

**YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ
AND IT'S SUBSIDIARIES**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY - 30 SEPTEMBER 2025**

*(CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL
STATEMENTS ORIGINALLY ISSUED IN TURKISH)*

CONTENTS	PAGE
CONDENSED CONSOLIDATED BALANCE SHEET	1-2
CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME	3
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	4
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS.....	5
CONDENSED CONSOLIDATED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	6-38

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2025
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025,
unless otherwise indicated)

ASSETS	Note	Unaudited 30 September 2025	Audited 31 December 2024
CURRENT ASSETS			
Cash And Cash Equivalents		946.346.737	1.118.846.752
Financial Investments		3.856.776	107.864.540
Trade Receivables		1.852.730.460	1.824.127.451
<i>Due From Related Parties</i>	3-4	--	--
<i>Trade Receivables, Third Parties</i>	4	1.852.730.460	1.824.127.451
Other Receivables		71.068.371	61.414.725
<i>Due From Related Parties</i>		--	--
<i>Other Receivables, Third Parties</i>		71.068.371	61.414.725
Inventories	6	3.707.898.355	3.981.345.851
Prepaid Expenses		550.760.184	735.748.849
<i>Due From Related Parties</i>	3-7	6.006.236	6.754.548
<i>Prepaid Expenses, Third Parties</i>	7	544.753.948	728.994.301
Current Income Tax Assets		5.285.346	--
Other Current Assets	5	1.187.835.025	1.292.152.594
TOTAL CURRENT ASSETS		8.325.781.254	9.121.500.762
NON-CURRENT ASSETS			
Financial Investments		5.186.802	5.269.807
Other Receivables		3.671.274	4.012.885
<i>Due From Related Parties</i>		--	--
<i>Other Receivables, Third Parties</i>		3.671.274	4.012.885
Right of Use Assets		920.754.007	1.179.979.877
Investment Properties		418.251.179	418.251.178
Tangible Fixed Assets	8	10.728.658.721	9.384.899.795
Intangible Fixed Assets		841.196.983	752.410.205
Prepaid Expenses	7	221.716.456	268.487.019
TOTAL NON-CURRENT ASSETS		13.139.435.422	12.013.310.766
TOTAL ASSETS		21.465.216.676	21.134.811.528

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025,
unless otherwise indicated)

LIABILITIES	Note	Unaudited 30 September 2025	Audited 31 December 2024
CURRENT LIABILITIES			
Financial Liabilities	9	3.204.957.736	1.898.694.507
Short Term Portion Of Long Term Financial Liabilities	9	893.811.125	2.795.693.020
Lease Payables	9	115.119.900	164.211.019
Trade Payables		2.307.475.904	1.693.789.035
<i>Due To Related Parties</i>	3-4	--	--
<i>Trade Payables, Third Parties</i>	4	2.307.475.904	1.693.789.035
Employee Benefit Obligations	10	293.955.861	249.777.684
Other Payables		3.968.146	2.266.337
<i>Due To Related Parties</i>		--	--
<i>Other Payables, Third Parties</i>		3.968.146	2.266.337
Deferred Income	7	663.481.824	1.008.145.445
Provisions		8.726.915	7.970.093
Other Current Liabilities	5	35.709.765	53.986.307
TOTAL CURRENT LIABILITIES		7.527.207.176	7.874.533.447
NON-CURRENT LIABILITIES			
Financial Liabilities	9	1.969.840.116	1.226.769.062
Lease Payables	9	135.807.051	260.182.785
Deferred Income	7	115.357.639	11.300.916
Provisions		177.505.251	177.496.812
<i>Provision For Employee Benefits</i>		177.505.251	177.496.812
Deferred Tax Liabilities	18	1.478.102.931	1.489.310.628
TOTAL NON-CURRENT LIABILITIES		3.876.612.988	3.165.060.203
EQUITY			
Paid-In Capital	12	149.798.932	149.798.932
Inflation Adjustment on Capital	12	1.874.660.426	1.874.660.426
Buy-Back Shares (-)		(299.998.484)	(299.998.484)
Other Comprehensive Income Not To Be Reclassified To Profit Or Loss		1.656.913.841	1.374.675.268
<i>Revaluation and Remeasurement Gains/Losses</i>		1.704.658.244	1.422.419.671
<i>Actuarial Gain/Loss Arising From Defined Benefit Plans</i>		(47.744.403)	(47.744.403)
Other Comprehensive Income To Be Reclassified To Profit Or Loss		(176.409.023)	16.623.285
<i>Currency Translation Differences</i>		(176.409.023)	16.623.285
Restricted Reserves		526.499.440	526.499.440
Retained Earnings		6.452.959.011	6.227.372.838
Net Income For The Period		(123.027.631)	225.586.173
EQUITY HOLDERS OF THE PARENT		10.061.396.512	10.095.217.878
TOTAL LIABILITIES		21.465.216.676	21.134.811.528

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS ENDED AT 1 JANUARY-30 SEPTEMBER 2025 AND 2024

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

INCOME/LOSS	Note	Unaudited 1 January – 30 Sep. 2025	Unaudited 1 July – 30 Sep. 2025	Unaudited 1 January – 30 Sep. 2024	Unaudited 1 July – 30 Sep. 2024
Revenue	13	15.398.068.502	5.321.816.686	15.168.411.779	4.609.564.764
Cost Of Sales (-)	14	(10.022.385.651)	(3.452.834.609)	(10.462.401.469)	(3.169.041.494)
Gross profit		5.375.682.851	1.868.982.077	4.706.010.310	1.440.523.270
General Administrative Expenses (-)	15	(79.173.983)	(25.192.551)	(85.650.761)	(27.881.486)
Marketing, Selling And Distribution Expenses (-)	15	(3.860.735.368)	(1.319.889.917)	(3.333.759.835)	(947.799.032)
Research And Development Expenses (-)	15	(664.563.740)	(231.637.410)	(606.428.359)	(237.994.813)
Other Income From Operating Activities		982.794.679	250.099.345	1.278.390.230	343.068.852
Other Expenses From Operating Activities (-)		(363.895.023)	(70.944.674)	(633.284.947)	(62.698.206)
Operating Profit / Loss		1.390.109.416	471.416.870	1.325.276.638	507.218.585
Income From Investment Activities		11.133.586	1.945.328	53.351.752	3.109.760
Expenses From Investment Activities (-)		(62.854)	1.039.063	--	--
OPERATING INCOME BEFORE FINANCIAL INCOME		1.401.180.148	474.401.261	1.378.628.390	510.328.345
Financial Expenses (-)	16	87.895.376	26.893.658	36.859.104	8.474.343
Financial Income	17	(2.083.539.270)	(601.239.560)	(1.827.793.152)	(655.500.992)
Monetary Gain / (Loss)		1.024.729.957	209.396.578	1.084.322.354	367.436.588
PROFIT BEFORE TAX		430.266.211	109.451.937	672.016.696	230.738.284
Tax income/(expense)		(553.293.842)	(134.164.767)	(467.394.821)	(159.123.142)
Taxes On Income		(21.977)	4.032.827	--	7.186.016
Deferred Tax Income/(Expense)	18	(553.271.865)	(138.197.594)	(467.394.821)	(166.309.158)
Profit/Loss for the Period from Discontinued Operations		--	--	--	--
PERIOD PROFIT / LOSS		(123.027.631)	(24.712.830)	204.621.875	71.615.142
Earnings Per Share					
Earnings Per Share		-0,82	-0,16	1,37	0,48
OTHER COMPREHENSIVE INCOME					
Other Comprehensive Income/Expense Not To Be Reclassified To Profit Or Loss		282.238.573	--	(75.733.449)	8.869.115
Actuarial Gain/Loss Arising From Defined Benefit Plans		--	--	(100.977.933)	11.825.485
Tax Income/(Expense)		282.238.573	--	25.244.484	(2.956.370)
Deferred Tax (Expense) Income		282.238.573	--	25.244.484	(2.956.370)
Other Comprehensive Income/Loss To Be Reclassified To Profit Or Loss		(193.032.308)	(36.811.023)	48.841.521	11.008.291
Currency Translation Differences	12	(193.032.308)	(36.811.023)	48.841.521	11.008.291
OTHER COMPREHENSIVE INCOME (LOSS)		89.206.265	(36.811.023)	(26.891.928)	19.877.406
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		(33.821.366)	(61.523.853)	177.729.947	91.492.548

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED AT 1 JANUARY – 30 SEPTEMBER 2025 AND 2024
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

				Other Comprehensive Income/Expense Not to Be Reclassified To Profit Or Loss		Other Comprehensive Income/Loss to Be Reclassified To Profit Or Loss		Retained Earnings		
	Paid In Capital	Inflation Adjustment on Capital	Buy-Back Shares	Revaluation and Remeasurement Gains/Losses	Actuarial Gain/Loss Arising from Defined Benefit Plans	Currency Translation Differences	Restricted Reserves	Retained Earnings	Net Income for The Period	Total Equity
Balance as of January 1, 2024	149.798.932	1.874.660.426	(299.998.484)	--	35.012.105	(47.083.233)	526.499.440	4.959.087.452	1.268.285.386	8.466.262.024
Transfer of Previous Period's Profit	--	--	--	--	--	--	--	1.268.285.386	(1.268.285.386)	--
Total Comprehensive Income	--	--	--	--	(75.733.449)	48.841.521	--	--	204.621.875	177.729.947
Balance as of September 30, 2024	149.798.932	1.874.660.426	(299.998.484)	--	(40.721.344)	1.758.288	526.499.440	6.227.372.838	204.621.875	8.643.991.971
Balance as of January 1, 2025	149.798.932	1.874.660.426	(299.998.484)	1.422.419.671	(47.744.403)	16.623.285	526.499.440	6.227.372.838	225.586.173	10.095.217.878
Transfer of Previous Period's Profit	--	--	--	--	--	--	--	225.586.173	(225.586.173)	--
Total Comprehensive Income	--	--	--	282.238.573	--	(193.032.308)	--	--	(123.027.631)	(33.821.366)
Balance as of September 30, 2025	149.798.932	1.874.660.426	(299.998.484)	1.704.658.244	(47.744.403)	(176.409.023)	526.499.440	6.452.959.011	(123.027.631)	10.061.396.512

