

**(CONVENIENCE TRANSLATION OF THE LIMITED REVIEW  
REPORT AND CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS ORIGINALLY ISSUED IN TURKISH)**

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

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 SEPTEMBER 2023 WITH LIMITED REVIEW REPORT**

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# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2023

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

		Not reviewed	Audited
		Current Period	Prior Period
	Notes	30 September 2023	31 December 2022
<b>ASSETS</b>			
<b>Current Assets</b>		<b>11.377.893.260</b>	<b>6.635.133.060</b>
Cash and Cash Equivalents	3	<b>3.913.720.703</b>	1.638.536.165
Financial Investments	10	<b>824.854.727</b>	398.611.602
Trade Receivables	5	<b>3.929.380.783</b>	2.607.420.673
<i>Trade Receivables from Related Parties</i>	4	<b>193.761.905</b>	252.061.558
<i>Trade Receivables from Third Parties</i>		<b>3.735.618.878</b>	2.355.359.115
Other Receivables		<b>21.184.659</b>	20.818.601
<i>Other Receivables from Related Parties</i>	4	<b>6.481.106</b>	4.435.523
<i>Other Receivables from Third Parties</i>		<b>14.703.553</b>	16.383.078
Inventories	7	<b>2.415.038.875</b>	1.774.218.377
Prepaid Expenses	8	<b>269.816.043</b>	188.147.816
Other Current Assets		<b>2.633.124</b>	6.115.480
Assets Held for Sale		<b>1.264.346</b>	1.264.346
<b>Non-current Assets</b>		<b>7.204.288.402</b>	<b>4.722.755.026</b>
Other Receivables		<b>3.788.386</b>	3.689.125
<i>Other Receivables from Third Parties</i>		<b>3.788.386</b>	3.689.125
Investment Properties		<b>17.070.591</b>	17.412.645
Right-of-use Assets		<b>86.822.432</b>	53.039.409
Property, Plant and Equipment	9	<b>3.620.127.059</b>	2.488.219.540
Intangible Assets		<b>71.251.281</b>	73.694.192
<i>Goodwill</i>		<b>7.062.941</b>	7.062.941
<i>Other Intangible Assets</i>	9	<b>64.188.340</b>	66.631.251
Prepaid Expenses	8	<b>137.057.526</b>	52.205.702
Deferred Tax Assets	16	<b>3.266.398.656</b>	2.032.563.304
Other Non-current Assets		<b>1.772.471</b>	1.931.109
<b>TOTAL ASSETS</b>		<b>18.582.181.662</b>	<b>11.357.888.086</b>

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2023

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

		Not reviewed	Audited
		Current Period	Prior Period
	Notes	30 September 2023	31 December 2022
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>		<b>5.204.445.068</b>	3.502.983.384
Short-term Borrowings	13	947.480.935	878.140.914
Short-term Lease Liabilities	13	29.125.438	17.210.688
Trade Payables	5	2.785.547.359	1.911.170.034
<i>Trade Payables to Related Parties</i>	4	467.782.944	405.603.677
<i>Trade Payables to Third Parties</i>		2.317.764.415	1.505.566.357
Payables Related to Employee Benefits	14	122.419.185	43.948.248
Other Payables	6	182.815.221	86.740.172
<i>Other Payables to Related Parties</i>	4	5.560.444	4.461.254
<i>Other Payables to Third Parties</i>		177.254.777	82.278.918
Deferred Income	8	196.867.923	113.321.863
Current Tax Liabilities	16	655.194.393	250.108.759
Short-term Provisions		284.104.985	201.906.838
<i>Short-term Provisions for Employee Benefits</i>	14	123.642.686	106.857.614
<i>Other Short-term Provisions</i>	11	160.462.299	95.049.224
Other Short-term Liabilities		889.629	435.868
<b>Non-current Liabilities</b>		<b>549.782.315</b>	490.689.594
Long-term Lease Liabilities	13	74.958.697	41.113.604
Deferred Income	8	-	1.343.369
Long-term Provisions		474.823.618	448.232.621
<i>Long-term Provisions for Employee Benefits</i>	14	441.154.061	420.331.812
<i>Other Long-term Provisions</i>	11	33.669.557	27.900.809
<b>TOTAL LIABILITIES</b>		<b>5.754.227.383</b>	3.993.672.978

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# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2023

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

		Not reviewed	Audited
		Current Period	Prior Period
	Notes	30 September 2023	31 December 2022
<b>EQUITY</b>		<b>12.827.954.279</b>	7.364.215.108
<b>Equity Attributable to Parent</b>		<b>12.827.954.279</b>	7.364.215.108
Paid-in Capital	15	<b>1.159.793.441</b>	1.159.793.441
Capital Adjustment Differences	15	<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>(181.529.715)</b>	(155.943.894)
- <i>Gains (Losses) on Remeasurement of Defined Benefit Plans</i>		<b>(181.529.715)</b>	(155.943.894)
Other Accumulated Comprehensive Income (Expenses) That Will Be Reclassified To Profit or Loss		<b>1.895.222</b>	1.586.071
- <i>Foreign Currency Translation Differences</i>		<b>1.895.222</b>	1.586.071
Restricted Reserves Appropriated from Profit The Effect of Mergers Involving Undertaking or Enterprises Subject to Common Control	15	<b>405.954.871</b>	405.954.871
Retained Earnings		<b>(101.993.189)</b>	(203.986.378)
Net Profit for the Period		<b>5.926.650.530</b>	1.528.636.796
		<b>5.489.015.841</b>	4.500.006.923
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>18.582.181.662</b>	11.357.888.086

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2023

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

		Not reviewed Current Period 1 January - 30 September 2023	Not reviewed Current Period 1 July- 30 September 2023	Not reviewed Prior Period 1 January - 30 September 2022	Not reviewed Prior Period 1 July- 30 September 2022
	Notes				
<b>PROFIT OR LOSS</b>					
Revenue	18	15.537.252.535	6.551.675.605	8.185.945.315	3.476.548.492
Cost of Sales (-)	18	(9.707.664.956)	(4.106.141.363)	(5.906.468.109)	(2.514.051.112)
<b>GROSS PROFIT</b>		<b>5.829.587.579</b>	<b>2.445.534.242</b>	2.279.477.206	962.497.380
General Administrative Expenses (-)		(530.683.896)	(206.116.381)	(286.934.733)	(105.036.064)
Marketing Expenses (-)		(92.590.712)	(38.065.709)	(44.982.460)	(20.248.172)
Research and Development Expenses (-)		(35.040.027)	(15.613.970)	(14.343.401)	(5.785.533)
Other Income from Operating Activities	19	380.192.223	109.571.462	226.737.826	55.876.697
Other Expenses from Operating Activities (-)	19	(687.197.711)	(92.262.562)	(164.158.718)	(38.417.007)
<b>OPERATING PROFIT</b>		<b>4.864.267.456</b>	<b>2.203.047.082</b>	1.995.795.720	848.887.301
Income from Investment Activities	21	.	130.119.908	34.286.102	11.999.576
Expenses from Investment Activities (-)	21	(792.056)	25.696.642	(241.592)	(63.040)
<b>OPERATING PROFIT BEFORE FINANCIAL INCOME (EXPENSE)</b>		<b>5.174.219.931</b>	<b>2.358.863.632</b>	2.029.840.230	860.823.837
Finance Income	20	491.355.761	188.615.786	81.379.938	54.453.889
Finance Expense (-)	20	(312.128.950)	(133.270.518)	(202.943.471)	(86.570.568)
<b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>5.353.446.742</b>	<b>2.414.208.900</b>	1.908.276.697	828.707.158
<b>Tax Expense</b>		<b>135.569.099</b>	<b>213.687.116</b>	(336.696.960)	(139.766.637)
Current Tax Expense	16	(1.076.742.318)	(659.905.105)	(397.867.007)	(168.619.654)
Deferred Tax (Expense)/Income	16	1.212.311.417	873.592.221	61.170.047	28.853.017
<b>NET PROFIT FOR THE PERIOD</b>		<b>5.489.015.841</b>	<b>2.627.896.016</b>	1.571.579.737	688.940.521
<b>Profit for the Period Attributable to</b>					
Non-controlling Interests		-	-	-	-
Owners of the Parent		5.489.015.841	2.627.896.016	1.571.579.737	688.940.521
<b>Earning Per Share</b>					
Earning Per Share (Nominal value of TL 1)	17	4,73	2,27	1,36	0,59

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2023

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

		Not reviewed	Not reviewed	Not reviewed	Not reviewed
		Current	Current	Prior Period	Prior Period
		Period	Period	Prior Period	Prior Period
		1 July-	1 July-	1 January -	1 July-
		30	30	1 January -	1 July-
		September	September	30 September	30 September
	Notes	2023	2023	2022	2022
<b>NET PROFIT FOR THE PERIOD</b>		<b>5.489.015.841</b>	<b>2.627.896.016</b>	1.571.579.737	688.940.521
<b>Items that Will Not Be Reclassified to Profit or Loss:</b>					
Gains / (Losses) on Remeasurement of Defined Benefit Plans		(47.109.756)	-	(44.945.265)	-
Taxes Related to Other Comprehensive Income					
- Deferred Tax Income / (Expense)	16	21.523.935	12.101.983	8.989.054	-
<b>Items that Will Be Reclassified to Profit or Loss:</b>					
Foreign Currency Translation Differences		309.151	(218.432)	(2.646.618)	(750.794)
<b>OTHER COMPREHENSIVE INCOME / (EXPENSE)</b>		<b>(25.276.670)</b>	<b>11.883.551</b>	(38.602.829)	(750.794)
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE)</b>		<b>5.463.739.171</b>	<b>2.639.779.567</b>	1.532.976.908	688.189.727
<b>Total Comprehensive Income / (Expense)</b>					
Attributable to					
Non-controlling Interests		5.463.739.171	2.639.779.567	1.532.976.908	688.189.727
Owners of the Parent		-	-	-	-
		5.463.739.171	2.639.779.567	1.532.976.908	688.189.727

