

**(CONVENIENCE TRANSLATION OF INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH)**

**OYAK ÇİMENTO FABRİKALARI  
ANONİM ŞİRKETİ  
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022 AND  
INDEPENDENT AUDITOR'S  
REVIEW REPORT**

**(CONVENIENCE TRANSLATION OF  
THE REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION ORIGINALLY ISSUED IN TURKISH)**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

**To the General Assembly of OYAK Çimento Fabrikaları A.Ş.**

*Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of OYAK Çimento Fabrikaları A.Ş. (“the Company”) and its subsidiaries (together will be referred as the “Group”) as of 30 June 2022 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, interim condensed consolidated changes in equity and interim condensed consolidated cash flows for the six-month period then ended (“interim condensed consolidated financial information”). Group management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with Turkish Accounting Standards 34 “Interim Financial Reporting” (“TAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

*Scope of Review*

We conducted our review in accordance with Independent Auditing Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be 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 believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with TAS 34 "Interim Financial Reporting".

## *Emphasis of Matters*

As stated in Note 5 of the accompanying interim condensed consolidated financial statements, the Group has trade receivables from various customers that have declared concordat and whose legal processes are continuing. This issue does not affect our conclusion.

## *Additional paragraph for convenience translation to English*

In the accompanying interim condensed consolidated financial statements, the accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) differ from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying interim condensed consolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

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



Nazlı İvak  
Partner

İstanbul, August 19, 2022

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# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## REVIEWED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

		Reviewed	Audited
		Current Period	Prior Period
	Notes	30 June 2022	31 December 2021
<b>ASSETS</b>			
<b>Current Assets</b>		<b>4.518.110.466</b>	<b>2.600.687.269</b>
Cash and Cash Equivalents	3	772.081.362	314.816.289
Financial Investments	9	155.886.337	161.744.987
Trade Receivables	4,5	1.946.515.873	1.245.626.388
<i>Trade Receivables from Related Parties</i>	4	201.231.929	129.697.429
<i>Trade Receivables from Third Parties</i>		1.745.283.944	1.115.928.959
Other Receivables		10.464.713	19.066.575
<i>Other Receivables from Related Parties</i>	4	3.947.257	14.594.486
<i>Other Receivables from Third Parties</i>		6.517.456	4.472.089
Inventories	6	1.485.193.236	769.392.993
Prepaid Expenses	7	86.087.719	67.064.289
Other Current Assets		60.616.880	21.711.402
Assets Held for Sale		1.264.346	1.264.346
<b>Non-current Assets</b>		<b>2.507.081.885</b>	<b>2.274.946.920</b>
Other Receivables		3.912.050	4.980.297
<i>Other Receivables from Third Parties</i>		3.912.050	4.980.297
Investment Properties		17.694.832	17.694.832
Right-of-use Assets		19.393.613	24.688.677
Property, Plant and Equipment	8	2.175.211.407	2.000.700.068
Intangible Assets		68.831.097	75.530.078
<i>Goodwill</i>		7.062.941	7.062.941
<i>Other Intangible Assets</i>	8	61.768.156	68.467.137
Prepaid Expenses	7	67.358.380	37.873.147
Deferred Tax Assets	14	152.642.620	111.336.537
Other Non-current Assets		2.037.886	2.143.284
<b>TOTAL ASSETS</b>		<b>7.025.192.351</b>	<b>4.875.634.189</b>

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## REVIEWED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

		Reviewed	Audited
		Current Period	Prior Period
	Notes	30 June 2022	31 December 2021
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>		<b>2.619.408.374</b>	<b>1.386.278.336</b>
Short-term Borrowings	12	<b>896.945.539</b>	132.944.958
Short-term Portion of Long-term Borrowings	12	<b>5.377.493</b>	12.888.532
Trade Payables	4-5	<b>1.293.204.512</b>	1.014.177.159
<i>Trade Payables to Related Parties</i>	4	<b>324.569.475</b>	174.973.672
<i>Trade Payables to Third Parties</i>		<b>968.635.037</b>	839.203.487
Payables Related to Employee Benefits		<b>24.792.015</b>	16.333.514
Other Payables		<b>30.951.778</b>	21.894.351
<i>Other Payables to Related Parties</i>	4	<b>3.974.500</b>	3.685.898
<i>Other Payables to Third Parties</i>		<b>26.977.278</b>	18.208.453
Deferred Income	7	<b>123.030.904</b>	57.144.473
Current Tax Liabilities	14	<b>181.695.297</b>	69.731.912
Short-term Provisions		<b>63.106.405</b>	61.076.491
<i>Short-term Provisions for Employee Benefits</i>		<b>27.799.663</b>	27.450.000
<i>Other Short-term Provisions</i>	10	<b>35.306.742</b>	33.626.491
Other Short-term Liabilities		<b>304.431</b>	86.946
<b>Non-current Liabilities</b>		<b>583.075.601</b>	<b>511.434.660</b>
Long-term Borrowings	12	<b>319.244.018</b>	321.197.169
Deferred Income	7	<b>2.686.739</b>	4.030.108
Long-term Provisions		<b>261.144.844</b>	186.207.383
<i>Long-term Provisions for Employee Benefits</i>		<b>254.186.133</b>	179.948.672
<i>Other Long-term Provisions</i>	10	<b>6.958.711</b>	6.258.711
<b>TOTAL LIABILITIES</b>		<b>3.202.483.975</b>	<b>1.897.712.996</b>

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## REVIEWED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

		<b>Reviewed</b>	Audited
		<b>Current Period</b>	Prior Period
		<b>30 June</b>	31 December
	<b>Notes</b>	<b>2022</b>	2021
<b>EQUITY</b>		<b>3.822.708.376</b>	2.977.921.193
<b>Equity Attributable to Parent</b>		<b>3.822.708.376</b>	2.977.921.193
Paid-in Capital	13	<b>1.159.793.441</b>	1.159.793.441
Capital Adjustment Differences	13	<b>134.868.176</b>	134.868.176
Repurchased Shares (-)		<b>(6.935.220)</b>	(6.935.220)
Share Premiums/Discounts		<b>234.322</b>	234.322
Other Accumulated Comprehensive Income (Expenses) That Will Not Be Reclassified To Profit or Loss		<b>(80.661.390)</b>	(44.705.178)
- <i>Gains (Losses) on Remeasurement of Defined Benefit Plans</i>		<b>(80.661.390)</b>	(44.705.178)
Other Accumulated Comprehensive Income (Expenses) That Will Be Reclassified To Profit or Loss		<b>2.164.542</b>	4.060.363
- <i>Foreign Currency Translation Differences</i>		<b>2.164.542</b>	4.060.363
Restricted Reserves Appropriated from Profit	13	<b>405.954.871</b>	405.954.871
The Effect of Mergers Involving Undertaking or Enterprises Subject to Common Control		<b>(203.986.379)</b>	(305.979.569)
Retained earnings		<b>1.528.636.797</b>	905.464.705
Net Profit for the Period		<b>882.639.216</b>	725.165.282
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>7.025.192.351</b>	4.875.634.189

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## REVIEWED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

		Reviewed	Not reviewed	Reviewed	Not reviewed
		Current Period	Current Period	Prior Period	Prior Period
		1 January - 30 June 2022	1 April- 30 June 2022	1 January - 30 June 2021	1 April- 30 June 2021
	Notes				
<b>PROFIT OR LOSS</b>					
Revenue	16	4.709.396.823	3.051.646.548	1.985.896.284	1.137.617.973
Cost of Sales (-)	16	(3.392.416.997)	(2.079.719.569)	(1.481.538.433)	(853.338.287)
<b>GROSS PROFIT</b>		<b>1.316.979.826</b>	<b>971.926.979</b>	504.357.851	284.279.686
General Administrative Expenses (-)		(181.898.669)	(97.834.377)	(122.314.442)	(65.893.208)
Marketing Expenses (-)		(24.734.288)	(13.542.940)	(13.449.782)	(7.555.638)
Research and Development Expenses (-)		(8.557.868)	(4.686.581)	(4.385.769)	(2.322.990)
Other Income from Operating Activities	17	170.861.129	95.487.274	57.412.662	28.446.554
Other Expenses from Operating Activities (-)	17	(125.741.711)	(60.581.387)	(60.162.057)	(23.451.239)
<b>OPERATING PROFIT</b>		<b>1.146.908.419</b>	<b>890.768.968</b>	361.458.463	213.503.165
Income from Investment Activities	19	28.145.176	792.077	33.946.481	19.766.843
Expenses from Investment Activities (-)	19	(6.037.202)	(30.398.985)	(175.181)	(83.269)
<b>OPERATING PROFIT BEFORE FINANCIAL INCOME (EXPENSE)</b>		<b>1.169.016.393</b>	<b>861.162.060</b>	395.229.763	233.186.739
Finance Income	18	26.926.049	14.937.269	91.800.142	39.992.088
Finance Expense (-)	18	(116.372.903)	(71.768.572)	(97.940.613)	(48.027.223)
<b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>1.079.569.539</b>	<b>804.330.757</b>	389.089.292	225.151.604
<b>Tax Expense</b>		<b>(196.930.323)</b>	<b>(144.096.846)</b>	(98.825.927)	(67.173.888)
Current Tax Expense	14	(229.247.353)	(173.473.994)	(84.426.769)	(51.969.818)
Deferred Tax (Expense)/Income	14	32.317.030	29.377.148	(14.399.158)	(15.204.070)
<b>PROFIT FOR THE PERIOD</b>		<b>882.639.216</b>	<b>660.233.911</b>	290.263.365	157.977.716
<b>Profit for the Period Attributable to</b>					
Non-controlling Interests		-	-	-	-
Owners of the Parent		882.639.216	660.233.911	290.263.365	157.977.716
<b>Earning Per Share</b>					
Earning Per Share (Nominal value of TL 1)	15	0,76	0,57	0,25	0,14

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



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## REVIEWED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

