



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REVIEW REPORT ON SEMI-ANNUAL REPORT
ORIGINALLY ISSUED IN TURKISH**

To the General Assembly of Türk Prysmian Kablo ve Sistemleri A.Ş.

Introduction

We have been assigned to the review whether the financial information in the review report of Türk Prysmian Kablo ve Sistemleri A.Ş. (the “Company”) and its subsidiaries (collectively referred as the “Group”) prepared as at 30 June 2025 is consistent with the reviewed interim condensed consolidated financial information. Management is responsible for the preparation of the semi-annual report. Our responsibility is to express a conclusion on whether the financial information provided in the semi-annual report is consistent with the reviewed interim condensed consolidated financial information on which we have expressed our conclusion dated 11 August 2025.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements (“SRE”) 2410 “Review on Interim Financial Information Performed by the Independent Auditor of the Entity”. Our review includes the assessment as to whether the financial information included in the semi-annual report is consistent with the reviewed interim condensed consolidated financial statements and other explanatory notes. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards, the objective of which is to express an opinion on the financial statements. Consequently, a review on the semi-annual financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying financial information included in the review report is not consistent, in all material respects, with the interim financial information and the information presented in the explanatory notes to interim condensed consolidated financial statements.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Özgür Beşikcioğlu, SMMM
Independent Auditor

Istanbul, 11 August 2025

ISSUED PURSUANT TO THE COMMUNIQUE SERIAL: II NO. 14.1.

TÜRK PRYSMİAN KABLO VE SİSTEMLERİ A.Ş.

AND ITS SUBSIDIARIES

1 JANUARY 2025 – 30 JUNE 2025

BOARD OF DIRECTORS

INTERIM PERIOD ACTIVITY REPORT

11.08.2025

GENERAL INFORMATION

Türk Prysmian Kablo ve Sistemleri A.Ş. is the Turkish operation of Prysmian, a world leader in the energy and telecommunications cables industry, with approximately 30,000 employees and 107 factories operating in over 50 countries.

The company stands out as one of the 16 facilities within Prysmian that can simultaneously produce energy and communication cables. The product range includes all energy cables up to 220 kV, copper conductor communication cables up to 3,600 pairs, fiber optic cables, railway signaling cables, studio broadcast cables, and special cables. Today, more than 22,000 different cables can be produced at the Mudanya factory. In addition, Türk Prysmian continues to provide unique and superior services to all its customers by implementing "Turkey" projects for cables and systems.

Türk Prysmian's installed capacity is at levels that can compete in international markets. With a capacity utilization rate of 71% in 2024 and continuing to be a priority export center within Prysmian, approximately 43% of the company's total revenue of 6.996.192.628 TL in first interim period 2025 comes from export operations. Türk Prysmian maintains its leadership in innovation, technology, quality, and customer satisfaction both in Türkiye and international markets. Today, the company exports to over 50 countries, primarily the Turkish Republics and Middle Eastern countries, but not limited to these regions.

Prysmian has a total of 27 R&D centers worldwide; one of these R&D centers is located at Türk Prysmian's Mudanya factory. The Material Technologies Testing Laboratory within the Mudanya R&D center has been certified by the Turkish Accreditation Agency (TÜRKAK) with the TS EN ISO/IEC 17025 "General Requirements for the Competence of Testing and Calibration Laboratories" accreditation certificate. The certificate issued by TÜRKAK symbolizes that the test results to be carried out in the Türk Prysmian laboratory on 'fire tests' are reliable and internationally valid.

Türk Prysmian Kablo ve Sistemleri A.Ş., listed on the Istanbul Stock Exchange, continues to increase the effectiveness of its products and services both in Türkiye and international markets and has proven its value to people and its care for the environment by being the first in its sector to obtain ISO / DQS 9001 and ISO 14000 certificates.

Relevant Accounting Period of the Report:

Our activity report covers the period from 01.01.2025 – 30.06.2025

Issued Capital: 216,733,652 TL

Registered Capital Ceiling: 1,300,000,000 TL

Trade Registry Number and Contact Information:

Head Office Address: Ömerbey Mah. Bursa Asfaltı Cad. No:51 Mudanya / BURSA

Tel: +90 224 270 3000 | Fax: +90 224 270 3024

Branch Address: Fulya Mah. Büyükdere Cad. Torun Center D Blok No: 74d İç Kapı No: 21 Şişli / İstanbul

Tel: +90 212 393 7700 | Fax: +90 212 393 7762

Trade Registry No: M0153/Bursa Merkez

MERSIS No: 086005137400023

Website: www.prysmian.com.tr

Subsidiaries	Types of	
	activities	Main fields of activity
Turkish Prysmian-Prysmian Powerlink		
DB.KAB.19 Business Ordinary Partnership	Sales	Sale of Power Cables

SECTOR, VISION, AND MISSION IN WHICH THE COMPANY OPERATES

As Prysmian, we are world leader in energy cables and systems, communication cables, and systems. We are a multinational company that has been successfully growing in local markets where we have been experts for over a century.

Our Vision:

As Prysmian, we are one of the oldest, most established, and leading companies in its sector, we aim to be a company that fosters a distinguished and innovative role, nurturing a workforce that is open to development, creative, and performs excellently. We have an organizational structure that values transparency and social responsibility, continuously providing satisfaction to our customers and establishing long-term partnerships. We consistently create value for our shareholders, dedicate ourselves to improving societal conditions, and maintain our leadership in the sector both in Turkey and on the international platform.