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2023

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

	Paid-in Capital	Capital Adjustment Differences	Repurchased Shares (-)	Share Issuance / Premiums	Restricted Reserves Appropriated 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 2022	1.159.793.441	134.868.176	(6.935.220)	234.322	405.954.871	(44.705.178)	4.060.363	(305.979.569)	1.630.629.987	-	2.977.921.193
Transfers	-	-	-	-	-	-	-	101.993.188	(101.993.188)	-	-
Total comprehensive income/(expense)	-	-	-	-	-	(35.956.211)	(2.646.618)	-	-	1.571.579.737	1.532.976.908
<i>Net Profit for the Period</i>	-	-	-	-	-	-	-	-	-	1.571.579.737	1.571.579.737
<i>Other Comprehensive Expense</i>	-	-	-	-	-	(35.956.211)	(2.646.618)	-	-	-	(38.602.829)
<b>30 September 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>(80.661.389)</b>	<b>1.413.745</b>	<b>(203.986.381)</b>	<b>1.528.636.799</b>	<b>1.571.579.737</b>	<b>4.510.898.101</b>
Balance as of 1 January 2023	<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>(155.943.894)</b>	<b>1.586.071</b>	<b>(203.986.378)</b>	<b>6.028.643.719</b>	-	<b>7.364.215.108</b>
Transfers	-	-	-	-	-	-	-	<b>101.993.189</b>	<b>(101.993.189)</b>	-	-
Total comprehensive income/(expense)	-	-	-	-	-	(25.585.821)	<b>309.151</b>	-	-	<b>5.489.015.841</b>	<b>5.463.739.171</b>
<i>Net Profit for the Period</i>	-	-	-	-	-	-	-	-	-	<b>5.489.015.841</b>	<b>5.489.015.841</b>
<i>Other Comprehensive Income /(Expense)</i>	-	-	-	-	-	(25.585.821)	<b>309.151</b>	-	-	-	(25.276.670)
<b>30 September 2023</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>(181.529.715)</b>	<b>1.895.222</b>	<b>(101.993.189)</b>	<b>5.926.650.530</b>	<b>5.489.015.841</b>	<b>12.827.954.279</b>

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



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2023

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

		Not reviewed	Not reviewed
		Current Period	Prior Period
	Notes	1 January – 30 September 2023	1 January– 30 September 2022
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>3.345.998.143</b>	<b>816.167.216</b>
<b>Profit for the Period</b>		<b>5.489.015.841</b>	<b>1.571.579.737</b>
<b>Adjustments Related to Reconciliation of Net Profit for the Period</b>		<b>56.445.084</b>	<b>717.654.585</b>
- Adjustments Related to Depreciation and Amortization Expenses		210.538.272	161.949.959
- Adjustments Related to Doubtful Receivables	5	5.263.255	1.249.535
- Adjustments Related to Provisions		312.095.761	127.953.064
- <i>Adjustments Related to Employee Benefits</i>	14	207.404.931	95.900.342
- <i>Adjustments Related to Provisions (Reversal of) for Legal Cases</i>	11	4.007.377	4.769.773
- <i>Adjustments Related to Other Provisions (Reversals)</i>	11	100.683.453	27.282.949
- Adjustments Related to Interest (Income) and Expenses		(299.862.140)	94.392.507
- <i>Adjustments Related to Interest Income</i>	20,21	(535.217.005)	(27.634.573)
- <i>Adjustments Related to Interest Expense</i>	19,20	235.354.865	122.027.080
- Adjustments Related to Fair Value Losses (Gains)		(18.839.616)	(4.595.041)
- <i>Adjustments Related to Fair Value (Gains) /Losses of Financial Assets</i>	21	(18.839.616)	(4.595.041)
- Adjustments Related to Dividend Income	21	-	(25.559.845)
- Adjustments Related to Gain on Sale of Fixed Assets	21	(9.812.454)	(1.227.770)
- Adjustments Related to Unrealized Foreign Currency Translation Differences		(7.368.895)	26.795.216
- Adjustments Related to Tax Income / Expense	16	(135.569.099)	336.696.960
<b>Changes in Working Capital</b>		<b>(1.231.512.768)</b>	<b>(1.110.013.832)</b>
- Adjustments Related to Increase in Trade Receivables		(1.332.870.548)	(924.812.762)
- <i>Decrease (Increase) in Trade Receivables from Related Parties</i>	5	58.299.653	(107.863.348)
- <i>Decrease (Increase) in Trade Receivables from Third Parties</i>		(1.391.170.201)	(816.949.414)
- Adjustments Related to Decrease (Increase) in Other Receivables Related to Operations		3.017.035	7.615.989
- <i>Decrease (Increase) in Other Receivables Related to Operations from Related Parties</i>		(2.045.583)	10.335.274
- <i>Decrease (Increase) in Other Receivables Related to Operations from Third Parties</i>		5.062.618	(2.719.285)
- Adjustments Related to Increase in Inventories	7	(640.820.498)	(720.885.312)
- Adjustments Related to Increase (Decrease) in Other Non-current Assets		158.638	854.773
- Decrease (Increase) in Financial Investments		(338.691.818)	-
- Decrease (Increase) in Prepaid Expenses	8	(53.885.340)	(84.907.605)
- Adjustments Related to Increase in Trade Payables	5	874.377.325	490.163.336
- <i>Increase (Decrease) in Trade Payables to Related Parties</i>		62.179.267	94.935.818
- <i>Increase (Decrease) in Trade Payables to Third Parties</i>		812.198.058	395.227.518
- Increase in Payables Related to Employee Benefits		78.470.937	21.220.714
- Adjustments Related to Increase / (Decrease) in Other Operating Payables		96.528.810	68.526.781
- <i>Increase (Decrease) in Other Operating Payables to Related Parties</i>		1.099.190	512.418
- <i>Increase (Decrease) in Other Operating Payables to Third Parties</i>		95.429.620	68.014.363
- Increase / (Decrease) in Deferred Income	8	82.202.691	32.210.254
<b>Cash Flows from Operations</b>		<b>4.313.948.157</b>	<b>1.179.220.490</b>
- Payments Related to Provision for Employee Benefits		(262.784.323)	(44.466.915)
- Tax Payments	16	(671.656.684)	(299.667.273)
- Payments for Provisions	11	(33.509.007)	(18.919.086)

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2023

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

		Not reviewed	Not reviewed
		Current Period	Prior Period
		1 January – 30 September 2023	1 January– 30 September 2022
	Notes		
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(1.410.290.520)</b>	<b>(400.338.569)</b>
- Cash Inflows from Sale of Property, Plant and Equipment	9	9.920.841	2.183.557
- Cash Outflows from Purchase of Property, Plant and Equipment	9	(1.420.211.361)	(428.081.971)
- Dividend Income	21	-	25.559.845
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>251.595.234</b>	<b>483.979.595</b>
- Cash Inflows From Borrowing		1.334.017.895	1.524.047.098
- <i>Cash Inflows from Loans</i>		1.334.017.895	1.524.047.098
- Cash Outflows Related to Debt Payments		(1.278.077.626)	(945.968.958)
- <i>Cash Outflows Related to Loan Repayments</i>		(1.278.077.626)	(945.968.958)
- Interest Paid		(164.571.058)	(103.177.346)
- Interest Received		370.752.947	25.289.924
- Cash Outflows from Loan Payments Arising from Lease Agreements		(10.526.924)	(16.211.123)
<b>D. NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS</b>		<b>2.187.302.857</b>	<b>899.808.242</b>
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		(7.870.688)	(6.174.883)
<b>E. NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>2.179.432.169</b>	<b>893.633.359</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	3	<b>1.617.936.576</b>	<b>314.635.832</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	3	<b>3.797.368.745</b>	<b>1.208.269.191</b>

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

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 1. ORGANIZATION AND OPERATIONS OF THE GROUP

Mardin Çimento Sanayii ve Ticaret A.Ş. ("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, cement and concrete.

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. 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.

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.

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.

On 13 June 2023, the title of OYAK Çimento, the main shareholder of the Company, was changed to OYAK Denizli Çimento Anonim Şirketi. As of 19 June 2023, Denizli Çimento Sanayii Türk A.Ş., one of the subsidiaries of OYAK Denizli Çimento A.Ş., merged under OYAK OYAK Çimento with all its assets and liabilities.

On July 14th, the Company announced to the Public Disclosure Platform that it has started negotiations with the intention of merging with the Oyak Denizli Çimento A.Ş. and it has been applied to the CMB as of 11 September 2023. The Company's merger by acquisition process with Oyak Denizli Çimento A.Ş. continues as of the reporting date.

The number of employees of Oyak Çimento Fabrikaları Anonim Şirketi and its subsidiaries ("the Group") the Company as of 30 September 2023 is 2.401 (31 December 2022: 2.165).

The shares of the company are traded in Borsa Istanbul A.Ş. ("BIST").

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 2022 as a result of the General Assembly held as of 30 March 2023.

### Approval of the Condensed Consolidated Interim Financial Statements

The condensed consolidated interim financial statements have been approved and authorized to be published on 9 November 2023 by the Board of Directors.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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 4 October 2022 by POA.

#### Measurement Principles

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

#### 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 Cimpor Romania Terminal 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.

