up by one notch.

Following post-pandemic reopening, China took full advantage of its massive and integrated manufacturing sector, government subsidies to boost exports. On the other hand, domestic consumption is still weak after decades of investment/manufacturing focused policies. Therefore, for Chinese economy, the way forward is through shifting manufactured goods abroad, its long-term and global implications notwithstanding. In this

sense, China was anticipated to double-down on any obstacle to its exports, as boosting domestic consumption requires a long and painful adjustment whereas boosting investment and consumption is more straightforward in the short run. In fact, as export indicators for China deteriorated, China announced monetary and fiscal stimulus measures, recently as we expected. Therefore, Turkish companies face significant export competition from a global powerhouse. On the other hand, the impact of the tariffs on global trade, particularly Chinese goods surplus and actions by the Chinese administration.

This strong commitment to supporting exports were coupled with freight rates which had normalized in 2023. This reversion of freight costs had helped Chinese manufacturers to compete more easily with exporters close to their trade partners geographically.

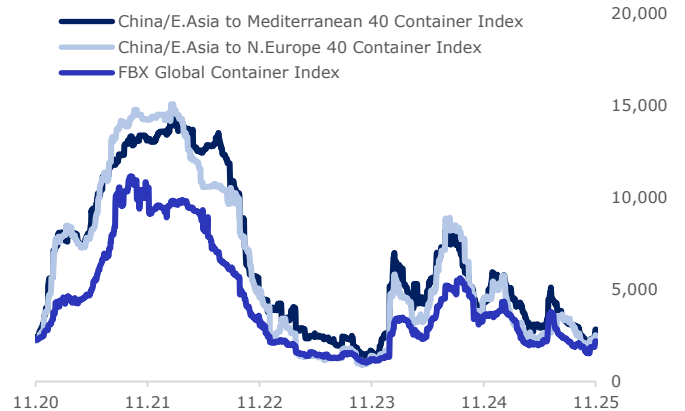
China Manufacturing PMI (Deviations from threshold value)



Source: Refinitiv Datastream

Recently, geopolitical tensions have been rising again in the Middle East. On the other hand, there has been no concrete development regarding a possible ceasefire between Russia and Ukraine although mediating role of USA and neighboring countries continues to set lasting peace between two countries. The potential effects of these ongoing developments on global supply chains will be closely monitored.

FBX Global Container Index



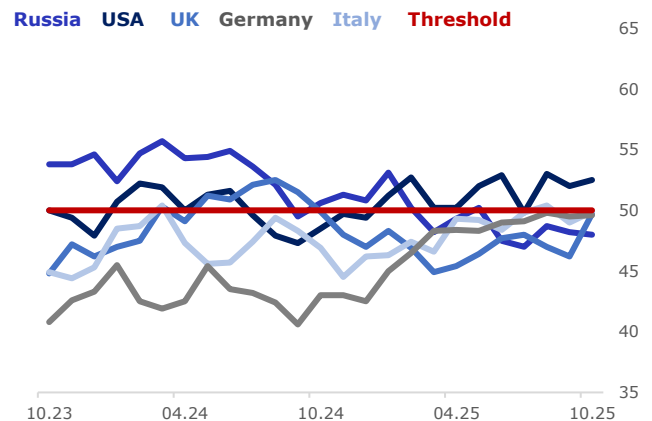
Source: Refinitiv Datastream

Global slowdown's impact on Türkiye

The economic policy framework implemented in 2024 supported a positive contribution of export to growth. In 2024, Turkish exports to EU realized as USD 108.5bn which was USD 104.3bn in FY2023. According to general trade system data, exports to the EU increased by 8.1% compared to same period of previous year to USD 86.7bn in the January–September period.

However, despite the continued increase in exports in 2025, the contribution of net exports to economic growth turned negative in the first two quarters. This reversal was mainly driven by a surge in imports, particularly due to stronger demand for consumer goods.

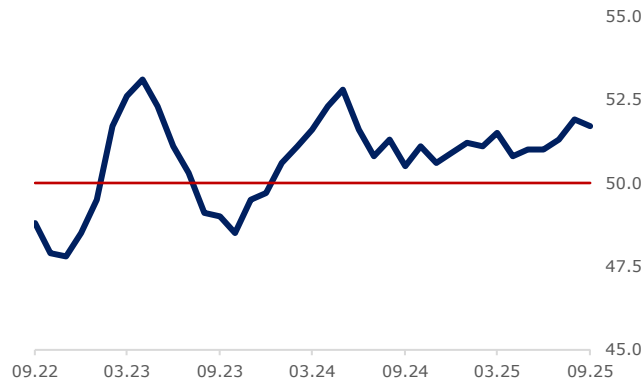
Top Export Market's Manufacturing PMI



Source: Refinitiv Datastream

According to the ICI, in January, 2024, ICI Türkiye Export Climate Index rose above threshold for the first time since July 2023. In May 2024, the index reached to its highest value of last thirteen months with 52.8 and still stood above threshold in September 2025.

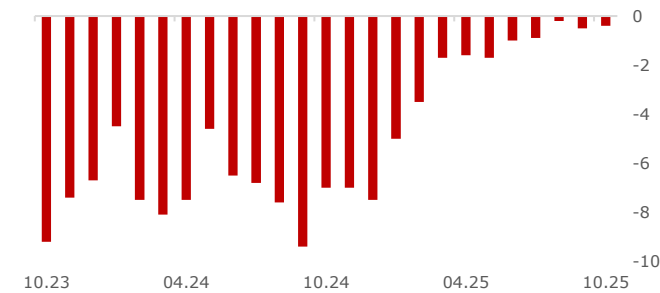
ICI Türkiye Export Climate Index Threshold



Source: The Istanbul Chamber of Industry (ICI)

While the manufacturing industry in Germany, our largest trading partner, has been contracting for over a year, the outlook has been improving in other European countries with the exception of major economies. On the other hand, export to Middle East has remained robust since 2024.