Our Mission:

It is to add value to our shareholders and the industry by providing our customers, business partners, and society with innovative, advanced technology, compliance with the standards, top-quality, and safe products and services.

CAPITAL AND SHAREHOLDER STRUCTURE

Capital Structure of the Company as of 30.06.2025 is as follows:

Partners	%	TL
Draka Holding B.V.	83,75	181.506.654
Other *	16,25	35.226.998
Capital	100,00	216.733.652

There are no privileged shares in the Company capital. Each share has 1 voting right in our Company.

BOARD OF DIRECTORS AND ORGANIZATIONAL STRUCTURE OF COMPANY

As of 30.06.2025 reporting date, information regarding the members of the Company's board of directors is given below.

POSITION	MEMBERS	<u>Term of Duty</u>	<u>General Assembly Date</u>
Chairman	Daniele Lorenzo Mazzearella	1 year	27.03.2025
Vice President of the Executive Board	Maria Cristiana Bifulco	1 year	27.03.2025
Board Member	Marcelo De PAOLA	1 year	27.03.2025
Board Member	Giovanni Zancan	1 year	27.03.2025
Board Member	Frederick Lars Persson	1 year	27.03.2025
Independent Board Member	Mine AYHAN	1 year	27.03.2025
Independent Board Member	Ebgü Senem DEMİRKAN	1 year	27.03.2025
Independent Board Member	Mehmet GÖÇMEN	1 year	27.03.2025

Daniele Mazzearella

Chairman & CEO

In 1996, Daniele Mazzearella graduated from Bocconi University in Italy and started his professional career in 1997. In 1997 he joined Thyssen Krupp Group as Controller and in 1999 he was appointed Controller of Management Reporting. In 2000, Mr. Mazzearella joined Pirelli Kabel as Senior Controller and in 2003 he joined Prysmian SpA as Logistics Controller. In 2007, he became the CFO of Prysmian Finland, and after 2011, he became the Regional CFO of Prysmian North America and then Prysmian Southern Europe in 2018. Daniele Mazzearella, who has worked in different positions in his 24 years of experience under the roof of Prysmian and has been Prysmian's Southern Europe Regional CFO since 2018, started to work as Prysmian Turkiye CEO as of September 2024.

Maria Cristiana Bifulco

Board Member

She graduated magna cum laude in Business Administration, in 2000, at Università Commerciale “L. Bocconi” of Milan and got, in 2005, a Master in Business Administration at Kingston Business School of London. After first experiences as Consultant (Eos in Milan) and Analyst (Bloomberg Financial Services in London), in 2006 She joined, as Investor Relation Manager, IW Bank SpA, where She had the chance to follow, in May 2007, the quotation of the Bank in the market Expansion of Borsa Italiana. In 2008 She started a new professional challenge in Snam SpA, first as Head of Financial Markets Analysis and Investor Relations and then as Head of Foreign Subsidiaries, coordinating abroad M&A projects and following the acquisitions of foreign participations (Interconnector in UK, T.I.G.F. in France). In 2013 She became Head of Investor Relations in Indesit Company SpA where She was, inter alia, in charge of the due diligence process related to the divestment of controlling stake of the Company from the Holding (Fineldo) to Whirlpool.

In September 2014 Maria Cristina entered a new professional experience, that still lasts, joining the Prysmian Group SpA as Group Investor Relations Director. She reports to the CFO of the Group and carries out, beside the IR duties, Corporate Governance Activities and Special Projects (Capital Increase 2018, Bond issues prospectuses, due diligence streams for M&A).

Marcelo De Paola

Board Member

Marcelo De Paola has graduated in Business from Pontificia Universidade Catolica of Sao Paulo and he has an MBA in Finance at IBEMEC. Marcelo's career started 35 years ago as a financial analyst at Pirelli. Along these years at the company, he has been in charge of the financial, IT and corporate affair sectors, achieving the position of country manager. He has been in role of such activities in Brazil, Argentina, Italy and Mexico. He was further responsible for building the new SAP Process that has been implemented around the world. Moreover, while in Italy he was part of the team that made Prysmian's IPO and that defined the new group's reporting model. Marcelo De Paola is Prysmian Group's CEO in México since July 2020. He currently manages 6 plants and over 1.800 employees. He was previously assigned as Prysmian Group's CFO for the LatAm region. While in charge, Marcelo's duties comprised the company's accounting and treasury sections, financial planning, tax operations, as well as business support.

Giovanni Zancan

Board Member

In 1989, Giovanni Zancan graduated in Business Administration from Bocconi University and started his professional career in 1990. In 1990 he worked as a Credit Officer at the European Commission - Luxembourg Directorate General for Credit and Investment and in 1990 he joined the Administration and Control Department at Pirelli Cavi e Sistemi SpA. In 1993 he joined Pirelli SPA - Milan in the Finance Department. In 1998 he became Investor Relations Manager at Pirelli SpA - Milano. In 1999 he became Finance Director for Latin America at Pirelli S.A. - São Paulo Brasil. From 2002 to 2003 he was Finance Director at Pirelli & C. Real Estate SpA - Milan and from 2004 to 2005 Project Finance Director at Pirelli & C. SpA - Milan. He joined Prysmian at the foundation mid-2005 and he is currently Senior Vice President, Group Finance at Prysmian SpA - Milan, where he is also Chairman of the Board of Directors of Prysmian Riassicurazioni Spa and a member of the Board of Directors of Prysmian Treasury S.r.l. / Prysmian PowerLink S.r.l. / Prysmian Cavi e Sistemi Italia S.r.l. / Prysmian UK Group Ltd and Prysmian Hong Kong Holding Ltd.