	<b>30 September 2023</b>	31 December 2022
("RON") / TL Year-End	<b>5,8046</b>	4,0062
("RON") / TL Average	<b>4,8251</b>	3,5061

#### 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 INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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)

TAS 29 Financial Reporting in Hyperinflation Economies requires entities whose functional currency is that of a hyperinflationary economy to prepare their financial statements in terms of the measuring unit current at the end of the reporting period, TAS 29 describes characteristics that may indicate that an economy is hyperinflationary, and it requires all entities that report in the currency of the same hyperinflationary economy apply this Standard from the same date. Therefore, it is expected that TAS 29 will start to be applied simultaneously by all entities with the announcement of Public Oversight Accounting and Auditing Standards Authority to ensure consistency of the application required by TAS 29 throughout the country. However, the Authority has not published any announcement that determines entities would restate their financial statements for the accounting period ending on 30 September 2023 in accordance with TAS 29. In this context, TAS 29 is not applied and inflation adjustment has not been reflected in the condensed consolidated financial statements as of September 30, 2023

##### Going Concern

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

##### Subsidiaries

As of 30 September 2023 and 31 December 2022, the Group's ownership interests and voting rights in subsidiaries have been presented below:

Subsidiaries	Place of incorporation and operation	Main operation	30 September	31 December
			2023	2022
			Shareholding rate (%)	Shareholding rate (%)
Cimpor Romania Terminal SRL	Romania	Cement sale	100	100
Marmara Madencilik San. ve Tic. Ltd. Şti. (*)	Turkey	Mining	98,9	98,9
Adana Çimento Sanayi ve Ticaret Ltd.	Cyprus	Cement, clinker	100	100
Adana Çimento Free Port Ltd.	Cyprus	Cement, clinker	100	100

(\*) As of the reporting date, the subsidiary does not have any operations.

The interim condensed consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

In the event of a situation or event that may lead to a change in at least one of the criteria listed above, the Company re-evaluates whether it has control power over its investment.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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 September 2023 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 2023 summarized below.

##### a) The new standards, amendments and interpretations which are effective as of January 1, 2023 are as follows:

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

In August 2021, POA issued amendments to TAS 8, in which it introduces a new definition of “accounting estimates”. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the POA. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. The amendments did not have a significant impact on the financial position or performance of the Group.

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

In August 2021, POA issued amendments to TAS 1, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. In the absence of a definition of the term ‘significant’ in TFRS, the POA decided to replace it with ‘material’ in the context of disclosing accounting policy information. ‘Material’ is a defined term in TFRS and is widely understood by the users of financial statements, according to the POA. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added. The amendments did not have a significant impact on the financial position or performance of the Group.

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

In August 2021, POA issued amendments to TAS 12, which narrow the scope of the initial recognition exception under TAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized. The amendments did not have a significant impact on the financial position or performance of the Group.

###### Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD).

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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) **The new standards, amendments and interpretations which are effective as of January 1, 2023 are as follows (cont'd):**

##### **Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules (cont'd)**

The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments. However, certain disclosure requirements are not required to be applied for any interim period ending on or before 31 December 2023. The amendments did not have a significant impact on the financial position or performance of the Group.

##### **b) Standards issued but not yet effective and not early adopted**

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

##### **Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group will wait until the final amendment to assess the impacts of the changes.

##### **TFRS 17 - The new Standard for insurance contracts**

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. Certain changes in the estimates of future cash flows and the risk adjustment are also recognised over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in OCI. The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. In accordance with amendments issued by POA in December 2021, entities have transition option for a “classification overlay” to avoid possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of TFRS 17.

The mandatory effective date of the Standard for the following entities has been postponed to accounting periods beginning on or after January 1, 2024 with the announcement made by the POA:

- Insurance, reinsurance and pension companies.
- Banks that have ownership/investments in insurance, reinsurance and pension companies and
- Other entities that have ownership/investments in insurance, reinsurance and pension companies.

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2024 with the announcement made by the POA. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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) Standards issued but not yet effective and not early adopted (cont'd)

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

In January 2021 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective for periods beginning on or after 1 January 2024. The amendments must be applied retrospectively in accordance with TAS 8. Early application is permitted. However, an entity that applies the 2020 amendments early is also required to apply the 2023 amendments, and vice versa. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

###### **Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback**

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

###### **Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements**

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted but will need to be disclosed. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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)

##### c) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following amendments to IAS 21 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of *TFRS*. *The Group will make the necessary changes to its consolidated financial statements after the amendments are issued and become effective under TFRS.*

##### Amendments to IAS 21 - Lack of exchangeability

In August 2023, IASB issued amendments to IAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

#### 2.3 Summary of Significant Accounting Policies

The interim condensed consolidated financial statements for the nine months period ended 30 September 2023 have been prepared in accordance with TAS 34. The accounting policies used in the preparation of these condensed interim consolidated financial statements for the nine months period ended 30 September 2023, are consistent with those used in the preparation of annual consolidated financial statements for the year ended 31 December 2022. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2022.

As explained in Note 2.1 there has been no change in total ownership interests and effective interests of the subsidiaries, included in the scope of consolidation as of 30 September 2023, from the interests reported as of 31 December 2022.

#### 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 time deposits with a maturity of more than three months amounting to TL 132.315.068, including TL 130.000.000 TL principal and TL 2.315.068 interest accrual, presented under Cash and Cash Equivalent to Financial Investments in the consolidated financial statements dated 31 December 2022.
- The Group has reclassified interest income from financial asset amounting to TL 540.557 presented under Finance Income to Income from Investment Activities in the consolidated statement of profit or loss and other comprehensive income for the period 1 January 2022-30 September 2022.

#### 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.

Significant accounting errors identified are corrected retrospectively and prior period financial statements are restated. The Group has not detected any significant accounting errors in the current year.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

#### 2.6 Segment Reporting

The business activities of the Group are managed and organized depending on the content of the services and products it provides. Group makes its segment reporting in accordance with TFRS 8. Information on the business areas of the Group includes information on the earnings and profit of the Group obtained from cement (including clinker and aggregate) and ready-mixed concrete activities as of 30 September 2023 and 30 September 2022.

#### a) Statement of Profit or Loss by Segments

30 September 2023	Ready-mixed Concrete	Cement	Elimination (*)	Total
<b>PROFIT OR LOSS</b>				
Revenue	4.705.477.280	11.042.643.239	(210.867.984)	15.537.252.535
Cost of Sales (-)	(4.146.875.140)	(5.771.657.800)	210.867.984	(9.707.664.956)
<b>GROSS PROFIT (LOSS)</b>	<b>558.602.140</b>	<b>5.270.985.439</b>	-	<b>5.829.587.579</b>
General Administrative Expenses (-)	(53.816.127)	(476.867.769)	-	(530.683.896)
Marketing Expenses (-)	(25.415.856)	(67.174.856)	-	(92.590.712)
Research and Development Expenses (-)	(35.040.027)	-	-	(35.040.027)
Other Income from Operating Activities	3.482.512	376.709.711	-	380.192.223
Other Expenses from Operating Activities (-)	(32.899.666)	(654.298.045)	-	(687.197.711)
<b>PROFIT (LOSS) FROM OPERATING ACTIVITIES</b>	<b>414.912.976</b>	<b>4.449.354.480</b>	-	<b>4.864.267.456</b>
30 September 2022	Ready-mixed Concrete	Cement	Elimination (*)	Total
<b>PROFIT OR LOSS</b>				
Revenue	2.121.074.201	6.201.043.439	(136.172.325)	8.185.945.315
Cost of Sales (-)	(1.886.910.630)	(4.155.729.804)	136.172.325	(5.906.468.109)
<b>GROSS PROFIT (LOSS)</b>	<b>234.163.571</b>	<b>2.045.313.635</b>	-	<b>2.279.477.206</b>
General Administrative Expenses (-)	(35.528.962)	(251.405.771)	-	(286.934.733)
Marketing Expenses (-)	(8.918.937)	(36.063.523)	-	(44.982.460)
Research and Development Expenses (-)	(14.343.401)	-	-	(14.343.401)
Other Income from Operating Activities	1.993.387	224.744.439	-	226.737.826
Other Expenses from Operating Activities (-)	(1.901.125)	(162.257.593)	-	(164.158.718)
<b>PROFIT (LOSS) FROM OPERATING ACTIVITIES</b>	<b>175.464.533</b>	<b>1.820.331.187</b>	-	<b>1.995.795.720</b>

(\*) The aforementioned elimination balances basically consist of trading transactions realized between the fields of activity of the Group.

## OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

##### 2.6 Segment Reporting (cont'd)

##### b) Assets and Liabilities According to Segments

30 September 2023	Ready-mixed Concrete	Cement	Undistributed	Elimination (*)	Total
Assets and liabilities					
Property, plant and equipment	258.808.676	3.361.318.383	-	-	3.620.127.059
Intangible assets	2.833.232	61.355.108	-	-	64.188.340
Undistributed assets	-	-	14.897.866.263	-	14.897.866.263
<b>Total assets</b>	<b>261.641.908</b>	<b>3.422.673.491</b>	<b>14.897.866.263</b>	-	<b>18.582.181.662</b>
Undistributed liabilities	-	-	5.754.227.383	-	5.754.227.383
<b>Total liabilities</b>	-	-	<b>5.754.227.383</b>	-	<b>5.754.227.383</b>
31 December 2022	Ready-mixed Concrete	Cement	Undistributed	Elimination (*)	Total
Assets and liabilities					
Property, plant and equipment	259.414.861	2.228.804.679	-	-	2.488.219.540
Intangible assets	3.888.801	62.742.450	-	-	66.631.251
Undistributed assets	-	-	8.803.037.295	-	8.803.037.295
<b>Total assets</b>	<b>263.303.662</b>	<b>2.291.547.129</b>	<b>8.803.037.295</b>	-	<b>11.357.888.086</b>
Undistributed liabilities	-	-	3.993.672.978	-	3.993.672.978
<b>Total liabilities</b>	-	-	<b>3.993.672.978</b>	-	<b>3.993.672.978</b>

(\*) The aforementioned elimination balances basically consist of trade receivables and trade payable balances between the Group's fields of activity.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 3. CASH AND CASH EQUIVALENTS

	<b>30 September 2023</b>	31 December 2022
Bank	<b>3.886.668.827</b>	1.535.159.716
<i>Demand deposits</i>	<b>80.275.286</b>	26.570.052
<i>Time deposits with a maturity of less than three months (*)</i>	<b>3.806.393.541</b>	1.508.589.664
Other cash and cash equivalents (**)	<b>27.051.876</b>	103.376.449
Cash and cash equivalents on the financial statement	<b>3.913.720.703</b>	1.638.536.165
Less : Interest accruals	<b>(116.351.958)</b>	(20.599.589)
Cash and cash equivalents in the statement of cash flows	<b>3.797.368.745</b>	1.617.936.576

(\*) Interest rates of time deposits for TL deposits varies from 4,50% to 43,00% (31 December 2022: 5,75% - 30,00%), whereas for US Dollar deposits it is 0,01%-3,50%,for Euro deposits it is 0,01%-1,25% and for RON deposits it is 4,87% (31 December 2022: US Dollar: 0,01%-3,00%, Euro: 0,1%, RON: 4,65%).