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED AT 1 JANUARY - 30 SEPTEMBER 2025 AND 2024
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

	Note	Unaudited 1 January – 30 Sep. 2025	Unaudited 1 January – 30 Sep. 2024
Cash Flows from Operating Activities		3.135.191.669	1.131.258.926
Profit (Loss) for the Period		(123.027.631)	204.621.875
Profit (Loss) from Continuing Operations		(123.027.631)	204.621.875
Adjustments to Reconcile Net Profit (Loss)		2.350.491.535	2.677.689.975
Adjustments to Reconcile Net Profit (Loss)	8	790.121.857	682.730.430
Adjustments for Impairment (Reversal of Impairment)		12.290.200	27.495.968
- Adjustments for Impairment (Reversal) on Receivables	4	(13.312)	6.605.495
- Adjustments for Impairment (Reversal) on Inventories	6	12.303.512	20.890.473
Adjustments for Provisions		38.313.957	112.184.263
- Adjustments for Provisions for Employee Benefits (Reversals)		35.994.133	111.643.717
- Adjustments for Other Provisions (Reversals)		2.319.824	540.546
Adjustments for Interest Income and Expenses		778.937.465	1.217.229.968
- Deferred Finance Expense from Credit Purchases	4	(181.143.133)	(114.016.217)
- Unearned Finance Income from Credit Sales	4	61.775.162	148.097.772
- Adjustments for Interest Income	16	(43.523.488)	(17.260.318)
- Adjustments for Interest Expenses	17	941.828.924	1.200.408.731
Adjustments for Tax (Income) Expense	18	553.293.842	467.394.821
Adjustments for (Gains) Losses Arising from Disposal of Non-current Assets		62.854	(42.368.603)
Adjustments for Foreign Exchange Gains and Losses		177.471.360	213.023.128
Changes in Working Capital		907.727.765	(1.751.052.924)
Decrease (Increase) in Financial Investments		104.090.769	16.778.884
Decrease (Increase) in Trade Receivables	4	(83.636.218)	552.852.449
Decrease (Increase) in Other Receivables Related to Operating Activities		(9.312.035)	5.138.488
Decrease (Increase) in Inventories	6	266.100.760	(635.626.709)
Decrease (Increase) in Prepaid Expenses	7	231.759.228	(44.722.603)
Increase (Decrease) in Trade Payables	4	794.830.002	(862.744.144)
Increase (Decrease) in Employee Benefit Payables	10	68.310.601	(183.795.392)
Increase (Decrease) in Other Payables Related to Operating Activities		138.807	2.647.694
Increase (Decrease) in Deferred Income	7	(240.606.898)	(216.454.119)
Other Increase (Decrease) in Working Capital		86.041.026	(52.769.265)
- Decrease (Increase) in Other Assets Related to Operating Activities	5	104.317.569	(37.311.615)
- Increase (Decrease) in Other Liabilities Related to Operating Activities	5	(18.276.543)	(15.457.650)
Payments Related to Provisions for Employee Benefits		(22.439.965)	(29.911.130)
Income Tax Refunds (Payments)	18	(287.548.312)	(302.447.077)
Cash Flows from Investing Activities		(1.941.144.502)	(640.779.663)
Proceeds from Sale of Tangible and Intangible Assets	8	23.239.403	158.719.940
Purchases of Tangible and Intangible Assets	8	(1.964.383.905)	(799.499.603)
Cash Flows from Financing Activities		(946.679.944)	(778.914.210)
Proceeds from Borrowings	9	4.587.759.616	5.007.844.149
Repayments of Borrowings	9	(4.451.909.484)	(4.215.513.735)
Lease Liabilities Paid	9	(257.595.086)	(458.468.218)
Interest Paid	17	(868.458.478)	(1.130.036.724)
Interest Received	16	43.523.488	17.260.318
Net Increase (Decrease) in Cash and Cash Equivalents Before Effect of Exchange Rates		247.367.223	(288.434.947)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		(193.032.308)	48.841.521
Net Increase (Decrease) in Cash and Cash Equivalents		54.334.915	(239.593.426)
Cash and Cash Equivalents at the Beginning of the Period		1.118.846.752	952.673.238
Effect of Inflation on Cash and Cash Equivalents		(226.834.930)	(251.458.126)
Cash and Cash Equivalents at the End of the Period		946.346.737	461.621.686

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 1 – ORGANIZATION OF THE GROUP

Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi ("Parent Company") and its subsidiaries are referred to as "Group" on the notes to the condensed consolidated financial statements.

The summarized information of entities which are consolidated with "complete consolidation method" is comprised of the following;

Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi

Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş. ("Company") was established in 1987. The Company's engaged in the production of bed, furniture, quilt, armchair, sofa, home textile and home furniture. The Company acquired and merged with İstanbul Pazarlama Yatak ve Yorgan Sanayi Ticaret A.Ş. ("Yataş İstanbul Pazarlama A.Ş.") on 28 February 2011.

For the period ended at 30 September 2025, 3.211 personnel are employed at the Company (31 December 2024: 3.403).

Company registered on the Kayseri Chamber of Industry with the number of 14222 and its legal address Organize Sanayi Bölgesi 18. Cadde No:6 Melikgazi / Kayseri. The Company's operating activities located on the Turkey. The Company has 97 stores located on Turkey.

The Company is registered to the Capital Markets Board ("CMB") and its shares have been quoted on the Borsa İstanbul ("BIST") since 1996.

Company's shareholding structure is mentioned in Note 12.

Yatas Europe GMBH

Yatas Europe GmbH ("Yatas Europe") was established in 10.07.2015 in Germany. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture.

For the period ended at 30 September 2025, 8 personnel are employed by the Company (31 December 2024: 8 Personnel). Yatas Europe's shareholding structure as of 30 September 2025 in EUR are as following;

Shareholders	30 September 2025		31 December 2024	
	Share Percentage	Share Amount (EUR)	Share Percentage	Share Amount (EUR)
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	100.000	%100	100.000
Total	%100	100.000	%100	100.000

Yatas Rus Ltd.

Yatas Rus Limited Şirketi ("Yatas Rus"), was established in 03.07.2019 in Russia. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture. For the period ended at 30 September 2025, 10 personnel are employed by the Yatas Rus. Yatas Rus's shareholding structure as of (31 December 2024: 10 Personnel).

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

30 September 2025 in RUBLE is as following;

	30 September 2025		31 December 2024	
	Share Percentage	Share Amount (RUB)	Share Percentage	Share Amount (RUB)
Shareholders				
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	3.500.000	%100	3.500.000
Total	%100	3.500.000	%100	3.500.000

EnzaHome International Inc.

EnzaHome International Inc. ("EnzaHome"), was established in 21.02.2020 in ABD. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture. For the period ended at 30 September 2025, 5 personnel are employed by the EnzaHome. EnzaHome's shareholding structure as of (31 December 2024: 5 Personnel).

30 September 2025 in USD is as following;

	30 September 2025		31 December 2024	
	Share Percentage	Share Amount (USD)	Share Percentage	Share Amount (USD)
Shareholders				
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	50.000	%100	50.000
Total	%100	50.000	%100	50.000

NOTE 2 – BASIS OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.a. Basis of Presentation

Compatibility Statement

The condensed consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the Communiqué) published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, condensed consolidated financial statements are prepared in accordance with the Turkish Financial Reporting Standards (TFRS) issued by Public Oversight Accounting and Auditing Standards Authority (POAASA). TFRS contains Turkish Financial Reporting Standards (TFRS) and its addendum and interpretations. The condensed consolidated financial statements of the Group are prepared as per the CMB announcement of July 3, 2024 relating to financial statements presentations. Comparative figures are reclassified, where necessary, to conform to changes in the presentation of the current year's condensed consolidated financial statements.

The Company maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code (the "TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. Subsidiaries and associates operating in foreign countries have prepared their statutory financial statements in accordance with the laws and regulations of the country in which they operate. The condensed consolidated financial statements, except for the financial asset/liabilities and land, buildings presented with their fair values, are maintained under historical cost conversion in TRY. These condensed consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the TAS/TFRS.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Going Concern

The condensed consolidated financial statements including the accounts of the parent company, its subsidiaries and associates have been prepared assuming that the Group will continue as a going concern on the basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

Approval of Condensed consolidated Financial Statements

Condensed consolidated financial statements of the Group are approved by the Board of Directors and granted authority to publish on August 15, 2025. With no intention, the Board of Directors and some regulative agencies have the right to change the financial statements that were prepared according to legal regulations after they have been published.

Financial Statements Correction in High Inflation Period

Pursuant to the Capital Markets Board's ("CMB") decision dated December 28, 2024, numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to implement inflation accounting in accordance with the provisions of IAS 29, starting with financial reports for the fiscal periods ending on or after December 31, 2023.

In accordance with the announcement and "Practice Guide on Financial Reporting in High Inflationary Economies" published by the Public Oversight Accounting and Auditing Standards Authority ("POAASA") on 23 November 2024, the Group has prepared its condensed consolidated financial statements for the year ended December 31, 2023 using the TAS 29 "Financial Reporting in High Inflationary Economies" Standard. Pursuant to this standard, financial statements prepared based on the currency of a high inflationary economy are expressed in terms of the purchasing power of that currency at the balance sheet date, and comparative information for prior periods is also expressed in the current measurement unit at the end of the reporting period for comparison purposes. Therefore, the Group has presented its condensed consolidated financial statements as of 31 December 2024 and 30 September 2024 in terms of purchasing power as of 30 September 2025.

The adjustments made in accordance with TAS 29 have been made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute ("TSI"). As of 31 December 2024, the indices and adjustment coefficients used in the correction of the condensed consolidated financial statements are as follows:

Date	Index	Correction Coefficient	Three-Year Compound Inflation Rate
30 September 2025	3.367,22	1,00000	%222
31 December 2024	2.684,55	1,25430	%291
30 September 2024	2.526,16	1,33294	%343

The main elements of the adjustment process undertaken by the Group for financial reporting in high inflationary economies are as follows:

- Current period consolidated financial statements prepared in Turkish Lira (TRY) are expressed in terms of the purchasing power at the reporting date, and amounts for previous reporting periods are also adjusted to reflect the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the reporting date. If the inflation-adjusted values of non-monetary items exceed their recoverable amounts or net realizable values, the provisions of TAS 36 and TAS 2 are applied, respectively.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

- Non-monetary assets and liabilities as well as equity items not expressed in terms of the current purchasing power during the reporting period are adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except those affecting the comprehensive income statement of non-monetary items in the financial position statement, are indexed using coefficients calculated based on the periods when income and expense accounts were initially recognized in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the consolidated income statement as a loss on net monetary position.