Frederick Lars Persson

Yönetim Kurulu Üyesi

Frederick Persson joined Prysmian Group as CEO in Sweden in 2010 and moved to Australia in 2014, where he was CEO of Prysmian Group's ANZ business until February 2018. From February 2018 until December 2023, Frederick moved to Germany as CEO for Central Eastern Europe within Prysmian Group. In December 2023, Frederick was promoted to his new role as Executive Vice President, Digital Solutions, based at the Milan Headquarters. Frederick received his Bachelor's

degree in Logistics from Vaxjö Sweden in 1996. He started his career at the Swedish steel producer SSAB. Frederick held various positions, mainly in sales, and worked his way up to CEO of SSAB Canada. Moving into the stainless steel sector, he became managing director of the French wholesaler IMS in Sweden. Frederick is married with three children.

Mine Ayhan

Independent Board Member

With more than 35 years of experience in the insurance and reinsurance industry, Mine Ayhan has a strong career in corporate governance, strategic leadership and technical expertise. After holding key positions at Allianz and Yapı Kredi Insurance, she worked as a senior executive at Generali Turkey for 15 years, during which time she served as CEO and Chairman of the Board of Directors. During this period, he led the company's growth, digitalization and customer-oriented transformation processes and achieved significant success in the sector. He is an expert in the field of engineering insurance and has deep knowledge in risk management and development of technical insurance solutions, especially for energy, PPP and BOT projects.

Ayhan, who is also an effective manager in the international arena, served as CEO and Chairman of the Board of Directors at Europ Assistance Turkey and also served as a Board Member of Europ Assistance Holding for three years. In addition, he played an active role in global management processes as a member of the Board of Directors of Paris-based Europ Assistance S.A. She is involved in projects supporting women entrepreneurship at TOBB Women Entrepreneurs Board and TOBB Istanbul Women Entrepreneurs Board, and has also served as a Board Member at SEV Foundation Schools, TSEV and Italian Chamber of Commerce.

A graduate of Tarsus American College and Boğaziçi University, Department of Mathematics, Ayhan holds the FT Non-Executive Director Diploma from the Financial Times Board Director Program. This diploma, which provides international competence in corporate governance, risk management and sustainable growth, is an important reference for independent board members. A member of the International Women's Federation (IWF) and the Chartered Institute of Logistics and Transport (FCILT), Ayhan also contributes to raising future leaders through mentoring activities.

Ebgü Senem Demirkan

After graduating from Middle East Technical University, Department of Business Administration in 1993, Ebgü Senem Demirkan joined the Capital Markets Board of Turkey as a Professional Staff in 1995. Between 1995 and 2005, she worked in the Auditing and Partnership Finance Departments of the Capital Markets Board. Between 2002 and 2003, she attended the Capital Markets training program at the Wharton School of the University of Pennsylvania in the USA, and served as the Capital Markets Coordinator of Yaşar Holding A.Ş. between 2005 and 2016, and as the Capital Markets Advisor of Yaşar Holding A.Ş. between 2016 and 2020. Between March 2016 and March 2017, she worked at Oyak Asya Çimento

A.Ş., and between March 2018 and March 2019, she worked at Bosch Fren Sistemleri San. And Tic. A.Ş. between March 2018 and March 2019, and Tukaş Gıda San. And Tic. A.Ş. between March 2018 and April 2022. Since April 2021, she has served as an Independent Board Member at Dinamik Isı Makine Yalıtım Malzemeleri Sanayi ve Tic. A.Ş. since April 2021 and Tapdi Oksijen Özel Sağlık ve Eğitim Hizmetleri San. And Tic. A.Ş. since April 2021 and Tapdi Oksijen Özel Sağlık ve Eğitim Hizmetleri San. ve Tic. A.Ş. since May 2023 and works as Managing Partner at Sekans Kurumsal Danışmanlık ve Eğitim Ltd. Şti.

Mehmet GÖÇMEN

Independent Board Member

After graduating from Middle East Technical University, Department of Industrial Engineering, Mehmet Göçmen started his professional career as a Project Manager at Çelik Halat ve Tel Sanayi A.Ş. in 1983 and served as a Member of the Executive Committee within the same company. In 1996, he continued his career at Lafarge Group as General Manager and assumed the position of Vice President. In 2003, he joined Sabancı Holding A.Ş. and served as General Manager at Akçansa Cement until 2008. Subsequently, he served as Human Resources Group President between 2008 and 2011, Cement Business Unit President between 2009 and 2014, and Energy Business Unit President between 2014 and 2017 at the same company. Between 2017-2019, he served as CEO and Board Member. Since 2019, he has been working as a Board Member at Trakya Çimento Sanayi ve Ticaret A.Ş., Board Member at Coşkunöz Holding A.Ş., Board Member at Saint-Gobain and Dalsan JV, Board Member at Çalık Holding A.Ş. and Consultant at Credia Partners.

