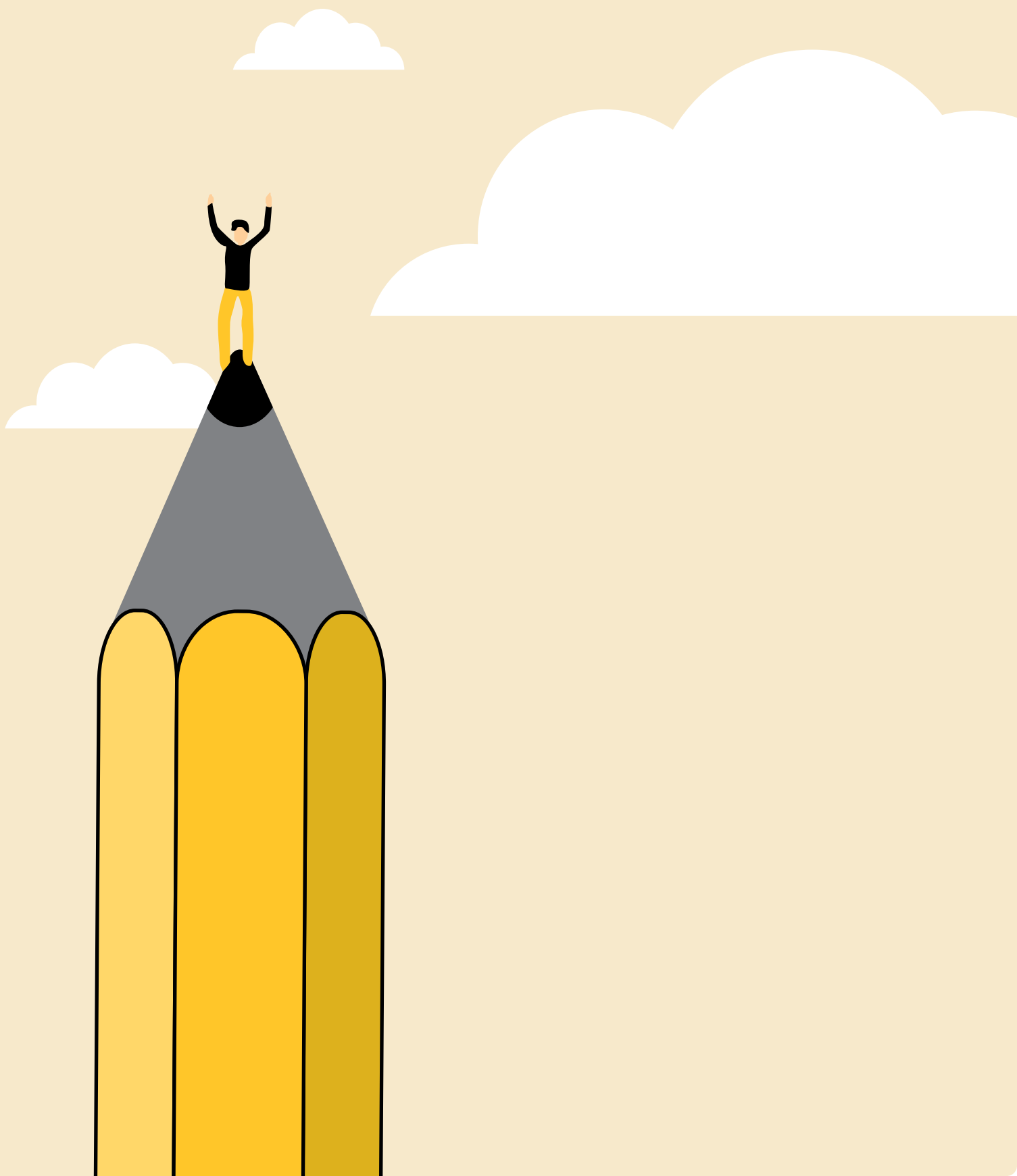




**January-March 2025
Interim
Annual Report**



Over 55 years of experience

Adel, Turkey's leading stationery brand for over 55 years, has become a tradition in the industry. With its extensive experience and capabilities, Adel sets itself apart from the competition.

Adel's high production capacity and extensive product line allow it not only to respond to domestic demand but also to export the goods it makes to more than thirty other national markets. Furthermore, it exports some of its products manufactured under the Faber-Castell brand to various countries worldwide.







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Adel in Brief

THE BIGGEST

Adel's manufacturing plant is the industry's biggest, not just in Turkey but also in the region.



Turkey's premier stationery manufacturer

A company whose name has been synonymous with stationery in Turkey for over half a century, Adel Kalemcilik Ticaret ve Sanayi A.Ş. (Adel) embarked upon its journey with the opening of its first factory in the İstanbul's Kartal township in 1969. Earning the trust of consumers with high-quality, reliable products, Adel today is the country's biggest and most modern stationery manufacturer and continues to grow strongly as a member of Anadolu Group.

Having collaborated with the world's oldest manufacturer of wood-cased pencils Faber-Castell since 1969, in 1995 the

two companies strengthened their relationship through a partnership whose investments continue to create added value for Turkey.

Since 2015, Adel has been conducting its manufacturing operations at a 36,000 m2 plant in Çayirova that is the industry's biggest not just in Turkey but also in the region. Adel's R&D Center, which became operational in 2019, enhances the company's product innovation and development capabilities, which in turn supports its production competencies.

With its well-established history, extensive experience, over 3,000 product varieties, and Faber-Castell, Graf von Faber-Castell, Adel, and Panfix branded

stationery products, Adel has a wide product portfolio with high quality and strong brand recognition.

Readily responding to home market demand as a result of its high production capacity and diverse offerings, Adel also exports goods to more than thirty countries. Additionally, it exports products manufactured under the partnership with Faber-Castell to various countries around the world.

Adel plays a significant role in shaping the future of the stationery industry, contributing to the development of generations with its vision, commitment to responsible production, innovation, and extensive product portfolio.