Germany Manufacturing PMI (Deviations from threshold value)



Source: Refinitiv Datastream

Although the pace of contraction has moderated, given the weakness manufacturing industry in our largest trading partner, Germany, and China's aggressive stimulus policies as well as aggressive trade policy that adversely affect global trade export developments will be closely monitored.

Further pressurizing the Turkish exporters are cost factors, mainly in terms of wages and energy prices. Minimum wage increased to TRY 30,621.48 including total costs to the employer (gross: TRY 26,005.50, net: TRY 22,104.67) for 2025. The latest increase in minimum wage pushed the total cost to employers to USD 747, using expected average USDTRY for the aforementioned year. Therefore, the expected level of minimum wage would realize above the average and would pressurize small scale businesses with labor

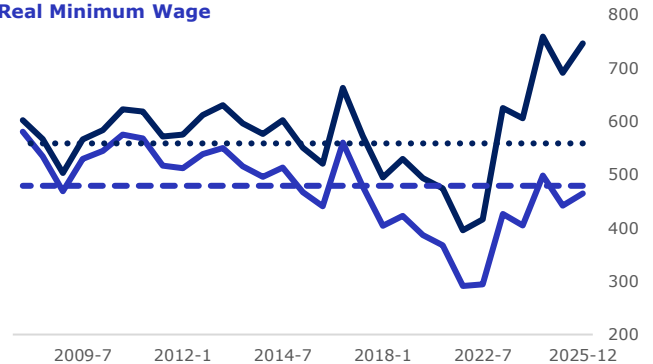
intensive manufacturing and domestic focus. On the other hand, adjusting for US CPI, real minimum wage in USD terms is actually below the average, implying export focused companies should be able to manage these levels of increasing minimum wage.

Türkiye Minimum Wage

(Total cost to employer, USD, dashed lines 2007-2023 average)

Nominal Minimum Wage

Real Minimum Wage



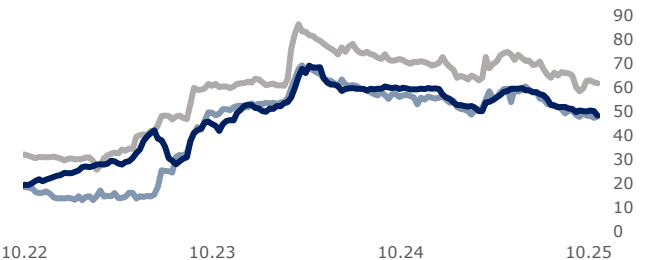
Source: Ministry of Labor and Social Security, Refinitiv, JCR-ER Research
Nominal minimum wage for 2025 is calculated using expected average USDTRY for the given year. Real wage for 2025-12 is based on our US CPI and USDTRY forecasts.

Historically tightened domestic financial conditions have started to ease slightly, particularly in credit costs

Current economic program entails high interest rates at a level that would curb leveraged consumption and inventory hoarding as carrying costs rise. On the fiscal side, tax regulations and additional tightening measures aim to support the efforts to limit consumption. Moreover, long list of previously announced macroprudential regulations in the banking system are lifted, liberating banks to pursue more independent asset-liability management. This resulted in much higher credit interest rates.

TRY Lending and Deposit Rates (%)

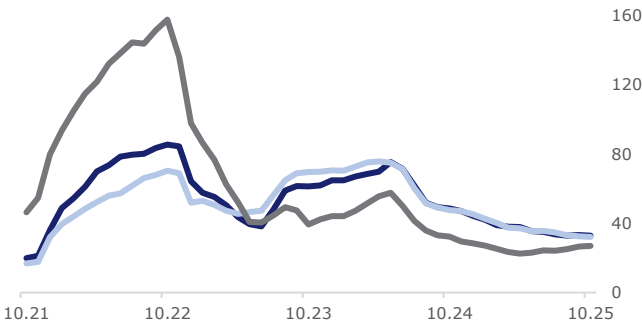
Commercial Consumer Deposit



Source: CBRT, JCR-ER

As a result of tight monetary policy, the Consumer Price Index (CPI) growth rate has followed a consistent downward trend since June 2024, reaching 33.29% as of September 2025.

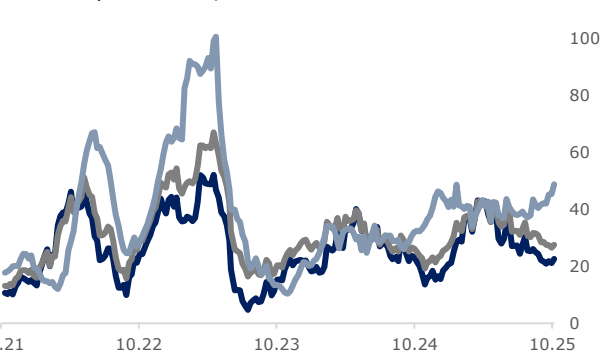
Türkiye Inflation (y.o.y)



Source: Turkstat

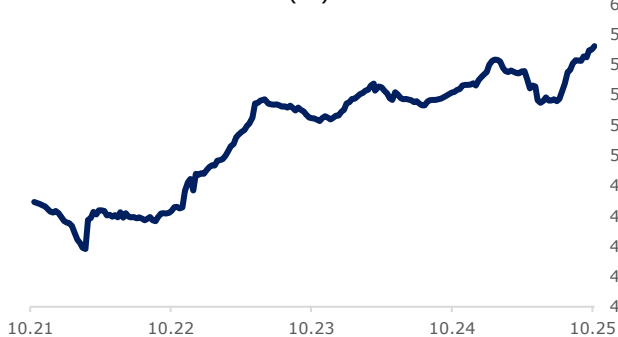
Current economic program has affected loan growth and the growth rate is not as high as the excessive pace observed in the first half of 2023, as intended by the administration.

