

**BRİSA BRIDGESTONE SABANCI
LASTİK VE SANAYİ TİCARET A.Ş.**

INTERIM ANNUAL REPORT

**FOR THE PERIOD OF
JANUARY 1 - MARCH 31, 2025**



Brisa Bridgestone Sabancı Lastik ve Sanayi Ticaret A.Ş.

Prepared Pursuant to the Communiqué Numbered II.14.1

Board of Directors' Interim Annual Report

For the Period of January 1 - March 31, 2025

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1. General Information

Trade Name	: Brisa Bridgestone Sabancı Lastik Sanayi ve Ticaret A.Ş.
Trade Registry Office	: İstanbul
Trade Registry Number	: 126429-0
Central Registration System Number	: 0187002389400013
Tax Authority	: Büyük Mükellefler
Tax Number	: 1870023894
Head Office Address	: Küçük Çamlıca Mah. Şehit İsmail Moray Sokak Temsa Sitesi No: 2/1 Altunizade/Üsküdar-İstanbul
İzmit Plant	: Alikahya Fatih Mah. Sanayi Cad. No: 98 İzmit-Kocaeli
Aksaray Plant	: Kırımlı OSB Mah. Şehit Fatih Kalu Sokak No:1 Merkez-Aksaray
Arvento Mobil Sistemler A.Ş. (Head Office)	: ODTÜ Teknokent Bilişim İnovasyon Merkezi Mustafa Kemal Mah. Dumlupınar Bulvarı 280/G Kat: 5 No: 514 Çankaya-Ankara
Aksaray University Teknopark Branch	: Bahçesaray Mahallesi 135/Necmettin Erbakan Bulvarı A Blok No: 127/1 Merkez-Aksaray
Website	: www.brisa.com.tr

a) Area of Activity

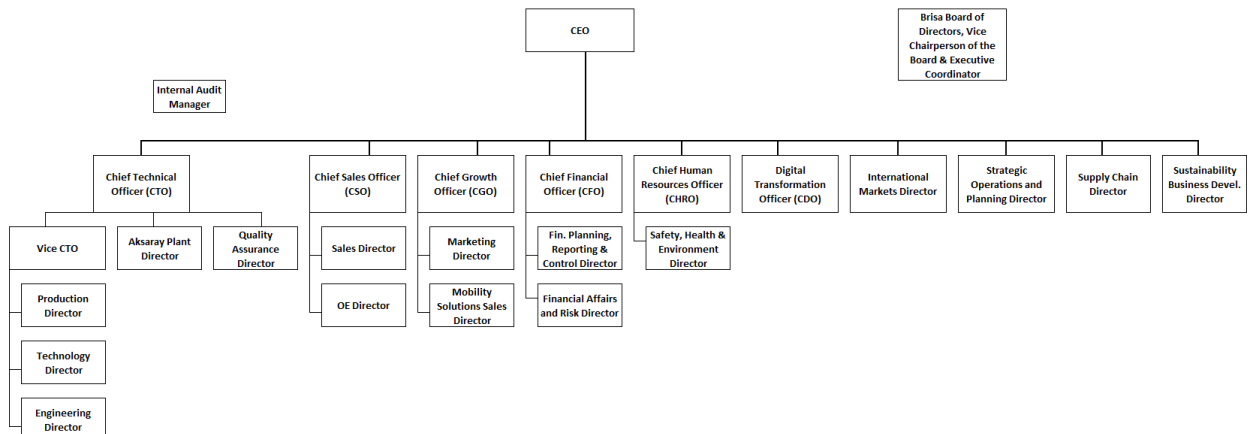
Brisa Bridgestone Sabancı Lastik Sanayi ve Ticaret A.Ş. ("Brisa") was established in 1974 as Lassa Lastik Sanayi ve Ticaret A.Ş. and the name of the Company was changed to Brisa in 1988 as a result of a joint venture agreement with Bridgestone Corporation.

The Company's main field of activity covers the acquisition and production of all types of inner and outer tires, shoe products, resins, natural and artificial rubber parts including rubber belts and chemical materials, rubber replacement materials, materials bearing rubber qualities or used for the same purposes, and materials partially or wholly made of rubber; performance and provision of wheel coating works and services, and rendering trading and services related with any kind of other products, spare parts, and accessories related to automotive industry.

Within the scope of mobility transformation, having acquired all shares representing 88.89% of the capital of Arvento Mobil Sistemler A.Ş. on March 1, 2022, Brisa integrated its strong portfolio of tires and service network with the Arvento fleet management platform, providing convenience, efficiency and productivity to its customers with fleet management services based on integrated mobile systems and data analytics.

b) Organizational Structure

Organizational structure as of March 31, 2025 is shown below:



c) Capital and Partnership Structure

Brisa adopted the registered capital system according to the provisions of the Capital Market Law. The registered capital ceiling of the Company is TL 750,000,000 and the issued capital of the Company is TL 305,116,875. It has been divided into 30,511,687,500 units of registered shares (December 31, 2024: 30,511,687,500 units), each having a nominal value of 1 kr.

Brisa's issued capital amount and distribution of this capital among shareholders as of March 31, 2025 and December 31, 2024 are as follows:

Shareholders:	Ratio (%)	Mar. 31, 2025	Ratio (%)	Dec. 31, 2024
Hacı Ömer Sabancı Holding A.Ş.	43.63	133,111,388	43.63	133,111,388
Bridgestone Corporation	43.63	133,111,388	43.63	133,111,388
Other	12.74	38,894,099	12.74	38,894,099
Capital	100.00	305,116,875	100.00	305,116,875

d) Explanations on Privileged Shares and the Voting Rights of Shares

The shares representing the capital are divided into seven classes: (A), (B), (C), (D), (E), (F) and (G). The holders of (A), (B), (C), (D), (E), (F) and (G) class shares are not granted with any rights and privileges other than those set forth in Articles 10 (Board of Directors), 12 (Term of Office for the Members of the Board of Directors), 13 (Meetings and Resolutions of the Board of Directors), 17 (General Assembly) and 31 (Limited Transfer of the Registered Shares) of the Articles of Association.