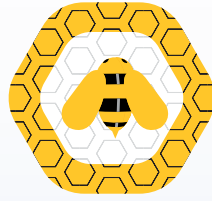
Vision

To be part of the life of everyone who wants to shape, colorful of their own dreams and leave a mark in future

Mission

To be an international company that supplies high-quality, innovative products and services, is socially and environmentally responsible, and is ethical in its behavior.





LEAVE A MARK



**With Your Quality
LEAVE A MARK**



**With Your Innovation
LEAVE A MARK**



**With Your Goodness
LEAVE A MARK**



**Your Passion To Succeed
LEAVE A MARK**

Values

Quality

Effectiveness, Reliability, Performance

Innovation

Forward-looking, Open to change and development, Technologically adept, Creative, Pioneering, Venturesome, Inquisitive

Goodness

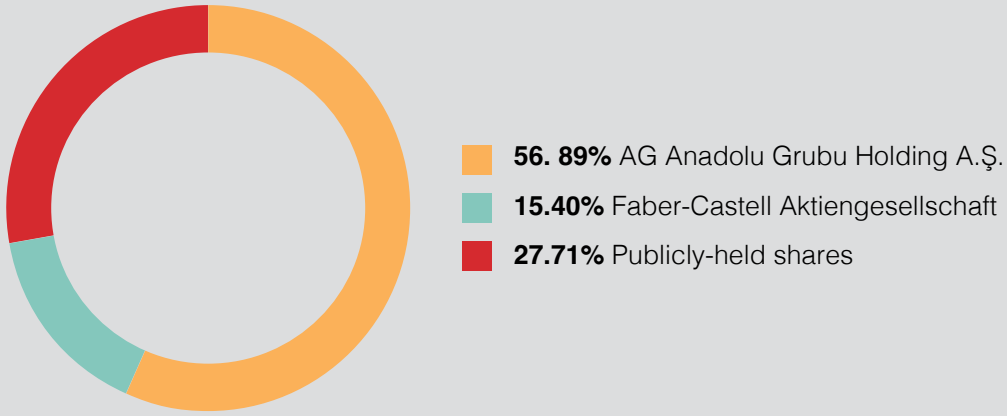
Sensitive, Thoughtful, Responsible, Fair, Promotes professional & personal development

Success

Self-motivating, Competitive, Ever-improving, Results-focused, Collaborative, Knowledge-sharing, Initiative-taking, Accountable



Shareholder Structure



As of 31 March 2025, the Company's capital stands at TRL 259,875 thousand, comprising 40,017,351 registered shares valued at TRL 40,017 thousand in compliance with the Foreign Capital Legislation, alongside 219,857,649 bearer shares totaling TRL 219,858 thousand.

The following table lists the personal or trade names of shareholders that own more than 10% of the Company's capital, the number of shares they own, and the percentage of their ownership.

Shareholder	Share	Share ratio %
AG Anadolu Grubu Holding A.Ş.	147,831,323	56.89
Faber-Castell AG	40,017,353	15.40
Publicly-held shares	72,026,324	27.71



About Anadolu Group

Anadolu Group operates with the vision of being “The star that links Anatolia to the world and the world to Anatolia” and maintains its activities in 8 industries (beer, soft drink, retail, agriculture, automotive, stationery, energy and health) and in 20 countries with more than 80 companies, more than 90 production facilities, 6 R&D centers and more than 100,000 employees. The Group, which was founded by Yazıcı and Özilhan families in 1950, is a driving force of Turkish economy with its financial assets, its strong production capacity and the projects it is involved with. It acts in accordance with its mission of being a multinational and entrepreneurial group through its partnerships with leading brands and companies of the world such as AB InBev, The Coca-Cola Company, Faber-Castell, Isuzu, Kia, Honda, Honda Marine, Kohler, Johns Hopkins Medicine. It exports to over 100 countries. In 2024, the Group achieved a revenue of TRL 563.8 billion, while its total assets reached TRL 543.7 billion.

Anadolu Group manages its environmental, social and corporate governance activities in the strategic areas “future” of Nature, Business and People, with the sustainability strategy “From Anadolu to the Future”. Within the context of its social responsibility, the Group is involved in several areas like agriculture, education, health, sports, culture, arts and tourism and also contributes to the society through its social organizations; Anadolu Foundation, Anadolu Medical Center and Anadolu Efes Sports Club.

Anadolu Group strives to produce value in sustainable manner and consistently achieves a rapid and healthy growth through its commitment to a culture of partnership with global brands and international companies, its expertise in branded consumer products, its experience and strength as regional player in a broad geography and its understanding of strong corporate governance.

About Faber-Castell

Founded in 1761, Faber-Castell is one of the oldest industrial companies in the world and has been owned by the same family for nine generations.

Faber-Castell is one of the world’s leading companies for high-quality products for writing, drawing and creative design as well as decorative cosmetic products. With more than two billion pencils and color pencils per year and around 6,500 employees, Faber-Castell is the world’s leading manufacturer of wood-cased pencils. Nowadays the company is represented in over 120 countries and has its own production sites in 10 countries as well as sales companies in 22 countries.

The company owes its leading position on the international market to its traditional commitment to the very highest quality, environmental responsibility and the large number of product innovations.

Direct or Indirect Subsidiaries & Shareholding Interests

The company controls a stake of 7.67% (cost: TRL 99 thousand) in Ülkü Kirtasiye Ticaret ve Sanayi A.Ş. in Turkey.

CEO's Message



elevating our accessibility

To swiftly address evolving consumer demands, we are exploring diverse sales channels and making significant strides to elevate our accessibility.

Our expanding product portfolio supports our successful business model.

The first quarter of 2025 was marked by the continued presence of inflationary conditions, albeit with a loss of momentum, and the policies implemented in line with the overall economic outlook continued to influence consumer spending and, consequently, our operations. Achieving cost advantages in production, implementing competitive pricing policies, enhancing our product portfolio to address diverse needs and price segments, and mitigating seasonality in sales by reaching our target audience through alternative sales channels remained the main pillars of our ongoing strategy.