		Reviewed	Not reviewed	Reviewed	Not reviewed
		Current	Current	Prior	Prior
	Notes	Period	Period	Period	Period
		1 January -	1 April-	1 January -	1 April-
		30 June	30 June	30 June	30 June
		2022	2022	2021	2021
<b>CURRENT PROFIT</b>		<b>882.639.216</b>	<b>660.233.911</b>	290.263.365	157.977.716
<b>Items that Will Not Be Reclassified to Profit or Loss:</b>					
Gains / (Losses) on Remeasurement of Defined Benefit Plans		(44.945.265)	(44.945.265)	(12.671.493)	(12.671.493)
Taxes Related to Other Comprehensive Income That Will Not Be Reclassified to Profit or Loss	14	8.989.053	8.989.053	2.534.299	2.534.299
<b>Items that Will Be Reclassified to Profit or Loss:</b>					
Foreign Currency Translation Differences		(1.895.821)	(337.756)	(813.566)	(201.456)
<b>TOTAL COMPREHENSIVE EXPENSE</b>		<b>(37.852.033)</b>	<b>(36.293.968)</b>	(10.950.760)	(10.338.650)
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE)</b>		<b>844.787.183</b>	<b>623.939.943</b>	279.312.605	147.639.066
<b>Total Comprehensive Income / (Expense) Attributable to</b>		<b>844.787.183</b>	<b>623.939.943</b>	279.312.605	147.639.066
Non-controlling Interests		-	-	-	-
Owners of the Parent		<b>844.787.183</b>	<b>623.939.943</b>	279.312.605	147.639.066

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## REVIEWED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

	Share Capital	Capital Adjustment Differences	Repurchased Shares	Share Issuance Premiums	Restricted Reserves Appropriate d from Profit	Gains / Losses on Remeasurement of Defined Benefit Plans	Foreign Currency Translation Differences	The Effect of Mergers Involving Undertaking or Enterprises Under Common Control	Retained Earnings	Net Profit for the Period	Equity
Balance as of 1 January 2021	1.159.793.441	134.868.176	(6.935.220)	234.322	405.954.871	(14.620.649)	3.371.128	(407.972.757)	1.007.457.893	-	2.282.151.205
Transfers	-	-	-	-	-	-	-	101.993.188	(101.993.188)	-	-
Total comprehensive income/(expense)	-	-	-	-	-	(10.137.194)	(813.566)	-	-	290.263.365	279.312.605
<i>Profit for the Period</i>	-	-	-	-	-	-	-	-	-	290.263.365	290.263.365
<i>Other Comprehensive Expense</i>	-	-	-	-	-	(10.137.194)	(813.566)	-	-	-	(10.950.760)
<b>30 June 2021</b>	<b>1.159.793.441</b>	<b>134.868.176</b>	<b>(6.935.220)</b>	<b>234.322</b>	<b>405.954.871</b>	<b>(24.757.843)</b>	<b>2.557.562</b>	<b>(305.979.569)</b>	<b>905.464.705</b>	<b>290.263.365</b>	<b>2.561.463.810</b>
Balance as of 1 January 2022	<b>1.159.793.441</b>	<b>134.868.176</b>	<b>(6.935.220)</b>	<b>234.322</b>	<b>405.954.871</b>	<b>(44.705.178)</b>	<b>4.060.363</b>	<b>(305.979.569)</b>	<b>1.630.629.987</b>	-	<b>2.977.921.193</b>
Transfers	-	-	-	-	-	-	-	<b>101.993.190</b>	<b>(101.993.190)</b>	-	-
Total comprehensive income/(expense)	-	-	-	-	-	<b>(35.956.212)</b>	<b>(1.895.821)</b>	-	-	<b>882.639.216</b>	<b>844.787.183</b>
<i>Profit for the Period</i>	-	-	-	-	-	-	-	-	-	<b>882.639.216</b>	<b>882.639.216</b>
<i>Other Comprehensive Expense</i>	-	-	-	-	-	<b>(35.956.212)</b>	<b>(1.895.821)</b>	-	-	-	<b>(37.852.033)</b>
<b>30 June 2022</b>	<b>1.159.793.441</b>	<b>134.868.176</b>	<b>(6.935.220)</b>	<b>234.322</b>	<b>405.954.871</b>	<b>(80.661.390)</b>	<b>2.164.542</b>	<b>(203.986.379)</b>	<b>1.528.636.797</b>	<b>882.639.216</b>	<b>3.822.708.376</b>

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## REVIEWED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

		Reviewed	Reviewed
		Current Period	Prior Period
	Notes	1 January – 30 June 2022	1 January– 30 June 2021
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit for the Period</b>		<b>882.639.216</b>	290.263.365
<b>Adjustments Related to Reconciliation of Net Profit for the Period</b>		<b>457.589.849</b>	247.138.195
- Adjustments Related to Depreciation and Amortization Expenses		<b>116.803.695</b>	85.488.667
- Adjustments Related to Doubtful Receivables	5	<b>1.121.342</b>	5.677.902
- Adjustments Related to Provisions		<b>88.901.024</b>	40.221.210
- <i>Adjustments Related to Employee Benefits</i>		<b>68.285.210</b>	26.839.845
- <i>Adjustments Related to Provisions (Reversal of) for Legal Cases</i>	10	<b>4.769.773</b>	778.038
- <i>Adjustments Related to Other Provisions (Reversals)</i>	10	<b>15.846.041</b>	12.603.327
- Adjustments Related to Interest (Income) and Expenses		<b>61.668.938</b>	31.821.272
- <i>Adjustments Related to Interest Income</i>	17-18	<b>(12.044.309)</b>	(19.495.183)
- <i>Adjustments Related to Interest Expense</i>	18	<b>73.713.247</b>	51.316.455
- Adjustments Related to Fair Value Losses (Gains)		<b>5.858.650</b>	(22.342.384)
- <i>Adjustments Related to Fair Value (Gains) / Losses of Financial Assets</i>	19	<b>5.858.650</b>	(17.461.107)
- <i>Adjustments Related to Fair Value Changes of Derivative Instruments</i>	18	<b>-</b>	(4.881.277)
- Adjustments Related to Dividend Income	19	<b>(25.559.845)</b>	(10.626.003)
- Adjustments Related to Gain on Sale of Fixed Assets	19	<b>(1.212.898)</b>	(2.651.529)
- Adjustments Related to Unrealized Foreign Currency Translation Differences		<b>13.078.620</b>	20.723.133
- Adjustments Related to Tax Income / Expense	14	<b>196.930.323</b>	98.825.927
<b>Changes in Working Capital</b>		<b>(1.108.636.535)</b>	(4.611.589)
- Adjustments Related to Increase in Trade Receivables		<b>(702.967.137)</b>	(63.025.426)
- <i>Decrease (Increase) in Trade Receivables from Related Parties</i>	5	<b>(71.534.500)</b>	(37.168.651)
- <i>Decrease (Increase) in Trade Receivables from Third Parties</i>		<b>(631.432.637)</b>	(25.856.775)
- Adjustments Related to Decrease (Increase) in Other Receivables Related to Operations		<b>(30.303.617)</b>	10.784.046
- <i>Decrease (Increase) in Other Receivables Related to Operations from Related Parties</i>		<b>10.647.229</b>	(2.487.021)
- <i>Decrease (Increase) in Other Receivables Related to Operations from Third Parties</i>		<b>(40.950.846)</b>	13.271.067
- Adjustments Related to Increase in Inventories	6	<b>(715.800.243)</b>	(108.937.782)
- Adjustments Related to Increase (Decrease) in Other Non-current Assets		<b>1.173.641</b>	(3.692.463)
- Decrease (Increase) in Prepaid Expenses	7	<b>(22.043.007)</b>	4.160.181
- Adjustments Related to Increase in Trade Payables	5	<b>279.027.353</b>	105.972.865
- <i>Increase (Decrease) in Trade Payables to Related Parties</i>		<b>149.595.803</b>	3.918.952
- <i>Increase (Decrease) in Trade Payables to Third Parties</i>		<b>129.431.550</b>	102.053.913
- Increase in Payables Related to Employee Benefits		<b>8.458.501</b>	6.915.425
- Adjustments Related to Increase / (Decrease) in Other Operating Payables		<b>9.274.912</b>	(2.803.760)
- <i>Increase (Decrease) in Other Operating Payables to Related Parties</i>		<b>288.602</b>	140.178
- <i>Increase (Decrease) in Other Operating Payables to Third Parties</i>		<b>8.986.310</b>	(2.943.938)
- Increase / (Decrease) in Deferred Income	7	<b>64.543.062</b>	46.015.325
<b>Cash Flows from Operations</b>		<b>231.592.530</b>	532.789.971
- Payments Related to Provision for Employee Benefits		<b>(38.643.351)</b>	(22.207.677)
- Tax Payments	14	<b>(117.283.968)</b>	(58.641.450)
- Payments for Provisions	10	<b>(18.235.563)</b>	(27.648.458)

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## REVIEWED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

		Reviewed	Reviewed
		Current Period	Prior Period
	Notes	1 January – 30 June 2022	1 January– 30 June 2021
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
		<b>(260.626.136)</b>	<b>(108.266.931)</b>
- Cash Inflows from Sale of Property, Plant and Equipment	8	<b>1.494.957</b>	2.753.099
- Cash Outflows from Purchase of Property, Plant and Equipment	8	<b>(287.680.938)</b>	(121.646.033)
- Dividend Income	19	<b>25.559.845</b>	10.626.003
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
		<b>678.067.301</b>	<b>(117.696.000)</b>
- Cash Inflows From Borrowing		<b>1.627.101.563</b>	229.114.569
- <i>Cash Inflows from Loans</i>		<b>1.627.101.563</b>	229.114.569
- Cash Outflows Related to Debt Payments		<b>(876.481.485)</b>	(307.108.651)
- <i>Cash Outflows Related to Loan Repayments</i>		<b>(876.481.485)</b>	(127.108.651)
- <i>Cash Outflows from Payments of Other Borrowings</i>		-	(180.000.000)
- Interest Paid		<b>(73.939.967)</b>	(55.191.690)
- Interest Received		<b>12.979.338</b>	20.754.930
- Cash Outflows from Loan Payments Arising from Lease Agreements		<b>(11.592.148)</b>	(5.265.158)
<b>D. NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION</b>			
<b>DIFFERENCES ON CASH AND CASH EQUIVALENTS</b>			
		<b>474.870.813</b>	198.329.455
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		<b>(17.627.021)</b>	(5.346.264)
<b>E. NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		<b>457.243.792</b>	192.983.191
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>			
	3	<b>314.635.832</b>	448.206.273
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>			
	3	<b>771.879.624</b>	641.189.464

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 1. ORGANIZATION AND OPERATIONS OF THE GROUP

Mardin Çimento Sanayii ve Ticaret A.Ş. ("the Company" or "Mardin Çimento"), was established on 2 June 1969 under the leadership of Türkiye Çimento Sanayii Türk Anonim Şirketi. The assembly of the factory was completed in 1975 and production started in September 1975. The main activity of the Company is the production and sales of clinker and cement.