Operating Principles of the Board of Directors

Board meetings shall be held at least quarterly. Except in exceptional circumstances, the members of the Board of Directors shall be provided with the necessary documents and information in advance and for a reasonable period of time to enable them to express an informed opinion on the matters under scrutiny.

There is a Board of Directors secretariat established to inform and communicate with the members of the Board of Directors. In the event that different opinions are expressed at the meeting and/or in the event of opposition to a decision taken by the Board of Directors, reasonable and detailed reasons for opposing votes are recorded in the decision minutes.

Attention is paid to ensure actual participation in Board meetings. Questions directed by the Board Members during the

meeting are recorded in the minutes of the meeting. In order not to undermine the equality among the members, no member of the Board of Directors has been granted weighted voting rights and/or negative veto rights.

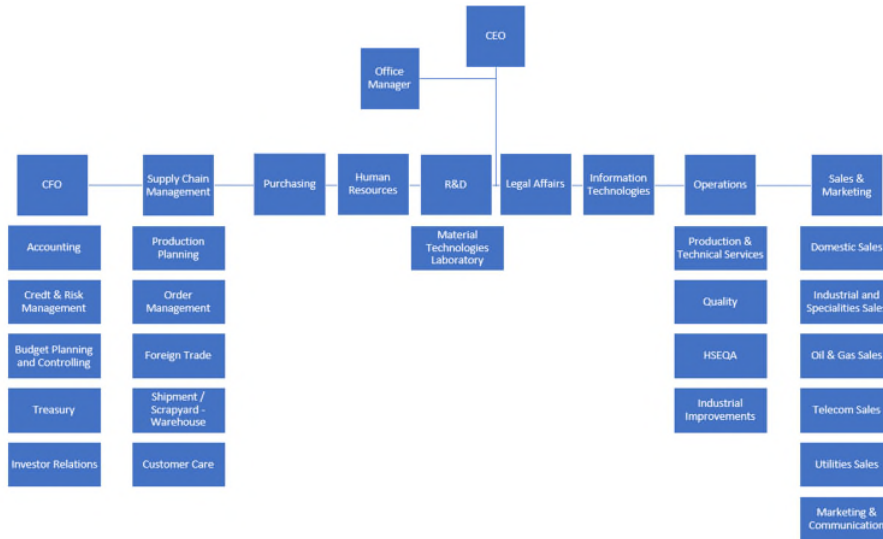
In the first quarter of 2025, Board of Directors meetings were held physically and 25% of the Board Members physically attended these meetings.

Members who could not physically attend the meeting due to their agendas participated via online applications.(Teams)

At the meeting of our Company's Board of Directors dated 28.03.2025, the Board Committees and their assignments were determined as follows:

Position	Corporate Governance Committee	Early Detection of Risk and Risk Management Committee	Audit Committee
Chairman	Ebgü Senem DEMİRKAN	Mine AYHAN	Mehmet GÖÇMEN
Member	Mine AYHAN	Mehmet GÖÇMEN	Mine AYHAN
Member	Ayşe Çiğdem Çelikkilek (Investor Relations Director)	Ebgü Senem DEMİRKAN	Ebgü Senem DEMİRKAN

Organization Structure



SECTORAL ASSESSMENTS AND INFORMATION ON ACTIVITIES

The year 2024 was quite dynamic for the global economy, with significant progress made despite many challenges. Central banks implemented tight monetary policies to control inflation, while regional tensions continued to affect energy markets, prompting many countries to accelerate investments in renewable energy. The digital economy became a major driver of growth, especially in the Asia-Pacific region. Post-pandemic supply chain issues persisted, particularly in the technology sector with chip shortages. Additionally, the economic cost of increasing natural disasters and climate change led to problems such as droughts in agriculture and rising food prices. Overall, despite its difficulties, 2024 saw notable advancements in areas like digitalization and renewable energy. In the first half of 2025, however, uncertainties caused by trade wars and geopolitical tensions are limiting global growth.

While global trade remains flat, the Turkish economy has shown signs of slowing down since the first quarter of 2024, with reduced growth momentum. Measures taken to combat high inflation have led to economic deceleration and a contraction in domestic demand. Rising regional tensions, exchange rate policies, and high energy costs have introduced new risks in export markets, increasing uncertainty for both the Turkish economy and the cable sector.

Although the construction sector gained momentum due to urban transformation and reconstruction efforts following the major earthquake disaster, the simultaneous increase in interest rates as part of inflation control measures has made financial conditions and access to credit more difficult. This has caused the sector, which had outperformed the general economy throughout the year, to experience a volatile trajectory.

The ongoing lack of domestic market demand throughout 2024 and the first half of 2025 has intensified competition in the cable sector. Price fluctuations, extended payment terms, and delayed payments have pushed the sector toward exports. This trend and pricing pressure in the domestic market are expected to continue for some time. Cable sector exports remain stable at around 3 billion USD, a significant value for the Turkish economy. However, developments in export markets and embargoes resulting from high regional geopolitical tensions are affecting companies' export performance.

Moreover, the tightening of credit by banks and their reduced appetite for lending, along with the very high interest rates on the limited available credit, are negatively impacting the operating profitability of sector companies, which already operate with very low profit margins.

In addition to the uncertainty ahead, fluctuations in raw material, energy, and logistics costs, trade wars, supply chain issues caused by geopolitical risks, and high inflation are creating serious pressure on the cable sector, which largely imports its raw materials. Since metals like copper and aluminum, and polymers like PVC and polyethylene used in cable production

are traded in foreign currencies, the sector is adversely affected by exchange rate movements. With most costs in foreign currency and sales in Turkish Lira on deferred terms, such fluctuations are wearing down the sector.