Loans Growth (13-Week FX Adjusted Growth, Annualized)



Source: BRSA, JCR-ER

TRY SME Loans' Share (%)



Source: BRSA, JCR-ER

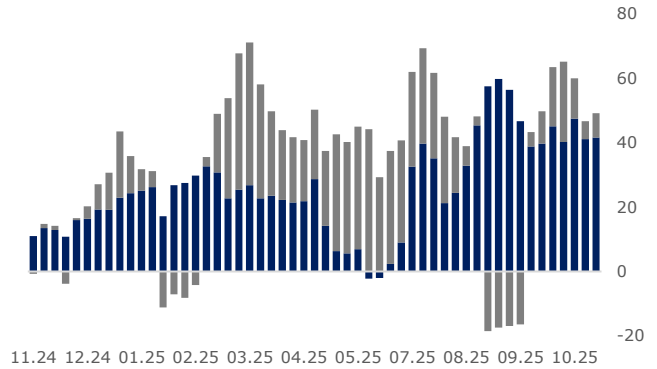
Due to high TRY loan interest rates, lending in local currency had slowed quite notable particularly in early 2Q2024, substituted for FX lending by large firms with access. CBRT had imposed monthly lending limits to FX lending. In March, 2025, the monthly growth limit for FX commercial loans has been reduced from 1% to

0.5% by CBRT. Recently, Lira lending has gained a bit more strength though in real terms the lending volume is still quite restrictive compared to the 2023.

Weekly Net Lira Lending

SME Loans Non-SME Loans

(4-week average of weekly difference, in billion TRY)

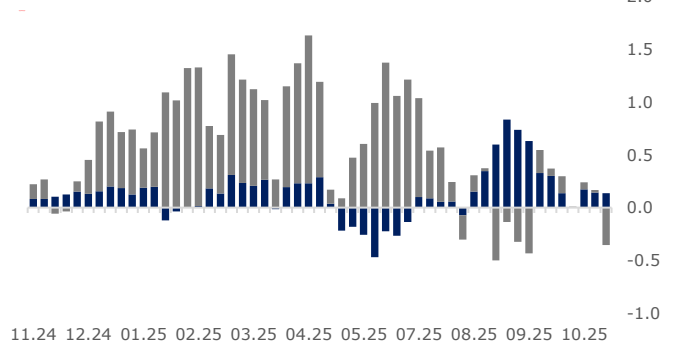


Source: BRSA, JCR-ER

Weekly Net FX Lending

SME Loans Non-SME Loans

(4-week average of weekly difference, in billion USD)



Source: BRSA, JCR-ER

Access to finance and the cost of financing are still substantial topics affecting Turkish corporates, as the selective lending policies aimed to supporting exports, agricultural production, investments and high-tech have resulted in a divergence in financial conditions. Recently, in order to facilitate access to financing for high value-added export firms, the CBRT increased the daily limits of rediscount credits from TRY 3bn to TRY 4bn. In this sense, current outlook is more accommodative for export, technology and investment-oriented firms. On the other, real appreciation of Lira as intended to support disinflation is a headwind for exporters particularly in highly competitive sectors.

On the other hand, in January, 2025, CBRT announced changes on macroprudential framework on behalf of SMEs. Accordingly, monthly growth limit for SME loans has been increased from 2% to 2.5%, whilst reduced monthly growth limit for other commercial loans from 2% to 1.5%. Furthermore, it was announced that TRY

SME loans granted through the Small and Medium Enterprises Development Organization or funded by international development finance institutions to promote sustainability will be exempt from the loan growth limit.

Within the scope of reducing of inflation, tightening financial conditions has been contributing to a weakening of demand, as expected, and exerting pressure on economic activity. In this context, as previously noted, the CBRT initiated its policy rate cuts in December 2024, continuing with additional reductions in January and March. As a result, the policy rate held at 50% for a prolonged period was gradually lowered to 42.5% to support a soft landing for the economy.

However, in response to the heightened market volatility observed in late March, the CBRT temporarily shifted its policy stance by raising the policy rate to 46% and adjusting the interest rate corridor to stabilize market expectations. Once the turbulence subsided, the Bank resumed its easing cycle, reducing the policy rate from 40.5% in September to 39.5% in October to reinforce financial stability and support the ongoing economic recovery.

2. Rating Outlook

The Group's satisfactory sales revenue, reasonable core profitability margins and low level of net debt to EBITDA multiplier as well as long cash cycle, high operating expenses, short FX position and uncertainties in the global economy have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as **'Stable'**.

Additionally, the Group's outlook for Long-Term International Foreign and Local Currency Issuer Credit Ratings has been determined as **'Stable'** in line with the sovereign rating outlooks of the Republic of Türkiye.

Factors that Could Lead to an Upgrade

- Robust increase in sales revenue and EBITDA generation capacity,
- Significant increase in core profitability margins,
- Enhancement in liquidity profile,
- Improvement in leverage and coverage indicators,
- Downgrades in Türkiye's sovereign ratings and economic growth prospects.

Factors that Could Lead to a Downgrade

- Continued decrease in core profitability margins,
- Deterioration in liquidity and leverage indicators,
- Negative cash flow metrics,
- A sharp slump in growth in the domestic and international markets,
- Downgrades in Türkiye's sovereign ratings and economic growth prospects.

The Group's financial structure, sales and profitability performance, liquidity and leverage indicators will be closely monitored by JCR Eurasia Rating in the upcoming periods.

The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.

3. Projections

The projections for upcoming years regarding sales revenue, cash flows and profitability indicators have not been provided by the Group.

According to the 3Q2025 Annual Report, as of September 30, 2025, the Company's total domestic order amount is TRY 1.16bn and the total number of customers is 2,749. The Company's ongoing domestic projects amounted to TRY 630mn.

4. Company Profile & Industry

a. History and Activities

"Koleksiyon Mobilya Sanayi A.Ş." was established on August 18, 1998 in İstanbul, Türkiye.

The Company's main activity is manufacturing, importing, selling and marketing of home and office furniture products. The Company has a production capacity of 400 thousand m² of wooden furniture and 54 thousand pieces of upholstered furniture in its factory in Tekirdağ, which has an open area of 86 thousand m² and a closed area of 45 thousand m².

The product categories that the Company manufactures and sells consist of two groups; home group and office group.

In the home group, armchairs and sofas, TV units, sideboard, wardrobes, loaders, coffee tables, work

tables, bookcases and shelves are produced. In addition, dining sets, tea cups and sets, lighting, home textiles (bed linen and bedspreads) product groups are also sold.