Currency

The financial statements and the prior period financial statements for comparison purpose, in the accompanying statements are prepared in terms of Turkish Lira (TRY).

Subsidiaries Operating in Countries Other Than Turkey's Financial Statements

The financial statements of subsidiaries operating in countries other than Turkey are prepared in accordance with the laws and regulations applicable in the country where they operate, and necessary adjustments and classifications have been reflected for the correct presentation in accordance with the Turkish Accounting Standards and Turkish Financial Reporting Standards and their related appendices and interpretations published by the Public Oversight Accounting and Auditing Standards Authority.

The assets and liabilities of the related subsidiaries are converted into Turkish Lira using the exchange rate at the date of the condensed consolidated financial position table, and income and expenses are converted using the average exchange rate for the accounting period ending on the same date. The exchange differences arising from the use of the exchange rate at the date of the financial position table and the average rate are shown under the "Foreign Currency Conversion Differences" item in the financial position table.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Basis of Consolidation

The companies are subject to "Complete Consolidation Method" if directly or indirectly 50% or more than 50% of their shares or over 50% of their voting rights or the controlling rights regarding companies' operations are belonging to the Parent Company. Parent Company has controlling rights if it is able to govern the financial and operating policies of an enterprise so as to benefit from its activities. The companies which have continuous relationship on management and power to govern Parent Company's policies and/or which have direct or indirect capital and management relationship or which have voting share of Parent Company between the rates 20-50% are accounted by using equity pick-up method.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Complete Consolidation Method

The principles of consolidation followed in the preparation of the accompanying financial statements are as follows:

- The financial statements of the condensed consolidated subsidiaries have been equipped according to the accounting principles of the Parent Company.
- The share of the Parent Company in the shareholders equity of subsidiaries is eliminated from the financial of subsidiaries these are adjusted according to the accounting principles of financials of the Parent Company.
- The income statements of the Parent Company and the subsidiaries are condensed consolidated a line by line basis and the transaction between companies are eliminated mutually. Consolidation of income statements of subsidiaries held in an audit period are based on the investment date and the items after the holding date are included.
- The minority part of shareholders' equity including paid capital of the companies subject to consolidation is classified as "Minority Interest" in accompanying financial statement.

The portion of the third parties other than condensed consolidated companies in the net profit or losses of the subsidiaries are classified as "Minority Interest" in the income statements. The 100% shares of the subsidiary is owned by the Parent Company therefore minority interest is not occurred.

As of 30 September 2025 the Company that are subject to "Complete Consolidation Method" if directly or indirectly 50% or more than 50% of their shares or over 50% of their voting rights or the controlling rights regarding companies' operations are belonging to the Parent Company are as below;

Subsidiaries	Ownership of the Parent Company		Minority Interest
	(Direct)	(Direct+ Indirect)	
Yatas Europe Gmbh	%100	%100	-
Yatas Rus Limidet	%100	%100	-
EnzaHome International Inc.	%100	%100	-

2.b. New and Revised Turkish Financial Reporting Standards

As of September 30, 2025, the accounting policies used in the preparation of the summary consolidated interim financial statements are consistent with those applied in the previous year, except for the new and revised TFRS standards and TFRIC interpretations effective as of January 1, 2025, summarized below.

The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

a) Amendments and interpretations effective from 2025

TAS 21 (Amendments) Lack of Exchangeability

TFRS 10 and TMS 28 (Amendments) – Asset Sales or Contributions Made by the Investor to its Subsidiary or Joint Venture

TSRS 1 General requirements for disclosure of sustainability-related financial information

TSRS 2 Climate Related Disclosures

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

TAS 21 (Amendments) Lack of Exchangeability

These amendments provide guidance on when a currency is exchangeable and how exchange rates should be determined when it is not. The amendments are effective for annual reporting periods beginning on or after January 1, 2025.

The potential effects of these standards, amendments, and improvements on the Group's consolidated financial position and performance are being evaluated.

TFRS 10 and TMS 28 (Amendments) – Asset Sales or Contributions Made by the Investor to its Subsidiary or Joint Venture

These amendments provide new guidance on the accounting for asset sales and contributions made by investor entities to their subsidiaries or joint ventures, offering clarity on how such transactions should be reported in the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2025.

The potential effects of these standards, amendments, and improvements on the Group's consolidated financial position and performance are being evaluated.

TSRS 1 General requirements for disclosure of sustainability-related financial information

TSRS 1 sets out general requirements for sustainability-related financial disclosures, requiring an entity to disclose information about sustainability-related risks and opportunities that is useful for primary users of general purpose financial reports to make decisions about funding the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for entities that meet the relevant criteria in the POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

The impact of this amendment on the Group's consolidated financial position and performance is being evaluated.

TSRS 2 Climate Related Disclosures

TSRS 2 sets out the requirements for identifying, measuring and disclosing climate-related risks and opportunities that are useful to primary users of general purpose financial reports in making decisions about funding the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for entities that meet the relevant criteria in the POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may report in accordance with TSRS on a voluntary basis.

b) Standards, amendments and interpretations to existing standards that are not yet effective

The Group has not yet adopted the following standards, amendments and interpretations to existing standards that are not yet effective

TFRS 17 Insurance Contracts

TFRS 17 (Amendments) Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

TFRS 17 - Insurance Contracts

IFRS 17 requires insurance liabilities to be measured at a current settlement value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts as at 1 January 2026.

The impact of this amendment on the Group's consolidated financial position and performance is being evaluated.

TFRS 17 (Amendments) Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information

Amendments have been made to TFRS 17 to reduce implementation costs and facilitate disclosure of results and transition.

In addition, the amendment on comparative information permits entities that are first-time adopters of TFRS 7 and TFRS 9 to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had previously been applied to that financial asset. These amendments will be applied when TFRS 17 is first adopted.

The potential effects of these standards, amendments, and improvements on the Group's consolidated financial position and performance are being evaluated.

2.c. Changes in Accounting Policies

The Group changes accounting policies when it is believed that the change will lead to better presentation of transactions and events in the financial statements. When the intentional change can affect the prior period results, the change is applied retrospectively as though it was already applied before. Accounting policy changes arising from the application of a new standard are applied considering the transition principles of the related standard, if any, retrospectively or forward. If no transition principle for the standard exists, the changes are applied retrospectively.

2.d. Changes in Accounting Estimates and Errors

The accompanying condensed consolidated financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by the Group management to be compatible with statements required by Capital Market Board. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements. Changes in accounting estimates and errors explained in title of "Comparative Information and Previous Periods Financial Statements Adjustments".

Comparative Information and Previous Periods Adjustments

For the purpose of conducting a comparison of financial position and performance trend, Group's current financial statements are prepared comparative with previous periods. Comparative information is reclassified to be compatible with the presentation of current financial statements, when necessary.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

2.e. Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalent values contain cash on hand, bank deposits and high liquidity investments. Cash and cash equivalents are showed with obtaining costs and the total of accrued interests.

Financial Instruments

Classification and Measurement

Group classifies its financial assets in three categories of financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss. The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The appropriate classification of financial assets is determined at the time of the purchase.

"Financial assets measured at amortised cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Group's financial assets measured at amortised cost comprise "cash and cash equivalents" and "trade receivables". Financial assets carried at amortised cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortised cost are accounted for under the condensed consolidated statement of income.

"Financial assets measured at fair value through other comprehensive income", are non-derivative assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to retained earnings.

Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income. In such cases, dividends from those investments are accounted for under condensed consolidated statement of income.

"Financial assets measured at fair value through profit or loss", are assets that are not measured at amortised cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the condensed consolidated statement of income.

Changes regarding the classification of financial assets and liabilities in terms of TFRS 9 are summarised below. Related changes in classification do not result in changes in measurement of the financial assets and liabilities.

Financial assets	Classification under TAS 39	Classification under TFRS 9
Cash and cash equivalents	Loans and receivables	Amortised cost
Trade receivables	Loans and receivables	Amortised cost
Financial investments	Fair value through profit or loss	Fair value through profit or loss
Financial liabilities	Classification under TAS 39	Classification under TFRS 9
Borrowings	Amortised cost	Amortised cost
Trade payables	Amortised cost	Amortised cost

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Impairment

"Expected credit loss model" defined in TFRS 9 "Financial Instruments" superseded the "incurred credit loss model" in TAS 39 "Financial Instruments: Recognition and Measurement" which was effective prior to 1 January 2019. Expected credit losses are a probability weighted estimate of credit losses over the expected life of the financial instrument. The calculation of expected credit loss is performed based on the past experiences and future expectations of the Group.

Trade Receivables

Group has preferred to apply "simplified approach" defined in TFRS 9 for the recognition of impairment losses on trade receivables, carried at amortised cost and that do not comprise of any significant finance component (those with maturity less than 12 months). In accordance with the simplified approach, Group measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

Buy-Back Shares

The buy back shares are reflected in the "Buy-Back Shares disclosure" account under shareholders' equity in the Condensed consolidated Financial Statements in accordance with the II-22.1 of the CMB's Communiqué on "Acquisition of Buy Back Shares". In addition, the shares are classified in "Restricted reserves" in accordance with the related communiqué.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred. For the periods ended there is no capitalized borrowing cost.

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories is determined on the "weighted average" method. Cost elements included in inventories are materials, labor and factory overheads. The cost of borrowings is not included in the costs of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and estimated costs to make the sale.