Despite the global and domestic slowdown, the increasing use of renewable energy sources in Turkey and the country's growing role as a key energy player in the region are positively supporting the development of the cable sector. As green economy, energy transition, and carbon reduction goals become central topics in business life, companies that invest in environmentally friendly new products and systems, act with a sense of responsibility toward the planet, focus on renewable energy projects beneficial to both the world and the industry, adopt a sustainability perspective, develop commercial policies addressing climate change, and place sustainability at the core of all their operations will be the least affected by global developments and will serve the sector in the long term.

Cables are expected to have features such as not endangering human life and property, enhanced fire performance, and the ability to transmit more data faster and in a more compact form. Leading cable manufacturers in Turkey, producer associations, and relevant official institutions have launched a serious campaign against non-standard cables. To live in a safer and more efficient world, efforts continue to promote high-performance and cost-effective solutions, raise awareness about proper cable usage, conduct market surveillance and inspection activities to ensure compliance with standards, and inform the public about inconsistencies in the quality of some cables sold in Turkey.

R&D Activities

Türk Prysmian Kablo aims to increase its competitive power in the energy and telecommunication cables industry, offering users of cutting edge technologies the opportunity to take the advantage of its leadership in innovation and development, and is working on efficient, effective, superior and ecofriendly products and system solutions. The Research & Development (R&D) Centre in Mudanya, both it is an R&D center approved by the Turkish Ministry of Industry and Technology and one of the 26 centers of Prysmian R&D family that plays a leading role internationally in cable production and material technologies. Owing to its comprehensive infrastructure and operations, Mudanya R&D Centre is also the pioneer of the Turkish Cable Industry.

Established on an area of 5 thousand square meters and comprised of 6 separate departments, the R&D Centre encompasses a Material Technologies Laboratory, a Burn Test Laboratory, an Energy Cable Testing Laboratory, a Telecom and Fiber Cables Testing Laboratory as well as a Design and Innovation Office and a Process Design and Prototype Development Office. The R&D Centre holds the TS EN ISO /IEC 17025 Standard "General Requirements for the Competence of Testing and Calibration Laboratories", and the Private Sector Burn Test Laboratory has been the first lab accredited by the Turkish

Accreditation Agency (TURKAK) in Turkey to possess the infrastructure prescribed by “CRP - Construction Products Regulation”.

As a result of its research and product development activities, Türk Prysmian Kablo, which is the first company in the Turkish Cable Industry to receive the CPR certificate and pioneers the sector with its expertise in this field, continues its CPR studies uninterruptedly. Cables with high-level CPR performance have been developed to meet the increasing CPR demands in the railway industry. The high-level combustion performance of the cables used in facilities that receive investment such as renewable energy generation plants and Data Centres is expected to be in B2 and C CPR class and at the same time drop class d0 and d1. Similarly, the use of cables with high-level CPR performance is becoming widespread in petrochemical plants. In this scope, we continue to develop innovative materials. New CPR families were created in control, instrumentation and energy cable groups and certification studies were carried out.

In order to increase export markets, our certification activities for low voltage energy cables gained momentum and VDE certificate was received. In addition to our existing certificates for ship cables, we are working to receive Lloyd's Register certification.

Big data management issues are increasing in importance day by day. In this field, large data centers are being established in many countries. Studies on both energization and data transfer have been initiated to meet the needs of data centers. The demands in the European market are targeted in this sector.

In the railway sector, research and development activities were carried out, new product groups were developed and necessary approvals were received in order to export cables to large markets such as America, Europe, Asia and Australia. We continue our efforts to increase product range and reach new markets.

Innovative product development efforts were continued by carrying out joint projects with the central R&D in fiber optic cable solutions. Within the scope of these works, our efforts to increase the number of fibres per mm² continue.

Our R&D center continues its work intensively in the field of sustainability. A multi-layered study has been initiated for a more sustainable product. The carbon footprint of the products is calculated and new materials and technologies are researched to reduce it. All toxic products that harm the environment are monitored within the scope of REACH and RoHS and in candidate lists, and this information is used in material technologies, but the products on these lists are not used. Work on renewable energy cables and high-efficiency cables, which are important within the scope of sustainability, continues. The aim is to lead the industry towards a genuine, standardised and acceptable green labelling system. The aim of this system is to identify truly green products and provide reliable information to customers. By referencing green labelling (E-Path) criteria, it is intended to create a common language for environmentally friendly best practices throughout the supply chain. Our work for the classification of cables within the scope of E-Path has been completed.

Increasing its investment in technology and innovation with Mudanya R&D Centre, Türk Prysmian Kablo aims to improve the competitiveness of our country by bringing users together with technological innovations and high-performance products. In line with this vision, it has been operating in the first R&D Centre approved by the Ministry of Science, Industry and Technology in the cable sector since 2016. In addition to innovation and product development studies, it has 7 completed Tübitak Projects and 11 patents. Cooperation with universities continues to increase. In this scope, our university-industry cooperation has gained momentum as the newly recruited R&D personnel have started their master's degree education. Within the scope of the R&D centre, we have 9 projects completed as of 2024 and 14 ongoing projects as of 2025.