(\*\*) The entire amount consists of receivables related to sales made by credit card.

As of 30 September 2023, there is no blockage on cash and cash equivalents (31 December 2022: 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 September 2023 and 31 December 2022, and the transaction amounts and balances made with these institutions for the periods ending on 30 September 2023 and 30 September 2022 are as follows:

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

	30 September 2023			
	Receivables		Payables	
	Short Term		Short Term	
Balances with related parties	Trade	Non-trade	Trade	Non-trade
<b>Ultimate parent</b>				
Ordu Yardımlaşma Kurumu (OYAK)	-	-	361.505	-
<b>Parent</b>				
Oyak Denizli Çimento San. Tic. A.Ş. (*)	-	-	46.207.374	-
<b>Other companies managed by the ultimate parent</b>				
OYAK İnşaat A.Ş.	99.699.060	-	-	-
OYAK Yenilenebilir Enerji A.Ş.	-	-	76.284.000	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	66.742.515	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	57.446.684	-
Cimpor Cote d'ivoire SARL	56.456.555	6.481.106	-	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	55.608.367	-
İskenderun Demir ve Çelik A.Ş.	-	-	44.276.556	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	40.202.862	-
Cimpor Cameroun SA	29.126.437	-	-	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	23.432.558	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	22.624.968	-
Kümaş Manyezit Sanayi A.Ş.	-	-	11.132.993	-
Omsan Denizcilik A.Ş.	-	-	9.962.714	-
Nova Cimpor Servişos	6.653.145	-	-	-
OYAK Grup Sigorta ve Reasürans Brokerliği A.Ş.	-	-	6.427.920	-
Oytaş İç ve Dış Ticaret A.Ş.	-	-	-	4.524.911
Güzel Enerji Akaryakıt A.Ş.	-	-	3.718.461	-
OYAK Elektrik Enerjisi Toptan Satış A.Ş.	-	-	1.713.739	-
İskenderun Enerji Üretim ve Tic. A.Ş.	-	-	948.849	-
Cimpor Ghana LTD	718.981	-	-	-
Betao Liz, SA.	456.801	-	-	-
OYAK Akaryakıt ve LPG Yatırımları A.Ş.	-	-	451.670	-
Cimpor - Industria de Cimentos	429.216	-	-	-
OYAK Çimento Enerji A.Ş.	114.975	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	-	-	105.313	-
OYAK Yatırım Menkul Değerler A.Ş.	-	-	105.000	-
Cimpor Global Holdings B.V.	65.353	-	-	-
Cimpor Portugal Holdings SGPS S.A.	41.213	-	-	-
Omsan Logistique Maroc SARL	-	-	21.736	-
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	7.160	-
Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş.	169	-	-	-
Other	-	-	-	1.035.533
<b>Total</b>	<b>193.761.905</b>	<b>6.481.106</b>	<b>467.782.944</b>	<b>5.560.444</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

	31 December 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)	-	-	17.007.329	-
<b>Parent</b>				
OYAK Çimento (*)	-	-	19.356.122	-
<b>Other companies managed by the ultimate parent</b>				
Cimpor Cote d'Ivoire	98.444.057	4.435.523	-	-
Kümaş Manyezit Sanayi A.Ş.	-	-	81.652.494	-
OYAK İnşaat A.Ş.	55.909.186	-	-	-
İskenderun Demir ve Çelik A.Ş.	-	-	44.747.192	-
OYAK Grup Sigorta ve Reasürans Brokerliği A.Ş.	-	-	40.736.067	-
Omsan Denizcilik A.Ş.	-	-	34.224.064	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	30.509.896	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	27.333.174	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	23.198.566	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	19.740.477	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	6.626.546	-
Omsan Lojistik A.Ş.	-	-	5.305.472	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	5.131.927	-
Cimpor-Serviços, Sa.	4.086.172	-	-	-
Oytaş İç ve Dış Ticaret A.Ş.	-	-	-	3.431.304
OYAK Akaryakıt ve LPG Yatırımları A.Ş.	-	-	2.083.111	-
İskenderun Enerji Üretim ve Tic. A.Ş.	-	-	1.709.900	-
Güzel Enerji Akaryakıt A.Ş.	-	-	1.178.135	-
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	429.357	-
Cimpor - Industria de Cimentos	200.383	-	-	-
Betao Liz	105.780	-	-	-
OYAK Elektrik Enerjisi Toptan Satış A.Ş.	-	-	72.716	-
Ataer Holding A.Ş.	-	-	50.955	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	-	-	32.129	-
Cimpor Portugal Holdings SGPS S.A.	28.301	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş. (Milangaz)	-	-	27.962	-
Cimpor Global Holdings B.V.	22.674	-	-	-
Other	-	-	-	1.029.950
<b>Other companies managed by the parent</b>				
Cimpor Cameroun SA	93.265.005	-	-	-
Denizli Çimento Sanayii Türk A.Ş. (*)	-	-	44.450.086	-
<b>Total</b>	<b>252.061.558</b>	<b>4.435.523</b>	<b>405.603.677</b>	<b>4.461.254</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

	1 January – 30 September 2023				
Transactions with related parties	Purchases	Sales	Other income	Other expense	Fixed asset purchases
<b>Ultimate Parent</b>					
Ordu Yardımlaşma Kurumu (OYAK)	-	4.715	-	379.705	-
<b>Parent</b>					
OYAK Denizli Çimento A.Ş. (1) (*)	212.447.690	28.124.286	413.451	16.962	-
<b>Other companies managed by the ultimate parent</b>					
OYAK Elektrik Enerjisi Toptan Satış A.Ş. (2)	1.347.397.106	-	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (3)	196.649.058	1.789.378	604.430	14.437.841	364.407
Doco Petrol ve Danışmanlık A.Ş. (4)	163.637.527	-	-	-	-
Omsan Denizcilik A.Ş. (5)	110.043.596	1.604.340	-	4.630.685	-
OYAK Pazarlama Hizmet ve Turizm A.Ş. (6)	75.961.726	57.386	-	2.531.388	9.349.109
İskenderun Demir ve Çelik A.Ş. (7)	73.275.970	3.492.370	-	10.335	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (8)	62.820.424	352.411	-	-	461.003
Akdeniz Chemson Kimya San.ve Tic.A.Ş. (9)	62.508.697	55.546	-	489.703	-
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (7)	35.167.406	-	424.803	-	-
Güzel Enerji Yakıt A.Ş. (4)	15.720.469	268.745	-	-	-
Omsan Lojistik A.Ş. (5)	5.010.965	-	-	193.544	-
İskenderun Enerji Üretim ve Tic.A.Ş.	2.095.933	-	-	-	-
Oyak Akaryakıt ve LPG Yatırımları A.Ş.	1.246.150	-	-	-	-
OYAK İnşaat A.Ş. (10)	250.579	208.306.800	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş. (11)	170.981	6.694.059	-	-	56.132.276
Likitgaz Dağıtım ve Endüstri A.Ş.	111.243	5.500	-	-	-
Satem Grup Gıda Dağıtım ve Pazarlama	23.635	-	-	-	-
Omsan Logistique Maroc	14.917	-	-	-	-
OYAK Yenilenebilir Enerji A.Ş.	-	-	-	-	63.570.000
Kümaş Manyezit Sanayi A.Ş. (12)	-	-	1.109	14.923.098	38.824.288
Cimpor Cameroun SA (13)	-	-	11.796.792	-	-
Yenilikçi Yapı Malzemeleri Yatırım Üretim San. ve Tic. A.Ş.	-	-	2.468.220	-	-
Cimpor Cote d'Ivoire SARL (14)	-	1.243.961	-	-	-
Cimpor Ghana LTD	-	501.191	-	-	-
Cimpor-Serviços S.A.	-	490.165	-	-	-
Betao Liz, SA.	-	282.774	-	-	-
Cimpor Industria de Cimentos S.A.	-	146.056	-	-	-
Cimpor Global Holdings B.V.	-	32.000	-	-	-
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	399	-	-
	<b>2.364.554.072</b>	<b>253.451.683</b>	<b>15.709.204</b>	<b>37.613.261</b>	<b>168.701.083</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