Pursuant to Article 21 of the Articles of Association, shareholders use their voting rights at the General Assembly in proportion with the total nominal value of their shares as per the Article 434 of the Turkish Commercial Code. There are no privileges regarding voting rights.

e) Board of Directors and Executive Board (Senior Managers)

The Board of Directors of Brisa consists of 11 members, two of whom are independent, in accordance with the capital market legislation and the provisions of the Articles of Association. As stated in Article 10 of the Articles of Association, the Board of Directors is elected by the General Assembly from among the candidate or candidates nominated by the majority of the shareholders of each class, consisting of one member for (Class A), three members for (Class B), one member for (Class C), one member for (Class D), one member for (Class E), one member for (Class F), and one member for (Class G), plus two independent members.

As stated in Article 12 of the Articles of Association, the term of office of the members of the Board of Directors is maximum three years and the member whose term expires may be re-elected. In case of a vacancy in any membership, the Board of Directors elects a new member for such vacant membership and presents this appointment for approval in the next meeting of the General Assembly.

Pursuant to Article 13 of the Articles of Association, the Board of Directors shall, every year, elect a Chairperson among the members proposed by the shareholders of Class (B) or (G) shares and a Vice Chairperson among the members proposed by the shareholders of Class (A), (D), (E) or (F) shares. The Chairperson and Vice Chairperson may be re-elected for one or more terms of office.

Board of Directors:

- **Ahmed Cevdet Alemdar***** - Chairperson
- **Tomio Fukuzumi** - Vice Chairperson
- **Mustafa Bayraktar** - Member

Board of Directors (continued):

- **Haluk Dinçer**** - Member
- **Jacques Johannes Fourie*** - Member
- **Jerome Freddy Pierre Boulet** - Member
- **Arianna Antonella*** - Member
- **Haluk Kürkçü** - Member and CEO
- **Sakine Şebnem Önder** - Member
- **Ahmet Erdem** - Member (Independent)
- **Fatma Dilek Yardım** - Member (Independent)

*At the 2024 Ordinary General Assembly Meeting held on March 26, 2025, appointments of Arianna Antonella and Jacques Johannes Fourie as Board Members to serve for the remaining period from their predecessors in accordance with Article 12 of the Company's Article of Association and Article 363 of the Turkish Commercial Code were approved by the majority of votes.

**In accordance with the Board of Directors decision dated March 31, 2025 and numbered 2025/17, effective from April 1, 2025, it has been resolved to accept resignation of Board Member Haluk Dinçer and to appoint Gökhan Eyigün as Board Member to be submitted to the approval of the first General Assembly to be held in accordance with the article 363 of the Turkish Commercial Code and as a result of resignation of Haluk Dinçer, to assign Gökhan Eyigün as the Member of the Corporate Governance Committee.

***In accordance with the Board of Directors decision dated April 30, 2025 and numbered 2025/19, it has been unanimously resolved that the resignation of Ahmed Cevdet Alemdar is accepted and Burak Turgut Orhun is appointed as Board Member to be submitted to the approval of the first General Assembly to be held and that in accordance with Article 366 of the Turkish Commercial Code, the assignment of duties of the Board of Directors to serve until the date of 19.04.2027 shall be as follows, Burak Turgut Orhun as Chairperson and Tomio Fukuzumi as Vice Chairperson.

In accordance with the Board of Directors decision dated March 28,2025 and numbered 2025/16, it has been resolved that in accordance with Article 366 of the Turkish Commercial Code, the assignment of duties of the Board of Directors to serve until the date of April 19, 2027 shall be as follows, Ahmed Cevdet Alemdar as Chairperson and Tomio Fukuzumi as Vice Chairperson. In accordance with another Board of Directors decision dated April 30, 2025 and numbered 2025/19, it has been resolved that in accordance with Article 366 of the Turkish Commercial Code, the assignment of duties of the Board of Directors to serve until the date of 19.04.2027 shall be as follows, Burak Turgut Orhun as Chairperson and Tomio Fukuzumi as Vice Chairperson.

The resumes of the Members of the Board of Directors and the statements of independence of the independent Members are available on the Company's website.

The senior management of the Company is elected and appointed by the Board of Directors as per the provisions of the Articles of Association.

Executive Board (in alphabetical order except for CEO ve Executive Coordinator):

- **Haluk Kürkçü** - CEO
- **Tomio Fukuzumi** - Executive Coordinator
- **Cenk Koçdor** - Chief Sales Officer
- **Neslihan Döngel Özlem** - Chief Financial Officer
- **Tetsuya Tsutsumi** - Chief Technical Officer
- **Tuğba Gök Nam** - Chief Human Resources Officer
- **Yakup Demir** - Chief Commercial Officer, Supply Chain & OE
- **Mustafa Tacettin** - Chief Digital Transformation Officer

The resumes of the Members of the Executive Board are available on the Company's website.

As of March 31, 2025, the number of personnel working with an indefinite term employment contract is 3,397 people (December 31, 2024: 3,517). Of these employees, 2,490 are subject to the provisions of the Collective Labor Agreement (December 31, 2024: 2,606) and 901 are outside the Collective Labor Agreement (December 31, 2024: 905). The Company has 6

foreign employees (December 31, 2024: 6). In addition, there are 253 employees working under fixed-term employment contracts (December 31, 2024: 159).

A 24-month Collective Labor Agreement has been in force between the Company and Petroleum Chemical and Rubber Industry Workers' Union of Türkiye (LASTİK-İŞ), effective from January 1, 2024.

Besides monthly salaries to all employees, the Company provides benefits such as bonuses in the amount of four months' gross salaries, private pension plan, health insurance, life insurance for employees out of the scope of the Collective Labor Agreement, whereas it provides fuel allowance, religious holiday allowance, annual leave allowance, maternity allowance, death benefit, marriage benefit, tuition benefit, family-food benefit, shopping voucher, child allowance for employees within the scope of the Collective Labor Agreement. In addition, all employees are provided with food and transportation services.

