

**BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ  
VE TİCARET ANONİM ŞİRKETİ  
AND ITS SUBSIDIARY**

CONVENIENCE TRANSLATION INTO ENGLISH  
OF THE CONSOLIDATED FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED  
31 DECEMBER 2025  
WITH INDEPENDENT AUDITOR'S REPORT  
(Originally issued in Turkish)

27 February 2026

This report includes 4 pages of independent auditor's report and  
93 pages of consolidated financial statements together with their explanatory notes



DRT Bağımsız Denetim ve  
Serbest Muhasebeci  
Mali Müşavirlik A.Ş.  
Maslak No1 Plaza  
Eski Büyükdere Caddesi  
Maslak Mahallesi No:1  
Maslak, Sarıyer 34485  
İstanbul, Türkiye

Tel: +90 (212) 366 60 00  
Fax: +90 (212) 366 60 10  
www.deloitte.com.tr

Mersis No: 0291001097600016  
Ticari Sicil No: 304099

(CONVENIENCE TRANSLATION OF  
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of  
Brisa Bridgestone Sabancı Lastik Sanayi ve Ticaret A.Ş.

**A) Report on the Audit of the Consolidated Financial Statements**

**1) Opinion**

We have audited the consolidated financial statements of Brisa Bridgestone Sabancı Lastik Sanayi ve Ticaret A.Ş. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

**2) Basis for Opinion**

We conducted our audit in accordance with the Standards on Independent Auditing (SIA) which is a part of Turkish Auditing Standards accepted by regulations of the Capital Markets Board and published by the Public Oversight Accounting and Auditing Standards Authority (POA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (including Independence Standards) (Code of Ethics) published by the POA, as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements included in the regulations of the Capital Markets Board and other regulations that are relevant to audits of the consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**3) Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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**3) Key Audit Matters (cont'd)**

Key Audit Matter	How this matter was addressed during the audit
<p><i>Periodicity of Revenue</i></p> <p>The Group's main source of revenue consists of tire sales. In accordance with TFRS 15 Revenue from Contracts with Customers, the Group recognizes revenue in its financial statements when it satisfies a performance obligation by transferring control of the promised good or service to the customer.</p> <p>Due to the nature of the Group's operations, there are export products that have been completed in production and invoiced to overseas customers, but for which delivery had not yet occurred as of the balance sheet date. Therefore, there is a risk that revenue may not be recognized in the correct period or amount for products that have been returned after delivery, as well as for those that have been invoiced but for which control has not yet been transferred to the customer.</p> <p>Since revenue is an important performance indicator for the Group and due to the risk that it may not be recognized in the correct period, "Periodicity of Revenue" has been determined as a key audit matter.</p> <p>Disclosures regarding the Group's accounting policies and amounts related to revenue are included in Note 2.4.2 and Note 19.</p>	<p>During the audit, the following procedures, including but not limited to the following, were performed related to the recognition of revenue:</p> <p>The design and implementation of the controls applied by the Management for the process related to the risk of the recognition of the revenue in the appropriate period has been tested. The Group's sales and delivery procedures have been analyzed.</p> <p>The provisions related to commercial and shipping conditions in the contracts with customers have been examined and the timing of revenue recognition for different shipping arrangements has been evaluated.</p> <p>For substantive audit procedures, the sales lists have been obtained from the relevant departments of the Group and the completeness, and accuracy of these lists have been tested. For the selected samples, the related contracts, invoices and delivery notes have also been examined.</p> <p>The compliance of the disclosures in the notes to the consolidated financial statements related to revenue with TFRSs has been examined.</p>

**4) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## 5) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the regulations of the Capital Markets Board and SIA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the regulations of the Capital Markets Board and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

## 5) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 27 February 2026.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Group's set of accounts and financial statements prepared for the period 1 January-31 December 2025 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor's report is Ali Çiçekli.

DR. BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.  
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Ali Çiçekli  
Partner

İstanbul, 27 February 2026

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**BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS  
SUBSIDIARY AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

<b>ASSETS</b>	<b>Notes</b>	<b>Audited Current Period 31 December 2025</b>	<b>Audited Prior Period 31 December 2024</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	3	8.220.580	9.136.121
Financial Investments	3	1.745.830	2.565.260
Trade Receivables	6	8.125.919	9.796.271
Trade Receivables from Related Parties	26	292.614	528.429
Trade Receivables from Third Parties		7.833.305	9.267.842
Other Receivables	7	198.605	179.974
Other Receivables from Related Parties	26	219	481
Other Receivables from Third Parties		198.386	179.493
Derivative Financial Instruments	5	91.268	408.543
Inventories	8	6.216.994	6.782.215
Prepaid Expenses	9	423.098	492.623
Current Tax Assets	24	51.417	91.770
Other Current Assets	17	106.059	48.167
<b>Total Current Assets</b>		<b>25.179.770</b>	<b>29.500.944</b>
<b>Non-Current Assets</b>			
Other Receivables		162	307
Derivative Financial Instruments	5	700.144	567.051
Property, Plant and Equipment	10	24.202.378	24.405.612
Right of Use Assets	11	192.031	143.792
Intangible Assets		1.654.989	1.696.785
Goodwill	13	120.373	120.373
Other Intangible Assets	12	1.534.616	1.576.412
Prepaid Expenses	9	96.053	162.817
Deferred Tax Assets	24	-	-
<b>Total Non-Current Assets</b>		<b>26.845.757</b>	<b>26.976.364</b>
<b>TOTAL ASSETS</b>		<b>52.025.527</b>	<b>56.477.308</b>

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

**BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS  
SUBSIDIARY AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

	Notes	Audited Current Period 31 December 2025	Audited Prior Period 31 December 2024
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Short-term Borrowings	4	7.083.867	4.183.933
Short-term Portion of Long-Term Borrowings	4	5.832.751	7.694.637
Trade Payables	6	9.038.889	10.915.456
Trade Payables to Related Parties	26	3.438.291	4.297.794
Trade Payables to Third Parties		5.600.598	6.617.662
Payables Related to Employee Benefits	16	413.364	383.656
Other Payables	7	171.112	186.446
Other Payables to Related Parties	26	4.303	3.786
Other Payables to Third Parties		166.809	182.660
Derivatives	5	1.678	5.245
Deferred Income	9	521.834	391.226
Current Tax Liability	24	-	45.019
Short-term Provisions		860.700	404.477
Short-term Provisions for Employee Benefits	16	226.783	188.525
Other Short-term Provisions	14	633.917	215.952
Other Current Liabilities		25.003	9.254
<b>Total Current Liabilities</b>		<b>23.949.198</b>	<b>24.219.349</b>
<b>Non-Current Liabilities</b>			
Long-term Borrowings	4	2.800.981	5.715.755
Long-term Provisions		850.995	749.324
Long-term Provisions for Employee Benefits	16	850.995	749.324
Deferred tax liabilities	24	790.073	74.841
<b>Total Non-Current Liabilities</b>		<b>4.442.049</b>	<b>6.539.921</b>
<b>Total Liabilities</b>		<b>28.391.247</b>	<b>30.759.270</b>
<b>EQUITY</b>			
<b>Equity of the Parent Company</b>		<b>23.577.407</b>	<b>25.581.568</b>
Share Capital	18	305.117	305.117
Adjustment to Share Capital	18	10.808.153	10.808.153
Share Premium	18	151	151
<b>Accumulated Other Comprehensive Income or Expenses That Will Be Reclassified to Profit or Loss</b>			
Hedging Reserve (Losses) / Gains	18	107.621	82.434
Foreign Currency Translation Differences		-	2.556
<b>Accumulated Other Comprehensive Income or Expenses That Will Not Be Reclassified to Profit or Loss</b>			
Actuarial (Losses)/ Gains	18	(974.854)	(935.219)
Restricted Reserves	18	3.346.329	3.258.174
Retain Earnings		11.072.348	10.072.247
Net Income for The Period		(1.087.458)	1.987.955
<b>Not Controlling Interest</b>		<b>56.873</b>	<b>136.470</b>
<b>Total Equity</b>		<b>23.634.280</b>	<b>25.718.038</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>52.025.527</b>	<b>56.477.308</b>

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

**BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS  
SUBSIDIARY AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR  
THE PERIOD OF 1 JANUARY - 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

		<b>Audited</b>	
		<b>Current Period</b>	<b>Prior Period</b>
		<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
	<b>Notes</b>		
Sales	19	41.347.699	45.218.993
Cost of Sales (-)	19-20	(32.081.314)	(34.568.106)
<b>GROSS PROFIT</b>		<b>9.266.385</b>	<b>10.650.887</b>
General Administrative Expenses (-)	20	(1.653.639)	(1.788.078)
Marketing Expense (-)	20	(4.756.027)	(4.730.641)
Research and Development Expenses (-)	20	(272.280)	(168.979)
Impairment Profit on Trade Receivables, net (-)	20	10.660	84.604
Other Operating Income	21	4.456.752	4.245.298
Other Operating Expenses (-)	21	(3.939.548)	(3.893.486)
<b>OPERATING PROFIT</b>		<b>3.112.303</b>	<b>4.399.605</b>
Income From Investing Activities	22	66.619	470.104
Expenses From Investing Activities (-)	22	(6.414)	(785)
<b>PROFIT BEFORE FINANCIAL EXPENSES</b>		<b>3.172.508</b>	<b>4.868.924</b>
Financing Income	23	1.531.961	3.268.673
Financing Expenses (-)	23	(6.920.488)	(7.690.166)
Net monetary position gain	30	1.909.202	2.347.089
<b>PROFIT BEFORE TAX</b>		<b>(306.817)</b>	<b>2.794.520</b>
<b>Taxation on Expense (-)</b>		<b>(792.758)</b>	<b>(814.054)</b>
Current Tax Expense (-)	24	(98.494)	(166.100)
Deferred Tax Income / (Expense) (-)	24	(694.264)	(647.954)
<b>PROFIT FOR THE PERIOD</b>		<b>(1.099.575)</b>	<b>1.980.466</b>
<b>DISTRIBUTION OF PROFIT FOR THE PERIOD</b>			
Non-controlling Interests	15	(12.117)	(7.489)
- Equity Attributable to Owners of the Parent		(1.087.458)	1.987.955
<b>Earnings / (Loss) Per Share</b>	25	<b>(3,514)</b>	<b>6,057</b>
<b>Diluted Earnings / (Loss) Per Share</b>		<b>(3,514)</b>	<b>6,057</b>

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

**BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS  
SUBSIDIARY AUDITED CONSOLIDATED STATEMENT OF OTHER  
COMPREHENSIVE INCOME FOR THE PERIOD OF 1 JANUARY - 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

	Notes	Audited Current Period 1 January- 31 December 2025	Audited Prior Period 1 January- 31 December 2024
<b>PROFIT FOR THE PERIOD</b>		<b>(1.099.575)</b>	<b>1.980.466</b>
<b><i>OTHER COMPREHENSIVE INCOME:</i></b>			
<b>Items that will never be reclassified to profit or loss</b>		<b>(39.635)</b>	<b>1.493</b>
Actuarial (Losses) / Gains (-)	16	(52.847)	1.991
<b>Other Comprehensive or Expenses That Will Not Be Reclassified to Profit or (Loss)</b>		<b>13.212</b>	<b>(498)</b>
Deferred Tax Income / (Expense) (-)	24		
<b>Items that will be reclassified to profit or loss</b>		<b>22.631</b>	<b>235.597</b>
Hedging Reserve Gains/ Losses (-)	18	59.366	260.060
Foreign Currency Translation Differences		(2.556)	4.996
<b>Other Comprehensive Income or Expenses That Will Be Reclassified to Profit or Loss (-)</b>		<b>(34.179)</b>	<b>(29.459)</b>
Deferred Tax Income (-)	24		
<b>OTHER COMPREHENSIVE INCOME/ EXPENSE (-)</b>		<b>(17.004)</b>	<b>237.090</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(1.116.579)</b>	<b>2.217.556</b>
<b>DISTRIBUTION OF TOTAL COMPREHENSIVE INCOME</b>			
- Non-Controlling Shares		<b>(12.117)</b>	<b>(7.489)</b>
- Parent Company Shares		<b>(1.104.462)</b>	<b>2.225.045</b>

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

**BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY AUDITED CONSOLIDATED  
STATEMENT OF CHANGES IN EQUITY AS AT AND FOR THE PERIOD OF 1 JANUARY - 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

	Share Capital	Adjustment Share Capital	Share Premium	Foreign Currency Translation Differences	Hedging Reserve Gains/ (Losses)	Actuarial (Losses)/Gains	Restricted Reserves	Retained Earnings		Equity of the Parent Company	Non-Controlling Interests	Shareholders 'Equity
								Other Comprehensive Income or Expenses That Will Be Reclassified Profit or Loss	Other Comprehensive Income or Expenses That Will Not Be Reclassified Profit or Loss			
<b>Balance on 1 January 2024 (Beginning of the Period)</b>	<b>305.117</b>	<b>10.808.233</b>	<b>151</b>	<b>(2.440)</b>	<b>(148.167)</b>	<b>(936.712)</b>	<b>3.069.588</b>	<b>4.638.882</b>	<b>7.532.093</b>	<b>25.266.665</b>	<b>143.959</b>	<b>25.410.807</b>
Transfers	-	-	-	-	-	-	188.586	7.343.507	(7.532.093)	-	-	-
Dividends (*)	-	-	-	-	-	-	-	(1.910.142)	-	(1.910.142)	-	(1.910.142)
Total Comprehensive Income	-	-	-	4.996	230.601	1.493	-	-	1.987.955	2.225.045	(7.489)	2.217.556
<b>Balance on 31 December 2024 (End of the Period)</b>	<b>305.117</b>	<b>10.808.233</b>	<b>151</b>	<b>2.556</b>	<b>82.434</b>	<b>(935.219)</b>	<b>3.258.174</b>	<b>10.072.247</b>	<b>1.987.955</b>	<b>25.581.568</b>	<b>136.470</b>	<b>25.718.038</b>
<b>Balance on 1 January 2025 (Beginning of the Period)</b>	<b>305.117</b>	<b>10.808.153</b>	<b>151</b>	<b>2.556</b>	<b>82.434</b>	<b>(935.219)</b>	<b>3.258.174</b>	<b>10.072.247</b>	<b>1.987.955</b>	<b>25.581.568</b>	<b>136.470</b>	<b>25.718.038</b>
Transfers	-	-	-	-	-	-	88.155	1.899.800	(1.987.955)	-	-	-
Dividends (*)	-	-	-	-	-	-	-	(899.699)	-	(899.699)	(67.480)	(967.179)
Total Comprehensive Income	-	-	-	(2.556)	25.187	(39.635)	-	-	(1.087.458)	(1.104.462)	(12.117)	(1.116.579)
<b>Balance on 31 December 2025 (End of the Period)</b>	<b>305.117</b>	<b>10.808.153</b>	<b>151</b>	<b>-</b>	<b>107.621</b>	<b>(974.854)</b>	<b>3.346.329</b>	<b>11.072.348</b>	<b>(1.087.458)</b>	<b>23.577.407</b>	<b>56.873</b>	<b>23.634.280</b>

(\*) The gross dividend paid by the Group per share with a nominal value of TRY 1 is TRY 2.1296 (presented in purchasing power as of the payment date). (31 December 2024: TRY 3.394).

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

**BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS  
SUBSIDIARY AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE  
PERIOD OF 1 JANUARY - 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

	Notes	Audited	
		Current Period 1 January- 31 December 2025	Prior Period 1 January- 31 December 2024
<b>Net Profit for the Period</b>		<b>(1.099.575)</b>	<b>1.980.466</b>
<b>Adjustments to Reconcile Profit for the Period</b>		<b>6.636.571</b>	<b>6.082.619</b>
Adjustments Related to Depreciation and Amortization Expenses	20	3.208.579	3.129.649
Provisions for Employee Benefits	16	348.661	167.607
Adjustments Related to Retirement Pay Provision	16	297.106	329.566
Lawsuit Provision	14	80.846	136.898
Adjustment Related to Other Provisions	14	450.807	-
Adjustments Related to Doubtful Receivables	6	(4.996)	(84.604)
Interest Income	21-23	(727.533)	(2.504.396)
Interest Expense	21-23	6.786.158	7.267.904
Unrealized Foreign Exchange Losses/ (Gains)		(225.623)	115.808
(Gains) / Losses from Derivative Financial Instruments	5	103.990	70.109
Adjustments Related to Tax Expense / (Income)	24	792.758	814.054
Losses / (Gain) on Sale of Property, Plant and Equipment and Intangible Assets	22	4.152	(5.236)
Impairment on Inventories	8	27.201	(38.068)
Finance expense accruals from credit purchases (net)	21	2.253.042	2.412.626
Finance income accruals from credit sales (net)	21	(4.173.973)	(3.956.042)
Adjustments Related to Other Items that Cause Cash Flows from Investing or Financing Activities		(797.237)	(829.001)
Adjustments related to (gains) and losses on monetary positions		(1.787.367)	(944.254)
<b>Changes In Working Capital</b>		<b>1.755.565</b>	<b>(3.195.813)</b>
Adjustments Related to Increase / Decreases in Trade Receivables		5.890.123	1.591.113
Adjustments Related to Increase /Decreases in Inventory		509.482	(953.611)
Adjustments Related to Increase /Decreases in Other Receivables Related to Operations		64.705	55.431
Adjustments Related to Increase / Decreases in Prepaid Expenses		136.309	259.404
Adjustments Related to Increase / Decreases in Trade Payables		(5.005.785)	(4.034.683)
Adjustments Related to Increase / Decreases Deferred Income		130.608	(169.000)
Adjustments Related to Increase /Decreases Employee Benefits Payables		29.708	103.188
Adjustments Related to Increase /Decreases in Other Payables Related to Operations		415	(47.655)
<b>Cash Flows from Operating Activities</b>		<b>(538.572)</b>	<b>(847.879)</b>
Collection from doubtful receivables	6	5.664	-
Interest Received		167.311	88.159
Interest Paid		(104.529)	(128.051)
Taxes Paid / Reimbursed		(103.160)	(210.135)
Paid / Reversed Provisions		(261.195)	(243.834)
Paid / Reversed Lawsuit Provision	14	(26.800)	(62.323)
Retirement Benefits Paid	16	(48.820)	(193.887)
Cash Inflows/ (Outflows) from Financial Derivatives		(167.043)	(97.808)
<b>A. NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>6.753.989</b>	<b>4.019.394</b>
Proceeds From Sale of Property Plant and Equipment and Intangible Assets		16.864	10.988
Acquisition of Property Plant and Equipment and Intangible Assets		(2.038.446)	(3.611.139)
Change in Financial Investments		813.189	(26.168)
Interest Received	22	64.357	464.083
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(1.144.036)</b>	<b>(3.162.236)</b>
Cash Inflows from Borrowing	4	12.188.784	7.940.578
Cash outflows from Repayment of Borrowings	4	(12.861.422)	(17.124.453)
Interest Paid	4	(5.921.435)	(6.071.409)
Interest Received		561.334	2.895.916
Other Cash Inflows / (Outflows)		2.696.771	5.975.772
Cash Outflows from Lease Liabilities	4	(88.845)	(53.448)
Cash Inflows from Factoring	4	22.667	(74.571)
Dividends Paid		(967.178)	(1.910.142)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(4.369.324)</b>	<b>(8.421.757)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents before translation effect of foreign currency (A+B+C)</b>		<b>1.240.629</b>	<b>(7.564.599)</b>
D. Translation Effect of Foreign Currency on Cash and Cash Equivalents		1.165	3.247
Monetary gain on cash and cash equivalents		(2.156.223)	(7.623.050)
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C+D)</b>		<b>(914.429)</b>	<b>(15.184.402)</b>
Cash and Cash Equivalents at the beginning of the period	3	9.132.933	24.317.335
<b>Cash and Cash Equivalents at the end of the period</b>	<b>3</b>	<b>8.218.504</b>	<b>9.132.933</b>

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

# BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## 1. ORGANIZATION AND NATURE OF OPERATIONS OF THE GROUP

Brisa Bridgestone Sabancı Lastik Sanayi ve Ticaret A.Ş. ("Brisa" or "Group") was established in 1974 as a subsidiary of Hacı Ömer Sabancı Holding A.Ş.

Brisa is primarily engaged in manufacturing, marketing and selling vehicle tires in Turkey. In 1988, the Group entered into a license agreement with Bridgestone Corporation for the purpose of manufacturing and selling Bridgestone tires.

The control of the Group is jointly held by H.Ö. Sabancı Holding A.Ş. and Bridgestone Corporation.

The Group's employee headcount with indefinite-term employment contract is 3.451 (31 December 2024: 3.517). This number includes 2.555 employees who are subject to Collective Labor Agreement terms (31 December 2024: 2.606), 890 employees who are not subject to these terms (31 December 2024: 905). There are 6 foreign employees (31 December 2024: 6). In addition, there are 6 employees who are subject to definite-term employment contracts (31 December 2024: 159).

Brisa is registered with the Capital Markets Board ("CMB") and its shares have been traded on Borsa Istanbul A.Ş. since 1986. As of December 31, 2025 and December 31, 2024, the Group has 10,24% of its shares registered in Borsa Istanbul. As at December 31, 2025 and December 31, 2024, the main shareholders and their respective shareholding in the Group are as follows.