In the office group, tables, storage, divider panel systems, armchairs, sofas and chairs are produced for use in working areas in sectors such as education, finance, IT, housing, health, industry and tourism. These products are produced as projects within the scope of corporate sales and office furniture is also sold in retail.

Koleksiyon Mobilya's shares with a nominal value of TRY 107.85mn were offered to the public on February 24-25, 2022 at a price of TRY 1.45 and started to be traded on the Borsa İstanbul (BIST) with the ticker symbol "KLSYN" on March 4, 2022.

The Group has a total of 467 employees as of 3Q2025 (FYE2024: 480).

b. Shareholders, Subsidiaries & Affiliates

As of 3Q2025, paid-in capital of Koleksiyon Mobilya is TRY 431.42mn and the shareholder structure is as shown in the table below.

Shareholder Structure of "Koleksiyon Mobilya Sanayi A.Ş."				
	FYE2024		3Q2025	
(000' TRY)	Amount	%	Amount	%
M. Koray Malhan	153,213	35.51	104,640	24.25
Ayşe Malhan	153,213	35.51	104,640	24.25
Faruk Malhan	9,645	2.24	9,645	2.25
Doruk Malhan	7,494	1.74	104,640	24.25
Publicly Traded	107,855	25.00	107,855	25.00
Total Paid-in Capital	431,420	100	431,420	100

According to the Public Disclosure Platform data, as of the reporting date, the Board of Directors consists of 4 members, 1 of whom is independent as shown in the table below.

Board of Directors	Duty
Ferda Besli	Chairman
M. Koray Malhan	Deputy Chairman
Doruk Malhan	Deputy Chairman
Hilmi Uytun	Independent Board Member

As of 3Q2025, Koleksiyon Mobilya's subsidiary and ownership rate are as shown in the table below.

Subsidiary	Location	Operating Field	Share in Capital (%)
Büyükdere Gayrimenkul Yat. ve İnş. Tic. A.Ş.	Türkiye	Real Estate Rental	100

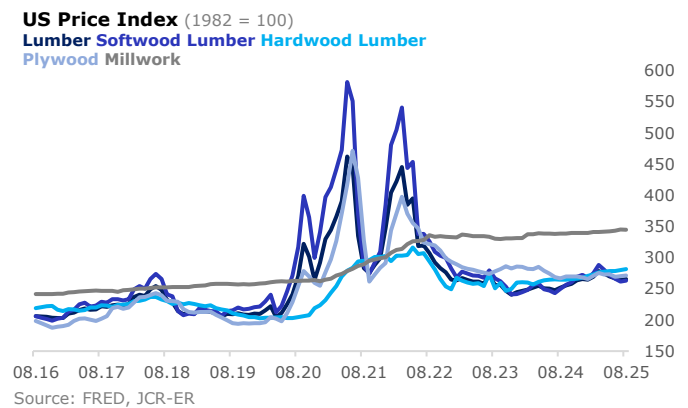
c. Industry Assessment

Furniture Industry:

Furniture manufacturing has traditionally been a labor-intensive industry, predominantly driven by small-scale workshops. However, advances in technology and rising capital investment have enabled the emergence of large-scale manufacturers, steadily transforming the sector into a more technology- and capital-intensive landscape.

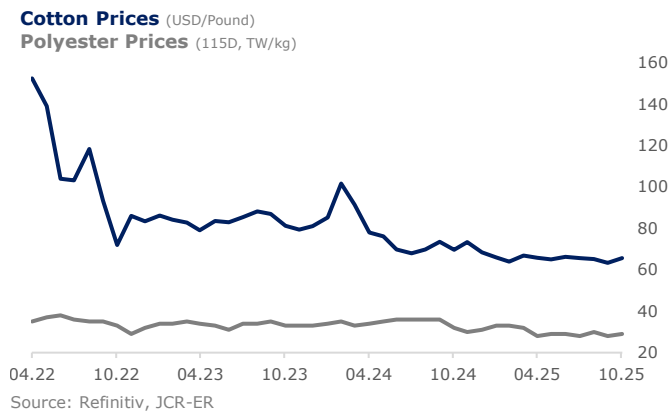
Global demand for furniture has been buoyed by a range of structural factors, including population growth, urbanization, increased construction activity, rising disposable incomes, and greater accessibility through e-commerce channels. Moreover, trends such as smart homes and smart offices are poised to further fuel demand for smart furniture solutions.

Input prices, as reflected by U.S. PPI measures for lumber, softwood, hardwood, plywood, and millwork, have displayed significant volatility since mid-2020. Despite substantial corrections between May and September 2021 and again from March to August 2022, price levels remain elevated relative to their pre-2020 baseline.



China, which stands as one of the largest producers and consumers of cotton, alone contributed around 26.5% of total production in 2024 Marketing Year from August - July. The primary exporters of cotton include China, India, and the USA. After climbing up to 1.60 USD/pound level in August 2022, cotton prices pulled

back to 0.70 USD/pound level in October 2022 on the ground of risk of global recession and varied, ranging from 0.80 to 0.90 USD/pound since November 2022 until January 2024. In February 2024, global cotton prices surged to USD 1.0 per pound, a peak not reached since July 2022, which was coincided with forecasts indicating a forthcoming decline in global cotton production. Yet, in the following months, increased yields in India and Australia led to prices falling below 2023 average. As of the end of October 2025, cotton futures hovered around USD 0.66 per pound, while polyester prices eased to 29 TW/kg. Persistently low prices were largely driven by supply surpluses, elevated stock-to-use ratios, and subdued demand conditions.



According to Trade Map data, global furniture exports exhibited a sustained upward trajectory between FYE2016 and FYE2021, reaching a cyclical peak of USD 238.87bn in FYE2021. However, this momentum reversed in FYE2022, as exports contracted by 4.44% to USD 228.27bn. The downturn was predominantly driven by a 6.95% decline in Chinese exports, reflecting deteriorating global demand conditions amid intensifying recessionary concerns, compounded by restrictive domestic policies—most notably the zero-Covid framework—and a property market downturn that dampened domestic consumption. The deceleration persisted into FYE2023, with Chinese exports falling by a further 6.21%, contributing to a 3.97% contraction in global furniture trade, which settled at USD 219.21bn.