	1 January – 30 September 2022					
Transactions with related parties	Purchases	Sales	Rent income	Other income	Other expense	Fixed asset purchase
<b>Ultimate Parent</b>						
Ordu Yardımlaşma Kurumu (OYAK)	479.608	8.227	-	-	-	-
<b>Parent</b>						
OYAK Çimento (1) (*)	31.884.887	11.697.217	-	-	122.229	-
<b>Other companies managed by the ultimate parent</b>						
Cimpor Global Holdings B.V.	-	5.914	-	-	-	-
OYAK İnşaat A.Ş.	33.843	150.273.855	112.000	-	-	-
Omsan Lojistik A.Ş. (4)	12.067.019	10.010	-	-	2.083.477	-
Omsan Havacılık A.Ş.	42.222	-	-	-	353.857	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (2)	134.194.960	429.712	-	-	-	-
İskenderun Demir ve Çelik A.Ş. (8)	56.311.536	59.705	-	-	13.491	-
İskenderun Enerji Üretim ve Tic.A.Ş.	2.675.364	-	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	107.800	-	-	-	-	-
OYAK Elektrik Enerjisi Toptan Satış A.Ş. (3)	1.154.264.777	-	-	-	-	-
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (8)	37.650.107	2.013.298	-	-	-	-
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	-	2.277	-	-
OYAK Pazarlama Hizmet ve Turizm A.Ş. (6)	42.633.578	730.015	-	-	1.242.209	5.711.066
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (5)	29.464.997	340.657	-	-	-	116.067
Omsan Denizcilik A.Ş. (4)	89.939.347	9.292.776	-	23.917	5.551.950	-
OYAK Yatırım Menkul Değerler A.Ş.	538.090	-	-	-	-	-
Akdeniz Chemson Kimya San.Ve Tic.A.Ş.	254.304	-	-	-	-	-
Hektaş Ticaret T.A.Ş.	6.164	-	-	-	-	-
Doco Petrol Ve Danışmanlık A.Ş. (9)	113.794.290	-	-	-	-	-
Güzel Enerji Yakıt A.Ş. (9)	10.827.338	15.253	-	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	92.600	-	-	-	-	-
Oyak Akaryakıt ve LPG Yatırımları A.Ş.	498.246	-	-	-	-	-
Kümaş Manyezit Sanayi A.Ş. (10)	-	-	-	-	7.363.512	49.370.262
Miilux Yüksek Mukavemetli Çelik Üretim A.Ş.	105.598	-	-	-	14.304	-
Cimpor Portugal Holdings SGPS S.A.	-	25.257	-	-	-	-
Cimpor Cote d'Ivoire SARL (11)	-	126.037.686	-	-	-	-
<b>Other companies managed by the parent</b>						
Denizli Çimento Sanayii Türk A.Ş. (7) (*)	117.220.744	1.631.307	129.022	6.751	138.659	-
Cimpor Cameroun SA	-	9.031.556	-	-	-	-
	<b>1.835.087.419</b>	<b>311.602.445</b>	<b>241.022</b>	<b>32.945</b>	<b>16.883.688</b>	<b>55.197.395</b>

(\*) As of 19 June 2023, Denizli Çimento Sanayii Türk A.Ş., one of the subsidiaries of OYAK Çimento, merged under OYAK Çimento with all its assets and liabilities. As a result of the merger, OYAK Çimento's new title was changed to OYAK Denizli Çimento A.Ş.



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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 September 2023 are as follows:

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

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

- (1) Purchase from OYAK Çimento 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.

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

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

	<b>1 January- 30 September 2023</b>	1 January- 30 September 2022
Salaries and other short-term benefits	<b>37.380.731</b>	17.917.567
	<b>37.380.731</b>	17.917.567

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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 September 2023</b>	<b>31 December 2022</b>
Trade receivables	<b>3.457.864.232</b>	2.170.657.129
Notes receivable	<b>343.884.009</b>	241.472.044
Trade receivables from related parties (Note 4)	<b>193.761.905</b>	252.061.558
Income accruals	<b>18.657.489</b>	22.940.000
Provision for doubtful trade receivables and expected credit loss (-)	<b>(84.786.852)</b>	(79.710.058)
<b>Total</b>	<b>3.929.380.783</b>	2.607.420.673

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 1,5 months (31 December 2022: 1,5 months).

As of 30 September 2023, there are receivables from customers who declared concordat amounting to TL 107.629 (31 December 2022: TL 107.629) and there is no guarantee related to them.

As of 30 September 2023, provision for doubtful receivables and expected credit loss has been made for the portion of trade receivables amounting to TL 84.786.852 (31 December 2022: TL 79.710.058).

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

<b>Movements of allowance for doubtful trade receivables and expected credit loss</b>	<b>1 January- 30 September 2023</b>	<b>1 January- 30 September 2022</b>
Opening balance	<b>(79.710.058)</b>	(116.822.274)
Charge for the period	<b>(5.263.255)</b>	(1.249.535)
Collections	<b>186.461</b>	283.264
<b>Closing balance</b>	<b>(84.786.852)</b>	(117.788.545)

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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 September 2023</b>	<b>31 December 2022</b>
Trade payables	<b>2.317.764.415</b>	1.505.566.357
Trade payables to related parties (Note:4)	<b>467.782.944</b>	405.603.677
	<b>2.785.547.359</b>	1.911.170.034

The average payment term of trade payables related to the purchase of goods is 2 months (31 December 2022: 3 months).

### 6. OTHER PAYABLES

<b>Other Short-term Payables</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
Taxes and funds payable	<b>130.785.344</b>	59.632.867
Deposits and guarantees received	<b>41.823.171</b>	20.533.098
Non-trade payables to related parties (Note: 4)	<b>5.560.444</b>	4.461.254
Other	<b>4.646.262</b>	2.112.953
	<b>182.815.221</b>	86.740.172

### 7. INVENTORIES

	<b>30 September 2023</b>	<b>31 December 2022</b>
Raw material	<b>1.502.282.638</b>	917.417.269
Semi-finished goods	<b>659.906.495</b>	551.047.534
Finished goods	<b>175.185.785</b>	143.177.028
Trade goods	<b>22.042.888</b>	2.629.851
Goods in transit	<b>85.216.547</b>	189.768.031
Other inventories	<b>4.155.801</b>	3.929.943
Impairment on inventories (-)	<b>(33.751.279)</b>	(33.751.279)
	<b>2.415.038.875</b>	1.774.218.377

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 8. PREPAID EXPENSES AND DEFERRED INCOME

#### a) Prepaid Expenses

<b>Short-term Prepaid Expenses</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
Order advances given for inventory purchase	<b>219.746.269</b>	130.366.408
Prepaid expenses	<b>32.614.519</b>	21.504.750
Prepaid insurance	<b>17.455.255</b>	36.276.658
	<b>269.816.043</b>	188.147.816

<b>Long-term Prepaid Expenses</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
Order advances given for fixed asset purchases	<b>128.969.483</b>	16.334.772
Prepaid expenses	<b>8.088.043</b>	35.870.930
	<b>137.057.526</b>	52.205.702

#### b) Deferred Income

<b>Short-term Deferred Income</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
Order advances received	<b>161.925.300</b>	95.494.904
Deferred income	<b>34.942.623</b>	17.826.959
	<b>196.867.923</b>	113.321.863

<b>Long-term Deferred Income</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
Deferred income	-	1.343.369
	-	1.343.369

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

#### a) Property, plant and equipment

Net book value of property, plant and equipment held in the nine-month period ended on 30 September 2023 amounts to TL 3.620.127.059 (31 December 2022: TL 2.488.219.540).

Property, plant and equipment purchased in the nine-month period ended on 30 September 2023 amounts to TL 1.305.236.217 (30 September 2022: TL 416.336.911).

Net book value of property, plant and equipment sold in the nine-month period ended on 30 September 2023 amounts to TL 108.387 (30 September 2022: TL 955.787).

Property, plant and equipment's depreciation in the nine-month period ended on 30 September 2023 amounts to TL 197.002.987 (30 September 2022: TL 141.835.185).

#### b) Intangible Assets

Net book value of intangible assets held in the nine-month period ended on 30 September 2023 amounts to TL 64.188.340 (31 December 2022: TL 66.631.251).

Intangible assets acquired in the nine-month period ended on 30 September 2023 amounts to TL 2.340.433 (30 September 2022: TL 1.786.525).

There are no intangible assets sold in the nine-month period ended on 30 September 2023 (30 September 2022: None).

Intangible assets's amortization in the nine-month period ended on 30 September 2023 amounts to TL 5.370.762 (30 September 2022: TL 10.209.272).

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 10. FINANCIAL INVESTMENTS

	30 September 2023	31 December 2022
<b>Short-term financial investments</b>		
Time deposits with a maturity of more than three months (*)	443.812.877	132.315.068
Financial investments at fair value through profit or loss	381.041.850	266.296.534
	<b>824.854.727</b>	<b>398.611.602</b>

(\*) Interest rates of time deposits with maturities longer than three months 29,35%-38,50% (31 December 2022: 26,00%), which is between 4 October 2023 and 17 November 2023. (31 December 2022: 5 June 2023) All deposits with maturities longer than three months are TL.

Financial investments at fair value through profit or loss:

	30 September 2023			31 December 2022		
	Share rate %	Amount	Cost	Share rate %	Amount	Cost
<b>Shareholders</b>						
<u>Shares Traded on the Stock Exchange</u>						
Ereğli Demir Çelik Fabrikaları A.Ş. (*)	<1	255.713.328	7.245.316	<1	236.873.712	7.245.316
<u>Shares Not Traded on the Stock Exchange</u>						
Investment funds		125.328.522	109.662.848		10.429.708	9.662.848
Currency protected time deposits		-	-		18.993.114	18.621.200
		<b>381.041.850</b>	<b>116.908.164</b>		266.296.534	35.529.364

(\*) It comprises 5.743.785 shares.

### 11. PROVISIONS

	30 September 2023	31 December 2022
<b>Short-term provisions</b>		
State provision for the mine (*)	45.758.262	21.642.099
Provision for legal cases	24.044.264	20.036.887
Other short-term provisions (**)	90.659.773	53.370.238
	<b>160.462.299</b>	<b>95.049.224</b>

(\*) The amount of provision set for state rights that the Group pays for the mines.

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

	30 September 2023	31 December 2022
<b>Long-term provisions</b>		
Mine rehabilitation	19.123.224	17.737.970
Provision for land occupation	14.546.333	10.162.839
	<b>33.669.557</b>	<b>27.900.809</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 11. PROVISIONS (cont'd)

The movement of short and long-term provisions as of 30 September 2023 and 30 September 2022 is presented below.