2. Financial Rights Granted to Members of the Governing Body and Senior Managers

The Company's senior management team comprises the Members of the Board of Directors and the Executive Board. Remunerations to be paid to the Board Members are determined under relevant resolutions of the General Assembly. Remunerations of the Members of the Executive Board are comprised of two components, with one being fixed and the other performance-based.

At the 2024 Ordinary General Assembly meeting held on March 26, 2025, it was decided to pay a monthly gross fee of TL 135,000 to each of Member of the Board during their term of office, effective from the Ordinary General Assembly Meeting of the year 2024.

In compliance with international standards and statutory obligations, the fixed remunerations for the Members of the Executive Board are determined by taking into consideration the macroeconomic data in the market, current wage policies in the market, the size and long-term goals of the Company, and individual positions as well. Premiums for Executive Board Members are calculated in accordance with the performance of both the Company and individuals.

Benefits provided to senior executives consist of salaries, severance pay, premiums, private pension, health insurance, life insurance, rent paid to foreign personnel, expenses of moving abroad, passenger car rentals, other expenses such as fuel, mobile phones, etc. and other provisions.

The breakdown of benefits provided to the senior executives of the Company for the accounting periods ending on March 21, 2025 and 2024 is as follows:

(TL)	Mar. 31, 2025	Mar. 31, 2024
Salaries and other short-term benefits	72,671,950	107,505,705
Severance pay	863,444	102,358
Other long-term benefits	1,422,037	1,293,868
Total	74,957,431	108,901,931

3. R&D Activities

Brisa, the mobility leader of the Turkish tire industry, has been investing in R&D since 1985. Located in the İzmit plant, which was certified in 2017, Brisa is accelerating value-added product development activities at its R&D Centre.

Brisa focuses on innovative production techniques and raw materials that enable it to emerge as a stronger actor in the international arena of R&D. While it contributes to industrial know-how by increasing domestic production, it also adds value to the country's economy by accelerating its exports.

Brisa is also taking strong steps in the field of digitalization. Within this framework, software has been developed that automates technical design processes with artificial intelligence. Thus, development processes have been perfected and accelerated. Besides developing innovative services for its customers to meet future mobility needs, the Company also develops image processing and end-to-end data analysis systems to ensure the highest performance in production processes.

Brisa carries out R&D and technology development operations aimed at electric vehicles, which will shape the future of the automotive industry. Accordingly, manufacturing technologies are being renewed primarily to meet the expectations of vehicle manufacturers from electric vehicle tires.

With all investments and studies, the Company developed 19 new R&D projects and 33 new products by spending TL 131.6 million during the interim period of January 1 - March 31, 2025 (January 1 - March 31, 2024: TL 129.8 million).

4. Important Developments in the Reporting Period

a) Subsidiaries and Affiliates

Subsidiaries:

The Company's Subsidiaries as of March 31, 2025, are as follows:

Trade Name	Scope of Activities	Paid-in/ Issued Capital (TL)	Brisa's Share in the Company Capital (%)
Arvento Mobil Sistemler A.Ş.	Vehicle tracking and fleet management systems, object-person tracking systems, boat tracking systems and M2M solutions	7,600,000	88.89

Brisa's share in the Company capital has not changed during the interim period of January 1 - March 31, 2025 (December 31, 2024: 88.89%).

The Company has no Indirect Subsidiaries as of March 31, 2025 (December 31, 2024: None).

b) Articles of Association Amendment

There was no amendment to Articles of Association during the period.

c) Independent Audit

At the 2024 Ordinary General Assembly meeting dated March 26, 2025, shareholders approved the appointment of DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Deloitte) to perform the auditing of the financial reports of the Company in the fiscal period 2025 in line with the regulations of the Turkish Commercial Code No. 6102 and Capital Markets Law No. 6362 and to realize other acts under the coverage of related regulations of the aforementioned Laws and as well as to perform assurance audit to the sustainability report of the Company in the fiscal periods 2024 and 2025 in accordance with the Turkish Commercial Code No. 6102, the relevant provisions of the Decree Law No. 660 and other relevant legislation. The relevant General Assembly resolution was registered on April 3, 2025, and published in the Turkish Trade Registry Gazette of the same date and numbered 11304.

d) Investment Spending

While Brisa continues its activities with the mission of adding value to journeys, it also continues to increase its product capacity, diversity, and quality, and invest in modernization projects focused on sustainability and digitalization.

During the period of January 1 - March 31, 2025, İzmit plant received a total investment of USD 3.2 million, including investments for renovation, modernization and new technology product development.

During the same period, Aksaray plant received a total investment of USD 9.6 million, of which USD 8.4 million was within the scope of incentive certificate. Thus, the total investment made to date for Aksaray plant reached USD 384.9 million.

e) Important Developments in the Reporting Period

According to the resolution of the Company's Board of Directors dated March 13, 2025 and numbered 2025/12; it has been resolved that, the Company shall be involved in the capacity of a fund user and/or an originator in the issuance of lease certificates domestically in TRY, where Katılım Varlık Kiralama A.Ş. (Katılım VKŞ) will take place as the issuer, to be sold in tenors with limitation to the issuance ceiling of TRY 5,000,000,000 (this amount included) by means of sales without public offering through private placement and/or sales to qualified investors at various maturities and under various terms and conditions in the type of management agreement-based lease certificates and necessary applications shall be filed to the Capital Markets Board and other relevant bodies. Within this context, an application was made to the Capital Markets Board of Türkiye on March 28, 2025.

According to the resolution of the Company's Board of Directors dated March 13, 2025 and numbered 2025/13; debt securities shall be issued at once or at multiple times by the Company in Turkish Lira in an amount not exceeding TRY 5,000,000,000 at various maturities to be sold to qualified investors without any domestic public offering; that those debt securities shall be issued on a discount and/or with coupon payment and interest rates shall be determined as a floating and/or fixed rate depending on the market conditions; that, in this extent, an application shall be filed to the Capital Markets Board with a request for the approval of the issue document; and applications shall be filed to relevant authorities. Within this context, an application was made to the Capital Markets Board of Türkiye on April 16, 2025.