In FYE2024, China, the leading exporter, recorded a 5.4% increase, bringing its exports to USD 80.96bn. China also maintained a significant trade surplus of USD 79.26bn, with the United States, Japan, and the United Kingdom continuing to serve as its primary export destinations in FYE2024. China accounted for 35.53% of total exports in FYE2024.

World Furniture Export (bn USD)				
	2022	2023	2024	% Change
China	81.93	76.84	80.96	5.36
Poland	15.66	15.98	15.86	-0.75
Germany	14.72	15.00	14.19	-5.36
Vietnam	12.97	11.09	13.73	23.80
Italy	13.46	13.28	12.92	-2.71
Other	93.53	92.11	90.20	-2.08
Total	232.27	224.29	227.85	1.59

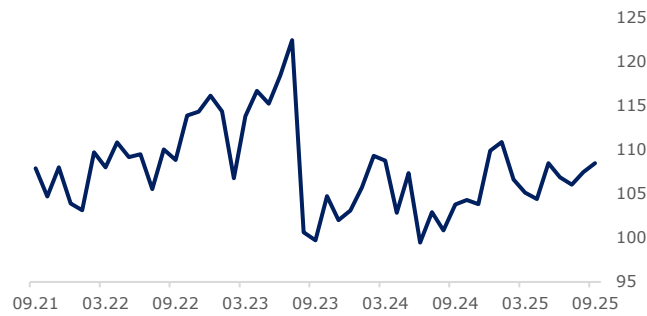
Source: Trade Map, JCR-ER
Product Codes: 9401, 9402, 9403, 9404
Last observation November 13, 2025

In Türkiye, the furniture industry, with traditional production techniques, became an information and capital-intensive sector with the participation of medium and large-scale companies starting from the 1990s. International fairs being organized by the associations made substantial contributions to the progress in the sector in the 2000s. Categorized as a sub-sector under the name of woodworking until 2006, the furniture sector was classified as an independent industry for the first time in the 9th and 10th Development Plan.

Illicit and unregistered production is one of the most problems, making nearly impossible to calculate the real figures. According to the Social Security Institution (SSI), as of August 2025, there were 27,432 furniture manufacturers across the country, employing a total of 175,843 workers. Notably, 93.9% of these furniture manufacturers had fewer than 20 employees. Istanbul, Ankara, Bursa, Kayseri, Izmir, and Adana emerged as the key cities driving furniture production in Türkiye.

In Türkiye, the furniture industry contracted sharply in early 2020 amid the economic fallout from the Covid-19 pandemic. The sector staged a strong rebound in 2021, with production expanding by 23.98%, and maintained solid momentum into 2022 with a further 9.71% increase. However, conditions shifted markedly thereafter: from 2023 onward, the industry entered a renewed and deepening downturn, ending the year with a slight contraction of 0.68%. The decline intensified in 2024, when production fell by 4.09%. As of the first 9 months of 2025, output has posted a year-on-year increase of 2.47%, signaling a tentative stabilization but not yet a sustained recovery.

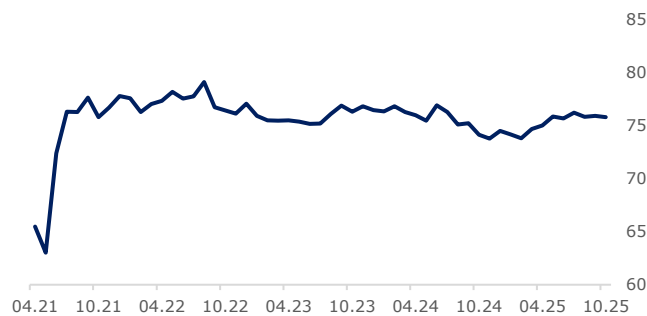
Industrial Production of Furniture* (2021 = 100)



Source: TURKSTAT, JCR-ER
*Seasonal and calendar adjusted index

The post-pandemic recovery followed an uneven trajectory, with capacity utilization gradually stabilizing after hitting a trough during the peak disruptions of 2020. Capacity utilization indicators has recently mirrored the sector's subdued production levels. According to data from the Central Bank of the Republic of Türkiye (CBRT), the furniture manufacturing capacity utilization rate (CUR) stood at 75.82% as of October 2025.

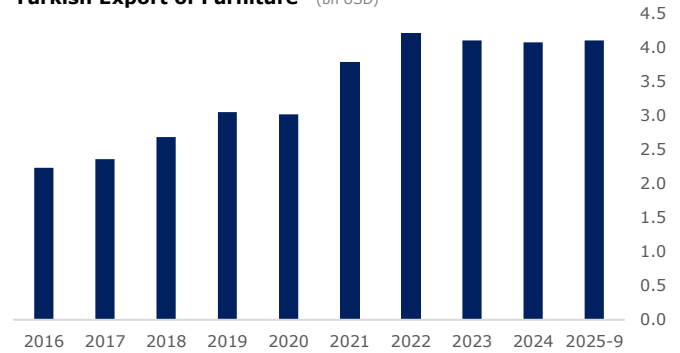
Manufacturing CUR of Furniture (2021 = 100)



Source: CBRT, EVDS, JCR-ER

Türkiye's furniture exports sustained an overall upward trend in the post-pandemic period, culminating in an 11.20% increase in FYE2022. However, this growth trajectory reversed in FYE2023, with exports contracting by 2.52% year-on-year, totaling USD 4.11bn. The downward trend persisted into FYE2024, with an additional 0.73% decline, bringing the total to USD 4.08bn. As of 2025-9 (total of last 12 months), export values edged up by 0.74% year-on-year, settling at USD 4.11bn.

Turkish Export of Furniture* (bn USD)



Source: TURKSTAT, JCR-ER
Product Codes: 9401, 9402, 9403, 9404
*Data for 2025 is total of the last 12 months.