Tangible Fixed Assets and Amortisations

Tangible fixed assets except lands, buildings are carried at cost, restated by deduction of the yearly accumulated depreciation. Land and buildings are valued with their fair values. Borrowing costs are recognized in accordance with TAS-23 as an element of the book value of assets that are manufactured by the entity. Entities may subject their tangible assets to revaluation. Depreciation is calculated on a straight-line basis over the adjusted amounts and at the rates that reflect the economic useful lives of the following assets Land is considered as limitless useful life, so it is not subject to depreciation. Expected useful life, residual value and amortization method are reviewed for possible effects of changes in estimates and are accounted for prospectively if there is a change in estimates.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

The depreciation rates for property, plant and equipment, which approximate the useful economic lives of these assets, are as follows:

	<u>Useful Life</u>
Buildings	5-50 years
Land improvements	6-20 years
Property, plant and equipment	4-35 years
Motor vehicles	4-10 years
Furniture, fixtures and office equipment	2-25 years
Leasehold improvements	2-10 years

Property, plant and equipment are reviewed for possible impairment and the carrying value of the tangible asset is reduced to its recoverable amount if the recoverable amount is greater than its carrying amount. The recoverable amount is recognized as the higher of net cash flows from the current use of the property, plant and equipment and net selling price.

Appraisal reports containing fair value of property, plant and equipment held for sale is not obtained, Therefore method of deducting selling prices from fair value has not been applied. Property, plant and equipment held for sale are stated at cost in the financial statements.

Intangible Fixed Assets

Intangible fixed assets comprise of rights and they are recorded at acquisition cost. Intangible fixed assets are amortized on a straight-line method with prorated basis over period of between 2-15 years from the date of acquisition.

Investment Property

Investment properties, which are properties, held to earn rentals and/or for capital appreciation are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of retirement or disposal.

TFRS 16 Leases

The Group – as a lessee

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assess whether:

- a) the contract involved the use of an identified asset – this may be specified explicitly or implicitly.
- b) the asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- c) the Group has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

d) the Group has the right to direct use of the asset. The Group concludes to have the right of use, when it is predetermined how and for what purpose the Group will use the asset. The Group has the right to direct use of asset if either:

- i. the Group has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
- ii. the Group designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Right of use asset

The right of use asset is initially recognized at cost comprising of:

- a) amount of the initial measurement of the lease liability;
- b) any lease payments made at or before the commencement date, less any lease incentives received;
- c) any initial direct costs incurred by the Group; and

To apply a cost model, the Group measure the right-of-use asset at cost:

- a) less any accumulated depreciation and any accumulated impairment losses; and
- b) adjusted for any remeasurement of the lease liability.

The Group applies the straight-line method to depreciate the right of use. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the Group depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, The Group depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group apply IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease Liability

At the commencement date, The Group measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group use the lessee's incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) fixed payments, less any lease incentives receivable;
- b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- c) the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- d) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

After the commencement date, the Group measure the lease liability by:

- a) increasing the carrying amount to reflect interest on the lease liability;
- b) reducing the carrying amount to reflect the lease payments made; and
- c) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised insubstance fixed lease payments.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined. After the commencement date, The Group remeasure the lease liability to reflect changes to the lease payments. The Group recognise the amount of the remeasurement of the lease liability as an adjustment to the rightof- use asset.

The Group shall remeasure the lease liability by discounting the revised lease payments using a revised discount rate, if either:

- a) There is a change in the lease term. The Group determine the revised lease payments on the basis of the revised lease term; or
- b) There is a change in the assessment of an option to purchase the underlying asset. The Group determine the revised lease payments to reflect the change in amounts payable under the purchase option..

The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined.

The Group remeasure the lease liability by discounting the revised lease payments, if either:

- a) There is a change in the amounts expected to be payable under a residual value guarantee. The Group determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
- b) There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments. The Group remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows.

The Group determine the revised lease payments for the remainder of the lease term based on the revised contractual payments. In that case, the Group use an unchanged discount rate.

The Group account for a lease modification as a separate lease if both:

- a) The restructuring extends the scope of the leasing by including the right of use of one or more underlying assets, and
- b) The lease payment amount increases as much as the appropriate adjustments to the price mentioned individually so that the increase in scope reflects the individual price and the terms of the relevant agreement.

Leases with a lease term of 12 months or less and leases of low-value assets determined by the Group are evaluated in scope of the exemption of TFRS 16 and payments associated with those leases are recognised on a straight-line basis as an expense in profit or loss.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Impairment of Assets

The Group evaluates whether there is an indicator for the decrease in value related to the asset for the rest of every assets of financial assets which are shown with the deferred tax and fair value, or not, at the every financial statement date. If there is an indicator, the regain amount of this asset is estimated. Impairment occurred if the topic assets or the net book value of unit which is belong to assets that produce cash is higher than the regain amount which was gained with the help of using or sale. In the related period, impairment lost is accounted in the income statement. Impairment loss of assets is reversed in the manner of not passing the amount of impairment which was saved before, in the situation of association an amount which was occur at the period which is following registration of impairment with the following increase in regain amount of this assets.

Severance Pay Provision / Employee Benefits

- **Severance Pay**

Under Turkish Labor Law, Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who retires in accordance with social insurance regulations or is called up for military service or dies.

The Group has reflected the severance pay liability calculated on the balance sheet date on the financial statements using the expected inflation rate and the real discount rate based on the principles stated above for the financial statements as of 30 September 2025.

The Group has calculated severance pay liability on the financial statements in the accompanying condensed consolidated financial statements using the "Projection Method" based on the experience gained over the past years by the Group in completing the personnel service period and entitlement to termination indemnity and discounting it with the government treasury rate at the balance sheet date. All calculated gains and losses are reflected in the income table.

- **Social Insurance Premium**

Group pays social security contribution to social security organization compulsorily. So long as Group pays these premiums, it has no liability. These premiums are reflected as personnel expenses in the period in which they are paid.

Fair value estimation:

The Group's various accounting policies and footnote disclosures require fair value for both financial and non-financial assets and liabilities. The fair values are determined by the following methods for valuation and / or disclosure purposes. Where feasible, the assumptions used in the determination of fair value are presented in the footnotes related to the asset or liability as additional information. Level-by-level valuation methods are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Tax

In the accompanying Condensed consolidated Financial Statements, the tax consists of corporate tax provision and deferred tax. The corporation tax that will be arise from the results of the period's operations have set aside a provision for the income tax liabilities at the statutory tax rates that are valid at the balance sheet date.

The Group recognizes deferred tax on the temporary timing differences between the carrying amounts of assets and liabilities in the financial statements prepared in accordance with TFRS and statutory financial statements which is used in the computation of taxable profit. The related differences are generally due to the timing difference of the tax base of some income and expense items between statutory and TFRS financial statements. The Group has deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, which could reduce taxable income in the future periods. All or partial amounts of the realizable deferred tax assets are estimated in current circumstances. The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring, the carry-forward period associated with the deferred tax assets, future reversals of existing taxable temporary differences that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset.

Revenue recognition

Group recognises revenue based on the following five principles in accordance with the TFRS 15 - "Revenue from Contracts with Customers Standard" effective from 1 January 2019:

- Identification of customer contracts
- Identification of performance obligations
- Determination of the transaction price in the contracts
- Allocation of transaction price to the performance obligations
- Recognition of revenue when the performance obligations are satisfied

Group evaluates each contracted obligation separately and respective obligations, committed to deliver the goods or perform services, are determined as separate performance obligations

Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognised over time by measuring the progress towards complete satisfaction of that performance obligation.

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

Following indicators are considered while evaluating the transfer of control of the goods and services:

- a) presence of Group's collection right of the consideration for the goods or services,
- b) customer's ownership of the legal title on goods or services,
- c) physical transfer of the goods or services,
- d) customer's ownership of significant risks and rewards related to the goods or services,
- e) customer's acceptance of goods or services.

If Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is not adjusted. On the other hand, when the contract effectively constitutes a financing component, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognised on an accrual basis as other operating income.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Interest income

Interest income is accrued in proportion as effective interest rate which reduces estimated cash addition to recorded value of the asset in corresponding period.

Dividend and other incomes

Dividend income which obtained from share investments, is recorded when shareholders' have the right to get dividend.

Other incomes are recorded with the possibility of having the worth giving service or accrual of the facts related with income, making the transfer of risk and benefit, determination of income amount and enrollment of economic benefits related with the procedure.

Accounting Estimates

The accompanying condensed consolidated financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by the Group management to be compatible with statements required by Public Oversight Accounting and Auditing Standards Authority. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements. Comments those would have significant effect on balances reflected in the financial statements and important expectations and valuations considering present or future expectation as of report date, are as following.

Provision for inventories

Inventories are valued at the lower of cost or net realizable value. The Group management has determined that some of its inventories cost value are higher than the their net realizable value as of the balance sheet date. Management of the company has estimated the future cash flow amounts, replacement costs and the sales prices may be generated in the ordinary business activity from the sale of inventories in the calculation of the impairment.

Provision for doubtful receivables

Provision for doubtful receivables reflects the future loss that the Group anticipates to incur from the trade receivables as of the balance sheet date which is subject to collection risk considering the current economical conditions. During the impairment test for the receivables, the debtors are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements; and also the renegotiation conditions with these debtors are considered. The provision for doubtful receivables is presented in Note 4.

Useful lifetime of tangible and intangible assets

Group reserves provision for depreciation regarding to footnote 2.e that refers to useful lifetime on fixed assets. Information about useful lifetime is described in footnote 2.e.

Provision for lawsuits

While setting provision for lawsuits, it has considered probability to lose lawsuit, then the consequences of losing case by the legal advisor of the Group.

Severance pay provision

Severance pay provision is calculated with actuarial expectation based on assumptions like discount rates, salary increase in the future and probability to quit the job.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Deferred Tax

The Group recognizes deferred tax on the temporary timing differences between the carrying amounts of assets and liabilities in the financial statements prepared in accordance with IFRS and statutory financial statements which is used in the computation of taxable profit. The related differences are generally due to the timing difference of the tax base of some income and expense items between statutory and IFRS financial statements. The Group has deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, which could reduce taxable income in the future periods. All or partial amounts of the realizable deferred tax assets are estimated in current circumstances.

The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring, the carry-forward period associated with the deferred tax assets, future reversals of existing taxable temporary differences that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset. As a result of the revaluation, as of 30 September 2025, temporary differences due to tax incentives can be foreseen and the fraction falls in continuity of tax incentives within the context of tax legislations, can be benefited from and is to be tax assets and accounted. As of balance sheet date, the details regarding deferred tax calculations are stated in Note 18.

Provisions, Contingent Liabilities and Assets

Provisions

Provisions are recognized when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities and Assets

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non occurrence of certain future events, unless the expected performance is not very likely. Accordingly, contingent losses are recognized in the financial statements of the Group if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

Foreign Currency Assets and Liabilities

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange profit and loss are reflected to the income statements.