Lassa Revola, Türkiye's first domestic tire compatible with electric and hybrid vehicles, received the Selected Product of the Year award.

With the Tire Assurance (Lastik Güvencesi) Campaign, a first in the sector, Brisa provides replacement of Lassa and Bridgestone branded damaged tires with a new one of the same or equivalent size and pattern, free of charge, in the event of irreparable road damage caused by punctures, cuts and impacts, for a one-year period.

As part of the cooperation in sustainable mobility, e-JEST, the 100% electric minibus of Karsan, a strong player in the European market, was equipped with Bridgestone Duravis All Season tires.

According to the 2024 results of the international environmental reporting platform Carbon Disclosure Project (CDP), Brisa continued to be on the Global A List in the Climate Change and Water Security categories. With these results, Brisa ranked among the global leaders in Climate Change for the third time and in Water Security for the second time.

Brisa, aiming to enhance its employees' skills and strengthen next-generation competencies in its digital transformation journey, has been featured in Microsoft's global success stories with the Write Your Own Robot Project (Kendi Robotunu Kendin Yaz Projesi).

f) Issued Shares and Bonds

As of March 31, 2025, information on issued bonds with ongoing coupon payments is as follows:

ISIN Code	Issue Amount (Nominal, TL)	Issue Date	Maturity	Maturity (Day)	Coupon #	# of Paid Coupon
TRSBRSA52616	1,000,000,000	30.05.2024	25.05.2026	725	8	3

As of March 31, 2025, information on issued lease certificates (sukuk) with ongoing coupon payments is as follows:

ISIN Code	Issue Amount (Nominal, TL)	Issue Date	Maturity	Maturity (Day)	Coupon #	# of Paid Coupon
TRDKTLM52516	400,000,000	10.10.2024	29.05.2025	230	2	1
TRDKTLM62515	500,000,000	29.01.2025	24.06.2025	145	1	-
TRDKTLM72514	500,000,000	06.02.2025	10.07.2025	153	1	-
TRDKTLM72522	500,000,000	24.02.2025	30.07.2025	155	1	-
TRDKTLM82521	500,000,000	14.03.2025	14.08.2025	150	1	-
TRDKTLM92512	500,000,000	27.03.2025	17.09.2025	173	1	-
Total	2,900,000,000					

g) Internal Audit Activities

Internal audits are carried out to ensure that the Company's operations and services are conducted effectively, reliably, and uninterruptedly, to improve the Company's risk management, control systems and corporate governance practices, to support the Company in its efforts to reach its corporate and economic goals, and to ensure integrity, consistency and reliability of the data obtained from the accounting and financial reporting system.

The existence, functioning and effectiveness of internal audits are ensured through the Audit Committee established within the Board of Directors. The Audit Committee presents its activities and recommendations related to its duties and responsibilities, to the Chairperson of the Board of Directors.

Furthermore, to ensure the robust condition of internal auditing mechanism, an Internal Audit Department operates under the Board of Directors. The Audit Committee meets regularly with the Internal Audit Department to discuss the adequacy of the internal control system and informs the Board of Directors.

Every year, risks related to all processes are reviewed, and the processes to be audited are determined. The Auditing Universe formed within the Company determines the processes that may be audited and ascertains risk score balances depending upon natural risk factors and internal control system conditions. According to this, as of March 31, 2025, 2 business

processes consisting of 13 sub-business processes were submitted to the Audit Committee following completion of their audits.

In connection with internal control deficiencies spotted within the framework of Audit Reports, actions taken by Company officials are followed up and the adequacy of those decisions is questioned in the light of risk levels, with results reported to the Audit Committee.

h) Information on Own Shares Repurchased by the Company

During the January 1 - March 31, 2025 interim accounting period, the Company did not repurchase any of its own shares.

i) Information on Private and Public Audits

Independent audits are carried out on the Company's annual and semi-annual financial statements within the framework of the mandatory regulations issued by the Capital Markets Board with respect to financial reporting and independent audits. During the January 1 - March 31, 2025 interim accounting period, there was no private audit conducted of the Company.

The Competition Authority has decided to open an investigation against the undertakings operating in the field of tire production and distribution in the automotive sector in accordance with Article 41 of the Act numbered 4054 on the Protection of Competition ("Act") in order to determine whether Article 4 of the Act has been violated. The process has been continuing. The opening of an investigation by the Competition Authority cannot be interpreted as a violation of the Act by the undertakings subject to the investigation or that they are or will be subject to criminal sanctions within the scope of the Act, and the relevant developments will be shared with the public in accordance with the capital markets legislation.

j) Amendments to Legislation, Which May Significantly Affect the Activities of the Corporation

During the January 1 - March 31, 2025 interim accounting period, there were no amendments to legislation, which may significantly affect the activities of the Company.

k) Information on Lawsuits Filed Against the Company and Their Possible Outcomes That May Affect the Financial Status and Activities of the Company

There is no case that has been filed against the Company and may have an impact on the Company's financial situation and activities.

l) Information on Conflicts of Interest Between the Corporation and Institutions That It Receives Services on Matters Such as Investment Advice and Rating

The utmost care is taken to avoid any situation that may lead to a conflict of interest between the Company and the institutions that provide services such as investment consultancy and rating, and the provisions of the relevant legislation are complied with in the procurement of services in these matters. During the January 1 - March 31, 2025 interim accounting period, there was no conflict of interest in this regard.

m) Information on Administrative or Judicial Sanctions Imposed on the Company and the Board Members due to Practices in Violation of Legislative Provisions

There is no administrative or judicial sanction imposed on the Company and the Board Members.