Due to the purposes of providing more effective management, creating a strong financial, administrative and legal structure in the operating sector and strengthening the production and distribution activities; merger process has been started for Aslan Çimento A.Ş. ("Aslan Çimento"), Adana Çimento Sanayii Türk A.Ş. ("Adana Çimento"), Bolu Çimento Sanayii A.Ş. ("Bolu Çimento") and Ünye Çimento Sanayi ve Ticaret A.Ş. ("Ünye Çimento") following the application to Capital Market Boards in accordance with the board of directors decisions dated 30 December 2019. As of 20 February 2020, the merger application is approved and published in Capital Markets Board bulletin. The general assembly regarding the merger was held on 27 March 2020 and the merger was approved by the shareholders. The process of retirement right within the scope of merger started on 6 April 2020 and ended on 5 May 2020. With the registration of the General Assembly Resolutions for the merger on 14 May 2020, the legal process for the merger was completed. Following the merger, the title of Mardin Çimento was changed to OYAK Çimento Fabrikaları A.Ş. ("the Company") on 21 May 2020.

OYAK Çimento A.Ş. ("OYAK Çimento"), which was established on 25 November 2015 as a 100% subsidiary of the Ordu Yardımlaşma Kurumu ("OYAK") took over the shares of OYAK Çimento Fabrikaları A.Ş. (Previously titled as Adana Çimento Sanayii Türk A.Ş., Mardin Çimento Sanayii ve Ticaret A.Ş., Aslan Çimento A.Ş., Bolu Çimento Sanayii A.Ş., Ünye Çimento Sanayi ve Ticaret A.Ş.) owned by OYAK on 3 December 2015 and OYAK Çimento became the main shareholder of the Company. On 26 November 2018, OYAK transferred 40% of its 100% owned OYAK Çimento shares to Taiwan Cement Company ("TCC"). The ultimate main shareholder of the Company has not changed and is OYAK.

OYAK is an institution that is financially and administratively autonomous, which has a legal personality, subject to private law provisions, and was established on 1 March 1961 with the law numbered 205. OYAK, the "solidarity and pension fund" of TAF members, provides various services and benefits to its members. OYAK has more than 50 direct and indirect subsidiaries operating in the industry, finance and service sectors.

As of 31 December 2020, a subsidiary of the Company, OYAK Beton San. Ve Tic. A.Ş. ("OYAK Beton") had been merged with all its assets and liabilities in the financial statements of the Group.

The number of employees of the Company as of 30 June 2022 is 2.124 (31 December 2021: 2.082).

The shares of the company are traded in Borsa Istanbul ("BIST") and as of the preparation date of condensed consolidated interim financial statements 26,75% of the Company shares are publicly traded.

The registered address of the Group is Çukurambar Mahallesi 1480. Sokak, No: 2 A / 56, Çankaya, Ankara.

#### **Dividend Distribution**

It is decided not to distribute dividends over the profits of 2021 as a result of the General Assembly held as of 31 March 2022.

#### **Approval of the Condensed Consolidated Interim Financial Statements**

The condensed consolidated interim financial statements have been approved and authorized to be published on 19 August 2022 by the Board of Directors.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### 2.1 Basis of Presentation

The Group's subsidiaries incorporated in Turkey maintain their legal books of account and prepare their statutory financial statements ("Statutory Financial Statements") in accordance with accounting principles issued by the Turkish Commercial Code ("TCC") and tax legislation.

The accompanying interim condensed consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communique Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying interim condensed consolidated financial statements are prepared based on the Turkish Financial Reporting Standards and interpretations ("TFRS") that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communique.

In addition, the interim condensed consolidated financial statements are presented in accordance with "Announcement regarding with TFRS Taxonomy" which was published on 15 April 2019 by POA and the format and mandatory

Interim condensed consolidated financial statements are prepared on the basis of historical cost, except for the revaluation of financial investments and fixed assets acquired through business combinations. In determining the historical cost, the fair value of the amount paid for the assets is generally taken as basis.

In accordance with the Turkish Accounting Standard No: 34 "Interim Financial Reporting", entities are allowed to prepare a complete or condensed set of interim financial statements. In this respect, the Group has preferred to prepare condensed consolidated financial statements in the interim period. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements as of 31 December 2021.

#### Currency used

The financial statements of each entity of the Group are presented in the currency (functional currency) valid in the basic economic environment in which they operate. The results and financial position of each entity are expressed in TL, which is the functional currency of the Group, and the presentation currency for the consolidated financial statements.

#### Functional and presentation currency

The functional currency for Ünye Cem SRL, the subsidiary of the Group, is Romanian Lei (Ron), but its financial position and operating results are converted into TL, which is the functional currency of the Group and the presentation currency for interim condensed consolidated financial statements, and included in the interim condensed consolidated financial statements.

	30 June 2022	31 December 2021
("RON") / TL Year-End	3,4924	3,0316
("RON") / TL Average	3,2604	2,1038

#### Inflation Accounting

Under the decision of CMB dated 17 March 2005 and numbered 11/367, Group has ended the implementation of adjustments of consolidated financial statements in hyperinflationary periods for companies operating in Turkey and preparing financial statements in accordance with Turkish Financial Reporting Standards since 1 January 2005. Since 1 January 2015, Standard numbered 29 "Financial Reporting in Hyperinflationary Economies" ("TAS 29") has not been applied.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

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

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

##### Inflation Accounting (cont'd)

The Public Oversight, Accounting and Auditing Standards Authority (“POA”) made an announcement on 20 January 2022 regarding the application of TAS 29, “Financial Reporting in Hyperinflationary Economies” for entities adopting Turkish Financial Reporting Standards (“TFRS”) for the year ended 31 December 2021. The announcement stated that, entities that apply TFRS should not adjust their financial statements in accordance with TAS 29 - Financial Reporting in Hyperinflationary Economies for the year ended 31 December 2021.

As of the date of this report, POA has not made any further announcements regarding the scope and application of TAS 29. As a result, no inflation adjustment was made to the accompanying consolidated financial statements in accordance with TAS 29 for the components whose functional currency is TRY.

##### Going Concern

The Group prepared condensed interim consolidated financial statements in accordance with the going concern assumption.

##### Subsidiaries

Subsidiaries are companies in which the Company is exposed to variable returns due to its relationship with the investee or is entitled to these returns, and at the same time has the control power because it has the opportunity to affect these returns with its activities on the investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

The statements of financial position and income statements of the subsidiaries have been consolidated using the full consolidation method and the carrying values and equities of the subsidiaries owned by OYAK Çimento Fabrikaları have been reciprocally offset. Intra-group transactions and balances between the Company and its subsidiaries have been offset during consolidation. The carrying values of the shares owned by the Company and the dividends resulting from them have been netted off from the relevant equity and statement of profit or loss accounts.

As of 30 June 2022 and 31 December 2021, the Group’s ownership interests and voting rights in subsidiaries have been presented below:

Subsidiaries	Place of incorporation and operation	Main operation	30 June	31 December
			2022	2021
			Shareholding rate (%)	Shareholding rate (%)
Ünye Cem SRL	Romania	Cement sale	100	100
Marmara Madencilik (*)	Turkey	Mining	98,9	98,9
Adana Çimento Sanayi ve Ticaret Ltd.	Cyprus	Cement, clinker, ready-mixed concrete sales	100	100
Adana Çimento Free Port Ltd.	Cyprus	Cement, clinker, ready-mixed concrete sales	100	100

(\*) As of the reporting date, the subsidiary is inactive.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

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

#### 2.2 Adoption of New and Revised Turkish Financial Reporting Standards

The accounting policies adopted in preparation of the interim condensed consolidated financial statements as of 30 June 2022 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 1 January 2022 summarized below.

##### a) Amendments that are mandatorily effective from 2022

Amendments to TFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to TAS 16	<i>Property, Plant and Equipment - Proceeds before Intended Use</i>
Amendments to TAS 37	<i>Onerous Contracts - Cost of Fulfilling a Contract</i>
Annual Improvements to TFRS Standards 2018-2020	<i>Amendments to TFRS 1 and TFRS 9</i>
Amendments to TFRS 16	<i>COVID-19 Related Rent Concessions beyond 30 June 2021</i>

##### **Amendments to TFRS 3 Reference to the Conceptual Framework**

The amendments update an outdated reference to the Conceptual Framework in TFRS 3 without significantly changing the requirements in the standard.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

##### **Amendments to TAS 16 Proceeds before Intended Use**

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

##### **Amendments to TAS 37 Onerous Contracts - Cost of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

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

#### 2.2 Adoption of New and Revised Turkish Financial Reporting Standards (cont'd)

##### a) Amendments that are mandatorily effective from 2022 (cont'd)

##### Annual Improvements to TFRS Standards 2018-2020 Cycle

Amendments to TFRS 1 First time adoption of International Financial Reporting Standards

The amendment permits a subsidiary that applies paragraph D16(a) of TFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to TFRSs.

“Amendments to TFRS 9 Financial Instruments”

The amendment clarifies which fees an entity includes in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

##### Amendments to TFRS 16 COVID-19 Related Rent Concessions beyond 30 June 2021

Public Oversight Accounting and Auditing Standards Authority (“POA”) has published Amendments to TFRS 16 *COVID-19 Related Rent Concessions beyond 30 June 2021* that extends, by one year, the June 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021. Since lessors continue to grant COVID-19 related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the POA decided to extend the time period over which the practical expedient is available for use.

The new amendment is effective for lessees for annual reporting periods beginning on or after 1 April 2021. Earlier application is permitted.

The Group assessed that the adoption of these amendments that are effective from 2022 do not have any effect on the Group's consolidated financial statements.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

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

#### 2.2 Adoption of New and Revised Turkish Financial Reporting Standards (cont'd)

##### b) New and revised TFRSs in issue but not yet effective

New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing

TFRS 17	<i>Insurance Contracts</i>
Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current Extension</i>
Amendments to TFRS 4	<i>of the Temporary Exemption from Applying :TFRS 9</i>
Amendments to TAS 1	<i>Disclosure of Accounting Policies</i>
Amendments to TAS 8	<i>Definition of Accounting Estimates</i>
Amendments to TAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9</i>
	<i>Comparative Information</i>

standards:

##### **TFRS 17 Insurance Contracts**

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 *Insurance Contracts* as of 1 January 2023.

##### **Amendments to TAS 1 Classification of Liabilities as Current or Non-Current**

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or noncurrent.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

##### **Amendments to TFRS 4 Extension of the Temporary Exemption from Applying TFRS 9**

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 *Insurance Contracts* from applying TFRS 9, so that entities would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2023 with the deferral of the effective date of TFRS 17.