Türk Prysmian Kablo continues to produce innovative solutions that prioritize high performance, efficiency and security in its R&D Center. State-of-the-art, user-friendly, high-performance solutions are developed in energy, fiber and communication cables, with features suitable for a wide range of challenging geographies, environmental and usage conditions, according to the user and industry market. Among these developed solutions, special distribution signal cables, low voltage and fiber optic cables for the petrochemical industry, minitube fiber optic cables, defense industry and wagon cables, explosion-resistant fiber optic and special cables for the petrochemical industry can be highlighted. Additionally, as a result of the importance Türk Prysmian Kablo attaches to product and test reliability, the number of national and international tests included in the scope of accreditation by the Turkish Accreditation Agency (TÜRKAK) has increased to 29 and scope development efforts are continuing.

ECONOMIC EXPECTATIONS

2025 – 2nd Quarter Realization

In June 2025, the Central Bank decided to keep the policy interest rate unchanged at 46%. The June Monetary Policy Committee (MPC) minutes stated that the main trend in inflation pointed to a decline, and the text noted that data for the second quarter showed a slowdown in domestic demand. Additionally, it was stated that the potential effects of geopolitical developments and increasing protectionism in global trade on the disinflation process are being closely monitored, and that inflation expectations and pricing behavior continue to pose risks to the disinflation process.

According to data from the Turkish Statistical Institute (TÜİK), inflation stood at 1.37% on a monthly basis in June 2025, while the annual rate was 35.05%.

The change in the CPI in June 2025 was 16.67% compared to December of the previous year and 43.23% compared to the twelve-month average. The annual changes in the three main expenditure groups with the highest weight were as follows: a 30.20% increase in food and non-alcoholic beverages, a 27.72% increase in transportation, and a 65.54% increase in housing. The effects of these main groups on the annual change were 7.60% for food and non-alcoholic beverages, 4.51% for transportation, and 9.22% for housing.

The Domestic Producer Price Index (Yİ-ÜFE) increased by 2.46% compared to the previous month and 24.45% compared to the same month of the previous year in June 2025. The annual changes in the four sectors of industry were as follows: a 25.66% increase in mining and quarrying, a 23.79% increase in manufacturing, a 28.25% increase in electricity, gas production, and distribution, and a 61.04% increase in water supply. On the other hand, the Foreign Producer Price Index (YD-ÜFE) increased by 3.42% compared to the previous month and 28.38% compared to the same month of the previous year in June 2025. The annual changes in the two sectors of industry were as follows: a 23.36% increase in mining and quarrying, and a 28.48% increase in manufacturing.

On the growth side, GDP grew by 2.0% in the first quarter of 2025. Seasonally and calendar-adjusted calculations also show that GDP increased by 1.0% in the first quarter of 2025 compared to the previous quarter.

The consumer confidence index, calculated based on the results of the consumer sentiment survey conducted in collaboration with the Turkish Statistical Institute and the Central Bank of the Republic of Turkey, rose by 0.3% in June to 85.1, up from 84.8 in May.

According to data from the Ministry of Trade, in June 2025, compared to the same month last year, exports increased by 8.0% to 20 billion 537 million dollars, and imports increased by 15.3% to 28 billion 708 million dollars. In the January-June period of 2025, exports increased by 4.1% to 131 billion 440 million dollars, while imports increased by 7.2% to 180 billion 869 million dollars. In the January-June period of 2025, the foreign trade deficit increased by 16.3% from 42 billion 504 million dollars to 49 billion 437 million dollars. The ratio of exports to imports, which was 74.8% in the January-June period of 2024, decreased to 72.7% in the same period of 2025.

The seasonally adjusted unemployment rate in Turkey stood at 8.6% in June 2025. According to data published by the European Union Statistics Office (Eurostat), the seasonally adjusted unemployment rate in the Eurozone remained steady at 6.2% in June 2025. During the same period, the unemployment rate in the US fell to 4.1%.

In global economies, the Consumer Price Index (CPI) in the US rose by 0.3% on a monthly basis in June, while showing an increase of 2.7% on an annual basis, exceeding expectations. In the Eurozone, annual inflation stood at 2% in June 2025. Services inflation rose to 3.3% from May's three-year low of 3.2%, while the decline in energy prices slowed to 2.6% from 3.6%.

2025 Expectations and Forecasts

Ongoing uncertainties regarding global trade policies have increased following the recent protective measures taken, and risks to the global economy and financial markets have become more apparent. At the Monetary Policy Committee meeting held in June, it was stated that uncertainties regarding global trade policies remained high, but that the limited improvement in the global growth outlook continued. The deterioration in the global demand outlook continues to put pressure on crude oil prices, while energy commodity prices fluctuate in line with geopolitical developments. Uncertainties regarding the trade and economic policies that the US and other countries will pursue in the coming period, along with geopolitical risks, are seen as prominent risk factors for the course of global economic activity.

Although the expected effects of the tariff increases announced by the US on inflation may vary from country to country, inflation uncertainty has increased on a global scale. Tariff measures have significantly disrupted the global growth outlook; growth expectations have been revised downward significantly in both developed and developing countries.

According to the results of the CBRT Market Participants Survey dated June, the year-end inflation expectation, which recorded a limited increase from 30% to 30.35% in the May survey, was observed to have decreased to 29.86% in the survey. In addition, market participants' 12-month-ahead CPI expectation declined from 25.06% to 24.56%, while the 24-month-ahead CPI expectation fell from 17.77% to 17.35%. According to the survey, the current year-end exchange rate (USD/TL) expectation was 43.57 TL. Participants' GDP growth expectations for 2025 were 2.9%, while GDP growth expectations for 2026 were 3.7%.