During this period of the year, we maintained our engagements with our stakeholders at our

Company's traditional fairs held across various provinces of our country. Thousands of people from our industry participated in our 19 distinct sales and marketing events held across 18 provinces between 10 January and 16 February. We assessed the current landscape of the sector and reinforced our relationships with our business partners during the fairs we held under the theme "We Make a Difference with a New Experience".

Our 2025 fairs also hosted the launch of the "Disney Back to School" collection, featuring the Walt Disney Company licensed stationery products we introduced to the market in collaboration with Ottonya Innovation. These exclusive products, showcasing colorful Disney and Marvel characters, were incorporated into our strong sales network within the traditional channel and were presented for the first time to

stakeholders visiting our fairs.

According to our financial results for the first quarter of 2025, our net sales reached TL 277 million, while gross profit amounted to TL 107 million, corresponding to a margin of 39%. Our net profit was recorded as negative TL 201 million.

We place sustainability at the core of our business strategies.

To ensure a sustainable future, we carry out our projects under the "Goodness Tree" corporate social responsibility framework in the areas of Climate Action and Quality Education, which are among the Sustainable Development Goals that the United Nations aims to achieve by 2030. Additionally, we are accelerating our efforts to further enhance our ESG (Environmental, Social, and Governance) performance.

While we make a difference in our production cycle by focusing on sustainability and product safety, we are also committed to making greater contributions in the areas such as efficient resource utilization, waste management, and circular economy. We employ integrated strategies aimed at balancing climate change and mitigating our carbon footprint.

We aim to reduce our waste volume by 50% and achieve an equivalent rate of recycling by 2050. In pursuit of our objective to entirely eliminate the use of petroleum-based plastics by 2050, we support the intensive efforts of our R&D Center through collaborations with universities. As part of our sustainability goals, we are committed to incorporating innovative products made from recycled materials into our portfolio.

Alongside our environmental performance, we persist in making a difference through our practices that enhance our social and governance scores, as well as through projects that add value to society.

Within the scope of our corporate social responsibility efforts, we persist in our efforts to positively impact society through collaborations with various public institutions and non-governmental organizations.

We consistently communicate our ESG performance to our stakeholders through our Sustainability Reports. In this context, we have initiated the preparation of our Sustainability Report, which will cover our 2024 performance.

Our goal is to enhance the value provided to our stakeholders.

We strive to further enhance the strong collaboration we have established with our dealers and retailers, which is built on continuous communication. To swiftly address evolving consumer demands, we are exploring diverse sales channels and making significant strides to elevate our accessibility. In this context, we will launch our stores on e-commerce platforms via our authorized dealers in the 2nd quarter of the year. We aim to boost our sales performance and increase

customer engagement through our exclusive products, promotional activities, and campaign strategies tailored for these stores.

As we continue to implement our domestic growth strategy with determination, we are actively evaluating the potential in new export markets overseas and establishing new partnerships by pursuing international opportunities.

To support our operational achievements with strong financial outcomes, we will maintain the effective use of our capabilities in balance sheet, cost and risk management in the coming period.

I would like to extend my sincere gratitude to our employees, business partners, shareholders, investors, and all stakeholders for their invaluable contributions to our sustainable future and achievements.

Yours sincerely,

Oğuz UÇANLAR
CEO

Management and Organizational Structure

The current members of the Adel Board of Directors were elected for one-year terms at the 16 April 2025 general meeting during which the company's 2024 results were also discussed. They will remain in office until the first annual meeting is convened to discuss the company's 2024 results. The duties and authorities of the Board of Directors are as set forth in the Turkish Commercial Code.

Board of Directors

Name	Position
Kamil Süleyman Yazıcı	Chairman
Tuğban İzzet Aksoy	Vice Chairman
İbrahim İzzet Özilhan	Board Member
Nazik Meltem Metin	Board Member
Mehmet Hurşit Zorlu	Board Member
Burak Başarır	Board Member
İbrahim Tamer Haşımoğlu	Board Member
Stephan Leo Rosen	Board Member
İzzet Karaca	Independent Board Member
Tayfun Bayazıt	Independent Board Member
Uğur Bayar	Independent Board Member
Eyüp Mehmet Cemil Yükselen	Independent Board Member

Committees Established under the Board of Directors

Following the election of the members of the Board of Directors at the Ordinary General Assembly held on 16 April 2025, committee memberships have been established as outlined below, as per the relevant resolution of the Board of Directors and in accordance with the Corporate Governance Principles issued by the Capital Markets Board.

Audit Committee	Corporate Governance Committee	Early Detection of Risk Committee	Sustainability Committee
İzzet Karaca Chairman	Uğur Bayar Chairman	Uğur Bayar Chairman	Tayfun Bayazıt Chairman
Tayfun Bayazıt Member	İbrahim İzzet Özilhan Member	Tuğban İzzet Aksoy Member	İbrahim İzzet Özilhan Member
	Nazik Meltem Metin Member	İbrahim İzzet Özilhan Member	Nazik Meltem Metin Member
	Mehmet Hurşit Zorlu Member	Nazik Meltem Metin Member	Burak Başarır Member
	İbrahim Tamer Haşımoğlu Member	Burak Başarır Member	Eyüp Mehmet Cemil Yükselen Member
	Fatih Çakıcı Member	İzzet Karaca Member	
		İbrahim Tamer Haşımoğlu Member	

Senior Management

Name	Position
Demir Şarman	Agribusiness, Energy and Industry Group President
Oğuz Uçanlar	CEO
Evren Cankurtaran (*)	CFO
Salih Emre Kavukçuoğlu	Human Resources Director
Serhat Çelik	Sales Director
Murat Büyükkucak	Marketing Director
Serhat Kara	Operations Director
Zülfü Tunç	Procurement and Logistics Director
Bekir Aladağ	Information Technologies and Services Manager

(*) Yasemen Güven Çayırmezmez left her position on 31.03.2025, and Evren Cankurtaran started his duties on 1 April 2025.