	Short-term			Long-term	
	State provision for the mine	Provision for legal cases	Other provisions	Mine rehabilitation	Provision for land occupation
As of 1 January 2023	21.642.099	20.036.887	53.370.238	17.737.970	10.162.839
Additional provision	45.758.262	4.007.377	67.254.863	1.385.254	4.383.494
Payments during the period	(21.642.099)	-	(11.866.908)	-	-
Reversal of provision	-	-	(18.098.420)	-	-
<b>30 September 2023</b>	<b>45.758.262</b>	<b>24.044.264</b>	<b>90.659.773</b>	<b>19.123.224</b>	<b>14.546.333</b>

  

	Short-term			Long-term	
	State provision for the mine	Provision for legal cases	Other provisions	Mine rehabilitation	Provision for land occupation
As of 1 January 2022	12.238.824	11.491.335	9.896.332	3.727.126	2.531.585
Additional provision	12.501.958	4.769.773	17.980.585	-	700.000
Payments during the period	(10.574.812)	-	(7.660.750)	-	(683.524)
Reversal of provision	(1.664.012)	-	(2.235.582)	-	-
<b>30 September 2022</b>	<b>12.501.958</b>	<b>16.261.108</b>	<b>17.980.585</b>	<b>3.727.126</b>	<b>2.548.061</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 12. COMMITMENTS

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

30 September 2023	TL	US Dollars (TL Equivalent)	Euro (TL Equivalent)	Total TL
A. Total Amount of GPMs Given for the Company’s Own Legal Personality	195.359.512	22.074.912	-	217.434.424
- <i>Guarantee Letters</i>	195.359.512	22.074.912	-	217.434.424
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>195.359.512</b>	<b>22.074.912</b>	<b>-</b>	<b>217.434.424</b>

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

31 December 2022	TL equivalent	US Dollars (TL Equivalent)	Euro (TL Equivalent)	Total TL
A. Total Amount of GPMs Given for the Company’s Own Legal Personality	208.609.004	15.077.199	-	223.686.203
- <i>Guarantee Letters</i>	208.609.004	15.077.199	-	223.686.203
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>208.609.004</b>	<b>15.077.199</b>	<b>-</b>	<b>223.686.203</b>



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 13. BORROWINGS

	<b>30 September 2023</b>	31 December 2022
<b>Short-term borrowings</b>		
Bank loans	<b>634.688.690</b>	572.248.543
Short-term portion of issued debt instruments (*)	<b>312.792.245</b>	305.892.371
Short-term lease liabilities	<b>29.125.438</b>	17.210.688
	<b>976.606.373</b>	895.351.602
	<b>30 September 2023</b>	31 December 2022
<b>Long-term borrowings</b>		
Long-term lease liabilities	<b>74.958.697</b>	41.113.604
	<b>74.958.697</b>	41.113.604

(\*) It consist of private sector bonds with a maturity of 31 October 2023 (31 December 2022: 31 October 2023).

The details of bank loans are as follows:

Currency	Weighted average interest rate	30 September 2023	
		Short-term	Long-term
TL	%26,42	606.051.285	-
Euro	EURSTR+2,25	28.637.405	-
		<b>634.688.690</b>	-
Currency	Weighted average interest rate	31 December 2022	
		Short-term	Long-term
TL	% 16,75	552.432.499	-
Euro	EURSTR+2,25	19.816.044	-
		572.248.543	-

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 14. EMPLOYEE BENEFITS

#### Payables related to employee benefits

	30 September 2023	30 December 2022
Social security premiums payable	72.751.545	28.436.887
Personnel taxes payable	25.193.893	11.275.997
Due to personnel	24.473.747	4.235.364
	<b>122.419.185</b>	43.948.248

#### Short-term provisions for employee benefits

	30 September 2023	31 December 2022
Premiums payable to personnel	123.642.686	106.857.614
	<b>123.642.686</b>	106.857.614

The movement of provision for personnel premium for the periods ended 30 September 2023 and 31 December 2022 are presented below;

	2023	2022
Provision as of 1 January	106.857.614	27.450.000
Provision made during the period	123.642.686	38.686.802
Payments made during the period	(106.857.614)	(27.450.000)
<b>Provision as of 30 September</b>	<b>123.642.686</b>	38.686.802

#### Long-term provisions for employee benefits

	30 September 2023	31 December 2022
Provision for employment termination benefit	270.738.558	299.846.554
Provision for senior labor incentive premium	137.104.240	95.287.293
Provision for unused vacation	33.311.263	25.197.965
	<b>441.154.061</b>	420.331.812

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service and reaches the retirement age (58 for women and 60 for men).

The amount payable consists of one month's salary limited to a maximum of TL 23.489,83 for each period of service on 30 September 2023 (31 December 2022: TL 15.371,40).

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 Employee Benefits stipulates the development of company's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows.

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 14. EMPLOYEE BENEFITS (cont'd)

#### Long-term provisions for employee benefits (cont'd)

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying consolidated financial statements as of 30 September 2023, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees.

Provisions in the relevant balance sheet dates have been calculated using the rates in the table below.

<b>30 September 2023</b>	
Discount rate	18,12% (fixed)
Inflation rate	16,30% (fixed)
Salary increase	For the 2nd part of 2023 %34, subsequent years reel 1,50%
Employment termination benefit ceiling increase	20,10%

  

<b>31 December 2022</b>	
Discount rate	16,19% (fixed)
Inflation rate	14,23% (fixed)
Salary increase	For the 1st part of 2023 %30, subsequent years reel 1,50%
Employment termination benefit ceiling increase	At the same rate as inflation

Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration as 1% - 11% for employees with 0-15 years of service, and 0% for those with 15 or more years of service. Ceiling amount of TL 23.489,83 which is in effect since 1 January 2023 is used in the calculation of Groups' provision for retirement pay liability (1 January 2023: TL 19.982,83).

Important estimates used in the calculation of employment termination benefits are discount rate, inflation rate and turnover probability.

The movement of the provision for employment termination benefits for the periods ended as of 30 September 2023 and 30 September 2022 are presented below:

	<b>2023</b>	<b>2022</b>
Provision as of 1 January	<b>299.846.554</b>	125.952.372
Service cost	<b>33.858.544</b>	11.219.956
Interest cost (Note: 20)	<b>32.730.250</b>	19.822.630
Employment termination benefits paid	<b>(142.806.545)</b>	(11.080.807)
Actuarial loss / gain	<b>47.109.755</b>	44.945.265
<b>Provision as of 30 September</b>	<b>270.738.558</b>	190.859.416

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 14. EMPLOYEE BENEFITS (cont'd)

The Group has a benefit paid to its personnel named as "Seniority Incentive Premium" who served over a definite year.

Provision for seniority incentive premium has been calculated by estimated value of the probable liability in in future where the personnel have right to be paid.

Seniority incentive premium as of 30 September 2023 has been arrived at on the basis of a valuation carried out by and independent valuer by using 'expected unit credit method'.

The retirement pay liability is calculated with the assumption of discount rate, inflation rate and the probability of voluntary leaves.

The movement of the seniority incentive premium provision for the period ended 30 September 2023 and 30 September 2022 are as follows:

	2023	2022
Provision as of 1 January	95.287.293	44.948.023
Service cost	34.658.646	11.131.866
Interest cost (Note: 20)	13.146.708	6.857.642
Seniority incentive paid	(5.988.407)	(4.344.563)
<b>Provision as of 30 September</b>	<b>137.104.240</b>	<b>58.592.968</b>

#### *Provision for unused vacation*

The movement of provision for unused vacation for the period ended as of 30 September 2023 and 30 September 2022 are presented below:

	2023	2022
Provision as of 1 January	25.197.964	9.048.277
Provisions during the period (net)	15.245.056	8.181.446
Paid (-)	(7.131.757)	(1.591.545)
<b>Provision as of 30 September</b>	<b>33.311.263</b>	<b>15.638.178</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

#### a) Share Capital

As of 30 September 2023 and 31 December 2022, the paid-in capital structure of the Company is as follows:

Shareholders	%	30 September 2023	%	31 December 2022
OYAK Denizli Çimento A.Ş. (*)	74,00	<b>858.298.034</b>	73,25	849.507.227
Publicly traded	26,00	<b>301.495.407</b>	26,75	310.286.214
Nominal capital	<b>100,00</b>	<b>1.159.793.441</b>	<b>100,00</b>	1.159.793.441
Inflation adjustment		134.868.176		134.868.176
<b>Adjusted capital</b>		<b>1.294.661.617</b>		1.294.661.617

(\*) On February 22<sup>nd</sup>, 2023 OYAK Çimento purchased Oyak Çimento Fabrikaları A.Ş.'s shares between 36,08-41,50 TL for a total nominal value of 8.790.807 TL. With this transaction, OYAK Çimento's share/voting rights on OYAK Çimento Fabrikaları A.Ş. became 74,00%.

As of 19 June 2023, Denizli Çimento Sanayii Türk A.Ş., one of the subsidiaries of OYAK Çimento, merged under OYAK Çimento with all its assets and liabilities. As a result of the merger, OYAK Çimento's new title was changed to OYAK Denizli Çimento A.Ş.

