

Model Portfolio Update

Adding Arçelik and Mavi Giyim

1 July 2025

Adding Arçelik: We are adding Arçelik to our model portfolio. Beyond its appealing valuation, we expect margin recovery to take place in the upcoming period supported by ongoing cost cutting actions and improving international demand. We expect a gradual normalization in margins beginning from 2Q25 driven by cost efficiency programs, favorable EUR/USD and lower raw material costs. Our EBITDA margin estimate for 2025 is 6.2%, rising to 7.5% in 2026 and 8.3% in 2027. With operational improvements, we foresee the Net Debt/EBITDA ratio to decline to 3.4x by year end. Arçelik is trading at a 44% and 34% discount in 2026E EV/EBITDA and P/E multiples compared to its global peers.

Adding Mavi Giyim: We are also adding Mavi to our model portfolio. Following relatively weak financial figures for the last two quarters, we believe figures have normalised from their high base in 2025, we believe the Company is on course to achieve this guidance, and perhaps beat them slightly. The decent margin performance in particular, should be the key catalyst to achieve this. Hence, given the 1Y relative performance of -30% and an undemanding EV/EBITDA multiple of 2.4X based on our 2025 estimates, we believe the worst for the stock is over.

Stock prices as of 30 June 2025

Model Portfolio	BIST-100 Weight (%)	M. Cap (TLmn)	ADV 3M (TLmn)	Target Price	Potential Return (%)
Arçelik	0,5%	82.777	285,5	180,0	46,9%
Doğan Holding	0,5%	40.747	297,8	20,8	33,7%
Enka İnşaat	1,7%	398.700	973,3	94,3	42,0%
Garanti Bankası	2,7%	567.000	2.942,6	151,3	12,1%
Koç Holding	3,0%	390.528	4.302,2	230,5	49,7%
Mavi Giyim	0,8%	30.557	391,9	65,0	69,0%
Migros	1,6%	89.577	792,2	799,0	61,5%
Sabancı Holding	3,2%	188.299	2.164,8	142,5	58,9%
Tab Gıda Sanayi	0,3%	46.249	146,9	300,6	69,8%
T.S.K.B.	0,5%	34.944	276,2	16,8	34,5%
Türk Hava Yolları	6,9%	391.230	7.685,1	480,0	69,3%
Turkcell	3,9%	211.530	1.855,0	139,8	45,4%
Ülker	0,5%	38.996	734,1	161,0	52,5%

Changes

In	ARCLK, MAVI
Out	-

Model Portfolio Return	Nominal Return (%)	BIST-100 Relative Return (%)
2023	64,6%	21,4%
2024	48,6%	12,9%
2025 YTD	5,9%	4,7%

Source: Gedik Investment Research, Rasyonet

**Gedik Investment
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Model Portfolio								Stock prices as of 30 June 2025			
	Inclusion date	Inclusion Price	Last Close	Nominal Return	Relative Return	Target Price	Upside	Market Cap. (TLmn)	3M ADV (TLmn)	EV/EBITDA 2025E*	PE 2025E
Arçelik	30.06.2025	122,50	122,50	0,0%	0,0%	180,00	46,9%	82.777	285,5	5,7	13,7
Doğan Holding	21.06.2024	16,84	15,57	-7,5%	0,1%	20,82	33,7%	40.747	297,8	0,5	6,5
Enka İnşaat	4.04.2025	57,45	66,45	15,7%	9,1%	94,34	42,0%	398.700	973,3	4,3	12,2
Garanti Bankası	13.12.2024	123,24	135,00	9,5%	11,5%	151,34	12,1%	567.000	2.942,6	1,2	5,1
Koç Holding	7.03.2025	165,29	154,00	-6,8%	-1,6%	230,49	49,7%	390.528	4.302,2	0,6	5,4
Mavi Giyim	30.06.2025	38,46	38,46	0,0%	0,0%	65,00	69,0%	30.557	391,9	2,6	6,0
Migros	26.07.2022	50,68	494,75	876,1%	148,9%	799,00	61,5%	89.577	792,2	3,6	7,2
Sabancı Holding	22.05.2025	78,30	89,65	14,5%	9,0%	142,47	58,9%	188.299	2.164,8	0,6	7,2
Tab Gıda Sanayi	13.03.2025	169,94	177,00	4,2%	12,3%	300,56	69,8%	46.249	146,9	4,4	15,2
T.S.K.B.	13.12.2024	12,78	12,48	-2,3%	-0,6%	16,78	34,5%	34.944	276,2	0,7	2,9
Türk Hava Yolları	18.03.2025	322,73	283,50	-12,2%	-4,6%	480,00	69,3%	391.230	7.685,1	3,9	2,8
Turkcell	20.05.2025	96,43	96,15	-0,3%	-4,6%	139,78	45,4%	211.530	1.855,0	2,4	12,0
Ülker	22.01.2025	106,62	105,60	-1,0%	0,6%	161,00	52,5%	38.996	734,1	3,1	4,0

BIST100 Index			
MP Performance	Nominal	Relative	Performance
2023	64,6%	21,4%	35,6%
2024	48,6%	12,9%	31,6%
YTD	5,9%	4,7%	1,2%

* Banks and Holdings P/BV

Source: Gedik Investment Research, Rasyonet

Important Note: A minimum amount of 7 and a maximum amount of 15 stocks are allowed in the model portfolio. The weights are equal for all stocks except for exceptional cases. The BIST-100 index is applied to make up for unfilled weights.

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VALUATION & RATING METHODOLOGY:

Valuation tools employed most frequently are Discounted Cash Flow (DCF) and International Peer Comparison, though other metrics such as Historical Relative Valuation and Replacement Value are also used wherever appropriate. Gedik Investment analysts set the target values with a medium-term investment horizon and calculate the potential return of each stock via using only one tool or more than one tool, assigning different weights for each. Our rating system includes the following recommendations: **OUTPERFORM, MARKETPERFORM and UNDERPERFORM**. The ratings are determined as follows:

OUTPERFORM: If total return of the stock is expected to exceed BIST100 by more than 20%.

MARKETPERFORM: If total return of the stock is expected to perform in-line with BIST100 within a range of +20/-20%.

UNDERPERFORM: If total return of the stock is expected to be below BIST100 by more than 20%.

Rating Methodology	Pot. Excess Return (PER)
OUTPERFORM	PER > +20%
MARKETPERFORM	-20% <= PER <= +20%
UNDERPERFORM	PER < -20%

Gedik Investment analysts rate the stocks under the views of potential catalysts, triggers, risks and consider the developments at the market, sector and related companies. Gedik Investment analysts screen their ratings on a continuous basis; however, they may choose not to alter their recommendation if the potential return of a stock overflows our rating ranges due to fluctuations in the share price.

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