Financial Benefits Given to Senior Executives

The company's senior executives are the Agribusiness, Energy and Industry Group President and the CEO and all managers who report directly to the CEO. During January-March 2025, the total value of all benefits provided to senior executives was TRL 47,993 thousand.

Activities



The “Faber-Castell” brand with 98% recognition, the “Adel” brand with 75% recognition are among the leading players in the sector.



Sectoral Review & Adel's Position in the Sector

The stability and growth potential of Turkey's stationery market are ensured both by the country's youthful demographics and by an educational system in which some 26 million students ranging from preschool to post-graduate are enrolled.

Particularly in recent years, the increasing integration of technology into daily life, coupled with a growing awareness of sustainability, has been reflected in consumer expectations, leading to a significant transformation in the stationery sector. At the core of these changes lies rapid digitalization on one hand, and an increasing demand for products made from recyclable and eco-friendly materials on the other.

With numerous players, many of whom are global actors, and import-heavy, Turkey's stationery market is an intensely competitive one. Adel however leads the

market thanks to its production capabilities, its product diversification based on its R&D and innovation capabilities, the knowledge and experience of more than half a century in business. The company's chief advantages are high domestic production capacity, reputation as the most-preferred consumer brand, product quality and reliability, distribution efficiencies, and financial strength.

Adel, which effectively seizes the growth opportunities presented by the market, is fully aware of the responsibility placed on it by the wide audience it serves and distinguishes itself by focusing on sustainability and product safety throughout its production cycle.

Based on brand awareness research* conducted annually by Adel, the “Faber-Castell” brand boasts 98% awareness, establishing it as by far the leading brand in the industry in terms of positioning. The “Adel” brand boasts a 75% brand awareness, positioning it as one of the leading brands in the industry.

Product safety and quality

Product safety and quality are what set Adel apart from its competitors.

Activities

Adel's business is cyclical in nature.

The dynamics of the stationery industry in Turkey are cyclical, with peak demand being determined by school openings and closures and by dealer and retailer stock replenishments. Customers typically place orders for the current year during its first quarter. These orders are manufactured as required and shipped during the second quarter to ensure that there are sufficient stocks of products available to meet the surge in consumer demand in the third quarter when schools reopen.

Each year, Adel accepts orders for goods from retailers attending first-quarter trade fairs. Depending on their nature, these goods may be manufactured by Adel itself or imported. The company requires customers to provide a bond or other form of collateral sufficient to cover the value of their orders; the orders themselves are shipped by the end of the third quarter.

Owing to the cyclical nature of its business therefore, the company's net debt and net operating capital requirements typically peak at the end of the third quarter. Towards the end of the year however, both return to normal levels.

Adel is distinguished by its production and brand strengths.

Standing out with its production capacity, and investments in research and development, Adel has been providing physical and chemical testing capabilities specific to the stationery sector at its R&D Center, which holds a license from the Ministry of Industry and Technology since 2019, and has been leading the industry by developing products that comply with the chemical product safety regulations of all countries within its commercial field of activity.

Constantly innovating, Adel introduces 300 or so new products every year. It also invests in R&D in its ongoing efforts to improve its materials and manufacturing processes in ways that are both economically and environmentally sustainable. Patent-awarded machinery designed and developed by Adel itself sharpen the company's competitive edge in the market.

Adel, which values academic studies, collaborates with prominent scholars in their respective fields and carries out sectoral partnerships through national and international funding programs with its competent team under the roof of its R&D Center.

Adel is a leading manufacturer of a wide range of nearly 1,000 different stationery and art supplies including wood-cased pencils, paint and copy pens, ballpoint pens, rollerball pens, felt-tip markers and pens, crayons, watercolors, erasers,

pencil sharpeners, playdough, and gouache paints. Adel's products are known for their high quality, durability, and affordability.

Alongside its own brands, Adel boasts an extensive product portfolio developed in collaboration with leading stationery brands worldwide, engaging in marketing and sales activities for over 3,000 product varieties.

Adel's production capability, bolstered by R&D as well as innovation, consistently fosters new ventures and partnerships.

Furthermore, studies on products developed in line with sustainability goals continue in the R&D Center. In addition to reducing the amount of petrochemical-derived plastics, the development stages of products made from alternative raw materials, with a reduced carbon footprint using natural resources, have been completed and have moved on to the prototype product testing phase. Sustainable packaging studies are ongoing and the use of recycled plastic in crayon packaging has been expanded.

As part of Adel's ongoing R&D and innovation-focused studies:

Adel has become the first company and R&D center to adapt materials developed through up-cycling using natural resources to the stationery sector.

In efforts to bring waste sawdust from wood-based products into the circular economy, studies are being accelerated to submit

R&D projects to TÜBİTAK funding programs, aimed at both using them in plastic product groups and transforming them into different components in wood-based products.

Adel has completed 32 R&D projects to date, 4 of which were completed in 2024 and had a budget of over EUR 100 thousand. The number of registered patents held by Adel has reached 15, alongside 41 registered designs and 2 utility models.

Product safety and management systems are in place at every stage of Adel's production operations.

Adhering to a responsible production approach and making product safety central to its production processes, Adel has 10 thousand product-safety and 30 thousand product-quality tests conducted every year on average in fulfillment of its "We will never sell anything that we wouldn't let our own kids use" promise.

Adel is committed to producing high-quality products that touch people's lives, shape their dreams, and have a positive impact on the future. Heedful of complying with all management system standards in the conduct all of its operations, Adel therefore sets compliance targets and devotes resources to their fulfillment, ensures that all employees are made aware of standards and of the necessity of owning and complying with them, and strives to constantly improve and develop process performance.

Sales

A comparison of net sales revenues broken down by type during the first quarter of 2025 and 2024 respectively is shown below.