When examining exports by country, the five most important markets of the sector were Iraq, Germany, the USA, France, and Romania. As of 2025-9 (total of last 12 months), Iraq dominated with the largest share at 15.15%, followed by Germany and the USA, accounting for 8.26% and 6.50% of the total respectively.

Turkish Export of Furniture by Country (mn USD)				
	2023	2024	2025-9	Change (%)
Iraq	483.11	594.16	622.21	4.72
Germany	360.02	343.11	339.21	-1.13
USA	250.27	258.33	266.83	3.29
France	209.48	223.87	222.24	-0.73
Romania	184.46	203.41	211.97	4.21
Other	2,620.36	2,454.71	2,445.10	-0.39
Total	4,107.70	4,077.59	4,107.56	0.74

Source: TURKSTAT, JCR-ER
Product Codes: 9401, 9402, 9403, 9404
*Data for 2025 is total of the last 12 months.

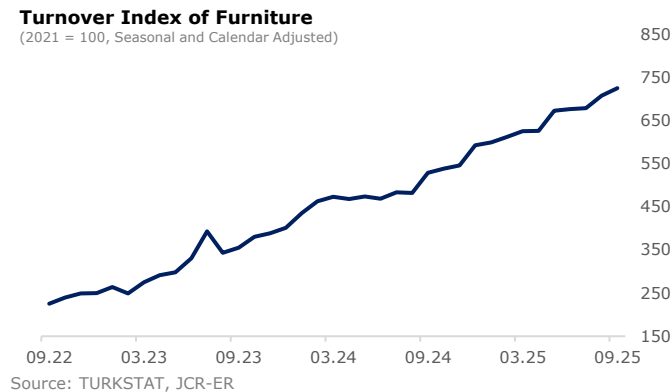
There are large-scale companies operating within the industry, in which production is generally made by micro and SME-sized companies. There were 4 companies on the list of ISO Top-500 Industrial Enterprises, composing of Türkiye's largest 500 companies as of 2024.

Furniture retail market operates in the form of;

- Sales from micro and small-scale companies,
- Local showrooms via SMEs,
- Regional furniture markets such as MODOKO and MASKO in Istanbul,
- National and international stores.

On the other hand, online sales channels also play an important role in furniture sales.

According to the data released by TURKSTAT, in September 2025, the turnover index for the furniture manufacturing industry increased by 36.99% on an annual basis, pointing to an expansion in real terms.



In conclusion, the furniture industry in Türkiye is a dynamic and competitive sector that has long been growing. The industry has a large domestic market, a diversified production base, and a longstanding tradition of skilled craftsmanship in furniture manufacturing. It also benefits from the country's geopolitical position, young population base, and other industry-specific factors. However, the industry faces several challenges. The ongoing disinflation process is progressing more slowly than anticipated, reinforcing expectations that interest rates may stay elevated for a longer period. At the same time, the industry's performance has been adversely impacted by an overabundance of small, undercapitalized firms, which were unable to manage high financial pressures, particularly among businesses heavily dependent on loan. In addition, external demand from European markets remains relatively subdued, rising input and labor costs continue to erode margins, and tightening environmental regulations are imposing additional adjustment pressures on firms across the sector. Thus, a more favorable macroeconomic outlook for the industry could be supported by efforts to develop innovative and luxurious furniture products, expand into new export markets, and adopt greener practices and sustainable materials. All developments for the industry will be closely monitored by JCR Eurasia Rating.

5. Additional Rating Assessments

Credit, market, operational and liquidity risks represent the major categories of risks for Koleksiyon Mobilya resulting from its operations. The Company is exposed to a variety of financial risks, including the effects of

changes in debt and capital market prices, foreign exchange rates and interest rates.

The Company's risk management program focuses on the unpredictability of financial markets and targets to minimize the potential negative effects on the financial performance of the Company. Credit, market, liquidity and operational risks are monitored by the Company. The Board of Directors is responsible for the necessary procedures to monitor and manage these risks.

Credit Risk

Credit risk is defined as the risk of default on a debt obligation that may arise from a borrower failing to make required payments in full and timely manner. Credit risk of a company mainly derives from deposits in banks, trade and other receivables.

The Company was exposed to a maximum credit risk of TRY 419.17mn as of FYE2024 (FYE2023: TRY 351.92mn). Trade receivables, other receivables and cash/deposits in banks with 66%, 4% and 30% shares in total exposure, respectively.

(000' TRY)	FYE2023		FYE2024	
	Related Parties	Unrelated Parties	Related Parties	Unrelated Parties
Trade Receivables	168,156		277,916	
Maximum Exposure to Credit Risk	747	167,409	2,510	275,406
Financial assets that are not overdue or impaired	747	167,409	2,510	275,406
Financial assets that are past due but not impaired	-	-	-	-
Overdue	-	30,530	-	20,839
Impairment	-	-30,530	-	-20,839

Doubtful trade receivables are low compared to sales revenues and trade receivables in FYE2024. It is stated by the Company that a significant portion of doubtful trade receivables arise from export customers.

With regard to the CPM (collateral, pledge and mortgage) position; the Company's off-balance sheet commitments were TRY 4.01bn as of FYE2024 (FYE2023: TRY 5.41bn).

The Company has no derivative financial instruments in the analyzed periods.

Market Risk

Market risks stem from fluctuations in the value of a financial instrument which could potentially impact the Company's future cash flows. These include foreign currency risk, interest rate risks and risks relating to

changes in the prices of financial instruments and commodities. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

➤ *Foreign exchange risk*

The Company is exposed to foreign exchange risk through the impact of rate changes on the translation of foreign currency denominated assets and liabilities. The basic principle in managing this risk is to minimize the impact of fluctuations in foreign currency exchange rates.

The distribution of foreign currency-denominated assets and liabilities are shown below.

FX Position		
(000' TRY)	FYE2023	FYE2024
Assets	91,294	32,070
Liabilities	103,333	70,454
Net FX Position	-12,039	-38,384

As seen in the table above, the Company has short net FX position in the analyzed periods.