##### **Amendments to TAS 1 Disclosure of Accounting Policies**

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

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

#### 2.2 Adoption of New and Revised Turkish Financial Reporting Standards (cont'd)

##### b) New and revised TFRSs in issue but not yet effective

##### Amendments to TAS 8 Definition of Accounting Estimates

With this amendment, the definition of “a change in accounting estimates” has been replaced with the definition of “an accounting estimate”, sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

##### Amendments to TAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

##### Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 Comparative Information

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

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

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

#### 2.3 Summary of Significant Accounting Policies

The interim condensed consolidated financial statements for the six months period ended 30 June 2022 have been prepared in accordance with TAS 34. The accounting policies used in the preparation of these condensed interim consolidated financial statements for the six months period ended 30 June 2022, are consistent with those used in the preparation of annual consolidated financial statements for the year ended 31 December 2021. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2021.

As explained in Note 1 there has been no change in total ownership interests and effective interests of the subsidiaries, included in the scope of consolidation as of 30 June 2022, from the interests reported as of 31 December 2021.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

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

#### **2.4 Comparative Information and Restatement of Prior Period Consolidated Financial Statements**

The Group's consolidated financial statements have been prepared comparatively with the prior period, allowing the determination of financial position and performance. Comparative information is reclassified and significant differences are explained when necessary in terms of compliance with presentation of current period consolidated financial statements. During the current year, the Group has done a reclassification to its prior period financial tables. The nature, reason and the amount of the reclassification is explained below:

- The Group has reclassified depreciation charges amounting to TL 1.807.845 presented under Other Operating Expense to General and Administration Expenses in the consolidated financial statements as of 31 December 2021.

#### **2.5 Accounting Policies and Changes and Misstatements in Accounting Estimates**

Changes in accounting policies, if any, that result from applying a new standard for the first time are applied retrospectively or prospectively in accordance with transition provisions. Changes with no transition provisions, significant discretionary changes in accounting policy or accounting errors are applied retrospectively and financial statements of prior period are restated. If changes in accounting estimates are related to only one period, they are applied in the current period in which the changes are made, if they are related to subsequent period, they are applied in both current period and prospectively. In the current period, there is no change realized in accounting policies.

Misstatements which are identified are corrected retrospectively and consolidated financial statements of prior period are restated. The Group does not identify any significant misstatements in the current year.

#### **2.6 Segment Reporting**

The operations of the Group's each plant have been defined as geographical segments. However, the segments with similar economic characteristics have been combined into a single operating segment considering the nature of the products and the production processes, methods to allocate the products and the type of customers or to provide services for the interim period.

## OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

#### 3. CASH AND CASH EQUIVALENTS

	<b>30 June 2022</b>	31 December 2021
Bank	<b>694.552.821</b>	290.072.334
<i>Demand deposits</i>	<b>26.786.140</b>	5.280.761
<i>Time deposits with a maturity of less than three months (*)</i>	<b>667.766.681</b>	284.791.573
Other cash and cash equivalents (**)	<b>77.528.541</b>	24.743.955
Cash and cash equivalents on the balance sheet	<b>772.081.362</b>	314.816.289
Less : Interest accruals	<b>(201.738)</b>	(180.457)
Cash and cash equivalents in the statement of cash flows	<b>771.879.624</b>	314.635.832

(\*) Interest rates of time deposits for TL deposits varies from 12% to 17,50% (31 December 2021: 14,00%-26,00%), whereas for US Dollar deposits it is 0,25-0,50%, and for RON deposits it is 4,25% (31 December 2021: US Dollar: 0,05%-0,75%, RON: 0,35%, Euro: 0,01%).

(\*\*) A significant portion of the said amount consists of receivables related to sales made by credit card.

As of 30 June 2022, there is no blockage on cash and cash equivalents (31 December 2021: None).

#### 4. RELATED PARTY DISCLOSURES

The Group carries out various transactions with related parties during its activities. The balances of the related parties as of 30 June 2022 and 31 December 2021, and the transaction amounts and balances made with these institutions for the periods ending on 30 June 2022 and 30 June 2021 are as follows:

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 4. RELATED PARTY DISCLOSURES (cont'd)

	30 June 2022			
	Receivables		Payables	
	Short Term		Short Term	
Balances with related parties	Trade	Non-trade	Trade	Non-trade
<b>Ultimate parent</b>				
Ordu Yardımlaşma Kurumu (OYAK)	-	-	4.709.548	-
<b>Parent</b>				
OYAK Çimento A.Ş.	-	-	5.382.193	-
<b>Other companies managed by the ultimate parent</b>				
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	241	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	65.731.614	-
Omsan Lojistik A.Ş.	-	-	6.554.934	-
Omsan Denizcilik A.Ş.	-	-	22.423.826	-
OYAK İnşaat A.Ş.	39.415.062	-	-	-
OYAK Elektrik Enerjisi Toptan Satış A.Ş.	-	-	527.754	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	20.094.903	-
İskenderun Demir ve Çelik A.Ş.	-	-	30.440.108	-
İskenderun Enerji Üretim ve Tic. A.Ş.	-	-	938.991	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	-	-	51.555	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	12.660.732	-
OYAK Grup Sigorta ve Reasürans Brokerliği A.Ş.	-	-	3.675.809	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	8.768.791	-
OYAK Yatırım Menkul Değerler A.Ş.	-	-	609.690	-
Güzel Enerji Akaryakıt A.Ş.	-	-	2.336.803	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	33.918.876	-
Oytaş İç ve Dış Ticaret A.Ş.	-	-	-	-
Kümaş Manyezit Sanayi A.Ş.	-	-	48.104.948	2.944.550
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	-	-
Cimpor Cote d'ivoire	147.749.794	3.919.562	-	-
Cimpor - Industria de Cementos	212.189	-	-	-
Cimpor-Serviços, Sa.	3.297.848	-	-	-
Other	-	27.695	89.199	1.029.950
<b>Other companies managed by the parent</b>				
Denizli Çimento Sanayii Türk A.Ş.	-	-	57.549.201	-
Cimpor Cameroun SA	10.556.795	-	-	-
	<b>201.231.929</b>	<b>3.947.257</b>	<b>324.569.475</b>	<b>3.974.500</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

## 4. RELATED PARTY DISCLOSURES (cont'd)

	31 December 2021			
	Receivables		Payables	
	Short Term		Short Term	
Balances with related parties	Trade	Non-trade	Trade	Non-trade
<u>Ultimate parent</u>				
Ordu Yardımlaşma Kurumu (OYAK)	-	-	4.589.626	-
<u>Parent</u>				
OYAK Çimento A.Ş.	-	11.087.302	-	-
<u>Other companies managed by the ultimate parent</u>				
Omsan Lojistik A.Ş.	-	-	6.015.509	-
Omsan Denizcilik A.Ş.	-	-	11.684.079	-
Omsan Havacılık A.Ş.	-	-	1.401.182	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	26.320.037	-
OYAK İnşaat A.Ş.	14.898.333	-	-	-
Ereğli Demir Çelik Fabrikaları T. A.Ş.	-	-	15.989.867	-
İskenderun Demir ve Çelik A.Ş.	-	-	26.013.344	-
İskenderun Enerji üretim ve Tic. A.Ş.	-	-	630.494	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	-	-	90.428	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	9.245.122	-
OYAK Grup Sigorta ve Reasürans Brokerliği A.Ş.	-	-	23.368.336	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	5.269.908	-
OYAK Elektrik Enerjisi Toptan Satış A.Ş.	-	-	1.128.967	-
OYAK Yatırım Menkul Değerler A.Ş.	-	-	1.216.650	-
Oyak Sentetik Karbon Ürünleri Sanayi ve Ticaret A.Ş.	49.560	-	-	-
Oytaş İç ve Dış Tic.A.Ş.	-	-	-	2.655.948
Güzel Enerji Akaryakıt A.Ş.	-	-	1.412.530	-
Cimpor - Industria de Cimentos	181.720	-	-	-
Cimpor-Serviços, Sa.	2.690.569	-	-	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	9.932.247	-
Akdeniz Chemson Kimya San. ve Tic. A.Ş.	-	-	333.549	-
Likitgaz Dağıtım ve Endüstri A.Ş.	-	-	26.200	-
Miilux Yüksek Mukavemetli Çelik Üretim A.Ş.	-	-	49.391	-
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	6.507	-
Hektaş Ticaret T.A.Ş.	-	-	6.580	-
Kümaş Manyezit Sanayi A.Ş.	-	-	11.945.333	-
Cimpor Cote d'Ivoire SARL	107.121.900	3.507.184	-	-
Other	-	-	-	1.029.950
<u>Other companies managed by the parent</u>				
Denizli Çimento Sanayii Türk A.Ş.	-	-	18.297.786	-
Cimpor Cameroun SA	4.755.347	-	-	-
	129.697.429	14.594.486	174.973.672	3.685.898

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

## 4. RELATED PARTY DISCLOSURES (cont'd)

Transactions with related parties	1 January – 30 June 2022							
	Purchases	Sales	Interest received	Interest paid	Lease income	Other income	Other expenses	Fixed asset sales
<b>Ultimate partner</b>								
Ordu Yardımlaşma Kurumu (OYAK)	-	-	-	-	-	4.618	151.131	-
<b>Partner</b>								
OYAK Çimento A.Ş. (1)	-	-	-	-	-	6.215.905	22.974.098	-
<b>Other companies managed by the ultimate parent</b>								
OYAK İnşaat A.Ş. (13)	-	82.367.535	-	-	112.000	-	-	-
Omsan Lojistik A.Ş. (4)	7.315.347	10.010	-	-	-	-	1.026.567	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (2)	97.449.303	429.712	-	-	-	-	-	-
İskenderun Demir ve Çelik A.Ş. (8)	34.502.826	33.200	-	-	-	-	11.793	-
İskenderun Enerji Üretim ve Tic.A.Ş.	1.288.507	-	-	-	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	79.250	-	-	-	-	-	-	-
OYAK Elektrik Enerjisi Toptan Satış A.Ş. (3)	604.664.446	-	-	-	-	-	-	-
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (8)	20.942.656	-	-	-	-	-	-	-
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	-	-	-	1.743	-	-
OYAK Pazarlama Hizmet ve Turizm A.Ş. (6)	21.471.135	360.368	-	-	-	-	1.242.209	5.711.066
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (5)	17.163.248	141.016	-	-	-	-	-	116.067
Omsan Denizcilik A.Ş. (4)	45.212.683	-	-	-	-	23.917	2.693.943	-
Omsan Havacılık A.Ş.	42.222	-	-	-	-	-	353.857	-
OYAK Yatırım Menkul Değerler A.Ş.	538.090	-	-	-	-	-	-	-
OYAK Akaryakıt ve LPG Yatırımları A.Ş.	440.291	-	-	-	-	-	-	-
Akdeniz Chemson Kimya San. Ve Tic.A.Ş.	115.266	-	-	-	-	-	-	-
Hektaş Ticaret T.A.Ş.	6.164	-	-	-	-	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	92.600	-	-	-	-	-	-	-
Miilux Yüksek Mukavemetli Çelik Üretim A.Ş.	40.338	-	-	-	-	-	14.304	-
Cimpor Cote d'Ivoire SARL (11)	-	99.465.695	-	-	-	357.238	-	-
Kümaş Manyezit Sanayi A.Ş. (10)	-	-	-	-	-	-	-	36.954.616
Güzel Enerji Akaryakıt A.Ş. (9)	6.677.392	1.882	-	-	-	-	-	-
Doco Petrol Ve Danışmanlık A.Ş. (9)	71.219.770	-	-	-	-	-	-	-
<b>Other companies managed by the parent</b>								
Denizli Çimento A.Ş. (7)	71.461.482	1.291.473	-	-	115.588	-	-	-
Cimpor Cameroun SA (12)	-	-	-	-	-	4.746.397	-	-
	<b>1.000.723.016</b>	<b>184.100.891</b>	-	-	<b>227.588</b>	<b>11.349.818</b>	<b>28.467.902</b>	<b>42.781.749</b>