Net Sales (TRL million)	January- March 2024	January- March 2025	Change (%)
Domestic Sales	865	251	-71
International Sales	51	26	-49
Total	916	277	-70



Financial Performance

Disclaimer

As required by the Capital Markets Board, our 2025 Q1 financials have been adjusted to account for the effects of inflation pursuant to TAS 29 ("Financial Reporting in Hyperinflationary Economies"). For this reason, all financial statements presented herein, including comparative data from earlier reporting periods, have been restated in accordance with TAS 29 to account for changes in the overall purchasing power of the Turkish lira. The resulting figures are indicative of the Turkish lira's purchasing power as of 31 March 2025.

(TRL million)	1Q24	1Q25	%
Net Sales	916	277	-70%
Gross Profit	526	107	-80%
EBITDA	256	-133	n.m.
Net Profit/(Loss) before Tax	161	-218	n.m.
Net Profit/(Loss)	121	-201	n.m.
Net Working Capital	894	944	6%
Net Financial Debt	189	681	261%
Free Cash Flow	-9	-377	-4310%
Gross Profit Margin	57%	39%	
EBITDA Margin	28%	-48%	
Net Profit Margin	13%	-73%	

* All figures and tables in this report include IFRS16 impact.

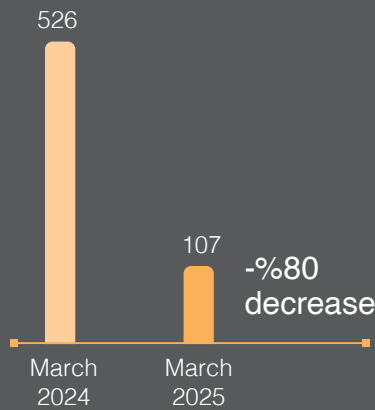
Net Sales (TRL million)



70% decrease

Weighing in at TRL 277 million, net sales were down 70%. While a reduction in shipment performance compared to the same period of 2024 contributed to this decline, the effects of the continued erosion in consumer buying power are having an increasingly greater impact as well. However if the effects of the mandatory application of TAS 29 are excluded, net sales 58% decrease and would have amounted to TRL 276 million in value.

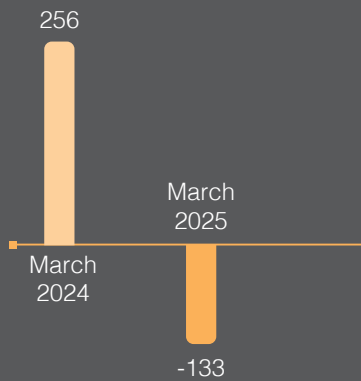
EBITDA (TRL million)



Gross Profit Margin, %

57% → 39%

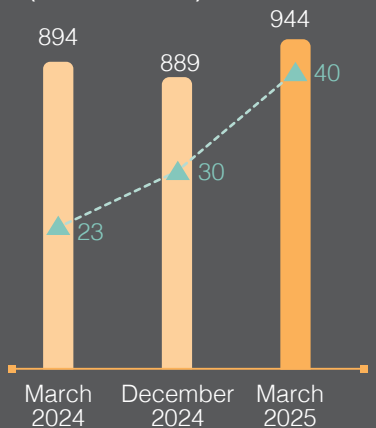
EBITDA (TRL million)



Gross profit weighed in at TRL 107 million, down 80% quarter-over-quarter due to the effects of (1) a quarter-on-quarter reduction in shipment performance and (2) discount-priced goods accounting for a bigger share of shipments this quarter than they did last year. Our gross profit margin was down by 1,800 basis points quarter-on-quarter and was 39%. When the effects of the mandatory application of TAS 29 are excluded, our gross profit and gross profit margin amount to TRL 148 million and 54% respectively.

EBITDA amounted to minus TRL 133 million owing to (1) factors depressing gross profit margin along with (2) Turkey's persistent inflationary environment and the higher input costs and operating expenditures that it gives rise to. When the effects of the mandatory application of TAS 29 are excluded, EBITDA amounts to minus TRL 102 million.

Net Working Capital (TRL million)

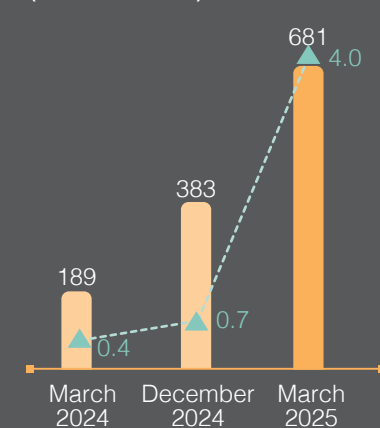


Net Working Capital (TRL million)
Net Working Capital/Net Sales (%)

As of March 2025, Adel's net working capital requirement was TRL 944 million. Through effective balance sheet management, the company managed to keep the year-on-year increase in NWC to 6%, well below every posted rate of inflation.

That said, Adel's net working capital/net sales ratio, which was 23% as of March 2024, weighed in at 40% as of March 2025.

Net Financial Debt (TRL million)

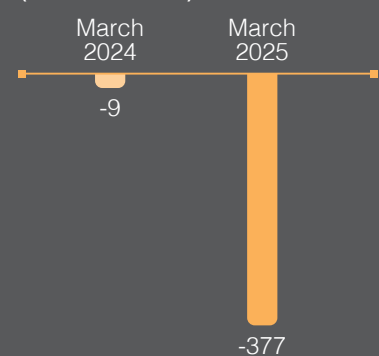


Net Financial Debt (TRL million)
Net Financial Debt/EBITDA*

The company's net financial debt was up by 261% year-on-year and weighed in at TRL 681 million as of March 2025. The increase in net financial debt is due essentially to advances received in Q1 2024. Adel's Net Debt/EBITDA ratio, which was 0.4 as of March 2024, increased to 4.0 as of March 2025.