As of 30 September 2023, the capital of the Company consists of 115.979.344.100 shares (31 December 2022: 115.979.344.100 shares). The nominal value of the shares is TL 0,01 per share (31 December 2022: 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 September 2023	31 December 2022
Legal Reserves	<b>405.954.871</b>	405.954.871
	<b>405.954.871</b>	405.954.871

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

#### Current tax liability

	30 September 2023	31 December 2022
Current corporate tax	<b>1.076.742.318</b>	649.282.426
Less: Prepaid taxes and funds	<b>(421.547.925)</b>	(399.173.667)
<b>Current tax liability</b>	<b>655.194.393</b>	250.108.759

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

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

	<b>1 January- 30 September 2023</b>	1 January- 30 September 2022
The tax expense / (income) consists of:		
Current tax expense / (income)	<b>1.076.742.318</b>	397.867.007
Deferred tax (expense) / income	<b>(1.212.311.417)</b>	(61.170.047)
<b>Total tax expense / (income)</b>	<b>(135.569.099)</b>	336.696.960

#### *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.

As of 30 September 2023, the corporate tax rate is 25% (31 December 2022: 23%). Corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances. For Cimpor Romania Terminal SRL, the taxable corporate income subjected to Romanian law, is 16% on the remaining basis after deducting deductible expenses (2022: 16%). For Adana Çimento Sanayi ve Ticaret Ltd. ve Adana Çimento Free Port Ltd., the taxable corporate income subjected to Cyprus law, is 23.5% on the remaining basis after deducting deductible expenses (2022: 23.5%).

#### *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 25% for the period of 2023 for the corporate earnings to be obtained in the taxation periods of 2023. (2022: between 20%-23%)

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

#### *Tax Advantages Obtained Under the Investment Incentives*

Earnings of the Group that are derived from investments linked to an investment incentive certificate are subject to corporate tax at discounted rates for a certain period, which starts when the investment starts to partly or fully operate, and ends when the maximum investment contribution amount is reached. Within this scope, the Group has accounted for TL 196.553.501 (31 December 2022: TL 174.383.206) of tax advantages as deferred tax assets which are expected to be recovered in the foreseeable future in the consolidated financial statements as of 30 September 2023 TL 22.170.295 of deferred tax income is recognized in the consolidated profit or loss statement for the period between January 1 – 30 September 2023 from accounting of such deferred tax assets. The contribution amount between 1 January –30 September 2023 benefited from the gain from investment is TL 35.002.232.

Deferred tax assets are recognized for deductible temporary differences, carry forward tax losses and indefinite-life investment incentives which allows payment of corporate tax at discounted rates, as long as it is probable that sufficient taxable income will be generated in the future. In this context, the Group recognizes deferred tax assets from investment incentives based on long-term plans, including taxable profit projections derived from business models, which are re-evaluated at each balance sheet date to assess recoverability of such deferred tax assets. The Group expects to recover such deferred tax assets within 5 years from the balance sheet date.

In the sensitivity analysis performed as of 30 September 2023, when the inputs of the key macroeconomic and sectoral assumptions that form the business plans are increased/decreased by 10%, there is no change in the projected 5-year recovery periods of deferred tax assets related to investment incentives.

The movement of deferred tax assets / (liabilities) for 30 September 2023 is as follows:

<b>Deferred tax assets/(liabilities):</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
Investment allowance and energy incentive	<b>196.553.501</b>	175.021.696
Provision for employment termination benefit	<b>67.684.640</b>	59.969.310
Provision for doubtful trade receivables	<b>8.123.864</b>	14.213.212
Senior labor incentive bonus provision	<b>34.276.060</b>	19.057.458
Provision for employee premium	<b>30.910.672</b>	21.736.023
Provision for legal cases	<b>3.663.669</b>	3.862.546
Provision for mine royalty	<b>11.439.565</b>	4.027.337
Provision for unused vacation	<b>8.327.816</b>	5.035.263
Provision for land occupation	<b>3.636.583</b>	2.032.567
Provision for sales incentive premium	<b>7.778</b>	652.337
Provision for rehabilitation	<b>4.780.806</b>	3.215.513
Valuation of equity shares	<b>(15.529.251)</b>	(11.749.209)
Revaluation adjustments of property, plant and equipment and intangible assets	<b>3.058.360.035</b>	1.858.204.705
Depreciation and amortization differences of property, plant and equipment and intangible assets	<b>(230.057.168)</b>	(136.228.513)
Other	<b>84.220.086</b>	13.513.059
	<b>3.266.398.656</b>	2.032.563.304

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

	2023	2022
Opening balance as of 1 January	2.032.563.304	111.336.537
Charged to statement of profit or loss	1.212.311.417	61.170.047
Charged to other comprehensive (income) / expense	21.523.935	8.989.054
<b>Closing balance as of 30 September</b>	<b>3.266.398.656</b>	<b>181.495.638</b>

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

	1 January- 30 September 2023	1 January- 30 September 2022
<b>Reconciliation of tax provision:</b>		
Profit before tax	5.353.446.742	1.908.276.697
Income tax rate of 25% (2022: 22 - 23%)	(1.338.361.686)	(419.820.873)
Tax effect of:		
- non-deductible expenses	(97.366.923)	(5.895.939)
- The effect of revaluation of tangible fixed assets in accordance with the provisions of Tax Procedure Law (*)	1.347.378.966	-
- exemptions and other discounts	87.739.147	7.911.751
- effect of change in tax rates	46.489.835	19.446.124
- investment incentive exemption	92.144.719	39.054.955
- additional corporate expense	(21.221.648)	-
- effect of other adjustments	18.766.689	22.607.022
Tax provision expense in the statement of profit or loss and other comprehensive income	135.569.099	(336.696.960)

(\*) It consists of the paragraphs in the Temporary Article 32 and reiterated 298/Ç of the Tax Procedure Law and the amount calculated over the revaluation increase made within the scope of "Procedures and Principles for the Revaluation of Real Estate and Other Depreciable Economic Assets".

### 17. EARNING PER SHARE

	1 January- 30 September 2023	1 April- 30 September 2023	1 January - 30 September 2022	1 April- 30 September 2022
<b>Earning per Share</b>				
Net profit for the period	5.489.015.841	2.627.896.016	1.571.579.737	688.940.521
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)	4,73	2,27	1,36	0,59



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 18. REVENUE AND COST OF SALES

The details of revenue and cost of sales for the periods ended on 30 September 2023 and 2022 are as follows:

#### a) Revenue

	1 January- 30 September 2023	1 April- 30 September 2023	1 January- 30 September 2022	1 April- 30 September 2022
Domestic sales	13.842.555.235	5.817.123.128	6.832.634.627	2.983.483.271
Foreign sales (export)	1.376.920.866	602.202.364	1.080.889.711	368.651.038
Foreign sales (export listed)	336.710.561	130.670.903	289.819.293	132.600.933
Sales discounts (-)	(64.792.709)	(16.211.187)	(33.585.578)	(15.825.377)
Other income	45.858.582	17.890.397	16.187.262	7.638.627
<b>Net Sales</b>	<b>15.537.252.535</b>	<b>6.551.675.605</b>	8.185.945.315	3.476.548.492

As of 30 September 2023, the Group recognized sales income amounting to TL 15.537.252.535 (30 September 2022: TL 8.185.945.315) related to performance obligations at a point in time.

#### b) Cost of sales

	1 January- 30 September 2023	1 April- 30 September 2023	1 January- 30 September 2022	1 April- 30 September 2022
Direct raw material and material expenses	(7.607.854.629)	(3.734.280.133)	(5.038.041.452)	(2.181.339.486)
Direct labor expenses	(282.778.003)	(119.821.387)	(96.324.900)	(42.509.942)
Depreciation and amortization expenses	(200.598.911)	(68.172.575)	(139.187.647)	(30.232.902)
Production overhead personnel expenses	(480.294.744)	(199.574.461)	(248.029.512)	(106.860.990)
Other production overhead expenses	(1.240.508.304)	(106.755.046)	(741.763.263)	(258.435.114)
<b>Total production cost</b>	<b>(9.812.034.591)</b>	<b>(4.228.603.602)</b>	(6.263.346.774)	(2.619.378.434)
Change in semi-finished product inventories	108.858.961	184.462.071	274.556.259	61.500.261
Change in finished product inventories	32.008.757	(51.535.654)	114.743.422	57.307.663
Cost of trade goods sold	(36.498.083)	(10.464.178)	(32.421.016)	(13.480.602)
<b>Cost of sales</b>	<b>(9.707.664.956)</b>	<b>(4.106.141.363)</b>	(5.906.468.109)	(2.514.051.112)

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

The details of other income from operating activities for the periods ended on 30 September 2023 and 2022 are as follows:

<b>Other Income from Operating Activities</b>	<b>1 January- 30 September 2023</b>	<b>1 April- 30 September 2023</b>	<b>1 January - 30 September 2022</b>	<b>1 April - 30 September 2022</b>
Foreign exchange gains related to operational activities	311.843.806	86.767.397	201.080.313	48.305.868
Compensation and penalty income	18.364.288	17.491.250	1.338.977	638.788
Profit from sales of scrap materials	14.653.892	1.614.289	11.444.738	3.622.810
Interest income from sales	7.455.264	2.904.636	1.739.456	1.108.960
Other income	27.874.973	793.890	11.134.342	2.200.271
	<b>380.192.223</b>	<b>109.571.462</b>	<b>226.737.826</b>	<b>55.876.697</b>

The details of other expenses from operating activities for the periods ended on 30 September 2023 and 2022 are as follows:

<b>Other Expenses from Operating Activities</b>	<b>1 January- 30 September 2023</b>	<b>1 April- 30 September 2023</b>	<b>1 January - 30 September 2022</b>	<b>1 April - 30 September 2022</b>
Foreign exchange losses related to operational activities	(326.964.898)	(58.499.730)	(157.279.062)	(40.896.255)
Donation expenses	(323.315.840)	(690.897)	-	-
Compensation and penalty expense	(22.490.784)	(22.490.784)	-	-
Discount interest expense	(5.647.183)	(4.026.318)	(217.689)	738.621
Other expenses	(8.779.006)	(6.554.833)	(6.661.967)	1.740.627
	<b>(687.197.711)</b>	<b>(92.262.562)</b>	<b>(164.158.718)</b>	<b>(38.417.007)</b>

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 20. FINANCE INCOME AND EXPENSES

The details of finance income for the periods ended 30 September 2023 and 2022 are as follows:

<b>Finance Income</b>	<b>1 January- 30 September 2023</b>	<b>1 April- 30 September 2023</b>	<b>1 January - 30 September 2022</b>	<b>1 April - 30 September 2022</b>
Interest income	<b>256.049.643</b>	<b>129.197.948</b>	27.311.705	14.311.086
Foreign exchange gains related to financial activities	<b>232.867.186</b>	<b>56.978.906</b>	54.035.496	40.142.803
Other finance income	<b>2.438.932</b>	<b>2.438.932</b>	32.737	-
	<b>491.355.761</b>	<b>188.615.786</b>	81.379.938	54.453.889

The details of finance expenses for the periods ended 30 September 2023 and 2022 are as follows:

<b>Finance Expenses</b>	<b>1 January- 30 September 2023</b>	<b>1 April- 30 September 2023</b>	<b>1 April- 30 September 2022</b>	<b>1 January - 30 September 2022</b>
Interest expense	<b>(169.149.449)</b>	<b>(76.988.635)</b>	(116.529.918)	(46.481.447)
Commission expenses	<b>(48.021.865)</b>	<b>(19.539.249)</b>	(9.959.019)	(7.948.695)
Foreign exchange losses related to financial activities	<b>(32.846.910)</b>	<b>(15.533.564)</b>	(40.811.424)	(22.253.862)
Employment termination benefits interest expense	<b>(32.730.250)</b>	<b>(10.169.071)</b>	(19.822.630)	(8.786.888)
Interest expense related to lease liabilities	<b>(14.681.275)</b>	<b>(4.893.758)</b>	(5.497.162)	(1.832.386)
Senior labor interest expense	<b>(13.146.708)</b>	<b>(5.725.839)</b>	(6.857.642)	(2.773.927)
Bank charges	<b>(457.555)</b>	<b>(225.447)</b>	(3.084.542)	3.222.777
Other financial expense	<b>(1.094.938)</b>	<b>(194.955)</b>	(381.134)	283.860
	<b>(312.128.950)</b>	<b>(133.270.518)</b>	(202.943.471)	(86.570.568)

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 21. INCOME FROM INVESTMENT ACTIVITIES

The details of income from investment activities for the periods ended 30 September 2023 and 2022 are as follows:

	1 January - 30 September 2023	1 April - 30 September 2023	1 January - 30 September 2022	1 April - 30 September 2022
<b>Income from investment activities</b>				
Interest income from time deposits with a maturity of more than three months	264.268.548	96.160.082	-	-
Valuation difference of financial assets measured at FVTPL	18.839.616	18.839.616	4.595.041	10.453.691
Interest income from financial assets	14.898.814	10.331.828	540.557	540.557
Profit from sale of fixed assets	9.812.454	3.887.750	1.227.770	14.872
Rent income from investment properties	2.518.869	847.293	2.362.889	990.456
Dividend income	-	-	25.559.845	-
Other incomes from investment activities	406.230	53.339	-	-
	<b>310.744.531</b>	<b>130.119.908</b>	34.286.102	11.999.576

The details of income from investment activities for the periods ended 30 September 2023 and 2022 are as follows:

	1 January - 30 September 2023	1 April - 30 September 2023	1 January - 30 September 2022	1 April - 30 September 2022
<b>Expenses from investment activities</b>				
Other and rent expenses related investment properties	(450.000)	(150.000)	(219.515)	(40.963)
Other expenses from investment activities	(342.056)	(115.268)	-	-
Valuation difference of financial assets measured at FVTPL	-	25.961.910	-	-
Profit from sale of investment properties	-	-	(22.077)	(22.077)
	<b>(792.056)</b>	<b>25.696.642</b>	(241.592)	(63.040)

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 22. 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 13, 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 September 2023	31 December 2022
Financial liabilities (Note: 13)	1.051.565.070	936.465.206
Less: Cash and Cash Equivalents (Note: 3)	(3.913.720.703)	(1.638.536.165)
Less: Short-term Financial Investments (Note: 10)	(824.854.727)	(398.611.602)
Net Debt	(3.687.010.360)	(1.100.682.561)
Total Equity	12.827.954.279	7.364.215.108
Total Capital	9.140.943.919	6.263.532.547
<b>Net Debt/Total Capital Ratio</b>	<b>(0,40)</b>	<b>(0,18)</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 INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 22. 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 September 2023			
	TL Equivalent (Functional currency)	US Dollar	EURO	GBP
1. Trade Receivables	191.294.420	3.693.968	3.105.898	-
2. Monetary Financial Assets (including cash, bank deposits)	754.517.651	26.135.913	1.327.447	13.923
3. Other Current Assets	25.328.107	172.000	709.053	1.050
4. Current Assets (1+ 2 + 3)	971.140.178	30.001.881	5.142.398	14.973
5. Non-Current Assets	127.212.145	364.023	4.038.732	-
6. Total Assets (4 + 5)	1.098.352.323	30.365.904	9.181.130	14.973
7. Trade Payables	608.273.992	12.413.345	9.209.043	25
8. Financial Liabilities	28.842.933	-	991.752	-
9. Deferred Revenue	1.991.939	68.706	3.700	-
10. Current Liabilities (7 + 8 + 9)	639.108.864	12.482.051	10.204.495	25
11. Non-current Liabilities	-	-	-	-
12. Total Liabilities (10 + 11)	639.108.864	12.482.051	10.204.495	25
13. Net foreign currency asset liability position (6 - 12)	459.243.459	17.883.853	(1.023.365)	14.948
14. Export	1.500.385.498	47.482.455	6.859.088	-
15. Export-registered sales	19.606.011	243.630	445.000	-
16. Import	1.469.876.203	43.847.189	9.237.267	-

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 22. 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 2022			
	TL Equivalent (Functional currency)	US Dollar	EURO	GBP
1. Trade Receivables	323.528.806	9.458.523	7.357.474	-
2. Monetary Financial Assets (including cash, bank deposits)	387.359.033	16.321.101	4.122.528	-
3. Other Current Assets	34.644.284	238.297	1.478.718	31.590
4. Current Assets (1+ 2 + 3)	745.532.123	26.017.921	12.958.720	31.590
5. Non-Current Assets	37.526.639	504.000	1.409.723	-
6. Total Assets (4 + 5)	783.058.762	26.521.921	14.368.443	31.590
7. Trade Payables	663.925.561	26.195.001	8.674.705	-
8. Financial Liabilities	19.966.538	-	999.787	-
9. Deferred Revenue	1.361.260	68.726	3.700	-
10. Current Liabilities (7 + 8 + 9)	685.253.359	26.263.726	9.678.192	-
11. Non-current Liabilities	-	-	-	-
12. Total Liabilities (10 + 11)	685.253.359	26.263.726	9.678.192	-
13. Monetary items net foreign currency asset/liability position (6 - 12)	97.805.403	258.195	4.690.251	31.590
12. Export	1.422.127.255	62.561.492	12.593.667	-
13. Export-registered sales	62.428.139	2.287.610	983.076	-
14. Import	1.269.540.434	63.499.797	4.066.196	-

# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 22. 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 2022: 20%) increase and decrease in USD and Euro. 20% (31 December 2022: 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 2022: 20%) change in foreign currency rates. A positive number indicates an increase in profit / loss and other equity.

	30 September 2023	
	Profit / Loss	Profit / Loss
	Appreciation of foreign currency	Depreciation of foreign currency
<b>In case of 20% appreciation of US Dollar against TL</b>		
1 - USD net asset / liability	97.797.108	(97.797.108)
2- Portion hedged from USD risk (-)	-	-
<b>3 – USD net effect (1+2)</b>	<b>97.797.108</b>	<b>(97.797.108)</b>
<b>In case of 20% appreciation of Euro against TL</b>		
4 - Euro net asset / liability	(6.048.509)	6.048.509
5 - Portion hedged from Euro risk (-)	-	-
<b>6 – Euro net effect (4+5)</b>	<b>(6.048.509)</b>	<b>6.048.509</b>
<b>In case of 20% appreciation of GBP against TL</b>		
7 - GBP net asset / liability	100.093	(100.093)
8 - Portion hedged from GBP risk (-)	-	-
<b>9 – GBP net effect (7+8)</b>	<b>100.093</b>	<b>(100.093)</b>
<b>TOTAL (3+6+9)</b>	<b>91.848.692</b>	<b>(91.848.692)</b>

	31 December 2022	
	Profit / Loss	Profit / Loss
	Appreciation of foreign currency	Depreciation of foreign currency
<b>In case of 20% appreciation of US Dollar against TL</b>		
1 - USD net asset / liability	788.544	(788.544)
2 - Portion hedged from USD risk (-)	-	-
<b>3 - USD net effect (1+2)</b>	<b>788.544</b>	<b>(788.544)</b>
<b>In case of 20% appreciation of Euro against TL</b>		
4 - Euro net asset / liability	18.630.450	(18.630.450)
5 - Portion hedged from Euro risk (-)	-	-
<b>6- Euro net effect (4+5)</b>	<b>18.630.450</b>	<b>(18.630.450)</b>
<b>In case of 20% appreciation of Euro against TL</b>		
7 - Euro net asset / liability	142.088	(142.088)
8 - Portion hedged from Euro risk (-)	-	-
<b>9- Euro net effect (7+8)</b>	<b>142.088</b>	<b>(142.088)</b>
<b>TOTAL (3+6+9)</b>	<b>19.561.082</b>	<b>(19.561.082)</b>



# OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

### 22. 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 September 2023		
Financial assets at fair value in the balance sheet	Level 1	Level 2	Level 3
Equity shares	255.713.328	-	-
Investment funds	-	125.328.522	-

  

	31 December 2022		
Financial assets at fair value in the balance sheet	Level 1	Level 2	Level 3
Equity shares	236.873.712	-	-
Investment funds	-	10.429.708	-
Currency protected time deposits	-	18.993.114	-

### 23. EVENTS AFTER BALANCE SHEET DATE

None.