	<u>31 December 2025</u>	<u>31 December 2024</u>
	%	%
Hacı Ömer Sabancı Holding A.Ş.	43,63	43,63
Bridgestone Corporation	43,63	43,63
Other	12,74	12,74
<b>Total</b>	<b>100,00</b>	<b>100,00</b>

The address of the registered office of the Company is as follows:

Küçük Çamlıca Mahallesi Şehit İsmail Moray Sokak  
Temsis Sitesi No:2/1 Üsküdar, İstanbul

## 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

### 2.1 Basis of Presentation

#### Statement of compliance with TFRS

The accompanying consolidated financial statements have been prepared in accordance with the Turkish Financial Reporting Standards ("TFRSs") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") in accordance with the Communiqué No: II-14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") on September 13, 2013 which is published on Official Gazette No: 28676. TFRSs comprise Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TAS Interpretations and TFRS Interpretations issued by POA.

# **BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

### **2.1 Basis of Presentation (cont'd)**

#### Statement of compliance with TFRS (cont'd)

Consolidated financial statements have been presented in accordance with the formats specified in the "Announcement on TFRS Taxonomy" published by KGK on October 4, 2022, and the Financial Statement Examples and User Guide published by the SPK.

#### Going concern

The consolidated financial statements have been prepared on a going concern basis.

#### Approval of consolidated financial statements:

The consolidated financial statements for the period 1 January-31 December 2025 have been approved for issue by the Board of Directors on 27 February 2026 and signed on behalf of the Board of Directors by Vecih Yılmaz, General Manager, and Neslihan Döngel Özlem, Chief Financial Officer. The General Assembly of the Group has the right to amend, and relevant regulatory bodies have the right to request the amendment of these consolidated financial statements.

#### Measurement principles

The consolidated financial statements are prepared under the historical cost convention, except for financial investments measured at fair value through other comprehensive income and profit or loss. See Note 28 for fair value disclosures.

#### Functional currency

The financial statements of the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position are expressed in Turkish Lira ("TL"), which is the functional currency of the Group and the reporting currency for the financial statements.

#### Financial reporting in hyperinflationary economy

The consolidated financial statements and related amounts for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 "Financial Reporting in Hyperinflationary Economies".

TAS 29 applies to the financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is experiencing hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

# BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont')

### 2.1 Basis of Presentation (cont'd)

#### Financial reporting in hyperinflationary economy (cont'd)

As of the reporting date, entities operating in Turkey are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after December 31, 2023, since the cumulative change in the general purchasing power of the last three years according to the Consumer Price Index ("CPI") is more than 100%. Within the scope of the Announcement on Inflation Adjustment of Financial Statements of Companies Subject to Independent Audit published by POA on November 23, 2023, it is stated that the financial statements of the companies applying Turkish Financial Reporting Standards for the reporting period ending on or after December 31, 2023 should be presented by adjusting them for the effect of inflation in accordance with the related accounting principles in TAS 29.

Pursuant to the decision of the Capital Markets Board ("CMB") dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the periods ending on 31 December 2023.

As of 31 December 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

	<b>Index</b>	<b>Adjustment Coefficient</b>	<b>Three-years compound inflation rates</b>
<b>31 December 2025</b>	3.513,87	1,00000	%211
<b>31 December 2024</b>	2.684,55	1,30892	%291
<b>31 December 2023</b>	1.859,38	1,88981	%268

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in TL are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of 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 on the balance sheet date.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.

# **BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont')**

### **2.1 Basis of Presentation (cont'd)**

#### Financial reporting in hyperinflationary economy (cont'd)

- The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

The impact of the application of TAS 29 "Financial Reporting in Hyperinflationary Economies" is summarized below:

#### Restatement of the Statement of Financial Position

Amounts in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period. The gain or loss on the net monetary position arising on restatement of non-monetary items is recognized in profit or loss and presented separately in the statement of comprehensive income.

#### Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index. Depreciation and amortization expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

#### Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

#### Consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company. If the subsidiary is a foreign subsidiary, its restated financial statements are translated at the closing rate. When consolidating financial statements with different reporting period ends, all monetary and non-monetary items are restated in accordance with the measuring unit current at the date of the consolidated financial statements.

#### Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

# **BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

### **2.2 Changes in Significant Accounting Policies**

Accounting policy changes resulting from the first application of a new standard, if any, are applied retrospectively or prospectively in accordance with the transitional provisions. Changes that do not include any transitional provisions, optional significant changes in accounting policy, or accounting errors identified are applied retrospectively and prior period consolidated financial statements are restated.

### **2.3 Changes and Errors in Accounting Estimates**

Changes in accounting estimates are reflected in the consolidated financial statements in the current period when the change is made, if the change is related to future periods, both in the period in which the change is made and in the future period, to be taken into account in determining the net profit or loss for the period. There has been no significant change in the accounting estimates of the Group in the current accounting period. Significant accounting errors identified are applied retrospectively and prior period consolidated financial statements are restated.

### **2.4 Summary of Significant Accounting Policies**

#### Consolidation Principles

##### *Subsidiaries*

Subsidiaries are Groups over which the Group has control. Group's control: Exposure to variable returns in these Groups is provided by the power to own and direct those returns. Subsidiaries are consolidated using the full consolidation method from the date on which the control passes to the Group. They are excluded from the scope of consolidation as of the date of loss of control.

The acquisition method is used in accounting for group business combinations. The acquisition cost includes the fair value of the assets transferred at the acquisition date, the liabilities incurred by the former owners of the acquired business and the costs of equity instruments issued by the Group. Acquisition cost includes the fair value of transferred assets and liabilities arising from contingent acquisition agreements.

Identifiable assets, liabilities and contingent liabilities acquired in a business combination are measured at their fair value at the acquisition date. For each acquisition, the Group's non-controlling interests acquired are accounted for either at their fair value or at their proportional share of the Group's net assets.

**BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS  
SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

**2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.4 Summary of Significant Accounting Policies (cont'd)**

Basis of Consolidation (cont'd)

The table below shows the subsidiaries and shareholding ratios as of 31 December 2025 and 31 December 2024.

<b>Subsidiaries</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Arvento Mobil Sistemler A.Ş.	%89	%89

**2.4.1 New and Amended Turkish Financial Reporting Standards**

**a) Amendments that are mandatorily effective from 2025**

**Amendments to TAS 21 Lack of Exchangeability**

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The aforementioned standard, amendments and improvements do not have any significant effect on the Group's consolidated financial position and performance.

**b) Amendments that are mandatorily effective from 2025**

IFRS 17	Insurance Contracts
Amendments to IFRS 17	Initial Application of IFRS 17 and IFRS 9 — Comparative Information
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Power Purchase Arrangements
Annual Improvements	Annual Improvements to IFRSs – Volume 11
Amendments to IFRS 19	Subsidiaries without Public Accountability: Disclosures

# **BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.1 New and Amended Turkish Financial Reporting Standards (cont'd)**

##### **b) Amendments that are mandatorily effective from 2025 (cont'd)**

###### **IFRS 17 Insurance Contracts**

IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace IFRS 4 Insurance Contracts on 1 January 2027

###### **Amendments to IFRS 17 Insurance Contracts and Initial Application of IFRS 17 and IFRS 9 – Comparative Information**

Amendments have been made in IFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application

The amendment permits entities that first apply IFRS 17 and IFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of IFRS 17.

###### **IFRS 18 Presentation and Disclosures in Financial Statements**

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. This standard is effective from annual reporting periods beginning on or after 1 January 2027

###### **Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments**

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

###### **Amendments to IFRS 9 and IFRS 7 Power Purchase Arrangements**

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026

# BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

### 2.4 Summary of Significant Accounting Policies (cont'd)

#### 2.4.1 New and Amended Turkish Financial Reporting Standards (cont'd)

##### b) New and Revised TFRSs in issue but not yet effective (cont'd)

#### Annual Improvements to TFRSs – Volume 11

The pronouncement comprises the following amendments:

- TFRS 1: Hedge accounting by a first-time adopter
- TFRS 7: Gain or loss on derecognition
- TFRS 7: Disclosure of deferred difference between fair value and transaction price
- TFRS 7: Introduction and credit risk disclosures
- TFRS 9: Lessee derecognition of lease liabilities
- TFRS 9: Transaction price
- TFRS 10: Determination of a 'de facto agent'
- TAS 7: Cost method

Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

#### Amendments to TFRS 19 Subsidiaries without Public Accountability: Disclosures

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when TFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

#### 2.4.2 Revenue

TFRS 15 requires revenue recognition for all contracts with customers to follow the five-step approach to revenue recognition.

##### *Step 1: Identifying the contract.*

A contract exists only if it is legally enforceable, the collection of the consideration is probable, the rights to goods and services and payment terms can be identified, the contract has commercial substance; and the contract is approved, and the parties are committed to their obligations.

If either contract were negotiated as a single commercial package, or consideration in one contract depends on the other contract or goods or services (or some of the goods or services) are a single performance obligation the Company accounts the contracts as a single contract.

# **BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.2 Revenue (cont'd)**

##### ***Step 2: Identifying the performance obligations.***

The Group defines 'performance obligation' as a unit of account for revenue recognition. The Group assesses the goods or services promised in a contract with a customer and identifies as:

- (a) A performance obligation either a good or service that is distinct
- (b) Or a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer.

If the Company can define a good or service in the contract separately from other commitments in the contract and enables the customer to benefit from the good or service separately or in combination with other resources ready to use, it defines it as a different good or service.

A contract may contain promises to deliver a series of distinct goods or services that are substantially the same. At contract inception, an entity determines whether the series of goods or services is a single performance obligation.

##### ***Step 3: Determining the transaction price.***

In order to determine the transaction price, the Company assesses how much consideration it expects to be entitled to by fulfilling the contract. In arriving at the assessment, the Company considers variable elements of consideration, as well as the existence of a significant financing component.

#### **Significant financing component**

The Company revises the promised amount of consideration for the effect of a significant financing component to the amount that reflects the cash selling price of the promised good or service.

#### **Variable consideration**

The Company identifies items such as price concessions, incentives, performance bonuses, completion bonuses, price adjustment clauses, penalties, discounts, credits, or similar items may result in variable consideration if there is any in a customer contract.

##### ***Step 4: Allocating the transaction price to performance obligations.***

If distinct goods or services are delivered under a single arrangement, then the consideration is allocated based on relative stand-alone selling prices of the distinct goods or services (performance obligations). If directly observable stand-alone selling prices are not available, the total consideration in the service contracts is allocated based on their expected cost plus a margin.

##### ***Step 5: Recognition of revenue***

The Group recognizes revenue over-time if any of the following conditions is met:

- Customer simultaneously receives and consumes the benefits as the entity performs, or.
- The customer controls the asset as the entity creates or enhances it, or

# **BRİSA BRIDGESTONE SABANCI LASTİK SANAYİ VE TİCARET A.Ş AND ITS SUBSIDIARY NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of 31 December 2025, unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.2 Revenue (cont'd)**

- Group's performance does not create an asset for which the entity has a use; and alternative there is a right to payment for performance to date.

For each performance obligation that is satisfied over time, an entity selects a single measure of progress, which depicts the transfer of control of the goods or services to the customer. The Group uses a method that measures the work performed reliably.

The Group uses costs incurred to measure the progress towards completion of the project where the input method is used and uses units transferred to measure the progress towards completion of the project where the output method is used.

If a performance obligation is not satisfied over time, then the Group recognizes revenue at the point in time at which it transfers control of the good or service to the customer.

In cases where the costs to be incurred by the Group to fulfill its obligations under the contract exceed the economic benefits expected to be obtained under the contract in question The Group recognizes a provision in accordance with TAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

#### **Contract modifications.**

The Company recognizes a contract modification as a separate contract if the modification results in a promise to deliver additional goods or services that are distinct and an increase in the price of the contract by an amount of consideration that reflects the entity's stand-alone selling price of those goods or services adjusted to reflect the circumstances of the contract. If the goods or services are distinct, then the entity accounts for the modification as if it were a termination of the existing contract and the creation of a new contract. If the modification to the contract does not add distinct goods or services, then the entity accounts for it on a combined basis with the original contract, as if the additional goods or services were part of the initial contract.

Revenues are recognized at the time of transfer of control. Net sales represent the invoiced value of goods sold less sales returns and commissions and exclude sales taxes. When the arrangement effectively constitutes a financing transaction, 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 recognized as interest income on a time proportion basis that takes into account the effective yield on the asset.

#### **2.4.3 Inventories**

Inventories are valued at the lower cost or net realizable value. Cost elements included in inventories are expenditure incurred in acquiring the inventories, production or conversion costs, foreign currency differences of derivative financial instruments designed as hedging instrument and other costs incurred in bringing them to their existing location and condition. The cost of unproduced finished goods and semi-finished goods includes general overhead expenses in accordance with normal production capacity. The unit cost of inventories is determined on the moving weighted average basis (Note 9). Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of income/(loss) in the period the write-down or loss occurred.

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## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.2 Revenue (cont'd)**

When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

#### **2.4.4 Property, plant and equipment**

##### *(i) Recognition and measurement*

Items of property, plant and equipment are recorded at historical cost. Accordingly, items of property, plant and equipment are accounted for at cost, after deducting accumulated depreciation and impairment, if any (Note 10). Cost refers to expenses directly related to the acquisition of the relevant asset. The cost of assets constructed by the Company includes the following items:

- Material and direct labor costs.
- Costs directly attributable to making the asset operational for the Company's intended use.
- If the Company has an obligation to dispose of the asset or restore the site, the costs of dismantling or restoring its parts, relocating parts and restoring the site where it is located.
- Capitalized borrowing costs.

The purchased software is booked as part of the equipment when it is an integral element for the use of the relevant equipment.

When the parts that make up items of property, plant and equipment have different useful lives, they are booked for as separate parts (significant parts) of the items of property, plant and equipment.

Gains and losses on the disposal of a tangible asset are recognized in profit or loss.

##### *(ii) Subsequent costs*

Subsequent expenditures and expenses arising from replacing any part of items of property, plant and equipment and maintenance and repair costs can only be capitalized in cases where it is possible to transfer future economic benefits to the Company as a result of these expenditures. All other expenses are recognized in profit or loss when incurred.

##### *(iii) Depreciation*

Items of property, plant and equipment are depreciated as of the day they are available for use and for assets constructed by the Company, on the day these assets are completed and ready for use. Depreciation is calculated using the straight-line method over the estimated useful lives of the items, after deducting the estimated residual values from the costs of the items of property, plant and equipment. Depreciation is generally recognized in profit or loss unless it is included in the carrying amount of another asset.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

**2.4 Summary of Significant Accounting Policies (cont'd)**

**2.4.4 Property, plant and equipment(cont'd)**

The leased assets are depreciated over the lease term and the shorter of the useful life if the Company does not acquire ownership of the leased asset at the end of the lease with reasonable certainty. Land is not depreciated. The estimated useful lives of property, plant and equipment are as follows:

	<b>Useful Life (Years)</b>
Land and land improvement	10-20
Buildings	4-50
Machinery and equipment	3-20
Motor vehicles	5-10
Furniture and fixtures	5-10
Other	5-10

Any gain or loss from the disposal of an item of property, plant and equipment is determined by comparing the book value with the collected amounts and is recognized in profit or loss.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Normal maintenance and repair expenditures on property, plant and equipment are recognized as expenses. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Large-scale maintenance and repair expenses, including replacement parts changes and labor costs, are capitalized and depreciated over the average lifetime between the next large-scale maintenance.

**2.4.5 Intangible assets**

Intangible assets include acquired rights, software, licenses, development costs and other identifiable rights. Intangible assets are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method (Note 12).

	<b>Useful Life (Years)</b>
Capitalized development costs	5-10
Rights	5
Other intangible assets	3-10
Customer Contracts	6

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.5 Intangible assets (Cont'd)**

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### ***Research and development***

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses.

#### **2.4.6 Cash and cash equivalents**

Cash and cash equivalents are reflected in the balance sheet with their cost values. Cash and cash equivalents include cash on hand, bank deposits and short-term, highly liquid investments with a definite amount, easily convertible into cash, with an insignificant risk of change in value and with a maturity of 3 months or less (Note 3). In cases where cash and cash equivalents are not impaired for any reason, the Group calculates impairment using the expected credit loss model.

The Group presents the deposits with a maturity of more than 3 months as financial investments in the statement of financial position. Currency Protected TL Time Deposit Account is a deposit product that provides foreign exchange protection in case of higher interest rates at the end of the maturity date of TL-sized USD and Euro exchange rates. Currency protection deposit accounts are accounted for as financial assets at fair value through profit or loss.

#### **2.4.7 Trade Receivables**

Trade receivables that are created by the Group by way of providing goods or services directly to a debtor are carried at amortized cost. Short-term receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant. A credit risk provision for trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception. In cases where the trade receivables are not impaired for certain reasons, the Group measures the expected credit loss provision from an amount equal to lifetime expected credit losses. In calculating the expected credit losses, the dealer and customer rating model is taken into consideration, which includes past credit loss experiences and the Group's future forecasts.

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.7 Trade Receivables (cont'd)**

Those with maturities greater than 1 year are classified as non-current assets. If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited as income (Note 6).

#### **2.4.8 Maturity difference finance charges / (expenses)**

Maturity difference charges /(expenses) represent the income / (expenses) that are resulting from credit purchase or sales. These income / (expenses) are considered as income and expenses which result from credit purchase or sales during the period and included in other operating income / (expense) throughout the maturity period.

#### **2.4.9 Taxes on income**

Income tax expense consists of the sum of period tax and deferred tax. Income tax is recognized in profit or loss other than those associated with business mergers or directly with equity or other comprehensive income.

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized as temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets are recognized if it is probable that taxable profit will be generated in the future for tax advantages and deductible temporary differences, which will be sufficient to offset them in the future. Taxable profit is determined according to the Group's business plans. Deferred tax assets are reviewed at each reporting date and likely future taxable profits deferred tax asset recognized on previously not being limited to the amount that would be recognized.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

**2.4 Summary of Significant Accounting Policies (cont'd)**

**2.4.9 Taxes on income (cont'd)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss whether in other comprehensive income or directly in equity.

**2.4.10 Borrowings and borrowing costs.**

Borrowings are recognized initially at the proceeds received; net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method. Any difference between proceeds, net of transaction costs, and the redemption value is recognized in the income statement as financial expense over the period of the borrowings.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset in the period in which the asset is prepared for its intended use or sale. All other borrowing costs are charged to the income statement when they are incurred (Note 4).

**2.4.11 Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method (Note 6).

Those with maturities greater than 1 year are classified as non-current liabilities.

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.12 Foreign currency transactions**

The financial statements are presented in Turkish Lira ("TL"), which is the functional currency and the presentation currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss statement except when deferred in other comprehensive income according to effectiveness as qualifying cash flow hedges.

Foreign currency differences related with borrowings and cash and cash equivalents are recognized in the financial income / (expense), whereas foreign currency differences related with other monetary assets and liabilities are recognized in the other operating income/(expense) in the statement of profit or loss.

#### **2.4.13 Provisions, contingent assets and liabilities**

Provisions are recognized when the Group has a present legal constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate used to calculate the present value of the provision should be pre-tax rate reflecting the current market assessments of the time value of money and the risks specific to the liability. The discount rate shall not reflect the risks for which future cash flow estimates have been adjusted.

When all or part of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Contingent liabilities are assessed on an ongoing basis to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item that is treated as a contingent liability, the contingent liability is recognized as a provision in the financial statements of the period in which the change in probability occurs, except where no reliable estimate can be made.

An asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity is recognized as a contingent asset. A contingent asset is disclosed in the notes to the financial statements if it is probable that an inflow of resources embodying economic benefits will arise.

The Group discloses a contingent liability when it becomes probable that an outflow of resources embodying economic benefits will be required to settle the obligation, but no reliable estimate can be made of the amount of the obligation.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

**2.4 Summary of Significant Accounting Policies (cont'd)**

**2.4.14 Employee Benefits**

*Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

*Vacation pays liability*

In accordance with the existing labor law in Turkey, the Company is required to pay to the employee, whose employment is terminated due to any reasons, the wage of the deserved and unused vacation days over the gross prevailing wage and other benefits subject to contract at the date the contract is terminated. Unused leave provision is the earned and unused vacation rights of its employees of the Company, and measured on an undiscounted basis and are recognized in profit or loss as the related service is provided.

*Long-term employee benefits*

In accordance with the current labor law in Turkey, the Group is obliged to pay certain amounts to employees who have completed 1 year who quit their jobs for reasons such as retirement, military service or death. The provision for severance pays represents the present value of the Group's estimated probable future liability in the event of the retirement of its employees. The provision for severance pays is calculated as if all employees would be subject to such payment and is reflected in the financial statements on an accrual basis. The provision for severance pays is calculated according to the severance pay ceiling announced by the government. As explained in Note 16, the management of the Group used some estimates in the calculation of the provision for severance pay.

All actuarial gains and losses are accounted under the other comprehensive income.

**2.4.15 Share Capital**

Ordinary shares are classified as equity. Dividends payables are recognized in the financial statements as a result of profit distribution in the period in which they are declared.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.16 Earnings per share**

Earnings per share disclosed in the income statement are determined by dividing net income excluding net income attributable to redeemed shares by the weighted average number of shares outstanding during the period concerned.

In Turkey, companies can increase their share capital through a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported (Note 25).

#### **2.4.17 Related Parties**

a) A person or a member of that person's close family is related to the Company in the following cases:

- (i) Having control or joint control over the company,
- (ii) In case of having significant influence over the Company,
- (iii) In case of being a member of the Company of Company's main ownership's key management personnel.

b) If any of the following conditions are met, the entity is counted as related with the Company:

- (i) In case of, Entity and the Company are members of the same group.
- (ii) In case of entity is another company's subsidiary or joint venture (or in case of a membership of a groups' member)
- (iii) In case of both the companies having a business partnership with the same third party,
- (iv) One of the companies having a business partnership with a third party and the other company is a subsidiary of that third party,
- (v) In case of having Entity's, Company's or the associated Company's employees having a post-employment defined benefit plans (In case of Company has such a plan, the sponsoring companies are also related with the Company).
- (vi) Company's control or jointly controlled by a person identified in the article (a),
- (vii) A person who is identified as in (a) article, at (i) part, in the presence of a significant impact on a person's business or such entity (or of a parent of these businesses) in the case of being a member of the key management personnel.