A liability lawsuit has been filed by Kardeşler Rot Balans Otomotiv Kaplama Sanayi ve Ticaret Limited Şirketi against the Members of the Board of Directors and the process has been continuing. Although no sanction is expected as a result of the lawsuit, which includes unlawful claims, the Company has a directors and officers liability insurance that regulates the issue.

n) Information on General Assembly Resolutions

Brisa 2024 Ordinary General Assembly Meeting was held on March 26, 2025. Shareholders representing 88.84% of the shares constituting the capital attended the General Assembly meeting. All disclosures required to be made in accordance with corporate governance principles regarding the General Assembly meeting were made on time and duly. The result of the General Assembly meeting was registered on April 3, 2025 and became legally valid.

The litigation process regarding the annulment and deferral of execution of all General Assembly resolutions of 2023 Ordinary General Assembly Meeting held on April 19, 2024 by Kardeşler Rot Balans Otomotiv Kaplama Sanayi ve Ticaret Limited Şirketi has been continuing with the expert review. The plaintiff's appeal against the interim decision of the court of first instance rejecting the request for the deferral of executions was rejected by the 12. Chamber of Istanbul Regional Court of Appeal on the merits with a final decision.

o) Information on the Extraordinary General Assembly

No Extraordinary General Assembly meeting was held during the January 1 - March 31, 2025 interim accounting period.

p) Information on Donations Made During the Year

No donation was made during the January 1 - March 31, 2025 interim accounting period.

At the 2024 Ordinary General Assembly meeting, which was held on March 26, 2025, the upper limit of the donations to be made in 2025 was decided as 3% (three percent) of the commercial profit in 2025.

5. Financial Indicators

a) Financial Indicators

Brisa's consolidated financial indicators are as follows:

Tire Sales Volume	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	2025-2024 Change, %
Domestic	27,601	36,367	-24%
Export	17,553	17,217	2%
Total	45,154	53,584	-16%
Replacement	20,296	27,400	-26%
Original Equipment	7,305	8,966	-19%
<u>Total Domestic</u>	<u>27,601</u>	<u>36,367</u>	-24%
Lassa Export	13,221	12,833	3%
Bridgestone Export	4,332	4,384	-1%

Tire Sales Volume	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	2025-2024 Change, %
Total Export	17,553	17,217	2%

Total	45,154	53,584	-16%
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Net Sales (MTL)	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	2025-2024 Change, %
Domestic	5,339	7,255	-26%
Export	2,820	3,060	-8%

Total	8,160	10,315	-21%
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Gross Export* (MUSD)	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	2025-2024 Change, %
Export	85	76	12%

*In FOB USD.

Summary Income Statement (MTL)	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	2025-2024 Change, %
Net Sales	8,160	10,315	-21%
Gross Profit	1,626	2,899	-44%
Operating Profit	447	1,036	-57%
Net Profit/Loss	-516	809	-164%
Net Profit/Loss (Before One-Offs)	-492	864	-157%
EBITDA*	858	2,069	-59%

*EBITDA: Earnings before interest, tax, depreciation & amortization and interest, foreign exchange and derivative financial instruments gain/loss within other operating income and expenses.

Summary Balance Sheet (MTL)	Jan. 1- Mar. 31, 2025	Jan. 1- Dec. 31, 2024	2025-2024 Change, %
Cash and Cash Equivalents	8,203	7,682	7%
Total Assets	47,507	47,490	0%
Financial Debt	16,367	14,795	11%

Summary Balance Sheet (MTL)	Jan. 1- Mar. 31, 2025	Jan. 1- Dec. 31, 2024	2025-2024 Change, %
Net Financial Debt/(Cash)	4,916	3,714	32%
Total Equity	20,471	21,625	-5%
Summary Cash Flow (MTL)	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	
Operational Cash Flow	740	266	
Invest. Spending (w/o KKM)	-450	-1,289	
Free Cash Flow (w/o KKM)	290	-1,023	
KKM	149	-1,036	
Free Cash Flow (w/KKM)	439	-2,059	
Dividend Paid	-690	0	
Liquidity Ratios	Jan. 1- Mar. 31, 2025	Jan. 1- Dec. 31, 2024	
Current Ratio	1.23	1.22	
Acid Test Ratio	0.97	0.94	
Financial Growth Ratios	Jan. 1- Mar. 31, 2025	Jan. 1- Dec. 31, 2024	
Net Debt/EBITDA	1.00	0.61	
Total Liabilities/Equity	1.32	1.20	
Total Liabilities/Assets	0.57	0.54	
Total Equity/Assets	0.43	0.46	
Operational & Profitability Ratios	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	
Gross Profit Margin	19.92%	28.10%	
EBITDA Margin	10.52%	20.05%	
Net Profit/Loss Margin	-6.32%	7.84%	

Operational & Profitability Ratios	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024
Net Profit/Loss (Before One-Offs) Margin	-6.03%	8.38%

b) Evaluation of Activities in the Reporting Period

Total sales in the Turkish automotive industry (passenger and light commercial vehicles) decreased by 6.5% y/y to 276,284 units during the first quarter of 2025. Passenger vehicle sales declined by 4.1% y/y, while light commercial vehicle sales decreased by 15.5% y/y.

The Turkish Replacement and OE (Original Equipment) tire market contracted by 8.1% y/y during the first quarter of 2025. In the Turkish Replacement tire market, passenger and light commercial vehicle tire segment contracted by 8% y/y, while heavy commercial vehicle tire segment contracted by 24% y/y. In the Turkish OE tire market, passenger and light commercial vehicle tire sales remained almost flat compared to one year ago, while heavy commercial tire sales decreased by 23% y/y.

As outlined by the 2025 first quarter report published by Global Data, the Turkish Replacement and OE tire market is expected to grow by 4% in 2025 compared to 2024.

In light of these developments in the Turkish industry, Brisa continued with its operations in both Replacement market and OE tire market via its Bridgestone, Lassa and Dayton brands, as well as its innovative solutions. During the first quarter of 2025, the Company continued prioritizing health and safety, completing a period in which it focused on the evolving needs of customers and the market, and offered enriched services beyond tires.