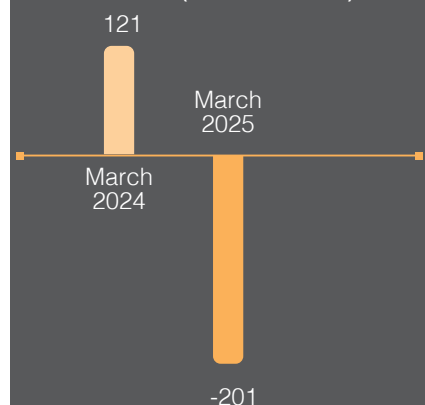
* The Net Debt/EBITDA ratio is calculated on the basis of the previous twelve months' EBITDA figures.

Free Cash Flow (TRL million)



As of March 2025, Adel showed a negative free cashflow of TRL 377 million. This is TRL 368 million less than what it was at as of March 2024.

Net Profit (TRL million)



As a result of all the contributing factors mentioned above, net profit, which was TRL 121 million in Q1 2024, was minus TRL 201 million in Q1 2025. Excluding the effects of TAS 29, net profit weighed in at minus TRL 139 million.

Financial Performance

Risks

Financial Risks: In accordance with the dynamics of the industry in which our company operates and the financial instruments it employs, our company may be subject to a variety of financial risks, including mainly interest rate risk, liquidity risk, currency risk, and receivables risk. Our company meticulously defines, assesses, and manages risks in order to mitigate the impacts of these risks, which are related to uncertainties and market fluctuations.

Within the framework of our risk management strategy, potential risks are systematically mitigated and their impacts are reduced through the implementation of established procedures and policies. In this context, our company adopts a proactive approach to ensure financial sustainability and operational assurance.

Interest Rate Risk: Aligning with the requirements of the industry in which it operates, our company operates with high working capital during the first nine months of the year, which increases its sensitivity to changes in credit interest rates. Fluctuations in interest rates may occur due to geopolitical risks and macroeconomic indicators in our country.

Our company finances its net working capital needs that may arise in the course of its operations through equity and, when necessary, loans. Measures taken against liquidity risk and

interest rate risk include closely monitoring the maturity structure of loans, extending short-term liabilities to longer terms, bond issuances, evaluating receivables through discounting methods, and diversifying funding sources with alternative financing instruments. In this context, our company maintains a dynamic approach to financial planning.

By virtue of our disciplined and effective financing policies, our operations are supported by borrowing costs below market interest rates. In the upcoming period, we will continue to prioritize efficiency in financial management to ensure the sustainability of our robust balance sheet.

Currency Risk: Our company is exposed to currency risk due to its commercial activities, as its foreign currency liabilities exceed its foreign currency assets. To mitigate the impacts of this risk and protect against cost fluctuations, derivative financial instruments are employed as a hedge against currency risk.

In line with our risk management policy, at least 50% of the currency risk is hedged, thus ensuring that the impact of exchange rate fluctuations on financial performance is effectively managed. Currency risk management contributes to our company's long-term financial sustainability and strong balance sheet goals. As of end-March 2025, 65% of our currency risk exposure was hedged against.

Receivables Risk: In the last quarter of the year, our company collects payments for orders received during the campaigns and trade fairs held at the beginning of the year. To minimize receivables risk and streamline collection processes, various payment systems, including credit cards, the Direct Debit System (DDS), Vinov, and checks, are effectively utilized upon the shipment of these orders.

The credit card and other campaigns organized in the first quarter of the year to reduce receivables risk and working capital requirements provide significant convenience in collection processes. The remaining dealer receivables are managed through other secured payment systems and open risks are mitigated by obtaining letters of guarantee. This systematic and disciplined approach of our company supports the effective management of financial risks and contributes to sustainable growth.

The diversification of payment systems not only accelerates collection processes but also plays a crucial role in maintaining the stability of our company's cash flow.

Summary Balance Sheet

(TRL million)	31.12.2024	31.03.2025
Cash and equivalents	726	476
Trade receivables	144	177
Inventories	869	958
Other current assets	234	289
Current Assets	1,973	1,900
Financial investments	1	1
Tangible assets	869	871
Right of use assets	169	199
Intangible assets	98	90
Other non-current assets	18	14
Non-Current Assets	1,155	1,175
Total Assets	3,128	3,075
Short term borrowings	429	512
Short term portion of long term borrowings	122	62
Trade payables	146	175
Other current liabilities	213	306
Current Liabilities	910	1,055
Long term borrowings	558	583
Long term provisions	39	36
Deferred tax liabilities	26	9
Non-Current Liabilities	623	628
Equity	1,595	1,392
Total Liabilities & Equity	3,128	3,075

Financial Performance

Summary Income Statement

(TRL million)	1 January - 31 March 2024	1 January - 31 March 2025
Revenues	916	277
Cost of sales (-)	-390	-170
Gross Profit	526	107
Operating expenses (-)	-285	-285
Other Operating Income /Expense (net)	-47	-2
Operating Income	194	-180
Income /(expense) from investment operations	-6	-
Financial income/(expense) (net)	-88	-89
Monetary gains / (losses)	61	51
Income/(Loss) Before Tax from Continuing Operations	161	-218
Tax income/(expense)	-40	17
Net Income/(Loss)	121	-201
EBITDA	256	-133
Profitability Ratios	1 January - 31 March 2024	1 January - 31 March 2025
Gross Profit Margin	57%	39%
Operating Profit Margin	21%	-65%
Net Profit Margin	13%	-73%
EBITDA Margin	28%	-48%
Market Capitalization as of March 31st (TRL thousand)	15,356	8,176

Forward-Looking Statements Disclaimer

This document contains forward-looking statements concerning future performance and should be regarded as the company's good faith assumptions about the future. Such forward-looking statements reflect management's expectations based on currently available information at the time they are made. Adel's actual results are subject to future events and uncertainties that may significantly affect the company's performance.