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.17 Related Parties (cont'd)**

In terms of these consolidated financial statements, the partners, Hacı Ömer Sabancı Holding A.Ş. Group companies, Bridgestone Corporation Group companies, the Group's senior management staff, their families and companies controlled by or affiliated with them, affiliates and partnerships are considered and expressed as related parties. The Group has determined the senior management staff as the members of the board of directors and the executive board (Note 26).

#### **2.4.18 Financial instruments**

##### **I. Recognition and initial measurement**

The Group records its trade receivables on the date they are incurred. The Group recognizes all other financial assets and liabilities only and only on the date of the transaction in which it becomes a party to the contractual terms of the financial instrument.

In the initial measurement of financial assets (other than trade receivables that do not have a significant financing component) and financial liabilities other than those at fair value through profit or loss, the transaction costs directly attributable to their acquisition or issuance are added to the fair value. Trade receivables that do not have a significant financing component are measured at the transaction price at initial recognition.

##### **ii. Classification and subsequent measurement**

On initial recognition, a financial instrument is classified as specified; measured at amortized cost; Those measured at fair value through other comprehensive income - investments in debt instruments, those measured at fair value on other comprehensive income - investments in equity instruments or those measured at fair value through profit or loss.

After initial recognition, financial instruments are not reclassified unless the Group changes the business model used for the management of financial assets.

Financial assets are not reclassified after initial recognition unless the Group changes its business model to manage the financial assets. In this case, all affected financial assets are reclassified on the first day of the first reporting period following the change in business model.

A financial asset is measured at amortized cost if both of the following conditions are met, and it is not classified as fair value ("VAR") at profit or loss:

- Holding the financial asset under a business model aimed at collecting contractual cash flows; and
- The contractual terms of the financial asset give rise to cash flows on specified dates that include only payments of principal and interest on the principal balance.

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met and it is not classified as at fair value through profit or loss:

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.18 Financial instruments (cont'd)**

##### **ii. Classification and subsequent measurement (cont'd)**

– Holding the financial asset under a business model aimed at collecting contractual cash flows and selling financial assets; and

– The contractual terms of the financial asset give rise to cash flows on certain dates that include only payments of principal and interest on the principal balance.

In the initial recognition of investments in equity instruments that are not held for trading, an irrevocable choice may be made to present subsequent changes in fair value in other comprehensive income. The choice of this preference can be made on the basis of each investment.

All financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. These include all derivative financial assets. At the initial recognition of financial assets, a financial asset is irreversibly recognized at fair value, provided that it eliminates or significantly reduces an accounting mismatch that would result from measuring financial assets differently and recognizing gains or losses on them differently, or can be defined as measured through loss.

##### ***Financial assets - Evaluation of the business model***

The Group considers the purpose of holding a financial asset at the portfolio level so that its business model best reflects the way assets are managed and the information provided to management. The information covered includes:

- Policies and targets set for the portfolio and the use of these policies in practice. These include whether management's strategy focuses on generating contractual interest income, continuing to enjoy a specified interest rate, matching the maturity of financial assets with the maturity of the liabilities funding those assets, or realizing cash flows through the sale of assets.
- The business model and how the performance of financial assets held within the scope of the business model is reported to the Group management.
- Risks affecting the performance of the business model (financial assets held under the business model), and in particular the way these risks are managed.
- How the additional payments to business managers are determined (for example, whether the bonuses are based on the fair value of the assets managed or the contractual cash flows collected) and the frequency, value, timing and reason for sales in prior periods and future sales prospects.
- The frequency, value, timing and reason for sales made in previous periods and future sales expectations.

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## 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

### 2.4 Summary of Significant Accounting Policies (cont'd)

#### 2.4.18 Financial instruments (cont'd)

##### ii. Classification and subsequent measurement (cont'd)

Transfers of financial assets to third parties in transactions that are not eligible for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of its assets in its consolidated financial statements.

Financial assets held for trading or managed on a fair value basis and whose performance is evaluated on this basis are classified as measured at fair value through profit or loss.

***Financial assets – Evaluate whether there are contractual cash flows that include only principal and interest payments on the principal balance:***

For the purposes of this assessment, the principal is the fair value of the financial asset at initial recognition in the consolidated financial statements. Interest: It consists of the time value of money, the credit risk of the principal balance for a given time period, other key lending risks and costs (for example, liquidity risk and management costs), and the profit margin.

In assessing whether the contractual cash flows are only contractual cash flows that include payments of principal and interest on the principal balance, the Group relies on the characteristics of the contractual cash flows. This assessment requires evaluating whether the financial asset contains contractual terms that change the timing or amount of contractual cash flows so that they do not meet this condition. In making this assessment, the Group considers the following:

- Any contingent event (i.e., a triggering event) that could change the timing or amount of the contractual cash flows.
- Terms that adjust the contractual coupon rate, including variable rate features.
- Features that allow early payment and extend the maturity.
- Terms that restrict the Group's contractual rights to receive cash flows from certain assets (for example, non-recourse).

The prepayment feature is consistent with the criterion of paying only principal and interest on the principal balance if, where the contract is terminated prematurely, prepaid amounts that include reasonable consideration substantially reflect the outstanding amount of principal and interest on the principal balance.

In addition, if (i) the financial asset is received at a premium or discount to its contractual face value, (ii) the prepaid amounts, including a reasonable surcharge if the contract is terminated prematurely, substantially reflect the contractual face value and accrued (but unpaid) interest. and (iii) if the fair value of the prepayment feature is immaterial at initial recognition, it is considered to meet this criterion.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

**2.4 Summary of Significant Accounting Policies (cont'd)**

**2.4.18 Financial instruments (cont'd)**

**ii. Classification and subsequent measurement (cont'd)**

***Financial assets – Subsequent measurement and gains or losses:***

***Financial assets measured at fair value through profit/loss***

These assets are measured at their fair value in subsequent measurements. Net gains and losses related to them, including any interest or dividend income, are recognized in profit or loss. For derivatives defined as hedging instruments, see section (v) below.

***Financial assets measured at amortized cost***

These assets are subsequently measured at amortized cost using the effective interest method. Amortized costs, if any, are reduced by the number of impairment losses. Interest income, foreign currency gains and losses and impairments are recognized in profit or loss. Gains or losses resulting from their derecognition are recognized in profit or loss.

***Financial liabilities – Classification, subsequent measurement and gains and losses***

Financial liabilities are classified as measured at amortized cost and at fair value through profit or loss.

A financial liability is classified as at fair value through profit or loss if it meets the definition of held for trading. A financial liability is classified as a financial liability held for trading if it is a derivative or designated as such at initial recording. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including interest income, are recognized in profit or loss.

Other financial liabilities, after initial recognition, are measured at effective interest rates and amortized cost values of future principal and interest cash flows, less any impairment. Interest expenses and foreign exchange differences are recognized in profit or loss. Gains or losses resulting from derecognition of these liabilities are recognized in profit or loss. For derivatives defined as hedging instruments, see section (v) below.

**iii. Financial derecognition**

***Financial assets***

When the contractual rights to the cash flows related to the financial asset expire, or when the Group transfers substantially all the risks and rewards of ownership of the financial asset, or when it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, derecognizes the financial asset if it does not continue to have control over the financial asset.

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.18 Financial instruments (cont'd)**

##### **iii. Financial derecognition (cont'd)**

If the Group continues to retain substantially all the risks and rewards of ownership of a financial asset, it continues to recognize the financial asset in the statement of financial position.

##### ***Financial liabilities***

The Group derecognizes financial liability and only when the liability for the liability is eliminated or canceled. In addition, the Group derecognizes a financial liability in the event of a material change in the terms or cash flows of an existing financial liability. Instead, it requires the recognition of a new financial liability at its fair value based on the modified terms.

On derecognition of a financial liability, the difference between it carrying amount and the amount paid for this liability (including any non-cash assets transferred or any liabilities assumed) is recognized in the consolidated financial statements as profit or loss.

##### **iv. Offsetting of financial assets and liabilities**

The Group offsets its financial assets and liabilities and presents the net amount in its consolidated financial statements only when it has a legal right to offset, and it intends to settle the transaction on a net basis or to realize the asset and settle the liability simultaneously.

##### **v. Derivative financial instruments and hedge accounting**

TFRS 9 also includes new hedge accounting rules aimed at aligning hedge accounting with risk management practices. TFRS 9 provides the option to defer the adoption of hedge accounting of TFRS 9 and continue to apply the hedge accounting provisions of TFRS 39 in the choice of accounting policy. In this context, the Group continues to apply the hedge accounting provisions of TFRS 39.

The derivative financial instruments of the Group consist of forward foreign exchange purchase contracts and cross currency and interest swap contracts. The Group hedges its derivative financial instruments (hedging instrument) from cash flow (hedged item) risk from foreign purchases and cash flow (hedged item) risk from floating rate foreign currency loans. At the same time, time deposits are used as a hedging instrument and are used to hedge the exchange rate risk in future raw material purchases.

Derivative financial instruments are initially recorded with their fair values, and in the following periods, fair value is calculated separately for each derivative financial instrument. The accounting method of the resulting profit or loss varies depending on whether the related derivative transaction is for hedging purposes and, if so, the content of the hedged item.

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## 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

### 2.4 Summary of Significant Accounting Policies (cont'd)

#### 2.4.18 Financial instruments (cont'd)

##### iii. Financial derecognition (cont'd)

The Group documents the relationship between the hedging instrument and the hedged item at the transaction date, together with the Group's risk management objectives and strategies for hedging transactions. In addition, the Group regularly documents its assessment that derivative transactions used for hedging purposes can effectively offset changes in the fair value of the hedged item.

The effective portion of the fair value changes of derivative financial instruments for cash flow hedging is accounted for under equity. Gains and losses related to the inactive portion are shown directly in the income statement.

Gains and losses related to the ineffective portion of interest rate swaps for hedging the risk of floating rate debts are shown in the income statement. Gains and losses occur on hedged items (when the hedged item is a forecast transaction); Gains and losses previously recognized in equity are transferred to the profit or loss statement in the relevant period. Gains and losses related to the effective portion of cross currency and interest rate swaps for hedging the risk of floating rate debts are presented in the statement of comprehensive income (Note 4).

Hedge accounting is terminated prospectively when the hedging relationship (or part of it) no longer meets the required criteria, the hedging instrument expires, or is sold, terminated or used. If cash flow hedge accounting is discontinued, the amount accumulated in the hedge fund continues to be classified in equity until a hedged forecast transaction is recognized in the non-financial item, the cost of the hedge is included directly in the initial cost of the non-financial item or, for other cash flow hedges, the financial The cost of hedging is reclassified to profit or loss in the period or periods in which the estimated future cash flows hedged affect profit or loss.

If the estimated future cash flows that are hedged are no longer expected to occur, the amount accumulated in the hedge fund and the cost of that fund is immediately reclassified to profit or loss.

##### vi. Impairment

###### *Non-Derivative Financial instruments and contract assets*

The Group recognizes a loss allowance for expected credit losses for:

– financial and contract assets measured at amortized cost.

The Group measures the following loss allowance at the amount equal to lifetime ECLs:

-Debt instruments determined to have low credit risk at the reporting date, and

–Bank balances for which the credit risk (i.e., the risk of default over the expected life of the financial instrument) has not increased significantly since initial recognition.

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.18 Financial instruments (cont'd)**

##### **vi. Impairment (cont'd)**

###### ***Measurement of ECLs***

The ECLs are a probability-weighted estimate of credit losses over the expected life of the financial instrument. In other words, they are credit losses measured at the present value of all cash deficits (for example, the difference between the contractual cash inflows to the business and the cash flows the business expects to receive).

The Group has calculated the ECLs based on past year's credit losses experience, customers' analysis of their current financial position, and their expectations for the future. The Group performed ECL rate calculations separately for domestic customers and dealer customers. The Group makes separate assessments for export customers and other private customers and sets aside provisions when deemed necessary.

Considering the receivables remaining after the current collaterals of the dealers, their payment habits, and the credit risk score status of independent credit rating firms, the method of allocation of doubtful receivables provision has been applied.

The cash gap is the difference between the contractual cash flows to the business and the cash flows that the business expects to receive. Because expected credit losses consider the amount and timing of payments, a credit loss is incurred even if the entity expects to receive full payment later than the contractual maturity.

ECLs are discounted at the effective interest rate of the financial asset, if material.

###### ***Loan impaired financial assets***

At the end of each reporting period, the Group assesses whether financial assets measured at amortized cost are impaired. A financial asset is credit impaired when one or more events occur that adversely affect the estimated future cash flows of a financial asset.

Evidence of a financial asset's credit impairment includes the following observable data:

- The borrower or issuer is in significant financial difficulty.
- breach of contract, such as the debtor's default or 30 days past the due date of the financial instrument.
- restructuring of a loan or an advance, subject to conditions that the Group would not consider otherwise.
- The debtor is likely to go into bankruptcy or financial restructuring, or
- The disappearance of an active market for security due to financial difficulties.

###### ***Presentation of impairment***

Loss provisions for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.18 Financial instruments (cont'd)**

##### **vi. Impairment (cont'd)**

###### ***Dropout***

In the absence of reasonable expectations of a partial or total recovery of the financial asset's value, an entity reduces the gross carrying amount of the financial asset directly. A write-off is a cause for derecognition.

The Group makes an individual assessment of the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group does not anticipate any significant recovery regarding the write-off amount.

However, financial assets written off may still be subject to enforcement activities to comply with the Group's procedures for recovery of amounts due.

#### **2.4.19 Cash flow reporting**

In the cash flow statement, cash flows for the period are classified and reported based on operating, investing and financing activities. Cash flows from operating activities represent the cash flows from the Group's main activities.

Cash flows from investing activities represent the cash flows that the Group uses and generates in its investing activities (asset investments and financial investments).

Cash flows from financing activities show the resources used by the Group in financing activities and the repayments of these resources.

Cash and cash equivalents include cash, bank deposits and short-term, highly liquid investments with a maturity of 3 months or less that can be easily converted into cash (Note 3).

#### **2.4.20 Provision for warranty expense**

Provision for warranty expense is set aside for returns that may occur as a result of manufacturing defects within the next two years regarding the products sold under warranty by the Group. In addition to the general reserve, the Group has set aside a provision for the files whose files have been accepted but whose invoices have not yet been issued, which are within the scope of warranty.

#### **2.4.21 Events after the reporting period**

It represents events that occur in favor of or against the entity between the reporting date and the date of authorization for the issue of the consolidated financial statements. Events after the reporting date are divided into two:

- There is new evidence that the relevant events existed as of the reporting date; and
- There is evidence that the relevant events occurred after the reporting date (non-adjusting events after the reporting date).

The Group adjusts its consolidated financial statements in accordance with the new situation, in case there is new evidence that the said events exist as of the reporting date or if the related events occur after the reporting date and these events necessitate the restatement of the consolidated financial statements. If the said events do not require the restatement of the consolidated financial statements, the Group explains the said issues in the related footnotes.

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## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.22 Impairment of non-financial assets**

On each reporting date, the Group examines the carrying value of its tangible and intangible assets, excluding inventories and deferred tax assets, to determine if there are any signs of impairment. If such an indicator exists, the asset's recoverable amount is estimated. In order to determine the amount of impairment, the recoverable amount of the assets, if any, is estimated. Where the recoverable amount of an asset cannot be measured, the Group measures the recoverable amount of the cash-generating unit associated with the asset. If a reasonable and consistent basis of allocation is determined, Group assets are allocated to cash-generating units. Where this is not possible, Group assets are allocated to the smallest cash-generating units to determine a reasonable and consistent basis of allocation.

When the recoverable amount of an asset (or cash-generating unit) is less than it is carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. In cases where the related asset is not measured at the revalued amount, the impairment loss is recognized directly in profit/loss.

In the event that the impairment loss is reversed in subsequent periods, the carrying amount of the asset (or related cash-generating unit) is increased to correspond to the estimated amount re-updated for the recoverable amount. The increased carrying amount should not exceed the carrying amount of the asset (or related cash-generating unit) that it would have had had no impairment loss for the asset been recognized in prior periods. Unless the asset is presented at a revalued amount, the reversal of the impairment loss is recognized directly in profit or loss.

#### **2.4.23 Comparative information and restatement of prior period consolidated financial statements.**

The consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of the financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when deemed necessary and significant differences are disclosed.

#### **2.4.24 Finance income and finance expenses**

Financing income consists of interest income from bank deposits, which form part of the cycle used for financing, and foreign exchange income on financial assets and liabilities (other than trade receivables and payables). Financial expenses include interest expenses on bank loans, early collection commission expenses on credit cards and foreign exchange expenses on financial assets and liabilities (other than trade receivables and payables). Borrowing costs that are not directly attributable to the acquisition, construction or production of an asset are recognized in profit or loss using the effective interest rate.

Foreign exchange income and expenses on financial assets and liabilities (other than trade receivables and payables) are reported next in finance income or finance expenses, according to the net position of the foreign exchange movements. Foreign exchange differences and rediscount incomes on trade receivables and payables are reported under other operating income, and foreign exchange difference and rediscount expenses are reported under other operating expenses. Interest income is accounted for using the effective interest method.

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## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### **2.4.24 Finance income and finance expenses (cont'd)**

An entity that calculates interest income by applying the effective interest method to the amortized cost of a financial asset during a reporting period may consider that if the credit risk on the financial instrument improves such that the financial asset is no longer credit-impaired, and that improvement can be objectively attributed to an event (a debtor's credit rating). Calculates interest income for subsequent reporting periods by applying the effective interest rate to the gross book value.

### **2.5 Significant Accounting Estimates and Assumptions**

While preparing the consolidated financial statements, management made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the amounts of reported assets, liabilities, income and expenses. Actual amounts may vary from estimated amounts.

Estimates and associated assumptions are reviewed on an ongoing basis. Changes in estimates are accounted for prospectively.

#### ***Useful lives and goodwill impairment of tangible and intangible assets***

Tangible and intangible assets are presented with their net value less accumulated depreciation and impairment, if any. Depreciation is allocated using the straight-line method based on the useful lives of tangible and intangible assets. The useful lives and method of depreciation are based on management's best estimates, reviewed at each reporting date and adjusted if necessary (Note 10-12).

The net book value of goodwill is reviewed annually and, when deemed necessary, adjusted for permanent depreciation. Provision for impairment of goodwill is not canceled in subsequent periods (Note 13).

#### ***Expected Credit Loss***

If there is a situation that indicates that it will not be able to collect its trade receivables in line with the expected credit loss calculations, the Group creates a provision for impairment for such receivables. The Group measures the expected credit loss allowance at an amount equal to lifetime expected credit losses. In the calculation of expected credit losses, the model that includes the Group's forecasts for the future, together with the past credit loss experiences, is taken into account. (Note 6).

#### ***Fair values of derivatives and other financial instruments***

The Group calculates the fair values of financial instruments that do not have an active market, using market data, using arm's-length similar transactions, taking the fair values of similar instruments as a reference, and discounted cash flow analysis (Note 5).

#### ***Other provisions***

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle this obligation, and the amount to be paid can be reliably estimated (Note 14).

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## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**

### **2.4 Summary of Significant Accounting Policies (cont'd)**

#### ***Deferred tax asset***

As of 31 December 2024, the Group estimates that it will benefit from reduced corporate tax in the following years within the scope of incentive investment documents. However, since it is not possible to predict how long the benefit will be realized, the Group calculates for 3 predictable years. In this calculation, the deferred tax asset is recorded by taking into account the average tax rate to be paid for each year in the next 3 years including that year (Note 24).

#### ***Net realizable value***

In accordance with the accounting policy stated in Note 2.4, inventories are valued at the lower cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less than the estimated cost of completion and the estimated cost of selling necessary to make the sale.

#### ***Recovery of internally generated intangible assets***

Internally created intangible assets that arise as a result of development activities (or the development phase of an intra-Group project) are only technically feasible when these assets are ready for use or sale, the entity has the intention to complete, use or sell the asset, the ability to use or sell the asset, determine how the intangible asset will generate probable economic benefits, also have a market for the output of the intangible asset or the intangible asset itself, or if the intangible asset is usable if it is to be used internally, complete the development phase; and They are recognized when adequate technical, financial and other resources are available to use or sell the intangible asset, and the expenditure incurred on the intangible asset during development can be reliably measured.

When internally generated intangible assets cannot be recognized, they are recorded as research expenses in the period in which they are incurred. During the period, the Group management re-examined the existence of possible economic benefits of intangible fixed assets created within the company. The Group management believes that the projects will continue as expected and based on the analysis, predicts that the projects will create similar economic benefits.

Management is confident that even if the economic benefit decreases, the carrying amount of the assets can be recovered. This situation is closely monitored by the Group management and will make such adjustments when future market activities require adjustments. (Note 13).

#### ***Measurement of fair values***

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; In the absence of an active market, it refers to the most advantageous market to which the Group has access. The fair value of a liability reflects the effect of the risk of default.

The Group's various accounting policies and disclosures require determining the fair values of both financial and non-financial assets and liabilities.

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## **2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**

### **2.5 Significant Accounting Estimates and Assumptions (cont'd)**

#### ***Fair value measurement (cont'd)***

Where there is an active market, the Group measures the fair value for a financial asset or liability using the quoted price of the asset or liability in the active market. A market is considered to be active, in which asset or liability transactions occur continuously with sufficient frequency and volume to provide pricing information.

If there is no quoted price in the active market, the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of non-observable inputs. The chosen valuation technique includes all the factors that market participants would consider when pricing a transaction.