As outlined by the 2025 first quarter report published by Global Data, global passenger and light commercial segments' total vehicle sales grew by 6% y/y during the first quarter of the year. The highest growth occurred in Japan and China with 13.7% and 12.2% y/y respectively, while contraction was recorded only in the Eastern and Western Europe.

During the first quarter of 2025, the global tire market remained above the previous year's level. Global Replacement and OE tire market sales grew by 3% y/y, while the European Replacement market grew by 7% y/y and OE tire market contracted by 9% y/y.

In light of these developments, Lassa increased its sales across the Central Europe, Western Europe and Eastern Europe markets during the first quarter of 2025 compared to one year ago. During this period, Lassa expanded its market share in a total of 17 countries across the European and non-European markets. In Europe, Lassa enlarged its market share in countries including Montenegro, Albania, Serbia, Austria, Macedonia, Portugal, Bulgaria, Germany, Greece and Italy. The non-European markets in which Lassa increased its market share include Moldova, Kazakhstan, Uzbekistan, Egypt, Ukraine, Algeria and the United Arab Emirates.

Brisa's production volume and capacity utilization ratio during the January 1 - March 31, 2025 period registered as follows:

	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	2025-2024 Change, %
Production Volume (Unit)	3,380,904	3,686,527	-8%
Production Volume (Tonnage)	44,927	51,426	-13%
İzmit Capacity Utilization Ratio	78.7%	90.8%	-12%

	Jan. 1- Mar. 31, 2025	Jan. 1- Mar. 31, 2024	2025-2024 Change, %
Aksaray Capacity Utilization Ratio	100.0%	98.0%	2%

*Annual production capacity of İzmit and Aksaray plants stands at 11 million and 3.6 million units respectively.

Brisa manufactures tires that meet international safety and quality standards for automobiles, light commercial vehicles, buses, trucks, agricultural and construction machinery with its brands Bridgestone, Lassa, and Dayton. In addition to manufacturing tires, the Company also imports Firestone brand agricultural equipment tires and Kinesis brand solid tires for forklifts and offers to the market. Furthermore, the Bandag brand as well as the local Veloxia brand lead the way in the tire retreading segment.

Arvento, which set out with the vision of developing accessible technological products in the field of fleet telematics, stands out in the new era with its new generation products in the field of mobile camera/telematics solutions, object tracking systems and vehicle tracking systems, and products that offer much more comprehensive operation management. Arvento develops and manufactures the most commonly used products in today's IoT world and sets itself apart from the competition with mobility solutions that accelerate the digitalization journey of organizations. Backed by the experience and technology of the "Bridgestone Mobility Solutions" world following the merger with Brisa, Arvento continues to work with Brisa to develop brand new solutions integrating Brisa's tires and service network with its own fleet management platform. During the January 1 - March 31, 2025 period, Arvento's total number of devices surpassed 1.5 million, while its total number of active devices neared 820 thousand.

Brisa continued to proceed with its mobility transformation during the first quarter of 2025 as well. As of March 31, 2025, the Company provides services at 127 Otopratik (excluding Midi) locations and 21 Propratik locations, while the number of e-charging stations was at 65, and the number of Pratik service points providing EV and hybrid vehicle maintenance servicing was at 55. The number of Otopratik Midi points, focusing on the end consumer and fast maintenance, was realized at 13 during the same period. Furthermore, a total of 112 service points (67 Otopratik, 12 Propratik, and 33 Arvento service points) started to provide certified UTTS (National Vehicle Identification System) installation service.

Total sales volume in tonnage decreased by 16% y/y during the first quarter due to the significant commercial segment contraction in Turkish replacement market.

In addition to the decrease in sales volume, with price increases in domestic and global markets remaining below inflation, sales revenue registered as TL 8.2 billion with a 21% y/y decline. Cost of sales decreased by 12% y/y in the period, driven by the increased efficiency in production along with the controlled outlook in raw material and energy costs. This in turn, resulted in a gross profit of TL 1.6 billion and a gross profit margin of 19.9%. This impact in gross profitability combined with the decrease in operational expenses due to increased efficiency and tight cost management policy reflected also on the EBITDA level, as EBITDA registered as TL 858 million in the period.

Although the Company's free cash flow improved during the first quarter compared to one year ago, net debt increased compared to year-end due to dividend distribution (December 31, 2024: TL 3.7 billion net debt). Brisa made cross-currency and interest rate swaps to mitigate floating interest rate and foreign currency exchange risks for the long-term foreign currency denominated borrowings when they were received. TL values of foreign currency denominated borrowings may increase or decrease as a result of exchange rates fluctuations, in return fair value of cross currency swaps are shown under derivative assets. In net debt calculation, total financial borrowings do not include debts from lease transactions. Considering both bank borrowings recognized in the financial statements and respective derivative assets (TL 0.9 billion), net debt amounted to TL 4.9 billion.

As a result of all these developments and due to higher financing expenses (net), driven by the decrease in interest income from banks, net loss registered as TL 516 million.

c) Profit Distribution Policy and Profit Distribution

The profit distribution policy of Brisa is determined within the framework of the provisions of the Turkish Commercial Code, the capital market legislation, other relevant legislation, the article on dividend distribution in the Articles of Association and in line with Brisa's medium- and long-term strategies, investment, and financial plans. The policy is formulated in such a way that considers the national economy and that of the sector while maintaining a balance between shareholder expectations and the needs of Brisa.

The amount of profit to be distributed is determined by the General Assembly; however, the general principle adopted is to pay 30% of distributable profit to shareholders in the form of cash. Brisa does not distribute dividend advances.

The Company adopts the principle of paying dividends equally and as soon as possible to each share, regardless of their date of issue and acquisition, within legal time limits. Dividends shall be paid to shareholders following the approval of the General Assembly and on the date set by the General Assembly.