	30 September 2025	31 December 2024	30 September 2024
USD	41,4984	35,2233	34,0900
EUR	48,6479	36,7429	38,0180
GBP	55,6700	44,2458	45,5408
CHF	51,9614	38,9510	40.2480
RUBLE	0,4982	0,3348	0,3656
CNY	5,7965	4,7985	4,8344

Effects of Change in Currency Rate

Assets and liabilities in foreign currency and purchase and sale commitments create exchange risk. Foreign exchange risk stemming from depreciation or appreciation of Turkish Lira managed by top management by following the currency position of Group and taking position according to approved limits.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Earnings Per Share

Earnings per share in the consolidated income statements are calculated by dividing the net profit for the year by the weighted average number of ordinary shares outstanding during the year.

In Turkey, companies can increase their share capital by making distribution of "bonus shares" to existing shareholders from inflation adjustment difference in shareholder's equity. For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of "bonus shares" issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

Other Balance Sheet Items

Other balance sheet items are mainly reflected at book value.

Cash Flow Statement

The Group prepares statement of cash flows to inform users of financial statements about changes in net assets and ability to direct financial structure, amounts and timing of cash flows according to changing situations. In the statement of cash flows, current period cash flows are grouped according to operating, financing, and investing activities. Operating cash flows resulting from activities in scope of Group's main operating scope. Cash flows related to investing activities are cash flows resulting from investing activities (fixed investments and financial investments) of the company. Cash flows related to financing activities comprise of funds used in financing activities of the Group and their repayments. Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant change in value.

Post Balance Sheet Events

In the case that events requiring a correction to be made occur subsequent, the Group makes the necessary corrections to the condensed consolidated financial statements. In the case that events not requiring a correction to be made occur subsequent, those events are disclosed in the notes of condensed consolidated financial statements (Note 22).

Reporting of Financial Information by Segments

The Group does not have an activity area to report activity according to the departments.

Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making the financial and operating decisions. For the purpose of these financial statements shareholders are referred to as related parties. Related parties also include individuals that are principle owners, management and members of the Group's Board of Directors and their families.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 3– RELATED PARTY TRANSACTIONS

	30 September 2025		31 December 2024	
	Trading	Non-Trading	Trading	Non-Trading
Prepaid Expenses (Note 7)				
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	--	6.006.236	--	6.754.548
Total	--	6.006.236	--	6.754.548

Due To Related Parties Payables

None (31 December 2024: None).

Purchases and / or expenses from related parties:

	1 January – 30 September 2025	
	Goods and Services Purchases	Rent Expenses
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	722.580	--
Yavuz Altop	--	4.464.068
Yılmaz Öztaşkın	--	4.464.068
Other Shareholders	--	8.928.137
Total	722.580	17.856.273

	1 January – 30 September 2024	
	Goods and Services Purchases	Rent Expenses
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	3.799.041	--
Yavuz Altop	--	3.510.710
Yılmaz Öztaşkın	--	3.510.710
Other Shareholders	--	7.021.419
Total	3.799.041	14.042.839

The total amount of benefits provided to the senior management such as the chairman and members of the board of directors, general manager, general coordinator and general manager of the Group for the period ended 30 September 2025 is TRY 178.945.451 (30 September 2024: TRY 166.142.204).

NOTE 4 - TRADE RECEIVABLES AND PAYABLES**Trade Receivables****Short Term Trade Receivables**

	30 September 2025	31 December 2024
Trade Receivables	1.542.279.092	1.355.792.466
Notes Receivables	372.226.530	537.239.050
Unearned Interest (-)	(61.775.162)	(68.904.065)
Doubtful trade receivables	26.446.580	33.188.533
Provision for doubtful trade receivables (-)	(26.446.580)	(33.188.533)
Total	1.852.730.460	1.824.127.451

The maturity schedule of receivables are as follows:

	30 September 2025	31 December 2024
Up to 3 months	1.405.428.578	1.171.642.245
3 to 12 months	509.077.044	721.389.271
Total	1.914.505.622	1.893.031.516

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

The movement schedule of provision for doubtful trade receivables is as follows:

	30 September 2025	31 December 2024
Opening balance	33.188.533	38.942.948
Additional provisions in the period	--	6.215.767
Cancellation of provision in period (-)	(13.312)	--
Monetary Loss/Gain	(6.728.641)	(11.970.183)
Total (End of the period)	26.446.580	33.188.533

Trade Payables**Short Term Trade Payables**

	30 September 2025	31 December 2024
Trade payables	2.305.266.450	1.726.244.142
Notes payables	183.352.587	85.053.676
Unearned interest (-)	(181.143.133)	(117.508.783)
Total	2.307.475.904	1.693.789.035

Long Term Trade Payables

None (31 December 2024: None).

As of 30 September 2025 and 31 December 2024 maturity schedule of payables are as follows:

	30 September 2025	31 December 2024
Up to 3 months	2.102.245.747	1.662.569.204
3 to 12 months	386.373.290	148.728.614
Total	2.488.619.037	1.811.297.818

NOTE 5 - OTHER ASSETS AND LIABILITIES**Other Current Assets**

	30 September 2025	31 December 2024
Deferred VAT	1.068.824.397	1.225.263.119
Business Advances	15.581.396	1.956.343
Advances Given to Personnel	85.874.806	50.112.025
Other VAT	17.554.426	10.396.807
Other	--	4.424.300
Total	1.187.835.025	1.292.152.594

Other Current Liabilities

	30 September 2025	31 December 2024
Taxes and dues payable	32.376.319	51.116.506
Other liabilities	3.333.445	2.869.802
Total	35.709.764	53.986.308

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 6 – INVENTORIES

	30 September 2025	31 December 2024
Raw materials	1.164.432.660	1.154.662.193
Work in process	83.944.812	69.638.239
Finished goods	1.405.032.609	1.609.335.137
Merchandises	1.018.243.446	1.104.043.182
Other inventories	68.040.501	68.116.037
Provision for Stock Value Decrease (-)	(31.795.673)	(24.448.937)
Total	3.707.898.355	3.981.345.851

The related inventory items are reported net by deducting the their provisions for impairment. As of 30 September 2025, there is insurance coverage amounting to 3.424.692.297 TRY on inventories (31 December 2024: 2.992.913.024 TRY)

The movements in the provision for stock value decrease are as follows:

	30 September 2025	31 December 2024
Beginning of period provision amount	24.448.937	27.793.430
Additional provisions allocated during the period	12.303.512	7.394.729
Monetary loss/gain	(4.956.776)	(10.739.222)
End of period total provision amount	31.795.673	24.448.937

NOTE 7 – PREPAID EXPENSESShort-Term Prepaid Expenses

	30 September 2025	31 December 2024
Advances Given for Orders	422.856.240	584.654.985
- Order Advances Given to Related Parties (Note 3)	6.006.236	6.754.548
- Order Advances Given to Other Parties	416.850.004	577.900.437
Expenses for Future Months	169.776.815	151.093.864
Total	592.633.055	735.748.849

Long-Term Prepaid Expenses

	30 September 2025	31 December 2024
Advances Given for Orders	87.958.620	93.990.297
Expenses for Future Years	133.757.836	95.512.741
Advances Given for Fixed Asset Orders	--	78.983.981
Total	221.716.456	268.487.019

Short-Term Deferred Income

	30 September 2025	31 December 2024
Revenues for the following months	9.503.472	--
Advances received	653.978.352	1.008.145.445
Total	663.481.824	1.008.145.445

Long-Term Deferred Income

	30 September 2025	31 December 2024
Revenues for future years	115.357.639	11.300.916
Total	115.357.639	11.300.916

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 8 TANGIBLE FIXED ASSETS

Cost	Land Lands	Land improvements	Buildings	Plants, machinery and equipment	Vehicles	Fixtures and fittings	Leasehold improvements	Construction in progress	Total
1 January 2024	862.945.338	5.982.095	3.757.435.909	2.289.215.164	120.916.584	1.871.844.973	1.375.930.367	1.028.688.700	11.312.959.130
Addition	47.057.030	--	9.381.631	68.276.805	1.384.907	110.251.183	91.158.720	352.755.916	680.266.192
Transfer	(270.976)	--	(12.034.004)	--	--	--	--	--	(12.304.980)
increase in fair value	1.756.260.460	--	399.700.779	--	--	--	--	--	2.155.961.239
Disposals	--	--	--	(60.739.102)	(2.159.337)	(8.080.806)	(6.893.478)	--	(77.872.723)
31 December 2024	2.665.991.852	5.982.095	4.154.484.315	2.296.752.867	120.142.154	1.974.015.350	1.460.195.609	1.381.444.616	14.059.008.858
Addition	11.431.290	--	5.095.909	14.645.731	67.447.528	341.826.528	21.148.858	1.287.938.907	1.749.534.751
Transfer	--	--	296.339	166.353.984	--	(1.189.367)	367.854	(165.828.810)	--
Disposals	--	--	--	--	(1.644.930)	(34.550.607)	(28.162.033)	--	(64.357.570)
30 September 2025	2.677.423.142	5.982.095	4.159.876.563	2.477.752.582	185.944.752	2.280.101.904	1.453.550.288	2.503.554.713	15.744.186.039
Accumulated depreciation (-)									
1 January 2024	--	2.488.262	569.553.517	1.274.406.992	82.368.948	1.194.217.565	1.077.523.791	--	4.200.559.075
Charge for the period	--	216.320	88.716.888	143.305.430	10.886.548	178.914.268	122.539.543	--	544.578.997
Transfer	--	--	(1.509.847)	--	--	--	--	--	(1.509.847)
Disposals	--	--	--	(55.370.065)	(2.054.964)	(5.543.223)	(6.550.910)	--	(69.519.162)
31 December 2024	--	2.704.582	656.760.558	1.362.342.357	91.200.532	1.367.588.610	1.193.512.424	--	4.674.109.063
Charge for the period	--	162.240	64.767.848	100.057.177	14.481.746	127.088.073	75.928.288	--	382.485.372
Transfer	--	--	--	223.189	--	(223.189)	--	--	--
Disposals	--	--	--	--	(1.644.930)	(24.598.366)	(14.823.821)	--	(41.067.117)
30 September 2025	--	2.866.822	721.528.406	1.462.622.723	104.037.348	1.469.855.128	1.254.616.891	--	5.015.527.318
Net book value, 31 December 2024	2.665.991.852	3.277.513	3.497.723.757	934.410.510	28.941.622	606.426.740	266.683.185	1.381.444.616	9.384.899.795
Net book value, 30 September 2025	2.677.423.142	3.115.273	3.438.348.157	1.015.129.859	81.907.404	810.246.776	198.933.397	2.503.554.713	10.728.658.721

As of 30 September 2025, there is insurance amounting to TRY 8.682.589.220 on property, plant and equipment. The liability amounts for fixed assets are mentioned in Note 11 (31 December 2024: TRY 7.843.223.132).