The Istanbul Chamber of Industry (ISO) Turkey Manufacturing PMI index fell from 47.2 in June to 46.7, reaching its lowest level since October 2024. As a result, the manufacturing PMI index, which averaged 47.9 in the first quarter of 2025, declined to an average of 47.1 in the second quarter of the year. The index level, which has been below the 50 threshold

since April 2024, indicates that manufacturing industry activity has continued to lose momentum for over a year. In addition to the slowdown in production, employment, and purchasing activities, the note accompanying the data released by ISO emphasized that the increase in product prices has slowed due to weak demand. The note stated that the weakening demand led to a decline in new orders in June, thereby completing the second year of the current downward trend, and similarly highlighted that new export orders also showed a contraction.

The IMF published the July edition of its World Economic Outlook report under the title “Global Economy: Weak Resilience in a Persistent Environment of Uncertainty.” The report stated that global economic growth is expected to be 3% in 2025 and 3.1% in 2026. In the IMF's April forecasts, the world economy was expected to grow by 2.8% this year and 3% next year. The report states that the Turkish economy is expected to grow by 3% this year and 3.3% next year. In its April forecasts, the IMF had predicted that the Turkish economy would grow by 2.7% this year and 3.2% next year. In its Economic Outlook Report, the OECD raised its growth and annual average inflation expectations for Turkey for 2025 from 2.6% to 3.1% and from 30.7% to 31.4%, respectively. In the same report, the OECD revised its global economic growth forecasts downward to 3.1% and 3% for 2025 and 2026, respectively.

At its June meeting, the US Federal Reserve lowered its GDP growth forecasts for 2025 from 1.7% to 1.4%, while the unemployment rate rose from 4.4% in March to 4.5%. The statement noted that while fluctuations in net exports had affected the data, recent indicators showed that economic activity continued to expand at a strong pace. It also pointed out that the unemployment rate remained low and labor market conditions remained strong, while assessing that inflation would remain somewhat elevated.

The U.S. economic growth forecast was lowered from 1.7% to 1.4% for this year and from 1.8% to 1.6% for next year, while the forecast for 2027 remained at 1.8%. It was noted that recent surveys of households and businesses indicate a decline in confidence and increased uncertainty about the economic outlook. This situation was said to largely reflect concerns about trade policy.

Eurozone inflation also fell more than expected in May, dropping below the European Central Bank's target from 2.2% to 1.9%. This decline supported expectations that the European Central Bank (ECB) would lower interest rates further.

SUMMARIZED ACTIVITY RESULTS

CONDENSED BALANCE SHEET

	Limited Audit	Independent Audit
	Completed	Completed
	June 30	December 31
	2025	2024
Current assets	5.455.936.824	5.463.415.581
Non-current assets	808.081.014	935.250.103
Total assets	6.264.017.838	6.398.665.684
Short-term liabilities	3.198.024.291	5.256.317.330
Long-term liabilities	2.191.454.265	111.415.923
Shareholder's Equity	874.539.282	1.030.932.431
Total Liabilities and Equity	6.264.017.838	6.398.665.684

CONDENSED INCOME STATEMENT

	Limited	Audit	Limited	Audit
	Completed	January	Completed	January
	June 1-		January 1-	
	June 30, 2025		June 30, 2024	
Revenue	6.996.192.628		8.784.321.369	
Cost of sales (-)	(6.322.176.625)		(7.765.140.660)	

Gross profit	674.016.003	1.019.180.709
Operating Expenses/Loss	(715.230.308)	(1.770.164.697)
Operating profit/loss	(41.214.305)	(750.983.988)
Operating profit/(loss) before financial income / (expense)	0	3.965.712
Income from investment activities	(41.214.305)	(747.018.276)
Financing (income/expense)	(308.940.581)	(219.497.540)
Financing (income/expense)	201.015.733	205.025.032
Profit/(loss) before taxation	(82.305.578)	(639.144.307)
Tax income / (expense)	(74.087.571)	141.815.620
Net profit /(loss) for the period	(156.393.149)	(497.328.687)

Our net loss for the operating period of January 1– June 30, 2025 was **(156.393.149) TL**.

FINANCIAL SOURCES OF THE COMPANY

The Company uses the funds generated from its operations as a source of financing.

Basic Ratios

	31 June 2025	31 December 2024
Current Ratio (Current Assets/Short-term liabilities)	1,71	1,04
Total Liabilities/Total Assets	0,86	0,84
Total Liabilities/Equity	6,16	5,21

	1 Jan- 30 June 2025	1 Jan- 30 June 2024
Gross Profit/Net Sales	9,63%	11,60%
Operating Profit/Net Sales	-0,59%	-8,55%

Profit Distribution Policy and Profit Distribution Time

“Dividend Distribution Policy” established by the Company's Board of Directors decision dated 07/03/2018 and numbered 2018/07 within the framework of Capital Markets Board (CMB) regulations At the 2018 Ordinary General Assembly Meeting, it was submitted to the approval of the shareholders and approved. The Company's Dividend Distribution Policy was announced on the Public Disclosure Platform (KAP) and the Company's corporate website.