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

## 4. RELATED PARTY DISCLOSURES (cont'd)

Transactions with related parties	1 January – 30 June 2021								
	Purchases	Sales	Interest received	Interest paid	Lease income	Other income	Other expenses	Commission expenses	Fixed asset sales
<b>Ultimate partner</b>									
Ordu Yardımlaşma Kurumu (OYAK)	-	-	-	-	-	-	882.564	-	-
<b>Partner</b>									
OYAK Çimento A.Ş. (1)	-	-	-	-	-	-	19.733.832	-	-
<b>Other companies managed by the ultimate parent</b>									
OYAK İnşaat A.Ş. (12)	-	10.315.733	-	-	253.333	1.365	25.276	-	-
Omsan Lojistik A.Ş. (4)	18.527.757	-	-	-	-	35.987	2.957	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (2)	42.917.571	-	-	-	-	12.796	-	-	-
İskenderun Demir ve Çelik A.Ş. (8)	21.526.363	14.485	-	-	-	-	241.474	-	-
İskenderun Enerji Üretim ve Tic.A.Ş.	1.254.398	-	-	-	-	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	49.396	-	-	-	-	-	-	-	-
OYAK Elektrik Enerjisi Toptan Satış A.Ş. (3)	186.503.708	-	-	-	-	3.498.342	-	-	-
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (8)	11.343.490	-	-	-	-	1.412.293	-	-	-
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	-	-	-	1.635	-	-	-
OYAK Pazarlama Hizmet ve Turizm A.Ş. (6)	10.243.718	-	-	-	-	-	2.297.761	-	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (5)	11.576.120	-	-	-	-	142.100	-	-	-
Omsan Denizcilik A.Ş. (4)	30.343.157	-	-	-	-	-	-	-	-
OYAK Yatırım Menkul Değerler A.Ş.	188.483	-	-	-	-	-	-	-	-
OYAK Denizcilik Ve Liman İşl. A.Ş.	-	-	-	-	-	-	88.951	-	-
Akdeniz Chemson Kimya San.Ve Tic.A.Ş	186.877	-	-	-	-	-	-	-	-
Hektaş Ticaret T.A.Ş.	15.602	-	-	-	-	-	-	-	-
Cimpor Industria de Cimentos S.A.	-	4.644.534	-	-	-	89.576	-	-	-
Cimpor Cote d'Ivoire SARL (11)	-	26.624.217	-	-	-	2.432.411	-	-	-
Kümaş Manyezit Sanayi A.Ş. (10)	-	-	-	-	-	161.320	13.861.672	-	-
Güzel Enerji Akaryakıt A.Ş. (9)	2.518.394	-	-	-	-	-	-	-	-
Doco Petrol Ve Danışmanlık A.Ş. (9)	20.017.387	-	-	-	-	-	-	-	-
<b>Other companies managed by the parent</b>									
Denizli Çimento A.Ş. (7)	31.413.648	109.139	-	-	65.142	2.697.307	144.738	-	-
Cimpor Cameroun SA	-	-	-	-	-	-	-	-	3.103.379
	<b>388.626.069</b>	<b>41.708.108</b>	-	-	<b>318.475</b>	<b>10.485.132</b>	<b>37.279.225</b>	-	<b>3.103.379</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 4. RELATED PARTY DISCLOSURES (cont'd)

#### Disclosures related to transactions with related parties for the period 1 January – 30 June 2022 are as follows:

- (1) Purchase from OYAK Çimento A.Ş. consists of reflection amounts of other income and other expenses.
- (2) Purchases from OYKA Kağıt Ambalaj San. ve Tic. A.Ş. consist of purchase of paper bag used in bagged cement sales
- (3) Purchases from OYAK Elektrik Enerjisi Toptan Satış A.Ş. consist of purchase of electricity energy.
- (4) Purchases from Omsan Lojistik A.Ş., Omsan Denizcilik A.Ş. consist of transportation service.
- (5) Purchases from OYAK Savunma ve Güvenlik Hizmetleri A.Ş. consist of security services.
- (6) Purchases from OYAK Pazarlama Hizmet ve Turizm A.Ş. consists of accommodation, transportation, construction and cleaning services.
- (7) Purchases from Denizli Çimento A.Ş. consist of cement purchased for ready mixed concrete.
- (8) Purchases from Ereğli Demir Çelik Fabrikaları T.A.Ş. and İskenderun Demir ve Çelik A.Ş. consist of purchases of raw material.
- (9) Purchases from Güzel Enerji Yakıt A.Ş., Doco Petrol ve Danışmanlık A.Ş. consist of fuel purchases.
- (10) Purchases from Kümaş Manyezit Sanayi A.Ş. consist of magnesite refractory brick.
- (11) Sales to Cimpor Cote d'Ivoire SARL consist of cement and clinker sales.
- (12) Other sales to Cimpor Cameroon SA consist of trans-mixer and pump sales.
- (13) Sales to OYAK İnşaat A.Ş. consist of concrete sales.

#### Disclosures related to transactions with related parties for the period 1 January – 30 June 2021 are as follows:

- (1) Purchase from OYAK Çimento A.Ş. consists of reflection amounts of other income and other expenses.
- (2) Purchases from OYKA Kağıt Ambalaj San. ve Tic. A.Ş. consist of purchase of paper bag used in bagged cement sales
- (3) Purchases from OYAK Elektrik Enerjisi Toptan Satış A.Ş. consist of purchase of electricity energy.
- (4) Purchases from Omsan Lojistik A.Ş., Omsan Denizcilik A.Ş. consist of transportation service.
- (5) Purchases from OYAK Savunma ve Güvenlik Hizmetleri A.Ş. consist of security services.
- (6) Purchases from OYAK Pazarlama Hizmet ve Turizm A.Ş. consists of accommodation, transportation, construction and cleaning services.
- (7) Purchases from Denizli Çimento A.Ş. consist of cement purchased for ready mixed concrete.
- (8) Purchases from Ereğli Demir Çelik Fabrikaları T.A.Ş. and İskenderun Demir ve Çelik A.Ş. consist of purchases of raw material.
- (9) Purchases from Güzel Enerji Yakıt A.Ş., Doco Petrol ve Danışmanlık A.Ş. consist of fuel purchases.
- (10) Purchases from Kümaş Manyezit Sanayi A.Ş. consist of magnesite refractory brick.
- (11) Sales to Cimpor Cote d'Ivoire SARL consist of cement and clinker sales.
- (12) Sales to OYAK İnşaat A.Ş. consist of concrete sales.

#### Salaries and other benefits for key management personnel

Key management personnel consists of members of the Board of Directors, vice presidents and directors. The salaries and similar benefits provided to key management personnel for their services are as follows:

	1 January- 30 June 2022	1 January- 30 June 2021
Salaries and other short-term benefits	13.671.032	8.873.230
	13.671.032	8.873.230

## OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

#### 5. TRADE RECEIVABLES AND PAYABLES

##### a) Trade Receivables

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

<b>Short-term trade receivables</b>	<b>30 June 2022</b>	31 December 2021
Trade receivables	<b>1.654.554.500</b>	1.110.636.399
Notes receivable	<b>208.493.931</b>	122.114.834
Trade receivables from related parties (Note 4)	<b>201.231.929</b>	129.697.429
Provision for doubtful trade receivables and expected credit loss (-)	<b>(117.764.487)</b>	(116.822.274)
	<b>1.946.515.873</b>	1.245.626.388

As of the balance sheet date, the Group does not have any long-term trade receivables. Although the collection period of trade receivables varies depending on the type of product and the contracts made with the customer, the average is 2 months (31 December 2021: 2 months).

As of 30 June 2022, there are receivables from customers who declared concordat amounting to TL 37.743.688 (31 December 2021: TL 40.070.277) and there is a guarantee related to them with registered value amounting in total to TL 58.834.000 (31 December 2021: TL 60.424.000). These guarantees consist of pledges of real estates and vehicles. In addition, there are mine licenses amounting to TL 20.000.000 that have been under mortgage for the receivables after the date of concordat, and the process to extend the term of these licenses is ongoing.

As of 30 June 2022, provision for doubtful receivables and expected credit loss has been made for the portion of trade receivables amounting to TL 117.764.487 (31 December 2021: TL 116.822.274).

The movement table of the allowance for doubtful trade receivables and expected credit loss is as follows:

	<b>1 January- 30 June 2022</b>	1 January- 30 June 2021
Movements of allowance for doubtful trade receivables and expected credit loss		
Opening balance	<b>(116.822.274)</b>	(80.014.556)
Period charge	<b>(1.121.342)</b>	(5.677.902)
Collections	<b>179.129</b>	-
<b>Closing balance</b>	<b>(117.764.487)</b>	(85.692.458)

## OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

#### 5. TRADE RECEIVABLES AND PAYABLES (cont'd)

##### b) Trade Payables

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

<b>Short-term trade payables</b>	<b>30 June 2022</b>	<b>31 December 2021</b>
Trade payables	<b>968.635.037</b>	839.203.487
Trade payables to related parties (Note:4)	<b>324.569.475</b>	174.973.672
	<b>1.293.204.512</b>	1.014.177.159

The average payment term of trade payables related to the purchase of goods is 3 months (31 December 2021: 3 months).