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

The distribution of depreciation expenses is as follows:

	30 September 2025	30 September 2024
Tangible fixed assets	382.485.372	403.049.740
Intangible fixed assets	126.050.572	108.562.066
Right of use assets	281.585.913	279.680.689
Total	790.121.857	791.292.495

NOTE 9 - FINANCIAL BORROWINGS

As September 30, 2025 and December 31, 2024, the details of the financial debts are as follows;

Short Term Financial Borrowings

	30 September 2025	31 December 2024
Bank Loans	3.056.812.523	1.877.873.980
Debts from Leasing Transactions	115.119.900	164.211.019
Financial Leasing Debts	166.143.039	23.452.556
Deferred Financial Leasing Borrowing Costs (-)	(29.924.515)	(3.471.461)
Other Financial Debts	11.926.689	839.432
Total	3.320.077.636	2.062.905.526

Current Instalments of Long-Term Financial Liabilities

	30 September 2025	31 December 2024
Current Instalments of Long-Term Financial Liabilities	893.811.125	2.795.693.020
Total	893.811.125	2.795.693.020

Long Term Financial Borrowings

	30 September 2025	31 December 2024
Bank Loans	1.596.792.556	1.196.196.335
Debts from Leasing Transactions	135.807.051	260.182.785
Financial Leasing Debts	406.104.373	33.759.700
Deferred Financial Leasing Borrowing Costs (-)	(33.056.813)	(3.186.973)
Total	2.105.647.167	1.486.951.847

Liabilities given for bank borrowings are mentioned in Note 11.

The details of the bank loans are as follows:

30 September 2025

Currency Type	Maturity Range	Weighted Average Effective Interest Rate	Short Term	Long Term
TRY	Oct 2025 – Feb 2033	49,8%	1.582.050.573	384.482.924
USD	Jul 2025 – Aug 2027	7,1%	233.221.713	112.334.094
EUR	Oct 2025 – May 2028	6,4%	1.999.602.752	775.371.538
CNY	Apr 2026 – Jul 2027	5,0%	135.748.610	324.604.000
Total			3.950.623.648	1.596.792.556

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

31 December 2024

Currency Type	Maturity Range	Weighted Average Effective Interest Rate	Short Term	Long Term
TRY	January 2025-February 2033	46,68%	2.654.743.377	619.459.452
USD	March 2025-September 2026	7,77%	165.089.271	30.594.954
EUR	January 2025-September 2029	6,82%	1.673.791.481	546.141.929
CNY	April 2025-September 2025	7,10%	179.942.871	--
Total			4.673.567.000	1.196.196.335

The details of the financial leases are as follows;

30 September 2025

	Currency	Amount	TRY Value
Short-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	3.415.215	166.143.039
Minus: Interest expense for future months	EUR	(615.124)	(29.924.515)
Total			136.218.524

Long-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	8.347.829	406.104.373
Minus: Interest expense for future months	EUR	(679.512)	(33.056.813)
Total			373.047.560

The principal amount of financial lease liabilities shown in the financial statements	509.266.084
--	--------------------

31 December 2024

	Currency	Amount	TRY Value
Short-term financial lease liabilities			
Financial lease debts (principal + interest)	Euro	508.882	23.452.556
Minus: Interest expense for future months	Euro	(75.325)	(3.471.461)
Total			19.981.095

Long-term financial lease liabilities			
Financial lease debts (principal + interest)	Euro	732.530	33.759.700
Minus: Interest expense for future months	Euro	(69.152)	(3.186.973)
Total			30.572.727

The principal amount of financial lease liabilities shown in the financial statements	50.553.822
--	-------------------

Maturity schedule of banks borrowings are as follows:

	30 September 2025	31 December 2024
Up to 3 months	1.679.702.915	1.722.439.508
3 to 12 months	2.534.185.846	3.136.159.038
1 to 5 years	1.748.269.500	1.150.272.605
Over 5 years	357.377.667	336.679.242
Total	6.319.535.928	6.345.550.393

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 10 – EMPLOYEE BENEFIT LIABILITIES

	30 September 2025	31 December 2024
Due to personnel	186.963.558	146.999.986
Taxes and funds payable for personnel	38.809.301	39.210.946
Social security and Taxes and dues payable	68.183.002	63.566.752
Total	293.955.861	249.777.684

NOTE 11 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Contingent Liabilities

Given GSM (Guarantee-Security-Mortgage) by Group	30 September 2025	31 December 2024
A. Total Amount of GSM Given on Behalf of Legal Entity	1.643.725.640	1.276.024.838
B. Total Amount of GSM Given for Partnerships which are Included in Full Consolidation	--	--
C. Total Amount of GSM Given for the Purpose of Guaranteeing Third Party Loans to Carry the Regular Trade Activities	--	--
D. Total Amount of Other GSM Given	--	--
i. Total Amount of GSM Given for the Parent Company	--	--
ii. Total Amount of GSM Given for Other Group Companies not Included in B and C Clauses	--	--
iii. Total Amount of GSM Given for Third Parties not Included in C Clause	--	--
Total	1.643.725.640	1.276.024.838

Letters of guarantee - As of 30 September 2025, the Group has given letters of guarantee amounting to TRY 1.374.241.100 to the suppliers and other corporations. The details of the letters of guarantee are as below:

30 September 2025	Foreign currency	Amount	TRY equivalent
Electricity Distribution Companies	TRY	4.452.603	4.452.603
Executive Directorate	TRY	9.647.889	9.647.889
Customs Directorate	TRY	37.854.313	37.854.313
Gas Distribution Companies	TRY	172.245	172.245
Private sector	TRY	43.026.832	43.026.832
Private sector	EUR	97.280	4.732.468
Private sector	RUB	135.000.000	67.252.950
Private sector	USD	250.000	10.374.600
Turkey Export Credit Bank	EUR	9.077.167	441.585.112
Turkey Export Credit Bank	CNY	88.820.000	514.845.130
Turkey Export Credit Bank	USD	1.021.000	42.369.866
Turkey Export Credit Bank	TRY	181.579.000	181.579.000
Turkish National Lottery Administration	TRY	12.625.000	12.625.000
State Supply Office	TRY	2.375.000	2.375.000
Correctional Facility	TRY	1.348.092	1.348.092
Total			1.374.241.100

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

	Currency	Foreign Currency Amount	TL Equivalent
31 December 2024			
Electricity distribution companies	TRY	1.004.265	1.004.265
Enforcement office	TRY	12.110.882	12.110.882
Customs directorate	TRY	22.999.017	22.999.017
Gas distribution companies	TRY	216.046	216.046
Private sector	TRY	79.864.877	79.864.877
Private sector	EUR	97.280	4.482.474
Private sector	RUB	135.000.000	55.379.358
Private sector	USD	1.072.000	47.438.074
Turkish export credit bank	EUR	7.703.297	354.953.014
Turkish export credit bank	CNY	32.300.000	194.721.270
Turkish export credit bank	USD	1.775.000	78.547.184
Turkish export credit bank	TRY	98.042.037	98.042.037
Turkish National Lottery Administration	TRY	21.479.817	21.479.817
State Supply Office	TRY	3.612.372	3.612.372
Correctional Facility	TRY	2.006.873	2.006.873
Total			976.857.561

As at 30 September 2025, mortgages on various tangible assets of the Group amounting to TRY 269.484.540 (31 December 2024: TRY 299.167.278).

	30 September 2025	31 December 2024	30 September 2025	31 December 2024
	Foreign currency		TRY equivalent	
Bills given (CNY)	22.197.180	29.897.106	128.665.957	180.235.371
Bills given (EUR)	1.150.000	--	55.945.085	--
Total	23.347.180	29.897.106	184.611.042	180.235.371

Contingent Asset

	30 Sep. 2025	31 December 2024	30 Sep. 2025	31 December 2024
	Foreign currency		TRY equivalent	
Letters of Guarantee (TRY)	1.447.514.000	1.137.208.640	1.447.514.000	1.426.396.110
Letters of Guarantee (USD)	4.158.500	--	172.571.096	--
Letters of Guarantee (EUR)	905.000	--	44.026.350	--
Mortgages (TRY)	643.617.500	568.592.501	643.617.500	713.183.230
Mortgages (USD)	3.775.000	--	156.656.460	--
Checks Received (TRY)	2.650.000	2.650.000	2.650.000	3.323.884
Total			2.467.035.406	2.142.903.224

NOTE 12 – SHARE CAPITAL

Paid in Capital

The registered capital ceiling of the Parent Company was increased from TRY 300,000,000 to TRY 2.000.000.000 pursuant to the Board of Directors resolution dated February 24, 2025 and with the approval of the Capital Markets Board dated February 27, 2025. The related amendment to Article 6 of the Articles of Association, titled "Capital and Type of Shares", was approved at the General Assembly held on April 21, 2025 and registered on May 6, 2025, as announced in the Turkish Trade Registry Gazette numbered 11325. The registered capital of the parent company is TRY 2.000.000.000 (31 December 2024: TRY 300.000.000).

Paid-in capital of the parent company each 1 TRY. of the total shares of the Company with a nominall amount of TRY 149.798.932 (31 December 2024: TRY 149.798.932).