At the Company's Ordinary General Meeting held on March 27, 2025, it was decided that the Company's financial statements for the accounting period from January 1, 2024, to December 31, 2024, prepared in accordance with both the 1 on the Principles of Financial Reporting in the Capital Markets, and the legal records kept in accordance with the Tax Procedure Law, it was determined that a “Net Period Loss” had been incurred. Therefore, it was decided not to distribute dividends and to transfer the incurred loss to the prior years' losses account.

Ordinary/Extraordinary General Assembly Meetings Held In The Period

An Ordinary General Assembly meeting for the year 2024 was held on March 27, 2025. The results of the meeting were published on Turkish Trade Registry Gazette dated 28.03.2025, Results of Ordinary General Assembly Meetings are presented to our shareholders on Public Disclosure Platform (KAP), our website (www.Prysmian.com.tr) and on our company page on the information portal of Central Registry Agency (MKK). Results of Ordinary General Assembly Meetings are presented to our shareholders on Public Disclosure Platform (KAP), our website (www.prysmian.com.tr) and in our company page on the information portal of Central Registry Agency (MKK).

Between 01.01.2025 and 30.06.2025, no Extraordinary General Assembly meeting was held.

Changes to the Articles of Association Made During the Period

No changes were made to the Company's articles of association during the 01.01.2025 - 30.06.2025 activity period.

The final version of our Articles of Association can be accessed at www.prysmian.com.tr, www.kap.gov.tr.

Aid and Donations Made During the Period

The upper limit of donations to be made in 2025 was determined as 1,300,000 TL at the Ordinary General Assembly meeting of our Company dated 27.03.2025.

During the period from January 1, 2025 to June 30, 2025, our company paid 585,000,000 TL in education scholarships to children and made a donation of 20,000 TL to Darüßsafaka.

Statement on Company Equities

As of 30.06.2025, the issued capital of our Company is 216,733,652 TL. As of the first half period 2025, it has been determined that the equity amount exceeds the issued capital by 874.539.282 TL.

Employee Benefits

As of June 30, 2025, the average number of employees working for the company during the year is 561. (June 30, 2024: 589) The company provides meal and transportation allowances to all employees. In addition, office employees are provided with health insurance, personal accident insurance, and life insurance in accordance with the company's fringe benefits plan. Furthermore, the company implements flexible working arrangements, collective use of maternity leave, extension of maternity leave, protection of female employees' positions after maternity leave, scholarship programs for employees' children's education, and global leadership development programs for managers and employees in the talent pool. For field employees, benefits are provided in accordance with the collective labor agreement.

Benefits Provided to Senior Executives

The rights granted to members of the Board of Directors are determined by the General Assembly, and there is no remuneration based on the performance of the members of the Board of Directors or reflecting the performance of the Company in determining the financial rights of the members of the Board of Directors.

The benefits provided to senior executives during the period are as follows:

30/06/2025

Rights granted to senior managers	15.750.830
Other long-term benefits	-
Grand Total	15.750.830

The rights granted to members of the Board of Directors are determined by the General Assembly, and there is no remuneration based on the performance of the members of the Board of Directors or reflecting the performance of the Company in determining the financial rights of the members of the Board of Directors. In 2025, a total of TL 900,000 gross attendance fee was paid to independent members of the Board of Directors. In addition, there were no payments made to Board of Directors members or other executive management for the 2025 period. Furthermore, no loans were granted to any Board of Directors member or Company executive, no credit was extended, no benefits were provided under the guise of credit through a third party, and no guarantees or other forms of security were provided in their favor during the period.

Collective Labor Agreements

In accordance with the collective labor agreement made between the United Metal Workers' Union and the MESS - Turkish Metal Industrialists' Union, of which our Company is a member; The Collective Labor Agreement, which includes our company and covers the period of September 1, 2023 -August 31, 2025 is implemented in our company.

Investment Incentive Practices :

As per the Law no, 5746 on Supporting research and Development Activities, we receive incentives and support granted for R&D Centers.

We were granted an investment incentive for "production of insulated wires and cables" on 10.10.2022. within the scope of Reduced Corporate Tax, The incentives granted is classified under according to tax incentive legislation and provides tax incentive of 30%, In the Company's statement of financial position, a reduction is made in the corporate tax for the current period according to the amount of investment spending.

Annual Activity Report Legal Basis:

The Group's Annual Activity Report for the Accounting Period of 01.01.2025-30.06.2025 is based on the provisions of the "Regulation on Determining the Minimum Content of the Annual Activity Report of Companies" prepared by the Ministry of Customs and Trade, based on the third paragraph of Article 516 and Article 518 of the Turkish Commercial Code, It has been prepared in accordance with the provisions of the "Communiqué on Principles of Financial Reporting in the Capital Market" of the Capital Markets Board.

Principles for Preparing the Annual Activity Report The annual activity report shall reflect the business stream and the financial position of the company, in all aspects, in an accurate, complete, straight-forward, realistic and honest manner for the relevant fiscal year, taking into consideration the rights and interests of the company. All misleading, exaggerated and untrue statements are avoided, Annual activity report is prepared in a detailed manner to ensure shareholders have complete and accurate access to all kinds of information about company activities.

Annual Activity Report Approval:

The Interim Period Activity Report of the Group for the fiscal period 01.01.2025-30.06.2025 was approved by the members of the Board of Directors of the Company on 11.08.2025.