#### 6. INVENTORIES

	<b>30 June 2022</b>	<b>31 December 2021</b>
Raw material	<b>933.696.460</b>	426.311.119
Semi-finished goods	<b>374.677.083</b>	161.621.085
Finished goods	<b>99.872.917</b>	42.437.158
Trade goods	<b>2.818.546</b>	287.035
Impairment on inventories	<b>(2.053.625)</b>	(2.053.625)
Goods in transit	<b>67.345.239</b>	137.157.903
Other inventories	<b>8.836.616</b>	3.632.318
	<b>1.485.193.236</b>	769.392.993

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 7. PREPAID EXPENSES AND DEFERRED INCOME

#### a) Prepaid Expenses

<b>Short-term Prepaid Expenses</b>	<b>30 June 2022</b>	<b>31 December 2021</b>
Order advances given for inventory purchase	<b>61.439.174</b>	38.708.988
Prepaid insurance	<b>11.648.954</b>	20.991.861
Prepaid expenses	<b>12.999.591</b>	7.363.440
	<b>86.087.719</b>	67.064.289

<b>Long-term Prepaid Expenses</b>	<b>30 June 2022</b>	<b>31 December 2021</b>
Prepaid expenses	<b>3.019.577</b>	-
Order advances given for fixed asset purchases	<b>64.338.803</b>	37.873.147
	<b>67.358.380</b>	37.873.147

#### b) Deferred Income

<b>Short-term Deferred Income</b>	<b>30 June 2022</b>	<b>31 December 2021</b>
Order advances received	<b>115.585.108</b>	51.918.550
Deferred income	<b>7.445.796</b>	5.225.923
	<b>123.030.904</b>	57.144.473

<b>Long-term Deferred Income</b>	<b>30 June 2022</b>	<b>31 December 2021</b>
Deferred income	<b>2.686.739</b>	4.030.108
	<b>2.686.739</b>	4.030.108

## OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

#### 8. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

##### a) Property, plant and equipment

Net book value of property, plant and equipment held in the six-month period ended on 30 June 2022 amounts to TL 2.175.211.407 (31 December 2021: TL 2.000.700.068).

Property, plant and equipment purchased in the six-month period ended on 30 June 2022 amounts to TL 261.189.628 (30 June 2021: TL 111.565.845).

Property, plant and equipment sold in the six-month period ended on 30 June 2022 amounts to TL 1.494.957 (30 June 2021: TL 234.984).

##### b) Intangible Assets

Net book value of intangible assets held in the six-month period ended on 30 June 2022 amounts to TL 61.768.156 (31 December 2021: 68.467.137).

Intangible assets acquired in the six-month period ended on 30 June 2022 amounts to TL 25.654 (30 June 2021: None).

There is no intangible asset disposal in the current period. (30 June 2021: None).

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 9. FINANCIAL INVESTMENTS

	30 June 2022	31 December 2021
<b>Short-term financial investments</b>		
Financial investments at fair value through profit or loss	<b>155.886.337</b>	161.744.987
	<b>155.886.337</b>	161.744.987

Financial investments at fair value through profit or loss:

Shareholders	Share rate %	30 June 2022		Share rate %	31 December 2021	
		Amount	Cost		Amount	Cost
<u>Shares Traded on the Stock Exchange</u>						
Ereğli Demir Çelik Fabrikaları A.Ş. (*)	< 1	<b>155.886.337</b>	7.245.316	< 1	161.744.987	7.245.316

(\*) It comprises 5.743.785 shares.

### 10. PROVISIONS

	30 June 2022	31 December 2021
<b>Short-term provisions</b>		
State provision for the mine (*)	8.334.639	12.238.824
Provision for legal cases	16.261.108	11.491.335
Other short-term provisions (**)	10.710.995	9.896.332
	<b>35.306.742</b>	33.626.491

(\*) The amount of provision set for state rights that the Group pays for the mines every year in the sixth month of the following year.

(\*\*) Other provisions consist of turnover premiums to be paid to the retailers by the Group and other provisions.

	30 June 2022	31 December 2021
<b>Long-term provisions</b>		
Provision for land occupation	<b>3.231.585</b>	2.531.585
Mine rehabilitation fee	<b>3.727.126</b>	3.727.126
	<b>6.958.711</b>	6.258.711

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 10. PROVISIONS (cont'd)

The movement of short and long-term provisions as of 30 June 2022 and 30 June 2021 is presented below.

	Short-term			Long-term	
	State provision for the mine	Provision for legal cases	Other provisions	Mine rehabilitation fee	Other provisions
As of 1 January 2022	12.238.824	11.491.335	9.896.332	3.727.126	2.531.585
Additional provision	8.334.639	4.769.773	10.710.996	-	700.000
Payments during the period	(10.574.812)	-	(7.660.751)	-	-
Reversal of provision	(1.664.012)	-	(2.235.582)	-	-
<b>30 June 2022</b>	<b>8.334.639</b>	<b>16.261.108</b>	<b>10.710.995</b>	<b>3.727.126</b>	<b>3.231.585</b>

	Short-term			Long-term	
	State provision for the mine	Provision for legal cases	Other provisions	Mine rehabilitation fee	Other provisions
As of 1 January 2021	9.387.462	10.983.101	13.688.243	5.276.074	5.440.998
Additional provision	6.333.039	778.038	6.385.029	-	1.301.549
Payments during the period	(9.419.090)	(175.000)	(12.791.187)	-	(5.263.181)
Reversal of provision	-	-	(928.168)	-	(488.122)
<b>30 June 2021</b>	<b>6.301.411</b>	<b>11.586.139</b>	<b>6.353.917</b>	<b>5.276.074</b>	<b>991.244</b>



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 11. COMMITMENTS

#### Guarantees-Pledges-Mortgages (“GPM”) given by the Company

<b>30 June 2022</b>	<b>TL</b>	<b>US Dollars (TL Equivalent)</b>	<b>Euro (TL Equivalent)</b>	<b>Total TL</b>
A. Total Amount of GPMs Given for the Company’s Own Legal Personality	267.041.353	17.825.864	1.980.191	286.847.408
<i>- Guarantee Letters</i>	267.041.353	17.825.864	1.980.191	286.847.408
B. Total Amount of GPMs Given on behalf of Fully Consolidated Companies	-	-	-	-
C. Total Amount of GPMs given in the Normal Course of Business Activities on Behalf of Third Parties	-	-	-	-
D. Total Amount of Other GPMs Given				
i. Total Amount of GPMs Given on Behalf of the Parent	-	-	-	-
ii. Total Amount of GPMs Given on Behalf of Other Group Companies Which Are Not in Scope of B and C	-	-	-	-
iii. Total Amount of GPMs Given on Behalf of Third Parties Which Are Not in Scope of C	-	-	-	-
<b>Total</b>	<b>267.041.353</b>	<b>17.825.864</b>	<b>1.980.191</b>	<b>286.847.408</b>

#### Guarantees-Pledges-Mortgages (“GPM”) given by the Company

<b>31 December 2021</b>	<b>TL equivalent</b>	<b>US Dollars (TL Equivalent)</b>	<b>Euro (TL Equivalent)</b>	<b>Total TL</b>
A. Total Amount of GPMs Given for the Company’s Own Legal Personality	182.134.381	20.258.613	1.719.884	204.112.878
<i>- Guarantee Letters</i>	182.134.381	20.258.613	1.719.884	204.112.878
B. Total Amount of GPMs Given on behalf of Fully Consolidated Companies	-	-	-	-
C. Total Amount of GPMs given in the Normal Course of Business Activities on Behalf of Third Parties	-	-	-	-
D. Total Amount of Other GPMs Given	-	-	-	-
i. Total Amount of GPMs Given on Behalf of the Parent	-	-	-	-
ii. Total Amount of GPMs Given on Behalf of Other Group Companies Which Are Not in Scope of B and C	-	-	-	-
iii. Total Amount of GPMs Given on Behalf of Third Parties Which Are Not in Scope of C	-	-	-	-
<b>Total</b>	<b>182.134.381</b>	<b>20.258.613</b>	<b>1.719.884</b>	<b>204.112.878</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 12. BORROWINGS

	<b>30 June 2022</b>	31 December 2021
<b>Short-term borrowings</b>		
Bank loans	<b>794.318.361</b>	124.276.649
Short-term portion of long-term borrowings	-	5.000.000
Short-term portion of issued debt instruments	<b>102.627.178</b>	8.668.309
Short-term portion of lease liabilities	<b>5.377.493</b>	7.888.532
	<b>902.323.032</b>	145.833.490
<b>Long-term borrowings</b>		
Debt instruments issued	<b>300.000.000</b>	300.000.000
Long-term payables due to lease liabilities (net)	<b>19.244.018</b>	21.197.169
	<b>319.244.018</b>	321.197.169

The details of bank loans are as follows:

Currency	Weighted average interest rate	30 June 2022	
		Short-term	Long-term
TL	17,75%	<b>597.359.841</b>	-
US Dollars	8,50%	<b>196.958.520</b>	-
		<b>794.318.361</b>	-
Currency	Weighted average interest rate	31 December 2021	
		Short-term	Long-term
TL	14,74%	129.276.649	-
		129.276.649	-

The repayment schedule of the Group for bank loans as of 30 June 2022 and 31 December 2021 is as follows:

	<b>30 June 2022</b>	31 December 2021
Payable within 1 year	<b>794.318.361</b>	129.276.649
	<b>794.318.361</b>	129.276.649

The repayment schedule of the Group for debt instruments as of 30 June 2022 and 31 December 2021 is as follows:

	<b>30 June 2022</b>	31 December 2021
Payable within 1 year	<b>102.627.178</b>	8.668.309
Payable within 1 - 2 years	<b>300.000.000</b>	300.000.000
	<b>402.627.178</b>	308.668.309

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 13. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

#### a) Share Capital

As of 30 June 2022 and 31 December 2021, the paid-in capital structure of the Company is as follows:

Shareholders	%	30 June 2022	%	31 December 2021
OYAK Çimento A.Ş.	73,25	849.507.227	73,25	849.507.227
Publicly traded	26,75	310.286.214	26,75	310.286.214
Nominal capital	<b>100</b>	<b>1.159.793.441</b>	<b>100</b>	1.159.793.441
Inflation adjustment		134.868.176		134.868.176
Adjusted capital		<b>1.294.661.617</b>		1.294.661.617

As of 30 June 2022, the capital of the Company consists of 115.979.344.100 shares (31 December 2021: 115.979.344.100 shares). The nominal value of the shares is TL 0,01 per share (31 December 2021: per share TL 0,01).