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

The shareholding structure of the parent company as of 30 September 2025 and 31 December 2024 is as follows;

	30 September 2025		31 December 2024	
	Amount TRY	Share (%)	Amount TRY	Share (%)
Hacı Nuri Öztaşkın	12.427.403	8,30%	12.427.403	8,30%
Yılmaz Öztaşkın	10.940.192	7,30%	10.940.192	7,30%
Bostancı Otelcilik ve Turizm İşletmesi A.Ş	8.467.847	5,65%	8.467.847	5,65%
Other ⁽¹⁾	117.963.490	78,75%	117.963.490	78,75%
Total	149.798.932	100,00%	149.798.932	100,00%
Inflation Adjustment on Capital ⁽²⁾	1.874.660.426		1.874.660.426	
Total	2.024.459.358		2.024.459.358	

⁽¹⁾ Includes nominal repurchase shares amounting to 6.035.734 at the rate of 4,03% stated.⁽²⁾ Capital adjustment differences represent the discrepancy between the total amounts of cash and cash equivalents added to the capital, adjusted for inflation accounting, and their pre-adjustment amounts. The capital adjustment differences have no other use than to be added to the capital.**NOTE 13 – REVENUE**

For the periods ended at 30 September 2025 and 2024, the details of sales are as following;

	1 January – 30 Sep. 2025	1 July – 30 Sep. 2025	1 January – 30 Sep. 2024	1 July – 30 Sep. 2024
Domestic sales	17.573.444.989	6.184.400.708	16.083.340.320	4.929.364.275
Export sales	1.037.953.563	307.348.395	1.260.306.859	354.074.496
Other sales	46.183.932	15.579.454	154.629.054	15.605.254
Gross Sales	18.657.582.484	6.507.328.557	17.498.276.233	5.299.044.025
Sales returns (-)	(359.405.093)	(128.393.907)	(335.967.496)	(107.163.330)
Sales discounts (-)	(2.885.989.993)	(1.050.298.098)	(1.978.904.073)	(574.332.734)
Other discounts (-)	(14.118.896)	(6.819.866)	(14.992.885)	(7.983.197)
Sales returns and Discounts (-)	(3.259.513.982)	(1.185.511.871)	(2.329.864.454)	(689.479.261)
Net Sales	15.398.068.502	5.321.816.686	15.168.411.779	4.609.564.764

NOTE 14 – COST OF SALES (-)

For the periods ended at 30 September 2025 and 2024, the details of cost of sales are as following;

	1 January – 30 Sep. 2025	1 July – 30 Sep. 2025	1 January – 30 Sep. 2024	1 July – 30 Sep. 2024
Cost of finished goods sold	(6.759.727.314)	(2.463.495.121)	(6.881.305.272)	(2.170.137.270)
Cost of merchandise	(3.111.812.345)	(1.042.267.660)	(3.279.967.413)	(871.154.576)
Cost of services sold	(150.845.992)	52.928.172	(301.128.784)	(127.749.648)
Total	(10.022.385.651)	(3.452.834.609)	(10.462.401.469)	(3.169.041.494)

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 15 – RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES (-)

	1 January – 30 Sep. 2025	1 July – 30 Sep. 2025	1 January – 30 Sep. 2024	1 July – 30 Sep. 2024
Research and development expenses	79.173.983	25.192.551	85.650.761	27.881.486
Marketing, sales and distribution expenses	3.860.735.368	1.319.889.917	3.333.759.835	947.799.032
General administrative expenses	664.563.740	231.637.410	606.428.359	237.994.813
Total	4.604.473.091	1.576.719.878	4.025.838.955	1.213.675.331

EXPENSES BY NATURE (-)

	1 January – 30 Sep. 2025	1 July – 30 Sep. 2025	1 January – 30 Sep. 2024	1 July – 30 Sep. 2024
Personnel Expenses	1.452.783.515	530.214.210	1.488.310.459	470.623.685
Advertising Expenses	823.787.208	183.821.750	558.435.113	151.505.591
Depreciation Expense	701.288.877	229.408.066	533.334.291	158.006.189
Transportation Expenses	351.032.493	131.171.478	415.658.738	126.071.755
Rent Expenses	238.926.952	82.399.246	85.059.082	30.752.326
Setup and Logistics Expenses	235.896.228	105.823.178	223.973.847	76.629.170
Material Expense	81.790.779	53.307.192	38.543.890	7.401.155
E-commerce Commission Expenses	80.002.394	26.900.871	97.500.353	26.557.986
Taxes, Duties, and Fees Expenses	68.645.297	30.854.655	58.906.048	27.220.628
Consulting Expense	58.176.923	24.008.908	58.652.154	18.566.135
Store Common Area Expenses	43.969.451	15.268.160	37.095.811	13.514.883
Decoration Expense	43.762.005	17.732.960	37.502.851	17.715.892
Electricity, Water, and Heating Expenses	42.185.482	13.960.571	43.941.016	15.326.931
Exhibition Expenses	40.493.542	4.183.059	40.730.895	9.978.974
Turnover Bonus Expenses	40.021.089	20.030.864	54.566.098	727.131
Travel and Accommodation Expenses	33.599.022	12.888.353	48.581.751	21.693.901
Maintenance and Repair Expenses	32.894.407	19.720.304	22.212.195	7.017.449
Export Expenses	32.366.682	7.539.034	45.731.906	4.700.338
Insurance Expenses	20.537.462	7.304.055	7.022.866	1.066.952
Communication Expenses	4.801.151	2.174.582	21.461.186	13.225.599
Dealer Opening Support	2.620.212	(2.934.358)	10.389.319	3.103.676
Other Expenses	174.891.920	60.942.740	98.229.086	12.268.985
Total	4.604.473.091	1.576.719.878	4.025.838.955	1.213.675.331

NOTE 16 – FINANCIAL INCOME

	1 January – 30 Sep. 2025	1 July – 30 Sep. 2025	1 January – 30 Sep. 2024	1 July – 30 Sep. 2024
Foreign exchange income	44.371.888	10.446.891	19.598.786	7.275.458
Interest income	43.523.488	16.446.767	17.260.318	1.198.885
Total	87.895.376	26.893.658	36.859.104	8.474.343

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 17 – FINANCIAL EXPENSES (-)

	1 January – 30 Sep. 2025	1 July – 30 Sep. 2025	1 January – 30 Sep. 2024	1 July – 30 Sep. 2024
Foreign exchange losses	761.293.561	162.152.817	314.987.900	184.753.890
Interest expenses	880.060.734	284.177.027	1.149.344.010	339.487.772
Bank commission	362.150.953	128.954.822	291.732.420	106.684.682
Lease payables interest accruals	61.768.190	19.340.870	51.064.721	17.102.593
Guarantee letter commison expenses	6.975.976	2.467.094	6.908.559	1.741.839
Other financial expenses	11.289.856	4.146.930	13.755.542	5.730.216
Total	2.083.539.270	601.239.560	1.827.793.152	655.500.992

NOTE 18 – TAX ASSETS AND LIABILITIES

In Turkey, as of September 30, 2025 the corporate tax rate is 25% (2024: 25%). However, with the 91st article of the Law No. 7061 "Amending Some Tax Laws and Other Laws" published in the Official Gazette No. 30261 dated December 5, 2017, and the temporary 10th article added to the Corporate Tax Law No. 5520, it is envisaged that the corporate tax to be paid on the earnings of corporations for the tax periods of 2018, 2019, and 2020 will be calculated at a rate of 23% and then continue to be taxed at a rate of 20%. During this period, the Council of Ministers has been given the authority to reduce the rate of 22% to 20%.

As of the period ending on September 30, 2025, in accordance with tax legislation, provisional tax is calculated and paid at a rate of 25% (2024: 25%) on the earnings formed every three months, and the amounts paid in this way are offset from the tax calculated on the annual income.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, provided that they do not exceed 5 years. Declarations and related accounting records can be examined by the tax office within five years, and tax accounts can be revised. Dividend payments made to real persons who are resident and non-resident in Turkey and to legal persons who are not resident in Turkey by joint-stock companies resident in Turkey, except those who are not liable for corporate tax and income tax and those who are exempt, are subject to 15% income tax.

Dividend payments made by joint-stock companies resident in Turkey to other joint-stock companies resident in Turkey are not subject to income tax. Also, if the profit is not distributed or added to the capital, income tax is not calculated.

Exemption for Real Estate and Subsidiary Share Sales Gains

Dividend earnings obtained by corporations from their participation in the capital of another corporation subject to full liability (excluding dividend earnings from investment fund participation certificates and investment partnership shares) are exempt from corporate tax. In addition, 75% of the earnings from the sale of participation shares and real estate (immovables) founder's certificates, usufruct certificates, and pre-emption rights, which corporations have held in their assets for at least two full years, are exempt from corporate tax as of September 30, 2025.

However, with the amendment made by Law No. 7061, this rate has been reduced from 75% to 50% for immovables and this rate will be used as 50% in tax declarations to be prepared from 2019 onwards. To benefit from the exemption, the relevant earnings must be kept in a fund account in the passive and must not be withdrawn from the business for 5 years. The sales price must be collected by the end of the second calendar year following the year in which the sale was made. There are many exemptions for corporations in the Corporate Tax Law. The ones related to the Company are explained below:

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Since 75% of the earnings from the sale of real estate (immovables) in the Group's assets for at least two full years were exempt from corporate tax as of September 30, 2025, the taxable temporary differences arising on the real estate owned by the Group were accepted as 5% by applying a 75% exemption on the corporate tax at the rate of 20% used in previous periods. As of September 30, 2025, since the forward-looking exemption rate was determined as 50%, the exemption was applied and the new deferred tax rate was accepted as 10%.