The Company is exposed to currency risk in terms of USD, EUR, GBP and others. Assuming all other factors are kept constant, an increase/decrease of 10% in foreign currency rates against TRY, incurs a variation of TRY 3.84mn in the Company's profits regarding the FC position as of FYE2024 (FYE2023: TRY 1.20mn).

➤ *Interest rate risk*

One of the market risks is the interest rate risk, which affecting the interest payment obligations of the Company. The audit report does not contain detailed information about interest rate position in the analyzed periods.

Liquidity Risk

Liquidity risk refers to the possible inability to fund payment obligations. It arises in the general funding of the Company's activities and in the management of positions. Prudent liquidity risk management consists of providing sufficient amount of cash and securities, enabling funding through sufficient credit facilities and the ability to close open positions. Considering its short-term and long-term liabilities, the Company continues its operations in a healthy financial structure within the framework of its proactive approach.

In the last two-year period, the Company's cash and cash equivalents was below its financial liabilities, causing external funding needs.

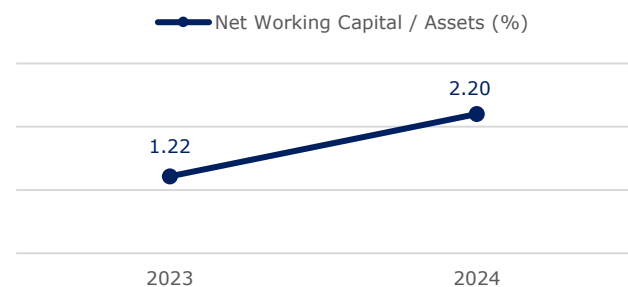
According to Central Bank data, the Company has a cash credit risk of TRY 315.18mn as of September, 2025.

Moreover, the Company's cash flow metrics are positive in FY2024 as shown in the table below.

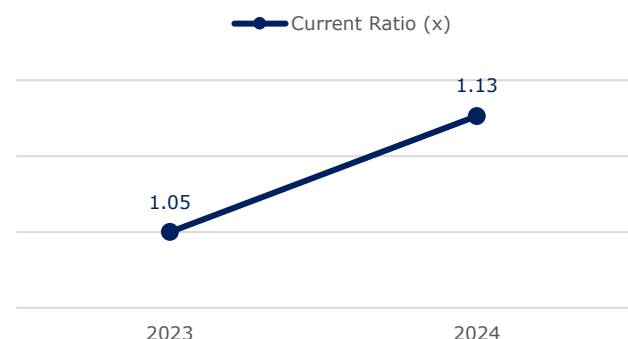
(000' TRY)	FY2023	FY2024
Funds from Operations (FFO)	75,824	548,744
Cash from Operations (CFO)	-364,734	460,657
Free Operating Cash Flow (FOCF)	8,885	75,174

Net working capital is an important metric to understand about the Company's liquidity, operational efficiency and its short-term financial health. The net working capital of the Company, which was TRY 40.54mn in FYE2023, increased to TRY 87.17mn in FYE2024.

In addition, net working capital to total assets ratio which measures the Company's ability to cover its short-term financial obligations by comparing its total current assets to its total assets actualized as shown in the chart below.



Current ratio of the Company stood above 1x in the analyzed periods as shown in the chart below.



Operational, Legal Regulatory & Other Risks

Operational risk is the risk of direct or indirect loss arising from operational activities and other processes related with the Company's activities which are prone to certain risks associated with the Company's processes, personnel, technology and infrastructure.

In the event that necessary precautions are not taken in time, these risks cause a loss and may dampen the brand value of the institutions.

Operational risks pose a particular importance for the Company due to the nature of its activity containing certain standards, deadlines and requirements to comply with legal regulations and procedures. The Company operates according to the latest regulations and rules.

The Company takes necessary actions to ensure security and continuity of production and maintenance and security of physical facilities. In addition, compulsory precautions and regulatory controls are in place to align with regulations.

According to the information provided by the Company's website, the Company has the following certificates: ISO 9001 Quality Management System, ISO 14001 Environmental Management System, TS 45001 Occupational Health and Safety Management System.

Additionally, the Company did not receive any major penalties from the regulatory authorities which would affect its operations, underpinning a high level of legal compliance.

KOLEKSİYON MOBİLYA SANAYİ A.Ş. (Consolidated Financials)

Balance Sheet (000' TRY)

	2024	2023
TOTAL ASSETS	3,960,680	3,334,757
CURRENT ASSETS	776,995	852,859
Cash and Cash Equivalents	62,792	82,896
Financial Investments	738	478
Trade Receivables	277,915	168,156
Other Receivables	14,716	16,357
Inventories	390,954	492,363
Prepaid Expenses	23,730	69,099
Other Current Assets	6,150	23,510
FIXED ASSETS	3,183,685	2,481,898
Other Receivables	964	1,645
Investment Properties	769,082	748,744
Tangible Fixed Assets	2,362,311	1,578,409
Right-of-Use Assets	23,165	0
Intangible Fixed Assets	26,626	41,225
Prepaid Expenses	1,537	111,875
TOTAL LIABILITIES & EQUITY	3,960,680	3,334,757
SHORT-TERM LIABILITIES	689,826	812,321
Short-Term Borrowings	169,425	128,941
Short-Term Portion of Long-Term Borrowings	77,769	144,999
Trade Payables	132,150	129,341
Employee Benefits	29,993	39,920
Other Payables	14,437	3,229
Deferred Income	112,692	226,988
Current Tax Liabilities	46,739	0
Short-Term Provisions	106,621	135,005
Other Short-Term Liabilities	0	3,898
LONG-TERM LIABILITIES	664,806	771,908
Long-Term Borrowings	151,322	186,235
Deferred Income	5,660	0
Long-Term Provisions	39,450	73,000
Deferred Tax Liabilities	468,374	512,673
EQUITY	2,606,048	1,750,528
Controlling Interest	2,606,048	1,750,528
Share Capital	431,420	431,420
Capital Adjustment Differences	2,028,111	2,028,111
Repurchased Shares (-)	-38,862	-37,673
Share Premium (Discount)	83,318	83,318
Other Acc. Compr. Income (Expenses) That Will Not Be Reclassified to Profit or Loss	380,735	-35,194
Restricted Reserves	84,414	84,414
Previous Years Profits or Losses	-803,868	-833,494
Net Profit or Loss	440,780	29,626