If an asset or liability measured at fair value has an offer price and a bid price, the Group measures the asset and long positions at the bid price, and liabilities and short positions at the purchase price.

At initial recognition, the best indicator of fair value is the transaction price realized (i.e. the fair value of the consideration received or paid). If the group determines at initial recognition that fair value differs from the transaction price, and the fair value is not proven based on a quoted price in an active market for the same asset or liability or a valuation technique using unobservable inputs, the financial instrument is initially measured at fair value if it is immaterial. It is measured at fair value and adjusted to defer the difference between fair value and transaction price. Following initial recognition, it is recognized in profit or loss on an appropriate basis over the life of the financial instrument. However, recognition in profit or loss continues as long as the valuation is fully supported by observable market data or until the time the transaction is closed.

The evaluation team regularly reviews unobservable data and evaluation corrections. If third-party information, such as intermediary quoted prices or pricing services, is used to measure fair value, the evaluation team must evaluate the results of evaluating information obtained from third parties in accordance with the requirements of TFRS, including at what level in the fair valuation hierarchy fair valuations should be classified. reviews to support compliance outcome.

Significant assessment matters are reported to the Group's Audit Committee.

When measuring the fair value of an asset or liability, the Group uses market-observable information whenever possible. Fair valuations are classified into different levels in the fair valuation hierarchy determined based on the information used in the valuation techniques specified below.

**Level 1:** At the quoted (unadjusted) price in active markets for identical assets or liabilities.

**Level 2:** Data that is directly (through prices) or indirectly (derived from prices) observable data in terms of assets or liabilities, other than recorded prices in Level 1; and.

**Level 3:** Data on assets or liabilities that are not based on observable market data (non-observable data).

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**2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**

**2.5 Significant Accounting Estimates and Assumptions (cont'd)**

***Fair value measurement (cont'd)***

If the information used to measure the fair value of an asset or liability can be classified to a different level of the fair valuation hierarchy, that fair valuation is classified to the same level of the fair valuation hierarchy that includes the smallest information that is significant to the overall measurement.

The Group recognizes transfers between levels in the fair valuation hierarchy at the end of the reporting period in which the change occurs.

Further information on the assumptions used in making fair valuation measurements is set out in the following notes: (Note 5 – Derivative instruments)

**2.6 Reporting by Division**

The Group is engaged in the production of radial, passenger car, pickup truck, minibus, truck, bus tires and tread rubber, as well as the sales of radial and conventional construction equipment tires, various inner tubes and columns, and the sale of mixtures. On March 1, 2022, the Group acquired Arvento M2M Elektronik Sistemler Sanayi Ticaret A.Ş. ("Arvento"), which operates in the field of vehicle tracking and fleet management. The effect of Arvento on the consolidated financial statements of the Group as of 31 December 2025 is limited. Therefore, in line with the managerial approach, the Group's operations are considered as a single operating segment as of 31 December 2025 and the Group's operating results, the determination of the resources to be allocated to this activity and the examination of the performances of these activities are evaluated within this framework.

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**3. CASH AND CASH EQUIVALENTS AND FINANCIAL INVESTMENTS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash on hand	21	1
Cash at banks	8.220.559	9.136.120
Demand deposits	1.078.160	721.457
Time deposits	2.291.004	3.215.582
Credit cards slip receivables	4.851.395	5.199.081
Investment Funds (*)	13	-
<b>Total cash and cash equivalents</b>	<b>8.220.580</b>	<b>9.136.121</b>
Interest accruals	<b>(2.076)</b>	<b>(3.188)</b>
<b>Cash and cash equivalents in the cash flow statement</b>	<b>8.218.504</b>	<b>9.132.933</b>

(\*) The Group uses Money Market Fund (Liquid Fund) traded in TEFAS as an investment fund.

The nature and extent of the risks on cash and cash equivalents are described in Note 27. Demand deposits comprise collections from direct debiting system (DDS) and cheques kept under current accounts based on agreements made with banks. Credit card slip receivables contain POS balances which have less than three months' maturity.

**Financial Investments**

Currency-protected deposit accounts are a financial asset with cash flows that include principal and interest or dividends, but they also show a derivative product feature as these cash flows may change depending on the change in exchange rates. Therefore, currency protected deposit accounts are treated as hybrid contracts and accounted for as financial assets whose fair value is recognized in profit or loss in line with the provisions of TFRS 9 regarding mixed contracts. Changes in the fair value of currency-protected deposit accounts are accounted for under "Income/Expense from Investing Activities" in the Statement of Profit or Loss and Other Comprehensive Income.

The details of short-term financial investments:

<b>Current Assets</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Currency protected deposits (*)	-	697.755
Eurobond	1.728.547	1.856.973
Other	17.283	10.532
	<b>1.745.830</b>	<b>2.565.260</b>

(\*) The Group presents deposits with maturities over 3 months and currency protected deposits as financial investments. The Group classifies its venture capital fund, Eurobond, and currency protected deposits in cash flows from investing activities in the cash flow statement.

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**4. FINANCIAL BORROWINGS**

	31 December 2025		31 December 2024	
	Weighted average interest rate %	TL	Weighted average interest rate %	TL
Short-term TL bank borrowing	31,11	5.430.229	48,00	2.381.877
Short-term TL sukuk issuances	38,33	1.565.678	45,79	1.741.885
Short-term bank factoring liabilities	-	66.536	-	43.869
Short term leasing liabilities	-	21.424	-	16.302
<b>Short-term borrowings</b>		<b>7.083.867</b>		<b>4.183.933</b>
Short-term portion of long-term TL bank borrowings	35,22	2.092.313	49,50	4.129.847
Short-term portion of long-term TL bond issuances	41,65	1.001.900	32,00	1.824.021
Short-term portion of long-term EUR bank borrowings	7,15	2.590.746	7,15	168.752
Short-term portion of long-term USD bank borrowings (*)	2,55	122.086	4,95	1.546.420
Short-term portion of long-term lease liabilities (*)	-	25.706	-	25.597
		<b>5.832.751</b>		<b>7.694.637</b>
<b>Total short-term borrowings</b>		<b>12.916.618</b>		<b>11.878.570</b>
Long-term TL bank borrowings	36,32	2.700.851	43,68	2.439.592
Long-term TL bond issuances	-	-	52,75	832.449
Long-term EUR bank borrowings	-	-	7,15	2.293.493
Long-term USD bank borrowings (*)	-	-	2,55	109.417
Long-term lease liabilities	-	100.130	-	40.804
<b>Total long-term borrowings</b>		<b>2.800.981</b>		<b>5.715.755</b>
<b>Total financial liabilities</b>		<b>15.717.599</b>		<b>17.594.325</b>

(\*) The group has conducted cross-currency and interest rate swap transactions in order to mitigate the variable interest and foreign exchange rate risk at the time of acquisition for its long-term loans denominated in foreign currency. The values of the group's foreign currency loans in Turkish Lira may increase or decrease due to exchange rate fluctuations, and in return, the fair valuation of cross-currency swap transactions is presented under derivative assets.

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**4. FINANCIAL BORROWINGS (Cont'd)**

**Bank Loans**

The Group's net financial liability calculation is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Total financial borrowings (*)	15.570.339	17.511.622
Less: US dollar and EUR loans valuation difference due to hedging (*)	(1.079.673)	(1.393.645)
Less: Cash and cash equivalents	(8.220.580)	(9.136.121)
Less: Financial investments	(1.745.830)	(2.565.260)
<b>Net financial borrowings</b>	<b>4.524.256</b>	<b>4.416.596</b>

(\*) The Group does not include debts from lease transactions in total financial borrowings.

Transaction-cost-related loan commissions and fees netted off against the borrowings amount to TRY 315,577 under the current portion of long-term borrowings and TRY 24,620 under long-term bank borrowings (as of 31 December 2024: TRY 30,800 and TRY 14,712, respectively)

As of 31 December 2025 and 31 December 2024, all of the bank borrowings consist of unsecured loans.

Movement of financial liabilities as of 31 December 2025 and 31 December 2024 is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Opening balance	17.594.325	29.503.753
Cash inflows from borrowing	12.188.784	7.940.578
Cash outflows from borrowing	(12.861.422)	(17.124.453)
Interest expense accounted under profit or loss (Note 3)	6.681.629	7.139.853
Capitalized interest expense at tangible assets (Note 3)	68.730	216.450
Interest paid	(5.921.435)	(6.071.409)
Cash Outflows Related to Rental Agreements	(88.845)	(53.448)
Cash Inflows / (Outputs) from Factoring Transactions	22.667	(74.571)
Exchange differences	(313.972)	(1.824.986)
Other	143.427	57.495
Inflation adjustment	(1.796.289)	(2.114.937)
<b>Closing balance</b>	<b>15.717.599</b>	<b>17.594.325</b>

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**4. FINANCIAL BORROWINGS (Cont'd)**

**Bank Loans (cont'd)**

The Group has fulfilled its financial commitments as of 31 December 2025.

As of 31 December 2025, and 31 December 2024, the repayment schedule of its financial debts is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
2025	-	11.897.040
2026	13.016.719	4.570.208
2027	2.237.528	620.401
2028	314.247	335.469
2029	149.105	171.207
	<b>15.717.599</b>	<b>17.594.325</b>

**5. DERIVATIVE INSTRUMENTS**

	<b>31 December 2025</b>		<b>31 December 2024</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
Cross currency and interest rate swaps	91.268	-	405.183	-
Forward currency exchange contract	-	-	3.360	4.339
Commodity swap	-	1.678	-	906
<b>Short-term derivative transactions for which hedge accounting is applied</b>	<b>91.268</b>	<b>1.678</b>	<b>408.543</b>	<b>5.245</b>
Cross currency and interest rate swaps	700.144	-	567.051	-
<b>Long-term derivative transactions for which hedge accounting is applied</b>	<b>700.144</b>	<b>-</b>	<b>567.051</b>	<b>-</b>
	<b>791.412</b>	<b>1.678</b>	<b>975.594</b>	<b>5.245</b>

Derivative financial instruments of the Group include cross currency and interest rate swaps and forward purchase contracts and valuation differences related to these transactions are accounted for in equity accounts.

The valuation of derivative instruments is based on the market prices quoted for similar instruments at the balance sheet date.

During the current period TL 103.990 expense (31 December 2024: TL 70.109 expense) has been recorded in the profit or loss statement regarding derivative contracts maturing during the period and hedge transactions to hedge currency risk.

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**6. TRADE RECEIVABLES AND PAYABLES**

**Trade Receivables**

The details of the Group's trade receivables as of the balance sheet date are as follows:

<b>Short-term trade receivables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Account receivables	8.237.003	10.244.941
Notes receivable	220.179	177.649
Trade receivables from related parties (Note 26)	292.614	528.429
Unearned credit finance income	(443.694)	(929.145)
Doubtful receivables provision (-)	(180.183)	(225.603)
	<b>8.125.919</b>	<b>9.796.271</b>
<b>Long-term trade receivables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Account receivables	-	11.706
Doubtful receivables provision (-)	-	(11.706)
	-	-

Trade receivables include the non-collected amounts arising from the Group's sale of finished goods and merchandise.

As of 31 December 2025, and 31 December 2024, trade receivables from unrelated parties have an average maturity of 54 and 62 days, respectively, and are discounted using an average of 37,82% and 45,51% interest rates.

As of 31 December 2025, trade receivables amounting to TL 385.322 (31 December 2024: TL 528.449) from non-related parties are not considered doubtful even though they are overdue.

As of 31 December 2025, guarantees amounting to TL 289.379 have been received from non-related parties for overdue receivables (31 December 2024: TL 46.058).

The aging table of overdue receivables from third parties as of December 31, 2025, and December 31, 2024 is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Between 0-1 month	305.020	423.857
Between 1-3 month	68.278	90.672
Between 3-12 month	12.024	13.920
	<b>385.322</b>	<b>528.449</b>

The allowance for doubtful receivables is determined based on past experiences of collection of receivables and risk rating matrix developed for the expected credit loss computation.

Movements in provision for doubtful receivables are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Opening balance as of January 1	237.309	451.600
Doubtful receivables exchange difference	9.004	8.604
Additional provision / (cancellation)	(4.996)	(84.604)
Collections	(5.664)	-
Inflation impact	(55.470)	(138.291)
Closing balance	<b>180.183</b>	<b>237.309</b>

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**6. TRADE RECEIVABLES AND PAYABLES (cont'd)**

**Trade Payables**

As of the balance sheet date, the Company's trade payables detail is as follows:

<b>Short-term trade payables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Trade payables	5.864.798	6.905.204
Trade payables to related parties (Note 26)	3.438.291	4.297.794
Unrealized finance expense due to credit purchases	(264.200)	(287.542)
	<b>9.038.889</b>	<b>10.915.456</b>

Trade payables mainly include non-paid amounts arising from trade purchases and ongoing expenditure.

As of 31 December 2025, and 31 December 2024, trade payables have an average maturity of 108 and 102 days, respectively, and are discounted using an average interest rate of 37.82% and 45.51%. The Group has a financial risk management policy that will ensure that all its debts are paid on time.

**7. OTHER RECEIVABLES AND PAYABLES**

**Other Receivables**

<b>Other Short-term Receivables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Due from personnel	148.666	126.333
Other receivables from related parties (Note 26)	219	481
Receivables from tax Office	21.906	20.615
Other miscellaneous receivables	27.814	32.545
	<b>198.605</b>	<b>179.974</b>

**Other Payables**

<b>Other Short-term Payables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Other payables to public authorities	162.517	178.034
Other payables to related parties (Note 26)	4.303	3.786
Deposits and guarantees taken	4.292	4.626
	<b>171.112</b>	<b>186.446</b>

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**8. INVENTORIES**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Raw materials	1.384.598	1.602.505
Materials and supplies	711.913	650.945
Semi-finished goods	489.024	518.338
Finished goods	2.163.677	1.855.376
Trade goods	682.376	767.883
Goods in transit	931.894	1.506.455
Less: Impairment of inventory	(146.488)	(119.287)
	<b>6.216.994</b>	<b>6.782.215</b>

As of December 31, 2025, and 2024, the movement table regarding inventory impairment is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Opening balance	119.287	157.355
Period charge / (cancellation) (*)	27.201	(38.067)
Closing balance	<b>146.488</b>	<b>119.288</b>

(\*) It is expensed in the cost of goods sold.

**9. PREPAID EXPENSES AND DEFERRED INCOME**

<b>Short-term Prepaid Expenses</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Prepaid expenses	323.904	346.033
Order advances given	97.774	142.593
Advances given to personnel	1.420	3.279
Advances given to dealers	-	718
	<b>423.098</b>	<b>492.623</b>

<b>Long-term Prepaid Expenses</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Prepaid expenses	45.984	60.080
Advances given for fixed assets	50.069	102.737
	<b>96.053</b>	<b>162.817</b>

<b>Short-term Deferred Income</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Advances receivables	199.807	79.548
Deferred income	322.027	311.678
	<b>521.834</b>	<b>391.226</b>

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**10. PROPERTY, PLANT AND EQUIPMENT**

	<b>1 January 2025</b>	<b>Additions</b>	<b>Transfers (*)</b>	<b>Disposals</b>	<b>31 December 2025</b>
<b>Cost</b>					
Land and land improvement	866.415	-	-	-	866.415
Buildings	10.076.278	53.816	927.122	-	11.057.216
Machinery and equipment	32.503.632	152.167	2.018.811	-	34.674.610
Motor vehicles	565.976	24.984	37.857	(8.125)	620.692
Furniture and fixtures	2.346.720	83.362	16.129	(1.412)	2.444.799
Other fixed assets	1.786.626	46.965	-	(193.486)	1.640.105
Construction in progress	2.375.110	2.434.870	(3.413.533)	-	1.396.447
	<b>50.520.757</b>	<b>2.796.164</b>	<b>(413.614)</b>	<b>(203.023)</b>	<b>52.700.284</b>
<b>Accumulated depreciation</b>					
Land and land improvement	304.758	33.640	-	-	338.398
Buildings	3.775.247	232.799	-	-	4.008.046
Machinery and equipment	19.125.921	1.872.839	-	-	20.998.760
Motor vehicles	249.519	81.457	-	(2.707)	328.269
Furniture and fixtures	1.567.545	203.167	-	(692)	1.770.020
Other fixed assets	1.092.155	140.866	-	(178.608)	1.054.413
	<b>26.115.145</b>	<b>2.564.768</b>	<b>-</b>	<b>(182.007)</b>	<b>28.497.906</b>
<b>Net book value</b>	<b>24.405.612</b>	<b>231.396</b>	<b>(413.614)</b>	<b>(21.016)</b>	<b>24.202.378</b>

(\*) In the current period, TL 413.614 has been transferred to intangible assets. (31 December 2024: 287.419 TL). Transfers realized in the current period are investments in buildings, machinery, and fixtures in Aksaray and Izmit factories, whose investments continue.

For the period ended 31 December 2024, depreciation expenses amounting to TL 2.149.341 is charged to cost of goods sold, TL 398 is charged to research and development expenses, TL 289.172 is charged to marketing expenses, TL 98.157 is charged to general administrative expenses, TL 6.225 is charged to inventories and TL 21.475 is charged to capitalized development expenses.

The amount of borrowing costs capitalized during the period is TL 68.730 (31 December 2024: TL 216.450).

As of December 31, 2025, there is no mortgage on property, plant and equipment and intangible assets (31 December 2024: None).

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**10. PROPERTY PLAN AND EQUIPMENT (Cont'd)**

	<b>1 January 2024</b>	<b>Additions</b>	<b>Transfers (*)</b>	<b>Disposals</b>	<b>31 December 2024</b>
<b>Cost</b>					
Land and land improvement	866.415	-	-	-	866.415
Buildings	9.881.747	20.760	173.771	-	10.076.278
Machinery and equipment	30.554.937	280.218	1.668.986	(509)	32.503.632
Motor vehicles	458.355	40.066	73.804	(6.249)	565.976
Furniture and fixtures	2.278.420	54.708	13.898	(306)	2.346.720
Other fixed assets	1.790.281	70.527	3	(74.182)	1.786.629
Construction in progress	969.213	3.623.775	(2.217.881)	-	2.375.107
	<b>46.799.368</b>	<b>4.090.054</b>	<b>(287.419)</b>	<b>(81.246)</b>	<b>50.520.757</b>
<b>Accumulated depreciation</b>					
Land and land improvement	271.118	33.640	-	-	304.758
Buildings	3.562.634	212.613	-	-	3.775.247
Machinery and equipment	17.333.853	1.792.577	-	(509)	19.125.921
Motor vehicles	182.897	69.199	-	(2.577)	249.519
Furniture and fixtures	1.364.273	203.464	-	(192)	1.567.545
Other fixed assets	1.010.917	153.454	-	(72.216)	1.092.155
	<b>23.725.692</b>	<b>2.464.947</b>	<b>-</b>	<b>(75.493)</b>	<b>26.115.145</b>
<b>Net book value</b>	<b>23.073.676</b>	<b>1.625.107</b>	<b>(287.419)</b>	<b>(5.753)</b>	<b>24.405.612</b>

For the period ending on 31 December 2024, TL 1.975.987 of depreciation expenses belong to cost of goods sold, TL 1.681 to research and development expenses, 298.284 TL to marketing expenses, 156.271 TL to general administrative expenses, TL 6.844 is included in stocks and TL 25.880 is included in capitalized development expenses.

**11. RIGHT OF USE ASSETS**

	<b>1 January 2025</b>	<b>Additions</b>	<b>Disposals</b>	<b>31 December 2025</b>
<b>Cost</b>				
Buildings	221.575	43.737	-	265.312
Motor vehicles	231.730	115.764	-	347.494
Rights	16.624	-	-	16.624
	<b>469.929</b>	<b>159.501</b>	<b>-</b>	<b>629.430</b>
<b>Accumulated Depreciation</b>				
Buildings	169.968	49.312	-	219.280
Motor vehicles	139.545	61.950	-	201.495
Rights	16.624	-	-	16.624
	<b>326.137</b>	<b>111.262</b>	<b>-</b>	<b>437.399</b>
<b>Net book value</b>	<b>143.792</b>	<b>48.239</b>	<b>-</b>	<b>192.031</b>

For the period ended December 31, 2025, TL 5.588 of depreciation expenses are included in the cost of goods sold, TL 23.181 in research and development expenses, TL 9.533 in marketing expenses, TL 72.960 in general administrative expenses.

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**11. RIGHT OF USE ASSETS (Cont'd)**

	1 January 2024	Additions	Disposals	31 December 2024
<b>Cost</b>				
Buildings	183.160	38.415	-	221.575
Motor vehicles	204.661	48.025	(20.956)	231.730
Rights	16.624	-	-	16.624
	<b>404.445</b>	<b>86.440</b>	<b>(20.956)</b>	<b>469.929</b>
<b>Accumulated Depreciation</b>				
Buildings	129.091	40.877	-	169.968
Motor vehicles	92.358	68.143	(20.956)	139.545
Rights	16.624	-	-	16.624
	<b>238.073</b>	<b>109.020</b>	<b>(20.956)</b>	<b>326.137</b>
<b>Net book value</b>	<b>166.372</b>	<b>(22.580)</b>	<b>-</b>	<b>143.792</b>

For the period ended December 31, 2024, TL 3.720 of depreciation expenses are included in the cost of goods sold, TL 19.007 in research and development expenses, TL 8.841 in marketing expenses, 77.552 in general administrative expenses.