The General Assembly may transfer net profit entirely or partially to the extraordinary reserves. If Brisa's Board of Directors proposes the General Assembly not to distribute the profit, the reasoning behind this and the planned use of the undistributed profits is disclosed to the shareholders during the General Assembly meeting.

The profit distribution policy is submitted for approval of shareholders at the General Assembly meeting. This policy is reviewed every year by the Board of Directors, taking into consideration any setback in the national and global economic conditions as well as the current situation of ongoing projects and funds. Any amendments to this policy are submitted for approval of the shareholders at the next General Assembly meeting following the amendments and disclosed to the public via the website.

The profit distribution policy and profit distribution proposal are available in the Annual Report, shared with shareholders at the General Assembly meeting, and publicly announced via the Investor Relations page on the website.

At the General Assembly held on March 26, 2025, the operating results for the year 2024 and the dividend distribution proposal were approved, and it was decided the cash dividend exercise date to start on March 28, 2025 and to distribute a gross dividend of TL 649,776,897.00 to the shareholders representing the Company's capital at the gross rate of 212.96% and TL 106,749,081.80 to the privileged shareholders as usufruct in cash from the Net Distributable Period Profit of TL 1,518,775,313.00. It was decided to set aside TL 74.127.013,51 from the Net Distributable Period Profit as Secondary Legal Reserves and TL 688,122,320.70 as Extraordinary Reserves.

6. Risks and Governing Body's Evaluation

Early Identification of Risk Committee has been established upon the resolution of Brisa Board of Directors dated August 2, 2013 and numbered 2013/13. The Committee was commissioned and authorized by Turkish Commercial Code numbered 6102 and by Article 378 thereof, as well as Capital Markets Board's Corporate Governance Communiqué.

The Committee's responsibilities include early identification of any strategic, operational, financial, external, and miscellaneous risks threatening the existence, development and sustainability of Brisa; implementation of necessary measures and remedies; and the management of risks.

As of March 31, 2025, Members of the Early Identification of Risk Committee are as follows:

Name-Surname	Title	Nature of Board Membership
Ahmet Erdem	Chairperson	Independent Board Member
Tomio Fukuzumi	Member	Vice Chairperson - Executive
Sakine Şebnem Önder	Member	Board Member - Non-Executive

The Chairperson of the Early Identification of Risk Committee is appointed from among the Independent Members by the Board of Directors.

The Committee is composed of a minimum of two Members appointed by the Board of Directors. Other people can also participate in the meetings if the Chairperson approves. The term of office for Committee Members is parallel to that of the Members of the Board of Directors. The Committee Membership is renewed upon the selection of the Members of the Board of Directors.

The Early Identification of Risk Committee convened one time and submitted two reports to the Board of Directors during the January 1 - March 31, 2025 interim accounting period.

7. Other Considerations

a) Events After the Reporting Period

In accordance with the Board of Directors decision dated April 30, 2025 and numbered 2025/19, it has been unanimously resolved that the resignation of Ahmed Cevdet Alemdar is accepted and Burak Turgut Orhun is appointed as Board Member to be submitted to the approval of the first General Assembly to be held and that in accordance with Article 366 of the Turkish Commercial Code, the assignment of duties of the Board of Directors to serve until the date of 19.04.2027 shall be as follows, Burak Turgut Orhun as Chairperson and Tomio Fukuzumi as Vice Chairperson.

8. Corporate Governance and Sustainability Principles Compliance

a) Compliance with Corporate Governance Principles

As one of the pioneers and leader companies in the Turkish industry, Brisa, aware of its responsibilities that it upholds to its stakeholders, adopts as a principle to comply with the Corporate Governance Principles issued by the Capital Markets Board and the four principles of corporate governance based on transparency, fairness, responsibility, and accountability and to make provisions where circumstances require amendments thereof. During the January 1 - March 31, 2025 interim accounting period, in line with this principle adopted, Brisa has applied and accommodated the Corporate Governance Principles set out in the Corporate Governance Communiqué No II-17.1, which was issued by the Capital Markets Board and entered into force upon publication in the Official Gazette dated January 3, 2014 and numbered 28871.

The Company has taken the required steps in line with the Corporate Governance Principles and demonstrated its awareness of responsibilities towards shareholders and stakeholders with its engagement to compliance thereto as well as all its activities to date, aimed to further strengthen its compliance with these principles in cooperation with all employees and top management executives well-aware of the advantages of adopting the Corporate Governance Principles within the Company, exercised due diligence in following the mandatory and non-mandatory regulations set out in the Corporate Governance Principles and published the related detailed reports to inform shareholders and stakeholders on <https://www.kap.org.tr/> and the Company's website.

Acknowledging the importance of full compliance with Corporate Governance Principles, Brisa has been following all the mandatory principles set out by the Communiqué. However, full compliance has not yet been achieved due to difficulties experienced in the implementation of some of the non-mandatory principles and some principles failing to align with the existing structure of the market and the Company. Studies on these principles and justifications for non-implementation thereof continue. No change was observed in compliance with the Corporate Governance Principles during the January 1 - March 31, 2025 interim accounting period.

b) Compliance with Sustainability Principles

Sustainability is one of the important foundations of Brisa's way of doing business. The Company boldly moves forward with pioneering practices in its sector in all geographies where it operates, in the light of the corporate values and governance experience of its main shareholders, Bridgestone Corporation and Sabancı Holding. With the awareness of being a responsible manufacturer, the Company carries out research, develops innovation, makes investments, operates, and manufactures in order to maximize the value for its stakeholders and to achieve more every day.

Brisa combines its sustainability strategies, core operations and competencies with its sustainability management approach, and continues to create added value for its stakeholders. Communication activities are carried out in order to disseminate the sustainability management approach, which Brisa considers as an integral part of its corporate culture and therefore all its activities, among stakeholders. The Company carries out audits to identify the areas of improvement in the field of sustainability and secures development of sustainability performance through action plans based on tangible targets.