Additional Information

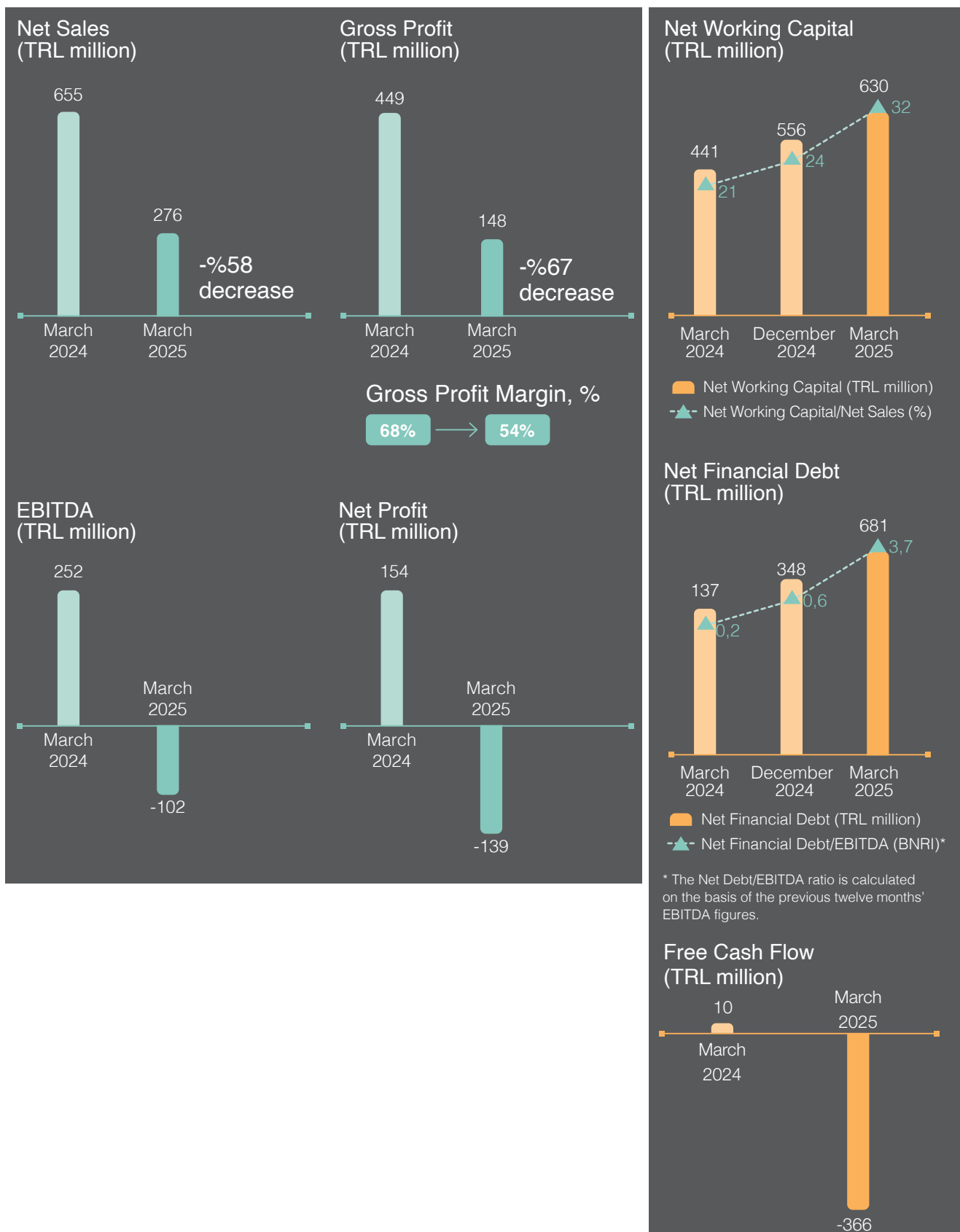
SUMMARY FINANCIAL INDICATORS NON-COMPLIANT WITH TMS

The financial information provided below does not include the effects of TAS 29 and is provided for analysis purposes only. These figures are not compliant with the financial report for the period 01.01.2025-31.03.2025 and have not been subject to independent audit.

(TRL million)	1Q24	1Q25	%
Net Sales	655	276	-58%
Gross Profit	449	148	-67%
EBITDA	252	-102	n.m.
Net Profit/(Loss) before Tax	164	-204	n.m.
Net Profit/(Loss)	154	-139	n.m.
Net Working Capital	441	630	43%
Net Financial Debt	137	681	398%
Free Cash Flow	10	-366	n.m.
Gross Profit Margin	68%	54%	
EBITDA Margin	38%	-37%	
Net Profit Margin	23%	-50%	

Additional Information

SUMMARY FINANCIAL INDICATORS NON-COMPLIANT WITH TMS



Other Information

Employee Compensation and Benefits

As of 30 March 2025, Adel had an average of 339 employees on its payroll. Of these, 167 were white-collar employees and 172 were blue-collar employees.

The provision set aside to cover employees' severance pay entitlements decreased by TRL 1,902 thousand during January-March 2025. This brought the total amount in the provision to TRL 34,860 thousand.

A total of TRL 222,124 thousand was paid to employees as salaries, wages, bonuses, and other benefits during January-March 2025.

Charitable Donations & Assistance

Our company donated a total of TRL 59 thousand during the first quarter of 2025.

Information for Investors

Adel has been listed under the ticker symbol “ADEL” on the İstanbul stock exchange since 1996. 27.71% of the company’s shares are included in the BIST ALL-100, BIST STAR, BIST ALL, BIST INDUSTRIAL, BIST 500 and BIST ISTANBUL indexes.

The Investor Relations Unit manages communication between the Board of Directors and shareholders. Its primary focus is to ensure the effective exercise of shareholder rights. The IRU’s duties include publishing material event disclosures as required by capital market regulations, publishing periodic informational announcements for the benefit of investors, managing the content of the company’s website, preparing annual reports, and responding to shareholders’ written and verbal requests for information.

The Adel Corporate Governance Committee is responsible for overseeing the Investor Relations Department. The committee defines standards for all public disclosures and basic investor relations principles. It reviews these standards and principles, as well as compliance with them, on an annual basis. The committee makes recommendations concerning these matters to the Board of Directors as necessary. The Investor Relations Department prepares a report on its activities and submits it to the Corporate Governance Committee every time the committee convenes.