**12. INTANGIBLE ASSETS**

	1 January 2025	Additions	Transfers	Disposals	31 December 2025
<b>Costs</b>					
Capitalized development costs	2.262.938	42.383	373.783	-	2.679.104
Customer contracts and relations	553.194	-	-	-	553.194
Trademark	108.500	-	-	-	108.500
Rights	553.361	4.347	3.773	-	561.481
Other intangible assets	1.032.535	20.986	36.058	-	1.089.579
	<b>4.510.528</b>	<b>67.716</b>	<b>413.614</b>	<b>-</b>	<b>4.991.858</b>
<b>Accumulated Depreciation</b>					
Capitalized development costs	1.319.461	332.972	-	-	1.652.433
Customer contracts and relations	259.426	92.199	-	-	351.625
Rights	525.955	6.704	-	-	532.659
Other intangible assets	829.274	91.251	-	-	920.525
	<b>2.934.116</b>	<b>523.126</b>	<b>-</b>	<b>-</b>	<b>3.457.242</b>
	<b>1.576.412</b>	<b>(455.410)</b>	<b>413.614</b>	<b>-</b>	<b>1.534.616</b>

For the period ended 31 December 2025, amortization expenses amounting to TL 389.768 is in cost of goods sold, TL 14 to research and development expenses, TL 14.446 to marketing expenses, TL 118.761 to general administrative expenses and TL 137 to capitalized development expenses.

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**12. INTANGIBLE ASSETS (Cont'd)**

	<b>1 January 2024</b>	<b>Additions</b>	<b>Transfers</b>	<b>Disposals</b>	<b>31 December 2024</b>
<b>Costs</b>					
Capitalized development costs	1.997.492	38.094	227.352	-	2.262.938
Customer contracts and relations	553.194	-	-	-	553.194
Trademark	108.500	-	-	-	108.500
Rights	529.509	13.152	10.700	-	553.361
Other intangible assets	940.715	42.453	49.367	-	1.032.535
	<b>4.129.410</b>	<b>93.699</b>	<b>287.419</b>	<b>-</b>	<b>4.510.528</b>
<b>Accumulated Depreciation</b>					
Capitalized development costs	1.004.567	314.894	-	-	1.319.461
Customer contracts and relations	166.975	92.451	-	-	259.426
Rights	521.739	4.216	-	-	525.955
Other intangible assets	726.721	102.553	-	-	829.274
	<b>2.420.002</b>	<b>514.114</b>	<b>-</b>	<b>-</b>	<b>2.934.116</b>
<b>Net book value</b>	<b>1.709.408</b>	<b>(420.415)</b>	<b>287.419</b>	<b>-</b>	<b>1.576.412</b>

For the period ended 31 December 2024, amortization expenses amounting to TL 377.042 is in cost of goods sold, TL 32 to research and development expenses, TL 117.712 to marketing expenses, TL 119.170 to general administrative expenses and TL 158 to capitalized development expenses.

**13. GOODWILL**

The movement table of goodwill for the periods ended as of 31 December 2025 and 2024 is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Opening balance	120.373	120.373
Closing balance	<b>120.373</b>	<b>120.373</b>

**14. CONTINGENT AND LIABILITIES**

**Provisions**

<b>Other short-term provisions</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Provision for sales discount premium	31.896	82.801
Lawsuits	129.344	105.036
Warranty claims	25.596	23.686
Regulatory Fines	392.000	-
	<b>55.081</b>	<b>4.429</b>

The sales discount is the estimated portion of the premium amounts to be paid to the customers corresponding to the relevant period.

Provisions for lawsuits consist of lawsuits brought against the Group such as reemployment and work accidents.

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**14. CONTINGENT AND LIABILITIES (Cont'd)**

Provisions for penalty expenses have been recognised in accordance with the prudence principle within the scope of the investigation initiated by the Competition Authority pursuant to Article 41 of Law No. 4054 on the Protection of Competition, to determine whether the Law has been violated by undertakings operating in the production and distribution of tires in the automotive sector.

Warranty provision represents the present value of the provision amount that will be required in line with the Group's 24-month warranty program for tires. Estimates made by management are based on historical warranty expenses.

Other provisions mainly consist of advertising promotion expenses that will be invoiced in the next period.

Movements of provisions during the period are as follows:

	<b>Provision for sales discount premium</b>	<b>Lawsuits</b>	<b>Warranty Claims</b>	<b>Regulatory Fines</b>	<b>Other</b>	<b>Total</b>
<b>1 January 2025</b>	82.801	105.036	23.686	-	4.429	215.952
Additions	-	80.846	7.110	392.000	51.697	531.653
Payments/reversals	(31.363)	(26.800)	-	-	-	(58.163)
Inflation impact	(19.542)	(29.738)	(5.200)	-	(1.045)	(55.525)
<b>31 December 2025</b>	<b>31.896</b>	<b>129.344</b>	<b>25.596</b>	<b>392.000</b>	<b>55.081</b>	<b>633.917</b>

	<b>Provision for sales discount premium</b>	<b>Lawsuits</b>	<b>Warranty Claims</b>	<b>Regulatory Fines</b>	<b>Other</b>	<b>Total</b>
<b>1 January 2024</b>	138.374	102.705	29.433	-	62.086	332.598
Additions	-	136.898	-	-	-	136.898
Payments/reversals	(13.040)	(62.323)	(201)	-	(38.573)	(114.137)
Inflation impact	(42.533)	(72.244)	(5.546)	-	(19.084)	(139.407)
<b>31 December 2024</b>	<b>82.801</b>	<b>105.036</b>	<b>23.686</b>	<b>-</b>	<b>4.429</b>	<b>215.952</b>

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**15. COMMITMENTS**

<b>Received Commitments</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Direct debiting system (D.B.S) limits	3.849.529	3.901.607
Letter of guarantees received	5.882.706	5.566.908
Mortgages	1.030.184	757.180
Export insurance	2.835.700	2.161.797
Domestic receivables insurance	666.679	375.796
Payment guarantees from banks	311.806	29.372
Letter of credit	134.544	226.178
Bail checks	13.850	18.129
Foreign currency blockage received as collateral	8.572	4.462
	<b>14.733.570</b>	<b>13.041.429</b>

Bank letters of guarantee, guarantee checks and notes are available for the advances given by the Group in return for the purchase of goods and services from its suppliers.

The Group has letters of guarantee received to minimize customer credit risk in forward sales to its domestic customers, DBS limits allocated to customers through mortgages, promissory notes and banks, and export insurance, bank letters of guarantee and letter of credit for trade receivables from foreign customers, as required by credit risk management.

The total guarantee amounts obtained by the Group from international export credit insurance institutions, in order to enable open-account and deferred sales to its overseas customers, are presented as export credit insurance.

The total amount of guarantees that the Group has received from international export insurance companies in order to make open accounts and forward sales to its customers abroad is defined as export insurance.

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(Tüm tutarlar, Türk Lirası (TL) olarak gösterilmiştir)

**15. COMMITMENTS (Cont'd)**

The number of guarantees received within the framework of the agreement that the Group has made with domestic and international insurance companies in order to make open account and forward sales to its domestic dealers and fleet customers is defined as domestic receivables insurance

As of 31 December 2025, and 31 December 2024, the tables regarding the collateral / pledge / mortgage/ bail (“CPMB”) position of the Group are as follows.

CPMBB given by the Group	31 December 2025			31 December 2024		
	Currency	Amount	TL Equivalent	Currency	Amount	TL Equivalent
A. The legal entity that it has given on behalf of its own legal entity Total of CPMBs	TL	4.290.375	4.290.375	TL	162.604	162.604
	Avro	7.955	401.347	Avro	3.853	146.468
B. Total amount of CPMBs given in favor of subsidiaries included in the scope of full consolidation	-	-	-	-	-	-
C. For the purpose of carrying out ordinary business activities, other given by 3rd parties for the purpose of securing their debts Total amount of CPMBs	-	-	-	-	-	-
D. Total amount of other CPMBs given	-	-	-	-	-	-
i) Total amount of CPMBs given in favor of the parent company	-	-	-	-	-	-
ii) Other Group not included in the scope of items B and C Total amount of CPMBs given in favor of groups	-	-	-	-	-	-
iii) In favor of third parties not covered by Article C Total amount of CPMBs given	-	-	-	-	-	-
			<b>4.691.722</b>			<b>309.072</b>

The ratio of other CPMB's given by the Group to the Group's total equity is 0% (31 December 2024: 0%).

Except for the CPMB's given by the Group on behalf of its own legal entity, there are no CPMBs given in favor of third parties. To the customs directorates for the guarantees given by the Group, the inward processing certificate and the import transactions made within the scope of the SCT legislation; In response to the business lawsuits filed against the Group, to the enforcement offices; It consists of letters of guarantee given to various public institutions in order to participate in various tenders.

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**16. EMPLOYEE BENEFITS**

**Payables related to employee benefits**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Salaries and wages payable	97.813	99.636
Social security premiums payable	300.405	269.258
Withholding personnel income tax payable	7.906	7.732
Private pension contributions payable	7.240	7.030
	<b>413.364</b>	<b>383.656</b>

**Short-term provisions for employee benefits**

<b>Short-term liabilities</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Bonus accruals	150.492	106.234
Unused vacation pay provision	76.291	82.291
	<b>226.783</b>	<b>188.525</b>

Movements of provisions during the period are as follows:

	<b>Bonus accruals</b>	<b>Unused vacation pay provision</b>	<b>Total</b>
<b>1 January 2025</b>	106.234	82.291	188.525
Additions	220.329	128.332	348.661
Payments / Cancellations	(129.344)	(100.488)	(229.832)
Inflation impact	(46.727)	(33.844)	(80.571)
<b>31 December 2025</b>	<b>150.492</b>	<b>76.291</b>	<b>226.783</b>

	<b>Bonus accruals</b>	<b>Unused vacation pay provision</b>	<b>Total</b>
<b>1 January 2024</b>	322.740	70.990	393.730
Additions	87.394	80.213	167.607
Payments / Cancellations	(160.660)	(31.359)	(192.019)
Inflation impact	(143.240)	(37.553)	(180.793)
<b>31 December 2024</b>	<b>106.234</b>	<b>82.291</b>	<b>188.525</b>

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**16. EMPLOYEE BENEFITS (Cont'd)**

**Provision for retirement pay liability**

According to the Turkish Labor Law, the Group is responsible for those who have completed at least one year of service and retired after 25 years for men and 20 years for women (aged 58 for women, 60 for men), dismissed, called for military service or passed away. Every employee is obliged to pay severance pay.

Severance pays to be paid as of 31 December 2025 is subject to a monthly ceiling of TL 53.919,68 (31 December 2024: TL 41.828,42 ).

Severance pay liability is not legally subject to any funding. The provision for employment termination benefits is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 Employee Benefits requires the company's liabilities to be developed using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

The main assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, provisions in the accompanying financial statements as of 31 December 2025 are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees.

TAS 19 "Employee Benefits" requires actuarial valuation methods to be developed to estimate the provision for severance pay. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Discount rate (%)	3,75	3,31

The basic assumption is that the ceiling provision for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the expected effects of inflation. The Group's provision for employment termination benefits is calculated over 64.948,77 TL (1 January 2025: 46.655,43 TL) effective from 1 January 2026, since the maximum liability is adjusted every six months. As of 31 December 2025, voluntary turnover rates were 3,18% (31 December 2024: 16.67%).

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**16. EMPLOYEE BENEFITS (Cont'd)**

**Provision for retirement pay liability (cont'd)**

The movement of employee termination benefits is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
As of 1 January	749.324	909.192
Service cost	109.371	109.006
Interest cost	187.735	220.560
Payments during the year	(48.820)	(193.887)
Actuarial gain / (loss)	52.847	(1.991)
Inflation impact	(199.462)	(293.556)
As of 31 December	<b>850.995</b>	<b>749.324</b>

**17. OTHER ASSETS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Other Current Assets</b>		
Deferred VAT	92.237	27.569
Other miscellaneous current assets	13.822	20.598
	<b>106.059</b>	<b>48.167</b>

**18. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS**

**Paid-in capital and adjustment to share capital**

The company has accepted the registered capital system in accordance with the provisions of the Capital Market Law and has adopted this system with the permission of the Capital Markets Board dated 24.2.1989 and numbered 96. The registered capital ceiling of the company is 400.000.000.- (Four hundred million) TL. It is divided into 40.000.000.000 shares, each with a nominal value of 1 kr (One Kurus).

In accordance with the provisions of the Capital Markets Board's Communiqué on Registered Capital System numbered II-18.1, our Board of Directors decided to extend the validity period of the registered capital ceiling for a new five-year period to be valid for the years 2023-2027 and to increase the registered capital ceiling amount to TL 750.000.000. It has been decided to obtain the necessary permissions from the Capital Markets Board, the Ministry of Customs and Trade and other relevant institutions to amend Article 6 of the Company's Articles of Association with the title of "Capital" in order to determine.

The fully paid-up capital of the company is 305.116.875 TL (31 December 2024: 305.116.875 TL) divided into 30.511.687.500 (31 December 2024: 30.511.687.500) registered shares, each with a nominal value of 1 kr (One Kurus). All issued shares were paid in cash. The Group's shareholders and their shares in the capital as of 31 December 2025 and 2024 are as follows:

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**18. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)**

<b>Shareholders</b>	<b>(%)</b>	<b>31 December 2025</b>	<b>(%)</b>	<b>31 December 2024</b>
H.Ö. Sabancı Holding A.Ş.	43,63	133.123	43,63	133.123
Bridgestone Corporation	43,63	133.123	43,63	133.123
Other	12,74	38.871	12,74	38.871
<b>Nominal capital</b>	<b>100</b>	<b>305.117</b>	<b>100</b>	<b>305.117</b>
Adjustment to share capital (*)		10.808.153		10.808.153
<b>Total</b>		<b>11.113.270</b>		<b>11.113.270</b>

(\*) Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital restated for the effects of inflation. Adjustment to share capital is not available for any other usage except to be added to share capital.

The shares are divided into seven classes, such as (A), (B), (C), (D), (E), (F) and (G) as listed below. In case of an increase of the issued capital, new shares shall be issued for each class of shares in proportion with their share ratios in the issued capital.

<b>Share Classes</b>	<b>Numbers of Shares</b>	<b>Issued Capital Amount ( TL)</b>
A	6.865.129.687,50	68.651
B	762.792.187,50	7.628
C	762.792.187,50	7.628
D	762.792.187,50	7.628
E	10.679.090.625,00	106.791
F	3.059.101.102,00	30.591
G	7.619.989.523,00	76.200
<b>Total</b>	<b>30.511.687.500,00</b>	<b>305.117</b>

As stated in the article of association, Hacı Ömer Sabancı Foundation which owns 100 redeemed shares has privilege in profit sharing. These privileges are being computed in accordance with the article of association. There are no privileges for shares other than that.

**Share premium**

Share premium which is considered as a part of capital results from equity movements such as cancelled shares and gains on the sales of shares. As at 31 December 2025, The Company's share premium in the financial statements is TL 115 (31 December 2024: TL 151).

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**18. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)**

**Restricted reserves and retained earnings**

Restricted reserves are reserves which are reserved for specific purposes other than law or contractual obligations or dividend payments. These reserves are presented as the same amount in the Group's statutory books and differences arising preparing the financial statements in accordance with TFRS are associated with prior years' profit or losses.

Pursuant to Article 519 of the TCC, 5% of the annual commercial profit reaches 20% of the paid-in capital as the first-order general legal reserve; After the 5% dividend is paid to the shareholders, 10% of the total amount to be distributed to those who will receive a share of the profit is set aside as the second order general legal reserve fund.

As of 31 December 2024, the Group's first-order general legal reserves amount to 20% of its paid-in capital (20% of 31 December 2024), and there is no limit for the second-order general legal reserves. As long as the said reserves do not exceed half of the Group's paid/issued capital, they can only be used to cover losses, to continue the business when things are not going well, or to take measures suitable to prevent unemployment and mitigate its consequences.

The details of the Group's restricted reserves account as of 31 December 2025 and 2024 are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
First order general legal reserve	694.981	694.981
Second order general legal reserve	2.651.348	2.563.193
<b>Total</b>	<b>3.346.329</b>	<b>3.258.174</b>

The details of the Group's equity accounts are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Restricted reserves separated from profit	3.346.329	3.258.174
Net profit for the period	(1.087.458)	1.987.955
Retain earnings	11.072.348	10.072.247
Non-Controlling Interests	56.873	136.470
<b>Total equity</b>	<b>13.388.092</b>	<b>15.454.846</b>

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**18. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)**

The comparison of the Group's equity items restated for the effects of inflation in the consolidated financial statements as of December 31, 2025, with the amounts restated for the effects of inflation in the financial statements prepared in accordance with the Law No. 6762 and other legislation is as follows:

<b>TAS</b>	<b>Inflation</b>		
<b>31 December 2025</b>	<b>Historical Value</b>	<b>adjustment effect</b>	<b>Indexed value</b>
Capital Adjustment Differences	305.117	6.721.572	7.026.689
Share Premiums	5	175	180
Restricted Reserves	354.452	2.805.543	3.159.995
<b>Total</b>	<b>659.574</b>	<b>9.527.290</b>	<b>10.186.864</b>

<b>31 December 2025 (TFRS)</b>	<b>Inflation</b>		
<b>31 December 2025 (TFRS)</b>	<b>Historical Value</b>	<b>adjustment effect</b>	<b>Indexed value</b>
Capital Adjustment Differences	305.117	10.503.036	10.808.153
Share Premiums	5	146	151
Restricted Reserves	354.452	2.991.877	3.346.329
<b>Total</b>	<b>659.574</b>	<b>13.495.059</b>	<b>14.154.633</b>

**Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss**

	<b>Hedging Gain / (Loss)</b>
<b>Balances as of January 1, 2024 (beginning of the period)</b>	<b>(148.167)</b>
Increase / (decrease) during the period	260.060
Tax impact	(29.459)
<b>Balances as of 31 December 2024 (End of the period)</b>	<b>82.434</b>
<b>Balances as of January 1, 2025 (beginning of the period)</b>	<b>82.434</b>
Increase / (decrease) during the period	59.366
Tax impact	(34.179)
<b>Balances as of 31 December 2025 (End of the period)</b>	<b>107.621</b>

**Other Accumulated Comprehensive Income or Expenses Not to be Reclassified to Profit or Loss**

	<b>Actuarial (Loss)/ Earnings Fund</b>
<b>Balances as of January 1, 2024 (beginning of the period)</b>	<b>(936.712)</b>
Increase / (decrease) during the period	1.991
Tax impact	(498)
<b>Balances as of 31 December 2024 (End of the period)</b>	<b>(935.219)</b>
<b>Balances as of January 1, 2025 (beginning of the period)</b>	<b>(935.219)</b>
Increase / (decrease) during the period	(52.847)
Tax impact	13.212
<b>Balances as of 31 December 2025 (End of the period)</b>	<b>(974.854)</b>

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**19. SALES AND COST OF SALES**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Revenue</b>		
Domestic sales	30.258.037	33.536.971
Export sales	14.293.683	15.050.154
<b>Sub-total</b>	<b>44.551.720</b>	<b>48.587.125</b>
Sales returns (-)	(303.306)	(320.672)
Sales discounts (-)	(2.900.715)	(3.047.460)
<b>Net Sales</b>	<b>41.347.699</b>	<b>45.218.993</b>
<b>Cost of sales</b>	<b>(32.081.314)</b>	<b>(34.568.106)</b>
<b>Gross profit</b>	<b>9.266.385</b>	<b>10.650.887</b>
<b>31 December 2025</b>	<b>Domestic</b>	<b>Foreign</b>
Tire	27.449.832	14.249.397
Non-Tire (*)	2.808.205	44.286
<b>Total</b>	<b>30.258.037</b>	<b>14.293.683</b>
<b>31 December 2024</b>	<b>Domestic</b>	<b>Foreign</b>
Tire	30.741.138	15.005.320
Non-Tire (*)	2.795.833	44.834
<b>Total</b>	<b>33.536.971</b>	<b>15.050.154</b>

(\*) Non-Tire sales consist of retreads, spare parts, tracking devices, batteries and other alternative products.

**20. EXPENSES BY NATURE**

The details of general administrative expenses and marketing expenses are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>General Administrative Expenses</b>		
Personnel expenses and direct labor expenses	874.157	851.165
Depreciation and amortization	289.878	352.993
Communication and information technology expenses	126.461	129.278
Service, maintenance and repair expenses	87.116	92.766
Other taxes and charges	15.956	14.918
Energy expenses	35.644	38.877
Insurance expenses	13.544	15.968
ELT (end of life-tire) management service	11.192	10.476
Consultancy expenses	76.174	80.074
Other expenses	123.517	201.563
<b>Total</b>	<b>1.653.639</b>	<b>1.788.078</b>

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**20. EXPENSES BY NATURE(Cont'd)**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Marketing Expenses</b>		
Personnel expenses and direct labor expenses	1.629.175	1.471.709
Depreciation and amortization	313.151	324.737
Advertisement expenses	451.965	423.729
Royalty and sales commission expenses	659.223	720.275
Communication and information technology expenses	10.080	21.878
Rent expenses	11.323	12.151
Service, maintenance and repair expenses	29.647	38.888
Other taxes and charges	6.356	8.249
Claims for defective tires	33.356	33.867
Transportation and storage expenses	1.206.444	1.292.451
Energy expenses	33.860	33.775
Insurance expenses	50.262	57.234
Consultancy expenses	78.870	55.121
Other expenses	242.315	236.577
	<b>4.756.027</b>	<b>4.730.641</b>

The breakdown of expenses by nature is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Raw materials and supplies	18.297.533	20.098.036
Personnel expenses and direct labor expenses	10.126.101	9.669.685
Production overheads	2.662.172	2.765.955
Cost of trade goods sold	2.094.410	2.298.346
Transportation and storage expenses	1.206.661	1.292.623
Depreciation and amortization	3.208.579	3.129.649
Royalty and sales commission expenses	659.223	720.275
Advertisement expenses	452.148	423.729
Communication and information technology expenses	136.906	151.569
Consultancy expenses	173.129	144.635
Service, maintenance and repair expenses	312.941	256.603
Energy expenses	71.826	77.545
Doubtful receivables expense, net	(10.660)	(84.604)
Insurance expenses	64.403	76.590
Claims for defective tires	33.356	33.867
Provision for inventory impairment	27.201	(38.068)
Other taxes and charges	22.430	23.273
ELT (end of life-tire) management service	11.192	10.476
Change in semi-finished goods	(81.307)	(5.033)
Change in finished goods	(1.147.321)	(244.821)
Other expenses	431.677	370.870
<b>Total</b>	<b>38.752.600</b>	<b>41.171.200</b>

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**20. EXPENSES BY NATURE (Cont'd)**

The functional breakdown of depreciation, amortization and personnel expenses is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Depreciation and amortization expenses</b>		
Cost of sales	2.581.957	2.431.199
Marketing expenses	313.151	324.737
General administrative expenses	289.878	352.993
Research and development expenses	23.593	20.720
	<b>3.208.579</b>	<b>3.129.649</b>

(\*) As of 31 December 2025, TL 37.260 depreciation expense remained on inventories is recognized under cost of sales after the sales of related inventories in 2024.