	30 Sep. 2025	31 Dec. 2024	30 Sep. 2025	31 Dec. 2024
	Cumulative temporary difference	Cumulative temporary difference	Deferred tax assets / (liabilities)	Deferred tax assets / (liabilities)
Deferred tax assets / (liabilities), net				
Adjustments for Receivable Discounting (Revaluation of Receivables)	61.775.162	68.904.065	15.443.792	17.226.017
Adjustments for Payable Discounting (Revaluation of Payables)	(181.143.133)	(117.508.783)	(45.285.783)	(29.377.196)
Adjustments for Provisions for Legal Cases	405.529	508.653	101.382	127.163
Adjustments for Other Accounts	34.964.310	46.509.716	8.741.078	11.627.429
Adjustments for Other Provisions	6.829.662	8.550.422	1.707.416	2.137.606
Adjustments for Provision for Employment Termination Benefits	175.532.912	177.496.812	43.883.228	44.374.204
Adjustments for Accrued Loan Interests	11.605.509	37.447.593	2.901.377	9.361.899
Adjustments for Right-of-Use Assets	(669.827.056)	(755.586.074)	(167.456.764)	(188.896.519)
Adjustments for Tangible and Intangible Assets	(5.429.591.914)	(4.505.662.318)	(1.196.408.424)	(1.253.785.880)
Adjustments for Prepaid Expenses	15.207.531	(1.844.859)	3.801.883	(461.215)
Adjustments for Impairment of Inventories	31.795.673	24.448.937	7.948.918	6.112.234
Valuation and Deferred Purchase Differences on Inventories	(402.982.916)	(297.890.352)	(100.745.729)	(74.472.589)
Adjustments for Provision for Doubtful Receivables	16.999.578	21.339.198	4.249.895	5.334.800
Adjustments for Advances Given	(32.563.125)	(15.772.463)	(8.140.781)	(3.943.116)
Adjustments for Investment Properties	(361.841.088)	(347.496.234)	(90.460.272)	(86.874.058)
Available Tax Loss Carryforwards	166.463.411	208.794.370	41.615.853	52.198.593
Deferred Tax Liabilities	(6.556.369.955)	(5.447.761.317)	(1.478.102.931)	(1.489.310.628)

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 19 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial Instruments

Foreign currency risk

The carrying amounts of foreign currency assets and liabilities held by the Group as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025					
	TRY equivalent functional currency	USD	EUR	GBP	RUBLE	CNY
1. Trade Receivables	941.542.343	11.863.429	5.926.783	17.907	320.988.000	--
2a. Monetary Financial Assets (including cash, banks)	42.159.776	584.807	172.996	21	18.812.000	17.698
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	247.947.179	3.179.341	807.618	--	--	13.235.693
4. Current Assets (1+2+3)	1.231.649.298	15.627.577	6.907.397	17.928	339.800.000	13.253.391
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	2.370.472	57.122	--	--	--	--
8. Non-Current Assets (5+6+7)	2.370.472	57.122	--	--	--	--
9. Total Assets (4+8)	1.234.019.770	15.684.699	6.907.397	17.928	339.800.000	13.253.391
10. Trade Payables	718.830.282	5.830.603	3.785.740	10.861	586.339.310	--
11. Financial Liabilities	2.504.791.623	5.620.017	43.903.669	--	--	23.419.065
12a. Other monetary financial liabilities	25.275.347	528.434	67.486	1.134	--	--
12b. Other non-monetary financial liabilities	--	--	--	--	--	--
13. Current Liabilities (10+11+12)	3.248.897.252	11.979.054	47.756.895	11.995	586.339.310	23.419.065
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	1.585.357.150	2.706.950	23.606.755	--	--	56.000.000
16a. Other monetary financial liabilities	--	--	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--	--	--
17. Non-Current Liabilities (14+15+16)	1.585.357.150	2.706.950	23.606.755	--	--	56.000.000
18. Total Liabilities (13+17)	4.834.254.402	14.686.004	71.363.650	11.995	586.339.310	79.419.065
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	(101.788.097)	(1.790.500)	(564.983)	--	--	--
19a. Hedged amount of assets	--	--	--	--	--	--
19b. Hedged amount of liabilities position	101.788.097	1.790.500	564.983	--	--	--
20. Net foreign currency position asset / liabilities (9-18+19)	(3.702.022.729)	(791.805)	(65.021.236)	5.933	(246.539.310)	(66.165.674)
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(3.850.552.283)	(2.237.768)	(65.263.871)	5.933	(246.539.310)	(79.401.367)

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

	31 December 2024					
	TRY equivalent functional currency	USD	EUR	GBP	RUBLE	CNY
1. Trade Receivables	944.235.821	11.055.810	4.264.647	18.000	614.919.859	--
2a. Monetary Financial Assets (including cash, banks)	178.220.739	2.157.072	1.605.108	17	17.439.000	269.476
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	337.317.680	1.997.102	4.195.971	--	--	9.255.652
4. Current Assets (1+2+3)	1.459.774.240	15.209.984	10.065.726	18.017	632.358.859	9.525.128
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	2.523.675	57.122	--	--	--	--
8. Non-Current Assets (5+6+7)	2.523.675	57.122	--	--	--	--
9. Total Assets (4+8)	1.462.297.915	15.267.106	10.065.726	18.017	632.358.859	9.525.128
10. Trade Payables	396.283.414	4.243.104	3.788.971	19.500	34.050	5.500.226
11. Financial Liabilities	2.155.124.294	3.736.705	36.640.162	--	289.255.000	29.897.106
12a. Other monetary financial liabilities	30.146.403	468.535	59.625	--	15.950.000	--
12b. Other non-monetary financial liabilities	--	--	--	--	--	--
13. Current Liabilities (10+11+12)	2.581.554.111	8.448.344	40.488.758	19.500	305.239.050	35.397.332
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	612.466.570	692.500	12.625.650	--	--	--
16a. Other monetary financial liabilities	--	--	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--	--	--
17. Non-Current Liabilities (14+15+16)	612.466.570	692.500	12.625.650	--	--	--
18. Total Liabilities (13+17)	3.194.020.682	9.140.844	53.114.408	19.500	305.239.050	35.397.332
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	(161.855.043)	(3.663.500)	--	--	--	--
19a. Hedged amount of assets	--	--	--	--	--	--
19b. Hedged amount of liabilities position	161.855.042	3.663.500	--	--	--	--
20. Net foreign currency position asset / liabilities (9-18+19)	(1.893.577.809)	2.462.762	(43.048.682)	(1.483)	327.119.809	(25.872.204)
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(2.071.564.122)	4.072.038	(47.244.653)	(1.483)	327.119.809	(35.127.856)

Details of the import and export amounts of the Group as of 30 September 2025 and 2024 are as follows;

	1 January – 30 September 2025		1 January – 30 September 2024	
	Import	Export	Import	Export
USD	11.731.495	14.172.104	9.247.455	15.331.581
EUR	17.527.826	7.000.663	7.580.314	6.938.630
TRY	--	17.293.348	--	8.946.563
GBP	1.773	--	28.598	--
CHF	20.711	--	--	--
CNY	20.288.377	--	36.737.211	--
TRY equivalent	1.281.546.701	858.860.479	967.644.549	991.357.262

Foreign Currency Risk Sensitivity Analysis

As of 30 September 2025, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure is as below:

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

Foreign Currency Risk Sensitivity Analysis Table		
30 September 2025		
	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY at 10%		
1- USD net asset / liability	4.144.424	(4.144.424)
2- Part of hedged from USD risk (-)	(7.430.289)	7.430.289
3- USD net effect (1+2)	(3.285.865)	3.285.865
In case of appreciation / depreciation of EUR against TRY at 10%		
4- EUR net asset / liability	(313.566.135)	313.566.135
5- Part of hedged from EUR risk (-)	(2.748.520)	2.748.520
6- EUR net effect (4+5)	(316.314.655)	316.314.655
In case of appreciation / depreciation of GBP against TRY at 10%		
7-GBP net asset/liability	33.029	(33.029)
8-Part of hedged from GBP risk (-)	--	--
9-GBP net effect (7+8)	33.029	(33.029)
In case of appreciation / depreciation of RUB against TRY at 10%		
10-RUB net asset/liability	(12.281.849)	12.281.849
11-Part of hedged from RUB risk (-)	--	--
12-RUB net effect (10+11)	(12.281.849)	12.281.849
In case of appreciation / depreciation of CNY against TRY at 10%		
13-CNY net asset/liability	(38.352.933)	38.352.933
14-Part of hedged from CNY risk (-)	--	--
15-CNY net effect (10+11)	(38.352.933)	38.352.933
Total (3+6+9+12+15)	(370.202.273)	370.202.273

Foreign Currency Risk Sensitivity Analysis Table		
31 December 2024		
	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY at 10%		
1- USD net asset / liability	27.066.095	(27.066.095)
2- Part of hedged from USD risk (-)	(16.185.503)	16.185.503
3- USD net effect (1+2)	10.880.592	(10.880.592)
In case of appreciation / depreciation of EUR against TRY at 10%		
4- EUR net asset / liability	(198.396.171)	198.396.171
5- Part of hedged from EUR risk (-)	--	--
6- EUR net effect (4+5)	(198.396.171)	198.396.171
In case of appreciation / depreciation of GBP against TRY at 10%		
7-GBP net asset/liability	(8.231)	8.231
8-Part of hedged from GBP risk (-)	--	--
9-GBP net effect (7+8)	(8.231)	8.231
In case of appreciation / depreciation of RUB against TRY at 10%		
10-RUB net asset/liability	13.737.832	(13.737.832)
11-Part of hedged from RUB risk (-)	--	--
12-RUB net effect (10+11)	13.737.832	(13.737.832)
In case of appreciation / depreciation of CNY against TRY at 10%		
13-CNY net asset/liability	(15.571.804)	15.571.804
14-Part of hedged from CNY risk (-)	--	--
15-CNY net effect (10+11)	(15.571.804)	15.571.804
Total (3+6+9+12+15)	(189.357.781)	189.357.781

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2025

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at September 30, 2025, unless otherwise indicated)

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

NOTE 20 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists. The estimated fair values of financial instruments have been determined by the Company using available markets information in Turkey and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

Financial Assets

Balances denominated in foreign currencies are converted at period exchange rates. The fair value of certain financial assets carried at cost, including cash and cash equivalents are considered to approximate their respective carrying amounts in the financial statements. The carrying value of trade receivables, net of allowances for possible non-recovery of uncollectible are considered to approximate their fair values

Financial Liabilities

The fair value of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The fair values of long-term bank borrowings, which are denominated in foreign currencies and translated at period/year-end exchange rates, are considered to approximate their carrying values. The carrying amount of accounts payable and accrued expenses reported in the financial statements for estimated third party payer settlements approximates its fair values.

NOTE 21 – OTHER ISSUES AFFECTING THE CONDENSED CONSOLIDATED FINANCIAL STATESMENTS SIGNIFICANTLY OR REQUIRED TO BE DISCLOSURE FOR CLEAR, UNDERSTANDABLE AND INTERPRETABLE PRESENTATION

None. (31 December 2024: None).

NOTE 22 – POST BALANCE SHEET EVENTS

None. (31 December 2024: None).