Brisa has developed its sustainability strategy on the main focus areas of Transition to a Low-Carbon Economy, Transition to a Low-Contact Economy, and Cultural and Social Transformation. In each focus area, risks are identified and addressed through a strong risk management approach. The Company's actions are aligned with the United Nations' Sustainable Development Goals, and the Company attaches importance to being a stakeholder in finding solutions for this global movement. Risk management at the Company is carried out with a life-long perspective by considering environmental and social matters as well as economic parameters. The effects of environmental and social risks that may occur in the supply chain, customer, dealer, and service processes on the Company are managed. While the actions taken in this way are more understandable for all stakeholders, emerging regulations, technologies, and financial opportunities are closely followed in terms of access to sustainable finance. Based on the principles of transparency, fairness, responsibility and accountability, Brisa reports on its activities and performance results in the light of the national and international initiatives that Brisa is a party to and strives to improve its performance by implementing relevant quality systems.

No change was observed in compliance with sustainability principles during the January 1 - March 31, 2025 interim accounting period. Brisa has complied with all sustainability principles.

c) Other Committees Established within the Board of Directors

In accordance with capital market legislation, Capital Markets Board regulations, and Corporate Governance Principles, Committee Responsible for Auditing (i.e. Audit Committee), Corporate Governance Committee, and Early Identification of Risk Committee were established to help the Board of Directors exercise duties and responsibilities properly. Moreover, the duties of Nomination Committee and Compensation Committee as mentioned in Communiqué Article 4.5.1 have been assumed by Corporate Governance Committee.

Decisions of the Committees, which are taken as a result of studies carried out independently, are submitted to the Board of Directors as mere suggestions. The final resolution is made by the Board of Directors.

Other Committees established within the Board of Directors are as follows:

Audit Committee

The Audit Committee was established upon the resolution of the Board of Directors dated March 21, 2003, in accordance with article 28/A added by the Communiqué with Serial: X and No. 19 to the Independent Audit in Capital Market Communiqué with Serial: X and No. 16 of Capital Markets Board. The responsibilities of the Audit Committee include informing the Board of Directors of the corporate accounting system, financial reporting, financial information released to the public, the activities of the internal audit department, the functions and activities of the internal control system and independent audit; supporting the Company's compliance with Capital Markets Board legislation as well as other relevant legislations and laws, Corporate Governance Principles and Code of Business Conduct; and monitoring all relevant processes on these issues.

As of March 31, 2025, Members of the Audit Committee are as follows:

Name-Surname	Title	Nature of Board Membership
Fatma Dilek Yardım	Chairperson	Independent Board Member
Ahmet Erdem	Member	Independent Board Member

The Audit Committee is composed of members who have no direct executive functions, carry the title of Independent Member on the Board of Directors, and have sufficient knowledge and expertise in financial matters. The Chairperson and Member of the Audit Committee are appointed by the Board of Directors. The Internal Audit Department acts as the Reporter of the Audit Committee. Funds and any other support necessary for the functioning of the Committee are provided by the Board of Directors.

The Committee convenes every three months at least, which means at least four times a year, and records the conclusions of the meeting in minutes later to be reported to the Board of Directors. The Committee generally reviews the works of the Internal Audit Department and Independent Auditing Firm, audits financial statements, and examines any violation of business conduct and code of behavior in these meetings. The Audit Committee convened two times (one meeting was on internal audit findings) and submitted three reports to the Board of Directors during the January 1 - March 31, 2025 interim accounting period.

Corporate Governance Committee

Corporate Governance Committee was established in accordance with the Capital Markets Board's Corporate Governance Communiqué with an attempt to follow the Company's compliance with corporate governance principles, to make improvements in the process, and make suggestions to the Board of Directors. The Committee has been established and its Internal Regulation has been approved by the Board resolution dated April 30, 2012 and numbered 600. Early Identification of Risk Committee was separated from the Corporate Governance Committee by the Board resolution dated August 2, 2013 and numbered 2013/13, which necessitated revisions to be made on the Internal Regulation in question.

The most current amendment to the Internal Regulation was by the Board resolution dated March 25, 2024 and numbered 2024/10, determining the number of Committee members (except the Chairman) as three.

As of March 31, 2025, Members of the Corporate Governance Committee are as follows:

Name-Surname	Title	Nature of Board Membership
Ahmet Erdem	Chairperson	Independent Board Member
Tomio Fukuzumi	Member	Vice Chairperson - Executive
Haluk Dinçer*	Member	Board Member - Non-Executive
Elif Küçükçobanoğlu	Member	Investor Relations Manager

*In accordance with the Board of Directors decision dated March 31, 2025 and numbered 2025/17, effective from April 1, 2025, it has been resolved to accept resignation of Board Member Haluk Dinçer and to appoint Gökhan Eyigün as Board Member to be submitted to the approval of the first General Assembly to be held in accordance with the article 363 of the Turkish Commercial Code and as a result of resignation of Haluk Dinçer, to assign Gökhan Eyigün as the Member of the Corporate Governance Committee.

In cases where the position of the Committee Chairperson becomes vacant for whatever reason, the Chairperson of the Board of Directors appoints a Member of the Committee as interim Chairperson until the first Board of Directors meeting following the incidence of vacancy. The interim serves until a new Chairperson is appointed. The agenda of the meeting is determined by the Chairperson of the Committee. Members and shareholders communicate the issues they wish to be put on the agenda to the Reporter, who reports them to the Chairperson of the Corporate Governance Committee.

Corporate Governance Committee meetings are held at least four times a year at the places and on the dates the Chairperson deems appropriate. The meeting and resolution quorum is the absolute majority of the total number of Members. Other people can also attend the meetings if the Chairperson deems appropriate. During the January 1 - March 31, 2025 interim accounting period, the Corporate Governance Committee convened one time and submitted two reports to the Board of Directors. The Corporate Governance Committee keeps a written record of all its works and reports all relevant information and conclusions to the Board of Directors.

April 30, 2025

Brisa Bridgestone Sabancı Lastik ve Sanayi Ticaret A.Ş.