Credit Rating

Adel’s long-term (National) credit rating has been upgraded from “AA (tr)” to “AA+ (tr)” by credit rating agency JCR Avrasya Derecelendirme A.Ş. The company’s short-term (National) credit rating and outlook remained unchanged at J1+ (tr) and “Stable” respectively.

JCR Eurasia Rating (23 August 2024)	Note	Outlook
Long-Term National Credit Rating	AA+(tr)	Stable
Short-Term National Credit Rating	J1+(tr)	Stable
Long-Term International Foreign Currency Credit Rating	BB	Stable
Long-Term International Local Currency Credit Rating	BB	Stable

Investor Relations Contact Information			
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Dividend Policy

Adel distributes profits in accordance with the profit-distribution clause of its articles of association, subject always to the requirements of the Turkish Commercial Code, Capital Market Regulations, tax laws, and all other applicable laws, regulations, and administrative provisions. It is the company's policy to distribute at least 50% of its annual distributable profits in the form of cash dividends and/or free shares. The company may deviate from this policy in special circumstances, such as when it needs to finance investments essential for long-term growth or when there are extraordinary developments in economic conditions. The Adel Board of Directors passes a profit-distribution resolution for each accounting period that is presented to shareholders for approval during a general meeting. The general assembly sets the date for dividend payments to begin but this date must be before the end of the year in which the decision is made. Subject always to applicable laws and regulations, the company may decide to pay advances on dividends and/or to pay them in equal or unequal installments.

General Assembly

The Ordinary General Assembly Meeting of our Company for 2024 was held on 16 April 2025, at 10:00, at the address "Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No: 58 Buyaka E Blok 34771 Tepeüstü Ümraniye İstanbul", under the supervision of the Ministry representative Ms. Dilek Diren, who was assigned by the Istanbul Trade Directorate with the letter dated 8 April 2024 and numbered E-90726394-431.03-00108192028.

The invitation to the meeting and its agenda was duly issued in compliance with applicable laws and the Company's articles of association, and the announcement was published in the Turkish Trade Registry Gazette on 25 March 2025, issue No. 11299, in the Turkey edition of Milliyet Newspaper dated 25 March 2025, on the Public Disclosure Platform, on our Company's official website at www.adel.com.tr, and the registered shareholders were formally notified via registered letter with return receipt, sent from the İstanbul Bostancı PTT office on 25 March 2025, within the prescribed legal period.

As of the date of the general assembly meeting announcement, the Company's shareholder structure, including the total number of shares and voting rights, was published on our Company's website.

In the course of preparing the meeting agenda, no shareholders submitted written requests to the Company's Investor Relations Department for the inclusion of any items. Likewise, there were no requests from other public institutions and organizations associated with shareholders, the Capital Markets Board (CMB), and/or the Company for the addition of an agenda item.

To facilitate shareholder participation in the general assembly, a proxy voting authorization form required for participation by proxy was published on our website. The meeting minutes of the last five years' general assembly meetings were also published on our website.

The meeting chairperson made the necessary preparations in advance and obtained pertinent information regarding the conduct of the general assembly in compliance with the requirements of the Turkish Commercial Code, applicable laws, and regulations.

During the general assembly meeting, the questions of the shareholders attending the meeting regarding the agenda were answered.

Following the conclusion of the general assembly, the meeting minutes were published on the Public Disclosure Platform (KAP) as a material event disclosure and were also made available on our website on the same day.

Information for Investors

The key resolutions adopted at our General Assembly meeting held on 16 April 2025, are as follows:

- The 2024 Financial Statements and Annual Report, prepared in accordance with the Capital Markets Legislation, were approved by the General Assembly.
- The members of the Board of Directors were individually released from their liabilities for their activities in 2024.
- At the General Assembly meeting, the following individuals were elected as members of the Adel Board of Directors for a one-year term, to serve until the Ordinary General Assembly convened to discuss the 2025 fiscal year activities: Kamilhan Süleyman Yazıcı, Tuğban İzzet Aksoy, İbrahim İzzet Özilhan, Nazik Meltem Metin, Mehmet Hurşit Zorlu, Burak Başarır, İbrahim Tamer Haşımoğlu, Stephan Leo Rosen, İzzet Karaca (Independent), Tayfun Bayazıt (Independent), Eyüp Mehmet Cemil Yükselen (Independent), Uğur Bayar (Independent). It was resolved that each Independent Board Member will be paid a monthly gross remuneration of TRL 225 thousand.
- It was resolved to approve the appointment of PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. for the audit of the accounts and transactions for the 2025 fiscal year, and assurance audit of 20024 and 2025 sustainability reports.
- Pursuant to the provisions of regulations stipulated by the CMB and in line with the proposal of the Board of Directors, it was resolved that a gross dividend of TL 150,025,837.50 shall be distributed to shareholders as of 26 September 2025.
- The shareholders have been informed that a donation of TL 7,536,226, adjusted for the purchasing power of 2024, has been made to various foundations and associations.

Dividend Payments

Adel has been a consistent dividend payer since 2006.

At the Ordinary General Assembly held on 16 April 2025, it was resolved that a gross cash dividend of TL 150,025,837.50 shall be distributed to shareholders, based on the Company's unconsolidated financial statements prepared in accordance with capital markets regulations and taking into account the statutory records maintained under the Tax Procedure Law (VUK). The dividend distribution will be made entirely from prior years' profits (extraordinary reserves). Accordingly, for each share with a nominal value of TL 1, a gross cash dividend of TL 0.5773, corresponding to 57.73%, shall be paid to shareholders who are full taxpayer institutions, and a net cash dividend of TL 0.490705, corresponding to 49.07%, shall be paid to other shareholders, for each share with a nominal value of TL 1. In addition, a second legal reserve of TL 13,703,208.75 shall be set aside in accordance with applicable legislation. The dividend payment date has been determined as 26 September 2025.

Contact

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ADEL