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Personnel expenses</b>		
Cost of sales	7.417.306	7.123.896
Marketing expenses	1.629.175	1.471.709
General administrative expenses	874.157	851.165
Research and development expenses	205.463	222.915
	<b>10.126.101</b>	<b>9.669.685</b>

**21. OTHER OPERATING INCOME AND EXPENSES**

Details of other operating income for years ended 31 December 2025 and 2024 are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Other operating income</b>		
Loss from derivative financial instruments, net (*)	10.292	33.365
Due date expenses on trade receivables	4.173.973	3.956.042
Interest expense from operations	167.311	88.159
Other income	105.176	167.732
	<b>4.456.752</b>	<b>4.245.298</b>
<b>Other operating expenses</b>		
Foreign exchange losses on operations, net (*)	985.897	733.267
Due date expenses on trade payables	2.253.042	2.412.626
Loss from derivative financial instruments, net	16.290	171.196
Interest expense from operations	104.529	128.051
Credit card commission expenses	120.330	381.119
Penalty provision expenses	392.000	-
Other expenses	67.460	67.227
	<b>3.939.548</b>	<b>3.893.486</b>

(\*) Consists of foreign exchange gains and losses on trade receivables and payables.

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**22. INCOME AND EXPENSES FROM INVESTING ACTIVITIES**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Income from Investing Activities</b>		
FX protected TL deposit income (*)	64.357	464.083
Gain on sale of property, plant and equipment	2.262	6.021
	<b>66.619</b>	<b>470.104</b>

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Expenses from Investing Activities (-)</b>		
Loss on sale of property, plant and equipment	6.414	785
	<b>6.414</b>	<b>785</b>

**23. FINANCE INCOME AND EXPENSES**

As of 31 December 2025 and 2024, details of financial income and expenses are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign currency gains from bank deposits	971.739	852.436
Interest income from banks	491.285	2.365.255
Interest income from Eurobond	68.937	50.982
<b>Total finance revenues</b>	<b>1.531.961</b>	<b>3.268.673</b>

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Interest expenses on borrowings	5.182.852	5.303.907
Interest expense included in cost of fixed assets	(68.730)	(216.450)
<b>Total interest expense</b>	<b>5.114.122</b>	<b>5.087.457</b>
Foreign currency losses from borrowings, net	-	62.796
Interest expense related to leases	29.290	23.218
Sukuk issuance coupon participation expense	918.222	858.848
Bond commission and interest expense	619.995	1.170.330
Other financial expenses	238.859	487.517
<b>Total finance expenses</b>	<b>6.920.488</b>	<b>7.690.166</b>

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## 24. TAXATION ON INCOME

### Corporation tax

	31 December 2025	31 December 2024
Corporate income tax provision for the current period	97.157	163.383
Less: Prepaid taxes	(148.574)	(210.134)
<b>Current tax liabilities /(assets)</b>	<b>(51.417)</b>	<b>(46.751)</b>

The portion of the current corporate tax provision exceeding the prepaid corporate tax amount, amounting to TL 51.417. (31 December 2024: TL 45.019 Current Period Profit Tax Liability, TL 91.770 Current Period Tax Related Assets).

The Company and its Turkish subsidiary are subject to the tax legislation and practices in force in Turkey. Corporate tax is payable in one installment by the end of the fourth month following the end of the accounting period to which it relates. Corporations are required to calculate advance tax at the current rate on their quarterly financial profits, declare it until the 17th day of the second month following the period and pay it until the evening of the 17th day. Advance taxes paid during the year are offset against the corporate tax calculated on the annual corporate tax return for that year. In the event that there is an amount of advance tax paid despite the offset, this amount can be refunded in cash or offset against other financial debts.

In Turkey, the corporate tax rate is 25% as of 31 December 2025 (31 December 2024: 25%). Corporate tax is payable at a rate of 25% on the total income of the Company after adjusting for certain disallowable expenses and deducting certain exemptions and allowances.

Pursuant to the provisional article added to the Tax Procedure Law ("VUK") by Law No. 7571 published in the Official Gazette dated 24 December 2025, it has been stipulated that D-PPI-based inflation adjustment shall not be applied for the fiscal years 2025, 2026 and 2027, even if the required conditions are met. Accordingly, inflation adjustment has not been applied in the VUK financial statements that form the basis for the corporate tax returns for these periods.

In accordance with Provisional Article 32 of the Tax Procedure Law ("VUK"), the revaluation increments of immovable properties and depreciable tangible and intangible assets, arising under the conditions set out in Article 298/Ç, have been taken into consideration in the deferred tax calculation in the TFRS financial statements. Since the fund recognised in equity in the VUK financial statements as of 31 December 2025 due to the revaluation surplus under Article 298/Ç is not expected to reverse in subsequent periods, no deferred tax liability has been recognised in the TFRS financial statements. The Company will not derecognise buildings, machinery and equipment, vehicles, furniture and fixtures, intangible rights and leasehold improvements from the statutory ledgers after they are fully depreciated in the VUK financial statements. The deferred tax effects of Article 298/Ç in the TFRS financial statements have been recognised through deferred tax income/expense.

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**24. TAXATION ON INCOME (Cont'd)**

**Corporate Tax (cont'd)**

In accordance with the provisional Article 33 of the Tax Procedure Law, the tax effects arising from the inflation adjustment of the financial statements as of December 31, 2025 are included in the deferred tax calculation as of December 31, 2025.

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Current tax expense (-)	(98.494)	(166.100)
Deferred tax expense /income	(694.264)	(647.954)
	<b>(792.758)</b>	<b>(814.054)</b>

The reconciliation of tax expense in the income statements for the years ended December 31, 2025 and 2024 is as follows:

	<b>1 January- 31 December 2025</b>	<b>%</b>	<b>1 January- 31 December 2024</b>	<b>%</b>
<b>Reconciliation of tax provision:</b>				
Profit before taxation on income	(306.817)		2.794.520	
Corporate tax rate %25 (2024: %25)	76.704	(25,00)	(698.630)	(25,00)
Tax effect:				
- Non-taxable income (*)	85.728	(27,94)	23.864	0,85
- Non-deductible expenses	(148.434)	48,38	(38.573)	(1,38)
- Non-deductible expenses, additional tax	-	-	-	-
- R&D incentive	111.189	(36,24)	38.916	1,39
- Discounted corporate tax deferred tax income / (expense)	(154.326)	50,30	54.751	1,96
- Income tax exemption arising from fx protected TL deposit	-	-	(782)	(0,03)
- Monetary gain / (loss)	(763.619)	248,88	(726.360)	(25,99)
- Other	-	-	2.298	0,08
- Reduced corporate tax	-	-	530.462	18,98
<b>Tax provision income / (expense) in the statement of profit or loss</b>	<b>(792.758)</b>	<b>258,38</b>	<b>(814.054)</b>	<b>(29,14)</b>

Tax legislation in Turkey does not allow the Company and its subsidiaries to file consolidated tax returns. Therefore, the tax provision reflected in the consolidated financial statements has been calculated on a company-by-company basis. According to the Corporate Tax Law, financial losses shown on the return can be deducted from the corporate tax base of the period, if 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 resident joint stock companies in Turkey, to those who are not responsible for and exempt from corporate tax and income tax, and to real persons and non-resident legal entities in Turkey are subject to 10% income tax. Dividend payments made from joint stock companies residing in Turkey to joint stock companies residing in Turkey are not subject to income tax. In addition, income tax is not calculated if the profit is not distributed or added to the capital.

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## **24. TAXATION ON INCOME (Cont'd)**

### **Corporate Tax (cont'd)**

Dividend income derived by corporations from participation in the capital of another corporation subject to full taxation is exempt from corporate tax. In addition, 75% of the gains arising from the sale of founders' shares, usufruct shares and preemptive rights of founders' shares, usufruct shares and preemptive rights of real estates (immovable properties) owned by the corporations for at least two full years are exempt from corporate tax. However, with the amendment made by Law No. 7061, this rate was reduced from 75% to 50% for immovable properties and this rate is used as 50% in tax returns to be prepared as of 2018. In addition, as of July 15, 2023, with the amendment made, the 50% tax exemption stipulated in Law No. 5520 for the gains on the sale of immovable property has been abolished. However, this exemption will be applied as 25% for the sales of immovable properties included in the assets of the enterprises before July 15, 2023.

In order to benefit from the exemption, the said income must be kept in a passive fund account and not withdrawn from the business for 5 years. The sales price must be collected until the end of the second calendar year following the year of sale.

There is no practice in Turkey to reach an agreement with the tax administration regarding the taxes to be paid. Corporate tax returns are submitted within four months following the end of the accounting period. The tax inspection authorities may examine the tax returns and the accounting records underlying them for five years following the accounting period and make a reassessment as a result of their findings.

### **Income tax withholding**

There is a withholding tax liability on dividend distributions, and this withholding liability is accrued in the period when the dividend payment is made. Dividend payments are subject to a 15% withholding tax until December 22, 2021, except for non-resident companies that generate income through a workplace or their permanent representative in Turkey, and those made to companies residing in Turkey. However, in accordance with Presidential Decision No. 4936, published in the Official Gazette dated December 22, 2021, and numbered 31697, the provisions of the Income Tax Law No. have been downloaded. The withholding tax rates in the relevant Double Taxation Prevention Agreements are also taken into account in the application of the withholding tax rates for profit distributions to non-resident companies and real persons. The addition of retained earnings to the capital is not considered as profit distribution, so it is not subject to withholding tax.

### **Transfer pricing regulations**

In Turkey, transfer pricing regulations are specified in Article 13 of the Corporate Tax Law, titled "Disguised profit distribution through transfer pricing". The communiqué dated 18 November 2007 on disguised profit distribution through transfer pricing regulates the details of the implementation.

If the taxpayer buys or sells goods or services with related parties at the price or price, they have determined in violation of the arm's length principle, the profit is deemed to have been distributed implicitly through transfer pricing in whole or in part. Disguised profit distribution through such transfer pricing is considered as an expense that is not legally accepted for corporate tax.

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**24. TAXATION ON INCOME (Cont'd)**

**Deferred Tax**

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal consolidated financial statements and the consolidated financial statements prepared in accordance with TFRS. These differences are generally since some income and expense items are included in different periods in the tax base consolidated financial statements and in the consolidated financial statements prepared in accordance with TFRS, and the said differences are stated below

	Temporary differences		Deferred income tax Assets/ liability	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
<b>Deferred tax assets</b>				
Foreign currency forward transactions valuation differences	411.597	605.205	102.899	151.301
Provision for doubtful receivables	42.541	59.658	10.635	14.914
Provision for employment termination benefits	779.811	657.993	194.953	164.498
Trade receivables	443.694	929.141	110.924	232.285
Provision for bonus premium	122.833	77.890	30.708	19.472
Inventories	118.694	-	29.673	-
Provision for lawsuits	129.344	105.036	32.336	26.259
Provision for unused vacation liability	76.290	82.291	19.073	20.573
Provision for warranty claims	42.459	36.056	10.615	9.014
Investment incentive	-	-	322.831	477.157
Export seasonality adjustment	57.391	15.812	14.348	3.953
Lease liability	147.260	82.703	36.815	20.676
Deferred income	325.057	312.835	16.511	43.145
Other provisions	37.688	92.054	9.422	23.013
Other	-	24.260	-	6.066
	<b>2.734.659</b>	<b>3.080.934</b>	<b>941.743</b>	<b>1.212.326</b>
<b>Deferred tax liabilities</b>				
Tangible and intangible assets	6.239.445	4.459.918	1.559.861	1.114.979
Trade payables	264.200	287.543	66.050	71.886
Inventories	-	8.913	-	2.228
Prepaid Expenses	105.426	63.851	26.357	15.963
Other	318.196	328.116	79.548	82.112
	<b>6.927.267</b>	<b>5.148.341</b>	<b>1.731.816</b>	<b>1.287.168</b>
<b>Deferred tax assets / (liabilities), net</b>			<b>(790.073)</b>	<b>(74.842)</b>

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**24. TAXATION ON INCOME (Cont'd)**

Movement tables of deferred taxes for the accounting periods ending on 31 December 2025 and 2024 are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Opening as of 1 January</b>	<b>(74.842)</b>	<b>603.070</b>
Recognized in profit or loss statement	(694.264)	(647.954)
Income / (expense) recognized in equity	(20.967)	(29.957)
<b>Closing as of 31 December</b>	<b>(790.073)</b>	<b>(74.841)</b>

The movements of deferred tax income/(expense) for the years ended 31 December are as follows:

	<b>1 January 2025</b>	<b>Recognized in profit or loss</b>	<b>Recognized in other comprehensive income</b>	<b>31 December 2025</b>
Provision for doubtful receivables	14.914	(4.279)	-	10.635
Provision for employment termination benefits	164.498	17.243	13.212	194.953
Trade receivables	232.285	(121.361)	-	110.924
Provision for bonus premium	19.472	11.236	-	30.708
Inventories	(2.228)	31.901	-	29.673
Provision for lawsuits	26.259	6.077	-	32.336
Provision for unused vacation liability	20.573	(1.500)	-	19.073
Provision for warranty claims	9.014	1.601	-	10.615
Investment incentive	477.157	(154.326)	-	322.831
Export seasonality adjustment	3.953	10.395	-	14.348
Leasing liability	20.676	16.139	-	36.815
Deferred income	43.145	(26.634)	-	16.511
Other provision	23.013	(13.591)	-	9.422
Forward currency valuation differences	151.301	(14.223)	(34.179)	102.899
Tangible and intangible assets	(1.114.979)	(444.882)	-	(1.559.861)
Trade Payables	(71.886)	5.836	-	(66.050)
Prepaid Expenses	(15.963)	(10.394)	-	(26.357)
Other	(76.046)	(3.502)	-	(79.548)
	<b>(74.842)</b>	<b>(694.264)</b>	<b>(20.967)</b>	<b>(790.073)</b>

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**24. TAXATION ON INCOME (Cont'd)**

	<b>1 January 2024</b>	<b>Recognized in profit or loss</b>	<b>Recognized in other comprehensive income</b>	<b>31 December 2024</b>
Provision for doubtful receivables	50.863	(35.949)	-	14.914
Provision for employment termination benefits	187.740	(22.744)	(498)	164.498
Trade receivables	177.550	54.735	-	232.285
Provision for bonus premium	79.317	(59.845)	-	19.472
Inventories	84.770	(86.998)	-	(2.228)
Provision for lawsuits	25.676	583	-	26.259
Provision for unused vacation liability	17.748	2.825	-	20.573
Provision for warranty claims	8.726	288	-	9.014
Investment incentive	422.406	54.751	-	477.157
Export seasonality adjustment	20.096	(16.143)	-	3.953
Leasing liability	28.519	(7.844)	-	20.675
Deferred income	26.269	16.876	-	43.145
Other provision	39.579	(16.566)	-	23.013
Forward currency valuation differences	211.744	(30.984)	(29.459)	151.301
Tangible and intangible assets	(625.046)	(489.933)	-	(1.114.979)
Trade Payables	(66.884)	(5.002)	-	(71.886)
Prepaid Expenses	78	(16.041)	-	(15.963)
Other	(86.081)	10.037	-	(76.044)
	<b>603.070</b>	<b>(647.954)</b>	<b>(29.957)</b>	<b>(74.841)</b>

**Investment incentive certificate**

T.R. Pursuant to the letter of the Ministry of Economy, General Directorate of Incentive Implementation and Foreign Capital dated 10 June 2013 and numbered 40613, the Large Scaled Investment Incentive Certificate of 366.623.571 TL issued within the scope of Regional Incentive Practices, dated 1 June 2010, and numbered 5534, is valid. Within the scope of investments, the Investment Incentive Certificate numbered 5534/B amounting to TL 481.014.717 was reissued. With the said change, the investment amount increased by TL 114.391.146 and the investment contribution rate provided by the investment incentive certificate increased from 20% to 30%. The tax deduction rate is 50%. The term of the said document expired on May 20, 2015, and an investment completion visa amounting to TL 472.729.954 was obtained on June 29, 2017. The company benefited from reduced corporate tax amounting to TL 472.729.954 between 2010 and 2025, and TL 54.770.267 for the accounting period of 1 January - 31 December 2025.

The Group's investment incentive certificate application made to the Ministry of Economy, General Directorate of Incentive Implementation and Foreign Capital was approved and the Investment Incentive Certificate dated August 20, 2015 and numbered 120314 was issued for the expansion investment amounting to TL 690.443.917 with a start date of May 21, 2015 and an end date of May 21, 2020 within the scope of large scale investments. The investment contribution rate provided by the investment incentive certificate is 25% and the tax reduction rate is 50%. The total investment amount of the certificate was increased to TL 1.513.666.277 on July 22, 2022, to TL 2.087.461.936 on December 20, 2022 and to TL 2.837.688.393 on September 15, 2023.

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## **24. TAXATION ON INCOME (Cont'd)**

### **Investment incentive certificate (cont'd)**

The investment period of the first investment incentive certificate dated August 20, 2015 for the Group's İzmit factory was extended by 2.5 years to November 2022 according to Article 2 of the decision published in the Official Gazette dated November 9, 2018 and numbered 30590 "Decision on the Amendment of the Decision on State Aids in Investments (Decision Number: 323)". According to Article 2 of this published decision, the duration of the document was extended by 2.5 years to November 2022. In accordance with the Provisional Article 14 amended by the Presidential Decree No. 2021/4191 published in the Official Gazette dated June 29, 2021 and numbered 31526, an additional 2-year extension was obtained and extended until November 21, 2024. Within the scope of this incentive certificate, the Group benefited from reduced corporate tax amounting to TL 403.747.404 between 2015 - 2023.

In line with the Group's decision to invest in the second factory to be located in Aksaray Organized Industrial Zone, the application for Investment Incentive Certificate made to the Republic of Turkey Ministry of Economy, General Directorate of Incentive Implementation and Foreign Capital has been approved and Investment Incentive Certificate dated 13 February 2014 and numbered 113798 has been issued for the new factory investment amounting to TL 495.000.000 with a start date of 9 October 2013 within the scope of Large Scale Investments. The investment contribution rate provided by the investment incentive certificate is 60% and the tax reduction rate is 90%.

Pursuant to the letter dated March 28, 2016 and numbered 67577454-401.07 - E.36663 of the Republic of Turkey Ministry of Economy General Directorate of Incentive Implementation and Foreign Investment, the domestic and imported machinery and equipment lists for the Complete New Investment in Aksaray Factory were revised and approved and the total investment expenditure was increased to 755.998.847 TL. On February 9, 2021, the document was revised "again and the total investment amount was increased to 1.238.225.012 TL. In addition, on October 5, 2021, the document was revised again and the total investment amount was increased to TL 1.374.547.375. There has been no change in the support elements that the new investment incentive certificate will benefit from. Within the scope of this incentive certificate, the Group benefited from reduced corporate tax amounting to TL 1.171.352.541 between 2013 and 2025.

In line with the Group's decision to invest in a second production facility to be located in the Organized Industrial Zone of Aksaray Province, the Group's application to the Ministry of Economy, Directorate General of Incentive Implementation and Foreign Capital, for an Investment Incentive Certificate has been approved. Accordingly, an Investment Incentive Certificate dated 13 February 2014 and numbered 113798 was issued for the new factory investment with a total amount of TRY 495,000,000, classified under Large-Scale Investments and with a commencement date of 9 October 2013. The incentive certificate provides for an investment contribution rate of 60% and a tax reduction rate of 90%.

The Group's investment incentive certificate application made to the Republic of Turkey Ministry of Economy General Directorate of Incentive Implementation and Foreign Capital in line with the expansion investment decision planned to be made in Aksaray factory has been approved and a new 3-year incentive certificate has been issued within the scope of regional priority investments with a start date of 27.12.2022, number 551117 and dated 30.03.2023 amounting to TL 934.558.927. The investment contribution rate of the document is 40% and the tax discount rate is 80%. On 15 February 2024, the document was revised and the total investment amount was increased to TL 1.283.921.977, on 25.04.2024 the investment amount was increased to TL 1.626.210.486, on 15.08.2024 the investment amount was increased to TL 1.796.373.793 and on 24.12.2024 the investment amount was increased to TL 1.833.249.742. Within the scope of this incentive certificate, the Group benefited from reduced corporate tax amounting to TL 22.166.427 in 2025.