#### b) Restricted reserves appropriated from profit

The Group reserves 5% of the historical statutory profit as first legal reserve, until the total reserve reaches 20% of the historical paid in share capital according to Turkish Commercial Law. The other legal reserve is appropriated at the rate of 10% per annum of all cash dividend distributions after the payment of dividends to the shareholders at a rate of 5%. According to Turkish Commercial Law, general legal reserves can only be used if it does not exceed the capital or issued capital for close the losses, continue the business when business is not going well or end the unemployment and to take suitable precautions to reduce the results of unemployment. Details of restricted reserves appropriated profit are as follows:

	30 June 2022	31 December 2021
Legal Reserves	<b>405.954.871</b>	405.954.871
	<b>405.954.871</b>	405.954.871

### 14. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

#### Current tax liability

	30 June 2022	31 December 2021
Current corporate tax	<b>229.247.353</b>	<b>206.338.165</b>
Less: Prepaid taxes and funds	<b>(47.552.056)</b>	<b>(136.606.253)</b>
<b>Tax liability for the profit for the period to be paid</b>	<b>181.695.297</b>	<b>69.731.912</b>

#### Tax expense in statement of profit or loss and other comprehensive income

	1 January- 30 June 2022	1 January- 30 June 2021
The tax expense / (income) consists of:		
Current tax expense	<b>229.247.353</b>	84.426.769
Tax income relating to the origination and reversal of temporary differences	<b>(32.317.030)</b>	14.399.158
<b>Total tax expense / (income)</b>	<b>196.930.323</b>	98.825.927

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 14. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

#### *Corporate Tax:*

The Group except its subsidiary in Romania is subject to Turkish corporate taxes in force. The necessary provisions are allocated in the financial statements for the estimated liabilities based on the Group's results for the current period. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and other incentives (prior year's losses if any and investment incentives used if preferred) utilized.

In accordance with the provisional article added to the Corporate Tax Law with the 11th article of the Law No. 7316 published in the Official Gazette No. 31462 dated 22 April 2021, the corporate tax rate has been increased to 25% for corporate income for the 2021 taxation period, and decreased to 23% for corporate income for the 2022 taxation period.

The effective corporate tax rate in Turkey is 23% (2021: 25%). For Ünye Cem SRL, the taxable corporate income subjected to Romanian law, is calculated as 16% on the remaining basis after deducting deductible expenses (2021: 16%).

In accordance with the Tax Procedure Law No. 7352 and the Law on the Amendment of the Corporate Tax Law published in the Official Gazette dated 29 January 2022 and numbered 31734, the application of inflation adjustment in the financial statements prepared according to the tax procedure law was postponed to 31 December 2023.

#### *Deferred Tax:*

The Group recognizes deferred tax assets and liabilities based upon the temporary differences arising between its taxable statutory financial statements and its financial statements prepared in accordance with the TFRS. These differences usually result in the recognition of revenue and expenses in different reporting periods for the TFRS regulations and tax purposes.

Deferred tax assets and liabilities (excluding land) tax rate used for calculating corporate tax for the subsidiaries in Turkey in accordance with the additional provisional of Corporate Tax Law; corporate tax rate is 23% for the period of 2022, corporate tax rate will be 20% for the corporate earnings to be obtained in the taxation periods of 2023. The effective corporate tax rate is 16% in Romania of 30 June 2022 (31 December 2021: in Turkey between 20%-25% and in Romania 16%).

## OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

#### 14. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

*Deferred Tax (cont'd):*

	<b>30 June 2022</b>	31 December 2021
<b>Deferred tax assets/(liabilities):</b>		
Investment allowance and energy incentive	<b>89.292.863</b>	63.560.584
Provision for employment termination benefit	<b>36.795.458</b>	25.190.474
Provision for doubtful trade receivables	<b>15.063.855</b>	15.063.855
Senior labor incentive bonus provision	<b>11.202.657</b>	8.989.605
Premium provision provided to employees	<b>5.162.001</b>	5.854.500
Provision for legal cases	<b>3.107.390</b>	2.153.435
Provision for mine royalty	<b>1.248.720</b>	2.146.682
Provision for unused vacation	<b>2.834.781</b>	1.805.325
Provision for adequate pay	<b>646.317</b>	506.317
Provision for sales incentive premium	<b>652.337</b>	652.337
Provision for rehabilitation	<b>413.344</b>	413.344
Valuation of equity shares	<b>(7.655.900)</b>	(7.992.773)
Depreciation and amortization differences of property, plant and equipment and intangible assets	<b>(11.206.634)</b>	(11.864.028)
Other	<b>5.085.431</b>	4.856.880
	<b>152.642.620</b>	111.336.537

The movement of deferred tax assets / (liabilities) for 30 June 2022 is as follows:

	<b>1 January- 30 June 2022</b>	1 January- 30 June 2021
Opening balance as of 1 January	<b>111.336.537</b>	87.956.953
Charged to income statement	<b>32.317.030</b>	(14.399.158)
Charged to other comprehensive (income) / expense	<b>8.989.053</b>	2.534.299
Closing balance as of 30 June	<b>152.642.620</b>	76.092.094

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 14. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

*Reconciliation of tax expense for the period with profit for the period is as follows:*

<b>Reconciliation of tax provision:</b>	<b>1 January- 30 June 2022</b>	<b>1 January- 30 June 2021</b>
Profit before tax	1.079.569.539	389.089.292
Income tax rate of 23% (2021: 25%)	(248.300.994)	(97.272.323)
Tax effect of:		
- non-deductible expenses	(3.757.686)	(2.580.906)
- exemptions and other discounts	7.622.449	2.726.030
- effect of change in tax rates	30.319.474	(3.647.848)
- investment incentive exemption	16.937.660	1.949.120
-effect of other adjustments	248.774	-
Tax provision expense in the statement of profit or loss and other comprehensive income	(196.930.323)	(98.825.927)

### 15. EARNING PER SHARE

<b>Earning per Share</b>	<b>1 January- 30 June 2022</b>	<b>1 April- 30 June 2022</b>	<b>1 January - 30 June 2021</b>	<b>1 April- 30 June 2021</b>
Profit for the period	882.639.216	660.233.911	290.263.365	157.977.716
Average amount of shares available during the period	115.979.344.100	115.979.344.100	115.979.344.100	115.979.344.100
Earning per share from ongoing activities (TL 1 nominal cost)	0,76	0,57	0,25	0,14

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 16. REVENUE AND COST OF SALES

a) Revenue	1 January- 30 June 2022	1 April- 30 June 2022	1 January- 30 June 2021	1 April- 30 June 2021
Domestic sales	3.849.151.356	2.545.656.853	1.586.943.617	907.871.328
Foreign sales (export)	712.238.673	425.093.050	337.902.182	203.497.547
Foreign sales (export listed)	157.218.360	89.268.047	70.938.713	31.951.344
Sales discounts (-)	(17.760.201)	(12.612.038)	(12.853.063)	(7.530.498)
Other income	8.548.635	4.240.636	2.964.835	1.828.252
<b>Net Sales</b>	<b>4.709.396.823</b>	<b>3.051.646.548</b>	1.985.896.284	1.137.617.973

As of 30 June 2022, the Group recognized sales income amounting to TL 4.709.396.823 (30 June 2021: TL 1.985.896.284) related to performance obligations at a point in time.

#### b) Cost of sales

	1 January- 30 June 2022	1 April- 30 June 2022	1 January- 30 June 2021	1 April- 30 June 2021
Direct raw material and material expenses	(2.856.701.966)	(1.687.405.231)	(1.027.028.307)	(621.732.025)
Direct labor expenses	(53.814.958)	(26.992.778)	(36.168.821)	(19.341.616)
Depreciation and amortization expenses	(108.954.745)	(62.625.740)	(72.539.118)	(36.717.614)
Production overhead personnel expenses	(141.168.522)	(78.188.285)	(70.808.350)	(35.379.383)
Other production overhead expenses	(483.328.149)	(211.997.416)	(286.359.514)	(104.615.922)
<b>Total production cost</b>	<b>(3.643.968.340)</b>	<b>(2.067.209.450)</b>	(1.492.904.110)	(817.786.560)
Change in semi-finished product inventories	213.055.998	21.789.074	20.180.330	(28.921.270)
Change in finished product inventories	57.435.759	(20.845.027)	10.450.810	1.869.146
Cost of trade goods sold	(18.940.414)	(13.454.166)	(19.265.463)	(8.499.603)
	<b>(3.392.416.997)</b>	<b>(2.079.719.569)</b>	(1.481.538.433)	(853.338.287)

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 17. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from operating activities for the periods ended on 30 June 2022 and 2021 are as follows:

<b>Other Income from Operating Activities</b>				
	<b>1 January- 30 June 2022</b>	<b>1 April- 30 June 2022</b>	1 January - 30 June 2021	1 April - 30 June 2021
Interest income from interest and forward sales	630.496	313.469	2.239.631	(3.031.353)
Operational exchange difference income	152.774.445	83.087.518	43.004.826	22.949.322
Compensation and penalty income	700.189	700.189	2.311.548	1.794.619
Scrap, material sales and service profit	7.821.928	6.168.538	5.047.914	4.225.537
Premium and incentive income	-	-	1.160.489	-
Other income	8.934.071	5.217.560	3.648.254	2.508.429
	<b>170.861.129</b>	<b>95.487.274</b>	57.412.662	28.446.554

The details of other expenses from operating activities for the periods ended on 30 June 2022 and 2021 are as follows:

<b>Other Expenses from Operating Activities</b>				
	<b>1 January- 30 June 2022</b>	<b>1 April- 30 June 2022</b>	1 January - 30 June 2021	1 April - 30 June 2021
Operational exchange difference expense	(116.382.807)	(56.696.606)	(56.782.778)	(22.812.452)
Compensation and penalty expense	-	150.210	(181.936)	(64.245)
Discount interest expense	(956.310)	(956.310)	(1.126.683)	(362.032)
Other expenses	(8.402.594)	(3.078.681)	(2.070.660)	(212.510)
	<b>(125.741.711)</b>	<b>(60.581.387)</b>	(60.162.057)	(23.451.239)



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 18. FINANCE INCOME AND EXPENSES

The details of finance income for the periods ended 30 June 2022 and 2021 are as follows:

<b>Finance Income</b>	<b>1 January- 30 June 2021</b>	<b>1 April- 30 June 2021</b>	<b>1 January - 30 June 2020</b>	<b>1 April - 30 June 2020</b>
Interest income	13.000.619	8.334.623	20.621.866	11.906.435
Finance exchange gains	13.375.514	6.109.289	66.109.008	26.931.024
Fair value differences on derivative instruments	-	-	4.881.277	1.062.420
Other finance income	549.916	493.357	187.991	92.209
	<b>26.926.049</b>	<b>14.937.269</b>	91.800.142	39.992.088

The details of finance expenses for the periods ended 30 June 2022 and 2021 are as follows:

<b>Finance Expenses</b>	<b>1 January- 30 June 2022</b>	<b>1 April- 30 June 2022</b>	<b>1 January - 30 June 2021</b>	<b>1 April - 30 June 2021</b>
Interest expense	(73.713.247)	(46.183.657)	(51.316.455)	(23.643.201)
Employment termination benefits interest cost	(11.035.742)	(5.517.871)	(4.381.436)	(2.008.362)
Senior labor interest cost	(4.083.715)	(2.041.858)	(1.500.365)	(750.183)
Finance exchange loss	(18.557.562)	(12.510.316)	(37.027.653)	(21.665.497)
Other financial expenses	(8.982.637)	(5.514.870)	(3.714.704)	40.020
	<b>(116.372.903)</b>	<b>(71.768.572)</b>	(97.940.613)	(48.027.223)

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 19. INCOME FROM INVESTMENT ACTIVITIES

The details of income from investment activities for the periods ended 30 June 2022 and 2021 are as follows:

	<b>1 January- 30 June 2022</b>	<b>1 April- 30 June 2022</b>	1 January - 30 June 2021	1 April - 30 June 2021
<b>Income from investment activities</b>				
Dividend income	25.559.845	-	10.626.003	-
Profit from sale of fixed assets	1.212.898	45.518	2.651.529	2.693.304
Rent income from investment properties	1.372.433	746.559	3.207.842	1.450.444
Valuation difference of financial assets measured at FVTPL	-	-	17.461.107	15.623.095
	<b>28.145.176</b>	<b>792.077</b>	33.946.481	19.766.843

	<b>1 January- 30 June 2022</b>	<b>1 April - 30 June 2022</b>	1 January - 30 June 2021	1 April - 30 June 2021
<b>Expenses from investment activities</b>				
Valuation difference of financial assets measured at FVTPL	(5.858.650)	(30.327.189)	-	-
Other expenses related investment properties	(178.552)	(71.796)	(175.181)	(83.269)
	<b>(6.037.202)</b>	<b>(30.398.985)</b>	(175.181)	(83.269)

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 20. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

#### a) Capital risk management

The Group manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of payables, which include the loans disclosed in Note 12, and equity items which comprise cash and cash equivalents, issued capital, reserves and prior years' profits, respectively.

The Group's key management reviews the cost of capital and risks related to each capital level. Based on recommendations of key management, the Group balances its overall capital structure through the payment of dividends, as well as the issue of new debt or the redemption of existing debt.

The Group management examines the capital by leverage ratio in order to be consistent with other companies in the industry. This ratio is calculated by dividing net debt by total capital. Net debt is obtained by subtracting cash and cash equivalents and short-term financial investments from total loans (including current and non-current loans as shown in the balance sheet). Total capital is calculated by adding "equity" item in the consolidated balance sheet and net debt.

#### Net Debt/Total Capital Ratio

	30 June 2022	31 December 2021
Financial payables (Note: 12)	1.221.567.050	467.030.659
Less: Cash and Cash Equivalents (Note:3)	(772.081.362)	(314.816.289)
Less: Short-term Financial Investments (Note: 9)	(155.886.337)	(161.744.987)
Net Debt	293.599.351	(9.530.617)
Total Equity	3.822.708.376	2.977.921.193
Total Capital	4.116.307.727	2.968.390.576
<b>Net Debt/Total Capital Ratio</b>	<b>7%</b>	<b>-</b>

#### b) Financial Risk Factors

The Group's activities expose it to market risk (currency risk, price risk), credit risk and liquidity risk. Group's risk management program generally focuses on uncertainty in financial markets and minimizing potential negative effects on Group's financial performance.

The main financial instruments used by the Group are bank loans, bonds issued, cash and short-term bank deposits. The main purpose of using these tools is to create financing for the Group's operations. The Company also has financial instruments, such as financial investments, trade receivables and trade payables, which arise directly from operations.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 20. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

#### b) Financial Risk Factors (cont'd)

##### b.3) Market risk management

The operations of the Group are primarily exposed to financial risks related to changes in the exchange rate and interest rate.

Market risks are also evaluated with sensitivity analyses.

There has been no change in the Group's exposure to market risks or the management and measurement of exposures.

##### b.3.1) Foreign currency risk management

Transactions in foreign currency cause exchange rate risk. The Group is mainly exposed to foreign currency risk in Euro and US Dollar.

The breakdown of the Group's monetary and non-monetary assets and liabilities in foreign currency as of balance sheet date is as follows:

	30 June 2022			
	TL Equivalent (Functional currency)	US Dollar	EURO	GBP
1. Trade Receivables	285.296.808	10.073.974	6.761.636	-
2. Monetary Financial Assets (including cash, bank deposits)	244.988.000	14.011.143	664.518	-
3. Other Current Assets	22.256.678	257.836	994.409	34.090
4. Current Assets (1+ 2 + 3)	552.541.486	24.342.953	8.420.563	34.090
5. Non-Current Assets	44.311.120	88.500	2.466.111	-
6. Total Assets (4 + 5)	596.852.606	24.431.453	10.886.674	34.090
7. Current Liabilities	428.931.812	16.253.871	9.058.578	-
8. Non-current Liabilities	-	-	-	-
9. Total Liabilities (7 + 8)	428.931.812	16.253.871	9.058.578	-
10. Net foreign currency asset liability position (6 - 9)	167.920.794	8.177.582	1.828.096	34.090
11. Export	770.253.075	39.081.523	6.816.730	-
12. Export-registered sales	41.655.469	1.877.743	594.825	-
13. Import	895.042.137	50.729.150	2.821.997	-

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 20. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

#### b) Financial Risk Factors (cont'd)

##### b.3.1) Foreign currency risk management (cont'd)

	31 December 2021			
	TL Equivalent (Functional currency)	US Dollar	EURO	GBP
1. Trade Receivables	191.385.200	13.312.269	924.388	-
2. Monetary Financial Assets (including cash, bank deposits)	114.843.234	8.389.779	199.902	-
3. Other Current Assets	37.628.391	737.524	1.821.616	17.575
4. Current Assets (1+ 2 + 3)	343.856.825	22.439.572	2.945.906	17.575
5. Non-Current Assets	44.793.825	235.677	2.760.875	-
6. Total Assets (4 + 5)	388.650.650	22.675.249	5.706.781	17.575
7. Current Liabilities	424.837.902	23.489.246	7.356.242	249
8. Non-current Liabilities	-	-	-	-
9. Total Liabilities (7 + 8)	424.837.902	23.489.246	7.356.242	249
10. Net foreign currency asset liability position (6 - 9)	(36.187.252)	(813.997)	(1.649.461)	17.326
11. Monetary items net foreign currency asset/liability position (6 - 9)	(36.187.252)	(813.997)	(1.649.461)	17.326
12. Export	796.726.483	80.450.042	5.285.067	-
13. Export-registered sales	205.102.419	20.024.188	1.296.115	-
14. Import	282.113.266	25.053.869	6.498.573	236.426

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 20. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

#### b) Financial Risk Factors (cont'd)

##### b.3.1) Foreign currency risk management (cont'd)

The Group is mainly exposed to foreign currency risks in USD and Euro.

The following table shows the Group's sensitivity to a 20% (31 December 2021: 20%) increase and decrease in USD and Euro. 20% (31 December 2021: 20%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 20% (31 December 2021: 20%) change in foreign currency rates. A positive number indicates an increase in profit / loss and other equity

	<b>30 June 2022</b>	
	<u>Profit / Loss</u>	<u>Profit / Loss</u>
	<u>Appreciation of foreign currency</u>	<u>Depreciation of foreign currency</u>
<b>In case of 20% appreciation of US Dollar against TL</b>		
1 - USD net asset / liability	27.274.523	(27.274.523)
2- Portion hedged from USD risk (-)	-	-
<b>3 – USD net effect (1+2)</b>	<b><u>27.274.523</u></b>	<b><u>(27.274.523)</u></b>
<b>In case of 20% appreciation of Euro against TL</b>		
4 - Euro net asset / liability	6.356.565	(6.356.565)
5 - Portion hedged from Euro risk (-)	-	-
6 – Euro net effect	6.356.565	(6.356.565)
<b>TOTAL (3 + 6)</b>	<b><u>33.631.088</u></b>	<b><u>(33.631.088)</u></b>
	31 December 2021	
	<u>Profit / Loss</u>	<u>Profit / Loss</u>
	<u>Appreciation of foreign currency</u>	<u>Depreciation of foreign currency</u>
<b>In case of 20% appreciation of US Dollar against TL</b>		
1 - USD net asset / liability	(2.173.859)	2.173.859
2 - Portion hedged from USD risk (-)	-	-
<b>3 - USD net effect</b>	<b><u>(2.173.859)</u></b>	<b><u>2.173.859</u></b>
<b>In case of 20% appreciation of Euro against TL</b>		
4 - Euro net asset / liability	(4.985.958)	4.985.958
5 - Portion hedged from Euro risk (-)	-	-
6- Euro net effect (4+5)	(4.985.958)	4.985.958
<b>TOTAL (3 + 6)</b>	<b><u>(7.159.817)</u></b>	<b><u>7.159.817</u></b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

### 20. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

#### Fair value hierarchy table

The fair values of financial assets and financial liabilities are determined as follows:

Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;

Level 2: the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and

Level 3: the fair value of the financial assets and financial liabilities are determined where there is no observable market data.

#### Level classification of financial assets and liabilities recognized at fair value:

Some financial assets and financial liabilities of the Group are recognized in the consolidated financial statements at their fair values on each balance sheet date. The table below provides the information on how the fair values of these financial assets and liabilities are determined:

Fair value hierarchy table:

	30 June 2022		
Financial assets at fair value in the balance sheet	Level 1	Level 2	Level 3
Equity shares	155.886.337	-	-

  

	31 December 2021		
Financial assets at fair value in the balance sheet	Level 1	Level 2	Level 3
Equity shares	161.744.987	-	-

### 21. EVENTS AFTER BALANCE SHEET DATE

None.