- Including JCR Eurasia Rating's adjustments where applicable,

KOLEKSİYON MOBİLYA SANAYİ A.Ş. (Consolidated Financials)

Income Statement (000' TRY)

	2024	2023
Revenue	1,691,408	1,927,796
Cost of Sales	-769,040	-683,396
GROSS PROFIT (LOSS)	922,368	1,244,400
General and Administrative Expenses	-128,468	-129,250
Marketing Expenses	-463,154	-401,961
R&D Expenses	-18,384	-12,859
Other Operating Income	23,190	23,263
Other Operating Expenses	-47,505	-350,548
OPERATING PROFIT (LOSS)	288,047	373,045
Income from Investment Activities	77,756	57,412
Expenses from Investment Activities	0	-232,630
OPERATING PROFIT (LOSS) BEFORE FINANCING ACTIVITIES	365,803	197,827
Financing Income	17,366	46,504
Financing Expenses	-174,115	-162,334
Net Monetary Position Gains (Losses)	300,610	89,442
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	509,664	171,439
Tax Income Expense from Continuing Operations	-68,884	-141,813
Current Tax (Expense) Income	-61,046	-44,214
Deferred Tax (Expense) Income	-7,838	-97,599
NET PROFIT FROM CONTINUING OPERATIONS	440,780	29,626
NET PROFIT (LOSS) FOR THE PERIOD	440,780	29,626

- Including JCR Eurasia Rating's adjustments where applicable,

KOLEKSİYON MOBİLYA SANAYİ A.Ş. (Consolidated Financials)

Key Ratios & Metrics

	2024	2023
PROFITABILITY		
EBITDA Margin (%)	26.82	42.12
EBIT Margin (%)	18.47	36.33
CFO Margin (%)	27.24	-18.92
Return on Average Assets (ROaA) (%)	12.08	NA
Return on Average Equity (ROaE) (%)	20.24	NA
Net Profit Margin (%)	26.06	1.54
Operating Profit Margin (%)	17.03	19.35
Gross Profit Margin (%)	54.53	64.55
LIQUIDITY		
FFO Debt Service Coverage (x)	1.39	0.18
Current Ratio (x)	1.13	1.05
Net Working Capital / Assets (%)	2.20	1.22
LEVERAGE		
FFO / Adjusted Net Debt (%)	163.45	20.10
Adjusted Net Debt / EBITDA (x)	0.74	0.46
FOCF / Adjusted Net Debt (%)	22.39	2.36
Adjusted Debt / Capital (%)	13.26	20.82
Adjusted Short-Term Net Debt / EBITDA (x)	0.41	0.24
EFFICIENCY		
RoC (Return on Capital) = EBIT / Avg. Capital (%)	11.98	NA
Working Capital Turnover Ratio (x)	26.49	NA
Operating Ratio (%) = OPEX / Net Sales	36.06	28.22
Equity Turnover (x)	0.78	NA
Cash Conversion Cycle (days)	196	NA
Account Receivables Turnover (x)	7.58	NA
Inventory Turnover (x)	1.74	NA
Payables Turnover (x)	5.88	NA
COVERAGE		
EBITDA / Adjusted Interest (x)	3.06	5.93
FFO Interest Coverage= (FFO) / Adjusted Interest Paid (x)	3.70	0.55
CFO / Capex (x)	1.20	0.98
GROWTH		
Sales Growth (%)	-12.26	NA
EBITDA Growth (%)	-44.14	NA
Asset Growth (%)	18.77	NA

NA: Not Available

- Including JCR Eurasia Rating's adjustments where applicable,

Rating Info

Rated Company:	Koleksiyon Mobilya Sanayi A.Ş. Cumhuriyet Mah., Hacı Osman Bayırı Cad., No: 25 Sarıyer/İstanbul, Türkiye Telephone: +90 212 363 63 63
Rating Report Preparation Period:	01.11.2025 – 21.11.2025
Rating Publishing Date:	25.11.2025
Rating Expiration Date:	1 full year after publishing date, unless otherwise stated
Financial Statements:	FYE2024-FYE2023 Consolidated Audit Report 3Q2025-3Q2024 Consolidated Unaudited Report
Previous Rating Results:	25.11.2024 Long-Term National Issuer Credit Rating at A+ (tr)
Rating Committee Members:	Ö. F. Engin (Executive Vice President) ozgur.engin@jcrer.com.tr , Ö. Sucu (Manager) omer.sucu@jcrer.com.tr , F. Tunç (Team Leader) frat.tunc@jcrer.com.tr

Disclaimer

The ratings affirmed by JCR Eurasia Rating are a reflection of the Company's independent audit reports prepared in conformity with Turkish Financial Reporting Standards (TFRS) and International Financial Reporting Standards (IFRS), on and off-balance sheet figures, general market conditions in its fields of activity, unaudited financial statements, information and clarifications provided by the Company, and non-financial figures. Certain financial figures of the Company for previous years have been adjusted in line with the JCR Eurasia Rating's criteria.

The Company's balance sheet composition, asset quality, risk management practices, business profile, liquidity management, history in the sector, profitability figures, revenues, debt structure, growth rates, off-balance sheet commitments, and the financial and non-financial positions of the main shareholders were taken into consideration while determining the risk assessment of the long-term international local currency and foreign currency ratings as well as national ratings.

Considering the fact that there are no additional legal or financial collateral guarantees provided separately for the repayment of the bonds issued, the note assigned for the TRY dominated bond issuance is assigned as the same as the Company's Long and Short Term National Local Ratings, unless otherwise stated.

Previous rating results and other relevant information can be accessed on www.jcrer.com.tr

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This rating report has been composed within the methodologies registered with and certified by the SPK (CMB-Capital Markets Board of Türkiye), BDDK (BRSA-Banking Regulation and Supervision Agency) and internationally accepted rating principles and guidelines but is not covered by NRSRO regulations.

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