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## **24. TAXATION ON INCOME (Cont'd)**

### **Investment incentive certificate (cont'd)**

In line with the solar energy investment decision planned to be made in the Group's Aksaray factory, the investment incentive certificate application made to the Republic of Turkey Ministry of Industry and Technology was approved on March 22, 2024 and a 3-year investment incentive certificate dated March 22, 2024, document number 566197 and ID number 1082393 was issued on behalf of our Company for a total investment of TL 29.631.327 with a start date of March 18, 2024 and an end date of March 18, 2027. Pursuant to the provisional article 8 of the Decree on the Amendment of the Decree on State Aids in Investments dated 15.06.2012 and numbered 2012/3305, 15% additional contribution amount right and 100% tax deduction right has been obtained for the investment expenditures made within the scope of our Aksaray incentive certificate numbered 113798 and İzmit incentive certificate numbered 120314 between 2017-2022.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which they can be utilized. Where it is probable that taxable income will be available, deferred tax assets are recognized for deductible temporary differences, tax losses and investment incentives with indefinite useful lives that allow for the payment of reduced corporate income tax. In this context, the Group bases the recognition of deferred tax assets arising from investment incentives in the consolidated financial statements on long-term plans and evaluates the recoverability of deferred tax assets related to such investment incentives at each balance sheet date based on business models including taxable profit forecasts.

Changes in taxable profit estimates, capital expenditure amounts and the current year corporate tax rate have been reflected in the business model and sensitivity analyses have been performed and there has been no significant change in the recoverability of deferred tax assets.

As of December 31, 2025, in the sensitivity analysis performed by increasing/decreasing the inputs included in the basic macroeconomic and sectoral assumptions that make up the business plans by 10%, there is no change in the recovery period of deferred tax assets related to investment incentives, which is projected as 3 years.

As of December 31, 2025, the Group estimates that it will be able to benefit from reduced corporate tax amounting to TL 2.988.822.640 in the following years within the scope of incentivized investment certificates. However, due to the unpredictability of the realization of the benefit, the Group has recognized deferred tax assets amounting to TL 322.831 calculated for the foreseeable 3 years.

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**25. EARNINGS PER SHARE**

Earnings per share for each class of share disclosed in the statements of income is determined by dividing the net income attributable to that class of share by the weighted average number of shares of that class outstanding during the year.

	<b>31 December 2025</b>	<b>31 December 2024</b>
Average number of shares during the period	30.511.688	30.511.688
Net profit for the period	(1.087.458)	1.987.955
Profit attributable to redeemed to shares	(15.341)	139.726
Earnings shares with nominal value of TL 1	(3,514)	6,057
Diluted earnings share with nominal value of TL 1	(3,514)	6,057

**26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Trade receivables from related parties generally arise from sales transactions and their approximate maturity is 7 days (31 December 2024: 7 days). Trade payables to related parties generally arise from purchase transactions and have an approximate maturity of 160 days (31 December 2024: 152 days).

**Balances with related parties**

	<b>31 December 2025</b>			
	<b>Receivables</b>		<b>Payables</b>	
	<b>Short-Term</b>		<b>Short/Long Term</b>	
	Trade	Other	Trade	Other
<b>Shareholders</b>				
Bridgestone Corporation	160.433	207	394.088	4.303
H.Ö. Sabancı Holding A.Ş.	-	-	1.805	-
<b>Other companies managed by the main partners</b>				
Bridgestone Europe S.A/N.V.	807	12	-	-
Bridgestone (Shenyang) Steel Cord	-	-	19.437	-
Bridgestone Hispania	-	-	6.295	-
Akbank T.A.Ş (*)	63.328	-	11.903	-
Ak Sigorta A.Ş.	-	-	6.810	-
Bridgestone Singapore Pte. Ltd.	-	-	2.063.152	-
Bridgestone Poznan Sp. Z.o.o.	-	-	4.461	-
Temsa Skoda Ulaşım Araçları San. Tic. A.Ş.	55.846	-	-	-
Kordsa Teknik Tekstil A.Ş.	-	-	345.524	-
Enerjisa Enerji Üretim A.Ş.	-	-	63.531	-
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş.	-	-	16.138	-
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	-	-	68.667	-
Bridgestone Tatabanya Termelo Kft.	11.303	-	-	-
Enerjisa Müşteri Çözümleri A.Ş.	-	-	425.377	-
Firestone Polymers, LLC.	-	-	1.432	-
Lasder Lastik Sanayicileri Derneği	-	-	4.486	-
Vista Turizm ve Seyahat A.Ş.	-	-	3.293	-
Other	897	-	1.892	-
	<b>292.614</b>	<b>219</b>	<b>3.438.291</b>	<b>4.303</b>

(\*) Akbank T.A.Ş. includes credit card pos receivables over 90 days.

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**26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)**

**Balances with related parties**

	<b>31 December 2025</b>			
	<b>Receivables Short Term</b>		<b>Payables Short/Long Term</b>	
	Trade	Other	Trade	Other
<b>Shareholders</b>				
Bridgestone Corporation	937	470	366.715	3.786
<b>Other companies managed by the main partners</b>				
Bridgestone Europe S.A/N.V.	187.286	11	26.178	-
Bridgestone (Shenyang) Steel Cord	-	-	52.371	-
Bridgestone Hispania	-	-	6.634	-
Akbank T.A.Ş (*)	295.060	-	14.281	-
Bridgestone Singapore Pte. Ltd.	-	-	3.039.451	-
Temsa Ulaşım Araçları San. Tic. A.Ş.	40.511	-	-	-
Kordsa Teknik Tekstil A.Ş.	-	-	430.274	-
Enerjisa Enerji Üretim A.Ş.	-	-	78.096	-
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	-	-	72.179	-
Bridgestone Carbon Black Co. Ltd.	-	-	53.090	-
Akçansa Çimento Sanayi ve Ticaret A.Ş.	4.635	-	-	-
Enerjisa Müşteri Çözümleri A.Ş.	-	-	121.280	-
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş.	-	-	16.266	-
Firestone Polymers, LLC.	-	-	9.067	-
Vista Turizm ve Seyahat A.Ş.	-	-	2.410	-
LASDER Lastik Sanayicileri Derneği	-	-	4.686	-
Other	-	-	4.816	-
	<b>528.429</b>	<b>481</b>	<b>4.297.794</b>	<b>3.786</b>

(\*) Akbank T.A.Ş. includes credit card pos receivables over 90 days.

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Sales of finished goods and trade goods</b>		
<b>Shareholders</b>		
Bridgestone Corporation	4.930	5.483
<b>Other companies managed by the main partners</b>		
Bridgestone Europe SA./N.V.	3.455.075	3.546.296
Temsa Ulaşım Araçları San.ve Tic. A.Ş.	134.013	133.507
Other	5.477	5.663
	<b>3.599.495</b>	<b>3.690.949</b>

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**26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Other sales</b>		
<b><u>Shareholders</u></b>		
Bridgestone Corporation	137	289
<b><u>Other companies managed by the main partners</u></b>		
Bridgestone Europe SA./N.V.	85.430	3.742
Other	24.542	24.542
	<b>110.109</b>	<b>28.573</b>
	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Purchases of Raw Materials, Semi Finished Goods and Consumables</b>		
<b><u>Shareholders</u></b>		
Bridgestone Corporation	44.801	38.636
<b><u>Other companies managed by the main partners</u></b>		
Bridgestone Singapore Pte. Ltd.	4.542.503	5.368.760
Kordsa Teknik Tekstil A.Ş.	910.168	1.231.534
Bridgestone Hispania Manufacturing	20.496	97.048
Bridgestone Carbon Black Co. Ltd.	89.499	231.847
Firestone Polymers, LLC.	58.896	88.192
Other	129.568	78.050
	<b>5.795.931</b>	<b>7.134.067</b>
	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Purchases of finished goods and trade goods</b>		
<b><u>Shareholders</u></b>		
Bridgestone Corporation	312.464	366.233
<b><u>Other companies managed by the main partners</u></b>		
Bridgestone Europe SA./N.V.	1.053.798	1.225.573
Enerjisa Enerji Üretim A.Ş.	655.002	840.975
Enerjisa Doğalgaz Toptan Satış A.Ş.	279.042	125.628
Other	40.419	65.432
	<b>2.340.725</b>	<b>2.623.841</b>

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**26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Purchases of services</b>		
<b><u>Shareholders</u></b>		
H. Ö. Sabancı Holding A.Ş.	2.270	6.303
<b><u>Other companies managed by the main partners</u></b>		
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	117.726	124.405
Aksigorta A.Ş.	279.268	300.881
Lasder Lastik San. Derneği İktisadi İşletmesi	54.137	63.254
Vista Turizm ve Seyahat A.Ş.	23.867	82.076
Other	5.054	3.475
	<b>482.322</b>	<b>580.394</b>

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Rent Expense</b>		
<b><u>Other companies managed by the main partners</u></b>		
Exsa Export Sanayi Mamulleri A.Ş.	-	6.268
Temsa Motorlu Araçlar Pazarlama A.Ş.	1.110	22
Teknosa İç ve Dış Ticaret A.Ş.	-	148
Ak Finansal Kiralama A.Ş.	6.087	1.255
Tursa Sabancı Turizm ve Yatırım İşletmeleri A.Ş	8.839	-
	<b>16.036</b>	<b>7.693</b>

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Purchase of fixed assets</b>		
<b><u>Shareholders</u></b>		
Bridgestone Corporation	322.037	553.249
<b><u>Other companies managed by the main partners</u></b>		
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	39.186	21.162
Enerjisa Müşteri Çözümleri A.Ş	352.084	67.488
Bridgestone Plant Eng.	4.340	71.403
Bridgestone Logistics Co.	-	12.672
Other	3.010	10.381
	<b>720.657</b>	<b>736.355</b>

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**26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Commission expense</b>		
(Sales premium, Royalty, and Interest Expense)		
<b>Shareholders</b>		
Bridgestone Europe SA./N.V.	659.223	720.275
	<b>659.223</b>	<b>720.275</b>
	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Financial Income</b>		
Akbank T.A.Ş.	225.021	640.627
	<b>225.021</b>	<b>640.627</b>
<b>Financial Expense</b>		
Akbank Malta	742.888	13.526
Akbank T.A.Ş.	961.178	1.870.531
Ak Yatırım Menkul Değerler A.Ş	542.025	996.190
	<b>2.246.091</b>	<b>2.880.247</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Demand deposits</b>		
Akbank T.A.Ş.	934.583	667.771
	<b>934.583</b>	<b>667.771</b>
<b>Time deposits (**) (less than 3 months)</b>		
Akbank T.A.Ş.	1.065.325	1.107.324
	<b>1.065.325</b>	<b>1.107.324</b>
<b>Credit card slip receivables</b>		
Akbank T.A.Ş.	150.269	818.627
	<b>150.269</b>	<b>818.627</b>
<b>Derivative assets</b>		
Akbank Malta	889.901	632.375
	<b>889.901</b>	<b>632.375</b>
<b>Financial investment</b>		
Akbank T.A.Ş.	-	697.755
	-	<b>697.755</b>
<b>Short-term financial liabilities</b>		
Akbank T.A.Ş.	1.153.253	1.849.809
Ak Yatırım Menkul Değerler A.Ş	1.004.726	1.340.197
	<b>2.157.979</b>	<b>3.190.006</b>
<b>Long-term financial liabilities</b>		
Akbank T.A.Ş.	-	836.148
	-	<b>836.148</b>

(\*\*) The interest rates of time deposits of the Group from related parties are 38.05% for TL, with maturities in January 2026.

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**26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)**

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Advanced given</b>		
Bridgestone Corporation	-	5.825
Bridgestone Europe S.A/N.V.	28.826	69.867
Bridgestone Hispania	-	1.756
Bridgestone Plant Engineering	-	2.668
Vista Turizm ve Seyahat A.Ş.	-	3.064
	<b>28.826</b>	<b>83.180</b>
<b>Advances received</b>		
Bridgestone Europe N.V./S.A.	6.539	40.790
	<b>6.539</b>	<b>40.790</b>

There are no guarantees received or given due to transactions with related parties.

The senior management team of the Group consists of the members of the Board of Directors and the members of the Executive Board. Benefits provided to senior executives include wages, severance pay, premiums, private pension, health insurance, life insurance, rent paid to foreign personnel, overseas moving expenses, passenger car rentals, fuel and mobile phone, etc. consists of payments made within the scope of other expenses, severance pay and other provisions.

The benefits provided to senior management personnel for the periods ending on 31 December 2025 and 2024 are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Salaries and other short-term benefits	344.187	274.559
Employment termination benefits	1.162	738
Other long-term benefits	6.065	5.311
	<b>351.414</b>	<b>280.608</b>

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS**

**Financial risk management**

***Financial risk factors***

The Group's activities expose it to a variety of financial risks: liquidity risk, market risk (including currency risk, interest rate risk), credit risk and funding risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out by Chief Financial Officer of Brisa under policies approved by the board of directors. Chief Financial Officer identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

**(a) *Liquidity risk***

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below depicts the cash outflows the Group will pay for the financial liabilities in the balance sheet in accordance with the remaining maturities. The amounts in the table are contractual and non-discounted. The Group performs its liquidity risk management by considering expected non-discounted cash flows.

As of 31 December 2024, and 31 December 2023, liquidity risk analysis of the financial liabilities of the Group is as follows:

<b>31 December 2025</b>	<b>Carrying value</b>	<b>Contractual flows total (I+II+III+IV)</b>	<b>Less than 3 (I)</b>	<b>3-12 Months (II)</b>	<b>1-5 years (III)</b>	<b>Over 5 Years (IV)</b>
<b>Contractual Maturities</b>						
<b>Non-derivative financial liabilities</b>						
Unsecured bank loans (*)	15.503.803	19.109.944	5.141.974	9.221.204	4.746.766	-
Lease liabilities	147.260	265.541	19.088	75.582	170.871	-
Factoring payables	66.536	66.536	16.634	49.902	-	-
Trade payables	9.038.889	9.303.089	6.846.514	2.456.575	-	-
Other payables	609.479	609.479	533.188	76.291	-	-
<b>Total liabilities</b>	<b>25.365.967</b>	<b>29.354.589</b>	<b>12.557.398</b>	<b>11.879.554</b>	<b>4.917.637</b>	<b>-</b>
<b>Contractual Maturities</b>						
	<b>Carrying value</b>	<b>Contractual Flows total (I+II+III+IV)</b>	<b>3 months (I)</b>	<b>3-12 months (II)</b>	<b>1-5 years (III)</b>	<b>Over 5 years (IV)</b>
<b>Derivative financial liabilities</b>						
Derivative cash inflows	-	-	-	-	-	-
Derivative cash outflows	-	-	-	-	-	-
	<b>(1.678)</b>	<b>(1.678)</b>	<b>(1.678)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>(1.678)</b>	<b>(1.678)</b>	<b>(1.678)</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS(Cont'd)**

**(a) Liquidity risk (cont'd)**

31 December 2024	Carrying values	Contractual Flows Total (I+II+III+IV)	3 months (I)	3-12 months (II)	1-5 years (III)	Over 5 years (IV)
<b>Contractual Maturities</b>						
<b>Non-derivative financial liabilities</b>						
Unsecured bank loans (*)	17.467.753	17.520.886	5.741.415	6.082.186	5.697.285	-
Lease liabilities	82.703	132.569	15.455	50.442	66.672	-
Factoring payables	43.869	43.869	10.967	32.902	-	-
Trade payables	10.915.455	11.202.998	8.638.462	2.564.536	-	-
Other payables	579.355	579.355	497.064	82.291	-	-
<b>Total liabilities</b>	<b>29.089.135</b>	<b>29.479.677</b>	<b>14.903.363</b>	<b>8.812.357</b>	<b>5.763.957</b>	<b>-</b>
<b>Contractual Maturities</b>						
	Carrying values	Contractual Flows Total (I+II+III+IV)	3 months (I)	3-12 months (II)	1-5 years (III)	Over 5 years (IV)
<b>Derivative financial liabilities</b>						
Derivative cash inflows	3.360	3.360	3.360	-	-	-
Derivative cash outflows	(5.245)	(5.245)	(5.245)	-	-	-
	<b>(1.885)</b>	<b>(1.885)</b>	<b>(1.885)</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) Cash outflows from bank loans are shown in cash flows that are fixed by cross currency and interest swap agreements.

**(b) Market Risk**

**Interest rate risk**

The Group's floating rate loans are exposed to risk as a result of differences resulting from the repricing of various variable rate indicators. The purpose of risk management is to optimize net interest income by keeping market interest rates in line with the Group's operating policies. The Group has secured 90% of its floating rate US Dollar loan against the risk of fluctuations in interest rates in the market. In accordance with this policy, the Group has signed cross rate swap agreements for its floating rate loans. Therefore, as of 31 December 2025 and 2024, the loans under the scope of protection are stated in the table below with fixed interest rates:

	31 December 2025	31 December 2024
<b>Financial instruments with fixed interest rate</b>		
Financial liabilities	9.854.466	12.714.939
Time deposits	2.291.004	3.215.582
Financial investments	1.745.830	2.565.260
<b>Financial instruments with variable interest rate</b>		
Financial liabilities	5.796.597	4.835.517

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS  
(Cont'd)**

**(b) Market Risk (cont'd)**

***Fair value risk of fixed rate instruments:***

The Group has no fixed rate financial assets and liabilities at fair value through profit or loss and hedging derivative instruments (forward interest rate swaps) recorded under the fair value hedge accounting model. Therefore, changes in interest rates as of the reporting period will not affect profit or loss.

***Foreign exchange risk***

Operating in the international arena, the Group is exposed to exchange rate risk arising from exchange rate changes due to the conversion of foreign currency denominated debts or creditors into Turkish Lira. The said exchange rate risk is followed by analyzing the foreign exchange position. In addition, it is aimed to provide an effective protection against economic risks with foreign currency and forward transactions. The Group carries out its currency risk policy practices and transactions with derivative and non-derivative financial instruments within the framework of the rules and limits in the document officially documented under the name of "Currency Risk Hedge Policy" and given the necessary approvals by the senior management.

***Derivative financial instruments***

Derivative financial instruments of the Group consist of forward foreign currency purchase and sale contracts, commodity forward contracts, option contracts and cross currency and interest rate swaps. At the same time, time deposits are used as a hedging instrument. The said derivative and non-derivative financial instruments provide an effective protection against risks for the Group economically and are accounted for as hedging derivative financial instruments in the consolidated financial statements since they meet the requirements of TFRS 39 "Accounting for financial instruments" in terms of risk accounting. The Group presents the gains and losses related to the effective hedging transaction as "financial hedge fund" in equity. Derivative financial instruments with a positive fair value are recognized in the balance sheet as assets, and negative ones are recognized as liabilities.

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS  
(Cont'd)**

**(b) Market Risk (cont'd)**

**Foreign exchange risk (cont'd)**

The Group's assets and liabilities denominated in foreign currencies at 31 December 2025 and 31 December 2024 are as follows:

Foreign currency position table	31 December 2025				
	TL Equivalent				
	(Functional currency)	US Dollar	Euro	JPY	GBP
Cash and cash equivalents	1.095.202	16.313	5.688	1.621	1.909
Financial Investment	1.702.045	39.725	-	-	-
Trade Receivables	173.495	1.542	1.903	-	204
Trade receivables from related parties	172.129	-	3.423	-	-
Other receivables	3.739	68	15	260	-
<b>Current Assets</b>	<b>3.146.610</b>	<b>57.648</b>	<b>11.029</b>	<b>1.881</b>	<b>2.113</b>
Trade receivables	14.782	345	-	-	-
<b>Non-Current Assets</b>	<b>14.782</b>	<b>345</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>3.161.392</b>	<b>57.993</b>	<b>11.029</b>	<b>1.881</b>	<b>2.113</b>
Trade payables	3.568.835	10.338	61.631	65.213	42
Trade payables to related parties	2.591.455	52.668	5.412	211.678	-
Other payables to related parties	4.299	-	-	15.650	-
Short-term portion of long-term bank borrowings	2.712.831	2.844	51.428	-	-
<b>Short-term Liabilities</b>	<b>8.877.420</b>	<b>65.850</b>	<b>118.471</b>	<b>292.541</b>	<b>42</b>
Long-term financial liabilities	-	-	-	-	-
<b>Total Liabilities</b>	<b>8.877.420</b>	<b>65.850</b>	<b>118.471</b>	<b>292.541</b>	<b>42</b>
<b>Net Foreign Currency Position</b>	<b>(5.716.028)</b>	<b>(7.857)</b>	<b>(107.442)</b>	<b>(290.660)</b>	<b>2.071</b>
Total foreign currency amount of off-balance sheet derivative financial assets	2.712.831	2.844	51.428	-	-
<b>Total foreign currency amount of off-balance sheet derivative financial liabilities</b>	<b>2.712.831</b>	<b>2.844</b>	<b>51.428</b>	<b>-</b>	<b>-</b>
<b>Net foreign currency asset/ (liability) position</b>	<b>(3.003.197)</b>	<b>(5.013)</b>	<b>(56.014)</b>	<b>(290.660)</b>	<b>2.071</b>
Fair Value of Financial Instruments Used for Foreign Exchange Hedge	(1.678)	-	-	-	-
<b>Hedged Amount of Foreign Currency Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Hedged Amount of Foreign Currency Liabilities</b>	<b>(2.712.831)</b>	<b>(2.844)</b>	<b>(51.428)</b>	<b>-</b>	<b>-</b>
Export (*)	14.293.683	85.786	209.380	-	3.587
Import (*)	17.035.860	164.064	186.948	2.471.375	-

(\*) The maturity adjustment of sales and purchases is not taken into consideration in export and import foreign currency balances of 2025 and 2024. TL equivalents of exports are based on the exchange rates at the export dates. Monthly average exchange rates are used in the calculation of TL equivalents of imports.

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS  
(Cont'd)**

**(b) Market Risk (Cont'd)**

Foreign currency position table	31 December 2024				
	TL Equivalent				
	(Functional currency)	US Dollar	Euro	JPY	GBP
Cash and cash equivalents (*)	2.281.007	28.336	18.918	14.527	1.013
Trade receivables	443.941	1.369	5.969	-	1.619
Other receivables	190.477	-	15	212	-
Trade receivables from related parties	779	-	3.961	-	-
Trade receivables from other parties	998	-	21	-	-
<b>Current Assets</b>	<b>2.917.202</b>	<b>29.705</b>	<b>28.884</b>	<b>14.739</b>	<b>2.632</b>
Trade receivables	57	-	-	-	1
<b>Non-Current Assets</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Total Assets</b>	<b>2.917.259</b>	<b>29.705</b>	<b>28.884</b>	<b>14.739</b>	<b>2.633</b>
Trade payables	3.403.145	1.423	68.553	109.136	46
Trade receivables from related parties	3.712.416	73.086	6.873	709	-
Trade receivables from other parties	3.782	-	-	12.763	-
Short-term portion of long-term bank borrowings	1.715.172	33.427	3.503	-	-
<b>Short-term Liabilities</b>	<b>8.834.515</b>	<b>107.936</b>	<b>78.929</b>	<b>122.608</b>	<b>46</b>
Long-term financial liabilities	2.410.532	2.530	62.319	-	-
<b>Long-term Liabilities</b>	<b>2.410.532</b>	<b>2.530</b>	<b>62.319</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>11.245.047</b>	<b>110.466</b>	<b>141.248</b>	<b>122.608</b>	<b>46</b>
<b>Net Foreign Currency Position</b>	<b>(8.327.788)</b>	<b>(80.761)</b>	<b>(112.364)</b>	<b>(107.869)</b>	<b>2.587</b>
Total foreign currency amount of off-balance sheet derivative financial assets	6.422.622	85.607	51.114	-	-
Total foreign currency amount of off-balance sheet derivative financial liabilities	-	-	-	-	-
<b>Total foreign currency amount of off-balance sheet derivative financial liabilities (*)</b>	<b>6.422.622</b>	<b>85.607</b>	<b>51.114</b>	<b>-</b>	<b>-</b>
<b>Net foreign currency asset/ (liability) position (***)</b>	<b>(1.905.166)</b>	<b>4.846</b>	<b>(61.250)</b>	<b>(107.869)</b>	<b>2.587</b>
Fair Value of Financial Instruments Used for Foreign Exchange Hedge	(1.885)	-	-	-	-
<b>Hedged Amount of Foreign Currency Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Hedged Amount of Foreign Currency Liabilities</b>	<b>(6.422.622)</b>	<b>(85.607)</b>	<b>(51.114)</b>	<b>-</b>	<b>-</b>
Export	15.050.154	84.987	192.325	-	7.888
Import	15.126.636	156.913	212.391	3.410.844	40

(\*) In addition, as of 31 December 2024, the Group holds a forward contract amounting to USD 20,000 to hedge the foreign currency risk associated with import transactions expected to occur in 2025. These amounts have not been presented under cash and cash equivalents in the foreign currency risk table.

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS  
(Cont'd)**

**(b) Market Risk (Cont'd)**

**Foreign exchange risk (cont'd)**

The Group is exposed to currency risk mainly in US Dollar, Euro, GBP and Japanese Yen. In order to eliminate the risks on the short-term foreign currency short-term balance sheet foreign currency position, the Group holds USD denominated deposits and cash equivalents corresponding to the open position in its balance sheet. In addition, the Group is protected from cash flow risk arising from foreign currency time deposits, funds and derivative transactions and purchases of certain inventory in the future.

The table below shows the Group's sensitivity to 10% increase and decrease in USD, Euro, GBP and Japanese Yen exchange rates. The 10% rate is the rate used when reporting the currency risk within the Group to the senior managers, and the said rate represents the possible change expected by the management in the foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items at the end of the period and shows the effects of 10% change in foreign exchange rates at the end of the period. This analysis includes foreign-sourced loans as well as non-functional currency loans of borrowers and borrowers used for foreign operations within the Group. A positive value represents an increase in profit/loss and other equity items.

**Foreign currency sensitivity analysis table**

	<b>31 December 2025</b>			
	Profit / Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Change in USD against TL by 10%				
1 - USD net asset / liability	(21.965)	21.965	(12.207)	12.207
2- Hedged USD (-)	-	-	12.207	(12.207)
<b>3- USD net effect (1 +2)</b>	<b>(21.965)</b>	<b>21.965</b>	-	-
Change in Euro against TL by 10%				
4 - Euro net asset / liability	(541.355)	541.355	(258.610)	258.610
5 - Hedged Euro (-)	-	-	258.610	(258.610)
<b>6- Euro net effect (4+5)</b>	<b>(541.355)</b>	<b>541.355</b>	-	-
Change in other currencies against TL by 10%				
7- Other currencies net asset / liability	3.924	(3.924)	-	-
8- Hedged other currencies (-)	-	-	-	-
<b>9- Other currencies net effect (7+8)</b>	<b>3.924</b>	<b>(3.924)</b>	-	-
<b>TOTAL (3+6+9)</b>	<b>(559.396)</b>	<b>559.396</b>	-	-

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS  
(Cont'd)**

**(b) Market Risk (Cont'd)**

**Foreign exchange risk (cont'd)**

**Foreign currency sensitivity analysis  
table**

	31 December 2024			
	Profit / Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Change in USD against TL by 10%				
1 - USD net asset / liability	22.170	(22.170)	(396.038)	396.038
2- Hedged USD (-)	-	-	396.038	(396.038)
<b>3- USD net effect (1+2)</b>	<b>22.170</b>	<b>(22.170)</b>	-	-
Change in Euro against TL by 10%				
4 - Euro net asset / liability	(470.678)	470.678	(187.774)	187.774
5 - Hedged Euro (-)	-	-	187.774	(187.774)
<b>6- Euro net effect (4+5)</b>	<b>(470.678)</b>	<b>470.678</b>	-	-
Change in other currencies against TL by 10%				
7- Other currencies net asset / liability	11.767	(11.767)	-	-
8- Hedged other currencies (-)	-	-	-	-
<b>9- Other currencies net effect (7+8)</b>	<b>11.767</b>	<b>(11.767)</b>	-	-
<b>TOTAL (3+6+9)</b>	<b>(436.741)</b>	<b>436.741</b>	-	-

**Forward contracts**

The detail information on foreign currency denominated borrowings and cross currency swap transactions is given in disclosures of derivative financial instruments (Note 5).

**(c) Funding Risk**

The ability to fund existing and prospective debt requirements is managed by maintaining the availability of adequate committed funding lines from high quality lenders. The borrowings of the Company are from financially strong various financial institutions.

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS  
(Cont'd)**

**(d) Credit Risk**

Credit risk consists of cash and cash equivalents, deposits with banks, derivative instruments, credit card receivables and customers exposed to credit risk. Holding financial instruments also carries the risk that the other party will not be able to fulfill the requirements of the agreement. Group management covers these risks by limiting the average risk for each contracting counterparty and by taking collateral if necessary.

The Group has calculated the remaining credit losses based on past year credit losses experience, current financial position analysis of its customers and their expectations for the future. The Group performed BKZ rate calculations separately for its customers. The Group makes separate assessments for export customers and other private customers and sets aside provisions when deemed necessary. Considering the receivables remaining after the current collaterals of the dealers, their payment habits, and the credit risk score status of independent credit rating firms, the method of allocation of doubtful receivables provision has been applied.

Deposits in banks, credit card receivables and derivative products are kept in banks and financial institutions with high creditworthiness.

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Cont'd)**

**(d) Credit Risk (cont'd)**

The credit risks that the Group is exposed to on the basis of financial instrument types as of 31 December 2025 are as follows:

Credit risk regarding the financial instruments	Receivables							
	Trade Receivables		Other Receivables		Bank Deposits	Financial Investments	Derivative Financial Instruments	Other
	Related Parties	Third Parties	Related Parties	Third Parties				
<b>31 December 2024</b>								
Maximum credit risk based on financial instruments as of reporting date(1)	292.614	7.833.305	219	176.480	8.220.559	1.745.830	791.412	-
- Collateralized or secured with guarantees part of maximum credit risk	-	5.558.585	-	-	-	-	-	-
A. Net book value of not due or not impaired financial assets(2)	119.826	7.447.983	219	176.480	8.220.559	1.745.830	791.412	-
B. Net book value of past due but not impaired financial assets(3)	172.788	385.322	-	-	-	-	-	-
- Collateralized or guaranteed part	-	289.379	-	-	-	-	-	-
C. Net book value of impaired financial assets								
- Gross amount of overdue part	-	181.924	-	-	-	-	-	-
- Impairment (-)	-	(180.183)	-	-	-	-	-	-
- Collateralized or guaranteed part of net value	-	1.741	-	-	-	-	-	-
- Gross amount of not due part	-	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-	-
- Collateralized or guaranteed part of net value	-	-	-	-	-	-	-	-
D. Off-balance sheet items comprising credit risk	-	-	-	-	-	-	-	-

(1) In determining the amount, factors that increase credit reliability, such as guarantees received, are not taken into account.

(2) Collaterals consist of guarantee notes, guarantee checks and mortgages received from customers.

(3) There have been no collection problems with these customers in the past.

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Cont'd)**

**(d) Credit Risk (cont'd)**

The credit risks that the Group is exposed to on the basis of financial instrument types as of 31 December 2024 are as follows:

Credit risk regarding the financial instruments	Receivables							
	Trade Receivables		Other Receivables		Bank Deposits	Financial Investments	Derivative Financial Instruments	Other
	Related Parties	Third Parties	Related Parties	Third Parties				
<b>31 December 2023</b>								
Maximum credit risk based on financial instruments as of reporting date(1)	528.429	9.267.842	481	158.878	9.136.120	2.565.260	975.594	-
- Collateralized or secured with guarantees part of maximum credit risk	-	5.570.542	-	-	-	-	-	-
A. Net book value of not due or not impaired financial assets(2)	333.503	8.739.393	481	158.878	9.136.120	2.565.260	975.594	-
B. Net book value of past due but not impaired financial assets(3)	194.926	528.449	-	-	-	-	-	-
- Collateralized or guaranteed part	-	46.058	-	-	-	-	-	-
C. Net book value of impaired financial assets	-	-	-	-	-	-	-	-
- Gross amount of overdue part	-	239.616	-	-	-	-	-	-
- Impairment (-)	-	(237.309)	-	-	-	-	-	-
- Collateralized or guaranteed part of net value	-	2.307	-	-	-	-	-	-
- Gross amount of not due part	-	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-	-
- Collateralized or guaranteed part of net value	-	-	-	-	-	-	-	-
D. Off-balance sheet items comprising credit risk	-	-	-	-	-	-	-	-

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**27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS  
(Cont'd)**

**(d) Credit Risk (cont'd)**

The Group considers that its receivables from related parties, including the overdue ones, do not have a collection risk considering that they are from Group companies and have been collected in the previous periods. The aging of the Group's receivables, which are overdue but not impaired, including the overdue periods, is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Between 0-1 months	618.783	348.442
Between 1-3 months	90.672	25.568
Between 3-12 months	13.920	17.962
	<b>723.375</b>	<b>391.972</b>

The Company calculates ECL's based on previous year's credit losses experience, analysis of customers' current financial situation and future expectations. The Company performs the ECL rate calculations separately for customers. The Company makes evaluations separately for export customers and other private customers and provides a provision where necessary. The Company has applied the doubtful receivable provision methodology by taking into consideration the dealers' remaining receivables after deducting existing collaterals, the credit risk score of the creditors evaluated by independent credit rating firms and payment history.

The tables below provide information on credit risk for trade receivables as of 31 December 2025 and 31 December 2024, credit losses, and exposure to ECL.

<b>31 December 2025</b>	<b>%</b>	<b>Gross Trade Receivables(*)</b>	<b>Doubtful Receivables Provision</b>
Domestic – Dealers	2%	5.944.313	145.129
Export Receivables	2%	1.298.127	30.577
Receivables from Automotive Manufacturers	0%	946.975	585
Domestic – Customers	1%	267.767	3.892
Trade Receivables from Related Parties	-	292.614	-
	<b>2%</b>	<b>8.749.796</b>	<b>180.183</b>

<b>31 December 2024</b>	<b>%</b>	<b>Gross Trade Receivables(*)</b>	<b>Doubtful Receivables Provision</b>
Domestic – Dealers	2%	8.719.751	190.800
Export Receivables	9%	466.855	40.678
Receivables from Automotive Manufacturers	0%	999.967	765
Domestic – Customers	2%	247.723	5.066
Trade Receivables from Related Parties	-	528.429	-
	<b>2%</b>	<b>10.962.725</b>	<b>237.309</b>

(\*) Gross trade receivables do not include maturity adjustment balance amounting to TL 443.634. (31 December 2024: TL 929.145) (Note 6).

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## 27. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Cont'd)

### (e) Capital Risk Management

The Group's objectives when managing capital are to maintain the Group's ability to continue to operate in order to provide returns for shareholders, benefits for other shareholders, and maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital using the net financial debt/equity + net financial debt ratio. Net financial debt is calculated by deducting cash and cash equivalents from the total financial debt amount.

Capital risk management	31 December 2025	31 December 2024
Net financial debt (Note 4)	4.524.256	4.416.596
Equity	23.634.280	25.718.038
<b>Equity+ Net debt</b>	<b>28.158.536</b>	<b>30.134.634</b>
Net financial debt / (Equity + Net Financial Debt) ratio	<b>0,16</b>	<b>0,15</b>

### (f) Operational risk

Direct or indirect loss arising from a wide variety of reasons related to operational risk, the Group's processes, employees, technology and infrastructure, and external factors such as legal and regulatory requirements and generally accepted standards regarding legal entity, excluding credit risk, market risk and liquidity risk. is the risk. Operational risks arise from all activities of the Group. The purpose of the Group is to manage operational risk by avoiding financial losses and damage to the Group's reputation, while avoiding controls that restrict entrepreneurship and creativity.

Improving and enforcing controls in operational risk avoidance are primarily the responsibility of senior managers in each business. This responsibility is supported by the improvement of general standards for the management of operational risks in the following areas:

- Requirements for appropriate division of duties and responsibilities, including independent authorization of transactions
- Requirements for reconciliation and oversight of transactions • compliance with regulatory and other legal requirements
- Documentation of controls and procedures
- Periodic evaluation of encountered operational risks and adequacy of controls and procedures to avoid identified risks.
- Requirements for reporting operational losses and presenting related remediation activities
- Creation of emergency plans
- Training and work-related development of employees
- Ethical and business life standards
- Risk reduction remedies, including insurance where effective

Compliance with group standards is audited by the periodic audit program carried out by Internal Audit. The results of the Internal Audit's review are reported to the management of the relevant operational department and shared with the Audit Committee and senior management.

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**28. FINANCIAL INSTRUMENTS**

**Classes and fair values of financial instruments**

<b>31 December 2025</b>	Financial assets shown at amortized cost	Financial liabilities shown at amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	Carrying value	Note
<b><u>Financial assets</u></b>						
Cash and cash equivalents	8.220.580	-	-	-	8.220.580	3
Financial investments	1.745.830	-	-	-	1.745.830	3
Trade receivables	7.833.305	-	-	-	7.833.305	6
Receivables from related parties	292.614	-	-	-	292.614	6-26
Other receivables (*)	176.861	-	-	-	176.861	
Derivative financial assets	-	-	791.412	-	791.412	5
	<b>18.269.190</b>	<b>-</b>	<b>791.412</b>	<b>-</b>	<b>19.060.602</b>	
<b><u>Financial liabilities</u></b>						
Financial liabilities	-	15.717.599	-	-	15.717.599	4
Trade payables	-	5.600.598	-	-	5.600.598	6
Payables to related parties	-	3.438.291	-	-	3.438.291	6-26
Other payables	-	171.112	-	-	171.112	
Derivative financial liabilities	-	-	1.678	-	1.678	5
	<b>-</b>	<b>24.927.600</b>	<b>1.678</b>	<b>-</b>	<b>24.929.278</b>	

**Classes and fair values of financial instruments**

<b>31 December 2023</b>	Financial assets shown at amortized cost	Financial liabilities shown at amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	Carrying value	Note
<b><u>Financial assets</u></b>						
Cash and cash equivalents	9.136.121	-	-	-	9.136.121	3
Financial investments	-	-	-	2.565.260	2.565.260	3
Trade receivables	9.267.842	-	-	-	9.267.842	6
Receivables from related parties	528.429	-	-	-	528.429	6-26
Other receivables (*)	159.666	-	-	-	159.666	7
Derivative financial assets	-	-	975.594	-	975.594	5
	<b>19.092.058</b>	<b>-</b>	<b>975.594</b>	<b>2.565.260</b>	<b>22.632.912</b>	
<b><u>Financial liabilities</u></b>						
Financial liabilities	-	17.594.325	-	-	17.594.325	4
Trade payables	-	6.617.662	-	-	6.617.662	6
Payables to related parties	-	4.297.794	-	-	4.297.794	6-26
Other payables	-	186.446	-	-	186.446	7
Derivative financial liabilities	-	-	5.245	-	5.245	5
	<b>-</b>	<b>28.696.227</b>	<b>5.245</b>	<b>-</b>	<b>28.701.472</b>	

(\*) Receivables from tax office are not included.

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**28. FINANCIAL INSTRUMENTS (Cont'd)**

***Fair value of financial instruments***

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 market information 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 can realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

***Financial assets***

Foreign currency denominated balances are translated into Turkish Lira at the forex buying exchange rates at the end of the period. It is foreseen that fair values are close to the carrying value.

The fair values of certain financial assets carried at cost, including cash and amounts due from banks, are considered to approximate their respective carrying values due to their short-term nature.

The carrying values of trade receivables along with the related allowances for uncollectibility are estimated to be their fair values.

***Financial liabilities***

The fair values of bank borrowings and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Since, long term foreign currency loans generally have floating rate, fair value is close to their book value. (Note 4).

***Fair value estimation:***

The Company's financial instruments measured at fair value in the balance sheet reclassified as flows:

Level 1: Quoted prices in markets for assets and liabilities.

Level 2: Direct or indirect observable inputs for the assets or liabilities other than quoted prices in Market.

Level 3: Inputs for the assets and liabilities where observable market data cannot be determined.

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**28. FINANCIAL INSTRUMENTS (Cont'd)**

Some financial assets and financial liabilities of the Group are reflected in the consolidated financial statements at their fair values at each balance sheet date.

The table below provides information on how the fair values of these financial assets and liabilities are determined.

Financial Assets/ Financial Liabilities	Fair Value				Fair value hierarchy	Valuation Technique	Significant unobservable input	Relation ship of unobservable inputs to fair value
	31 December 2025		31 December 2024					
	Assets	Liabilities	Assets	Liabilities				
Forward contracts	-	-	3.360	4.339	2	Discounted cash flow method: The future cash flows, predicted by forward foreign currency rate (observable forward foreign currency rates at reporting date) and the contracted rates, are discounted by a discount rate which indicates other parties credit risk.	-	-
Cross-currency swap	791.412	-	972.234	-	2	Discounted cash flow method: The future cash flows, predicted by forward foreign currency rate (observable forward foreign currency rates at reporting date) and the contracted rates, are discounted by a discount rate which indicates other parties credit risk.	-	-
Commodity swap	-	1.678	-	906	2	Discounted cash flow method	-	-

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**28. FINANCIAL INSTRUMENTS (Cont'd)**

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>31 December 2025</b>			
GUD difference reflected in other comprehensive income, (net)	-	789.734	-
GUD difference reflected in other profit/loss, (net)	-	(1.678)	-
<b>31 December 2024</b>			
GUD difference reflected in other comprehensive income, (net)	-	972.234	-
GUD difference reflected in other profit/loss, (net)	-	28.662.277	-

**29. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR**

	<u>1 January- 31 December 2025</u>	<u>1 January- 31 December 2024</u>
Audit fee for the reporting period	2.767	3.059
Fee for other assurance services	-	99
<b>Total</b>	<b><u>2.767</u></b>	<b><u>3.158</u></b>

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**30. EXPLANATIONS ON NET MONETARY POSITION GAINS/LOSSES**

<b>Non-monetary items</b>	<b>31 December 2025</b>
<b>Statement of financial position items</b>	<b>(1.520.533)</b>
Inventories	145.974
Prepaid expenses	3.649
Tangible Fixed Assets	4.049.514
Intangible Assets	179.278
Right of Use Assets	24.573
Deferred Tax Assets	(9.714)
Deferred Income	(23.687)
Deferred Tax Liabilities	(11.484)
Capital Adjustment Differences	(2.622.858)
Share Premiums	(36)
Other comprehensive income/expenses not to be reclassified to profit or loss	217.602
Other comprehensive income/expense to be reclassified to profit or loss	(33.704)
Restricted Reserves	(782.995)
Non-controlling Interests	(32.208)
Retained Earnings	(2.624.437)
<b>Statement of profit or loss items</b>	<b>3.429.735</b>
Sales	(3.822.523)
Cost of Sales (-)	5.909.864
General Administrative Expenses (-)	452.324
Marketing Expense (-)	457.811
Research and Development Expenses (-)	34.218
Impairment Loss on Trade Receivables, net (-)	(1.448)
Other Operating Income	(438.175)
Other Operating Expenses (-)	352.183
Income From Investing Activities	(10.499)
Financing Income	(217.912)
Financing Expenses (-)	677.084
Current Tax Expense (-)	36.808
<b>Net monetary position gain</b>	<b>1.909.202</b>

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**31. EVENTS AFTER THE REPORTING PERIOD**

None.