

**(CONVENIENCE TRANSLATION OF
THE INDEPENDENT AUDITOR'S REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)**

**OYAK ÇİMENTO FABRİKALARI
ANONİM ŞİRKETİ AND
IT'S SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED DECEMBER 31, 2025 TOGETHER
WITH INDEPENDENT AUDITOR'S REPORT**



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(Convenience translation of a report and consolidated financial statements originally issued in Turkish)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of OYAK Çimento Fabrikaları Anonim Şirketi

A) Report on the Audit of the Consolidated Financial Statements

1) Opinion

We have audited the consolidated financial statements of OYAK Çimento Fabrikaları Anonim Şirketi (the Company) and its subsidiaries (together referred as "the Group"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards ("TFRS").

2) Basis for Opinion

We conducted our audit in accordance with the Independent Auditing Standards ("InAS") which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA") and adopted within the framework of Capital Markets Board ("CMB") regulations. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics for Independent Auditors (including Independence Standards)* (Code of Ethics) issued by the POA, as applicable to audits of consolidated financial statements of public interest entities, and other ethical requirements included in CMB legislation, together with the ethical requirements that are relevant to the audits of the consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Key audit matters	How our audit addressed the key audit matter
Revenue recognition	
<p>Revenue is recognized in the consolidated financial statements based on the transaction price in accordance with TFRS 15 "Revenue from Customer Contracts". The transaction price is the amount that the entity expects to be entitled to in exchange for transferring the goods promised to the customer, excluding amounts collected on behalf of third parties. The Group recognized revenue in financial statements when control of the goods or services is transferred to the customers. The Group recognized revenue from selling of cement, ready mixed concrete and clinker.</p> <p>Revenue is the most important indicator in evaluating the performance of the Group. Revenue is significant for evaluating the results of strategies implemented during the year and monitoring performance and has been determined as a key audit matter in the audit due to its importance as the most important financial statement item in terms of consolidated profit or loss and other comprehensive income statement for the period ending on December 31, 2025.</p> <p>Explanations on the Group's accounting policies and amounts related to revenue are disclosed in Note 3.3 and Note 23.</p>	<p>The following procedures have been performed in the audit of revenue:</p> <ul style="list-style-type: none">- Understanding the sales processes and evaluating the design of controls related to the processes,- Evaluating the conformity of the accounting policies applied by the Group management for revenue recognition with TAS,- Applying analytical procedures to determine whether the revenue recorded in the consolidated financial statements is at the expected levels,- Testing the accuracy of sales invoices through sampling and matching them with delivery notes,- Testing the transfer of the control of products on selected invoices by sampling to verify that they have been transferred to the customer,- Testing the completeness of revenue by matching the sample selected from shipping documents with accounting records and relevant invoices,- Obtaining confirmation letters from customers for sample selected trade receivables balances and controlling the conformity of the received replies with accounting records.



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Key audit matters	How our audit addressed the key audit matter
<p>Application of the hyperinflationary accounting</p> <p>As stated in Note 2.1 to the consolidated financial statements, the Group has continued to apply “TAS 29 Financial Reporting in Hyperinflation Economies” since the functional currency of the Group (Turkish Lira) is the currency of a hyperinflationary economy as per TAS 29 as of December 31, 2025.</p> <p>In accordance with TAS 29, consolidated financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish Lira and, as a result, are expressed in terms of purchasing power of Turkish Lira as of the reporting date.</p> <p>In accordance with the guidance in TAS 29, the Group utilised the Turkey consumer price indices to prepare inflation adjusted financial statements. The principles applied for inflation adjustment is explained in Note 2.1.</p> <p>Given the significance of the impact of TAS 29 on the reported result and financial position of the Group, we have assessed the hyperinflation accounting as a key audit matter.</p>	<p>Our audit procedures included the following;</p> <ul style="list-style-type: none"> - We inquired management responsible for financial reporting on the principles, which they have considered during the application of TAS 29, identification of non-monetary accounts and tested models designed, - We have tested the inputs and indices used, to ensure completeness and accuracy of the calculations, - We have audited the restatements of consolidated financial statements and corresponding figures as required by TAS 29, - We assessed the adequacy of the disclosures in inflation adjusted financial statements for compliance with TAS 29.

4) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.



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5) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

In an independent audit, our responsibilities as the auditors are:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and InAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and InAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Legal and Regulatory Requirements

- 1) Auditors' report on Risk Management System and Committee prepared in accordance with paragraph 4 of Article 398 of Turkish Commercial Code ("TCC") 6102 is submitted to the Board of Directors of the Company on February 27, 2026.
- 2) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2025 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.
- 3) In accordance with paragraph 4 of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The name of the engagement partner who supervised and concluded this audit is Mehmet Can Altıntaş.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Mehmet Can Altıntaş, SMMM
Partner

February 27, 2026
Ankara, Türkiye

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(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

		Audited Current period December 31, 2025	Audited Prior period December 31, 2024
Assets			
Current assets		32.616.470	29.639.337
Cash and cash equivalents	5	13.819.664	8.314.667
Financial investments	31	953.290	2.717.309
Trade receivables	7	8.897.968	9.081.651
<i>Trade receivables from related parties</i>	6	470.210	700.309
<i>Trade receivables from third parties</i>		8.427.758	8.381.342
Other receivables	8	262.797	238.546
<i>Other receivables from related parties</i>	6	198.463	137.835
<i>Other receivables from third parties</i>		64.334	100.711
Inventories	9	8.167.672	8.391.791
Prepaid expenses	10	504.093	716.192
Current tax assets	30	858	-
Other current assets	21	10.128	179.181
Non-current assets		47.680.815	44.231.464
Other receivables	8	7.765	8.362
<i>Other receivables from third parties</i>	8	7.765	8.362
Investment properties	11	691.495	397.097
Property, plant and equipment	12	35.461.348	30.427.214
Rights of use assets	14	1.108.439	1.119.485
Intangible assets		7.534.339	7.289.795
<i>Goodwill</i>	15	5.877.785	5.877.785
<i>Other intangible assets</i>	13	1.656.554	1.412.010
Prepaid expenses	10	1.831.237	3.231.680
Deferred tax assets	30	1.045.269	1.755.865
Other non-current assets		923	1.966
Total assets		80.297.285	73.870.801

The accompanying notes are an integral part of the consolidated financial statements.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2025**

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

		Audited	Audited
		Current period	Prior period
	Notes	December 31, 2025	December 31, 2024
Liabilities			
Current liabilities		14.527.572	12.553.788
Short-term portion of long-term financial liabilities	17	2.632.474	80.491
Short-term lease liabilities	17	133.375	64.952
Trade payables	7	7.443.695	7.941.254
<i>Trade payables to related parties</i>	6	789.985	710.100
<i>Trade payables to third parties</i>		6.653.710	7.231.154
Employee benefit liabilities	20	255.213	242.834
Other payables	8	2.024.049	1.975.883
<i>Other payables to related parties</i>	6	1.716.989	1.774.620
<i>Other payables to third parties</i>		307.060	201.263
Contract liabilities	10	281.367	340.927
Current income tax liabilities	30	75.631	643.770
Short-term provisions		1.679.205	1.261.630
<i>Provisions for employee termination benefits</i>	20	704.062	518.889
<i>Other short-term provisions</i>	18	975.143	742.741
Other current liabilities		2.563	2.047
Non-current liabilities		2.817.506	1.602.188
Long-term financial liabilities	17	1.223.638	22.129
Long-term lease liabilities	17	189.216	123.586
Long-term provisions		1.404.652	1.456.473
<i>Provisions for employee termination benefits</i>	20	905.095	1.091.968
<i>Other long-term provisions</i>	18	499.557	364.505
Total liabilities		17.345.078	14.155.976
Equity		62.952.207	59.714.825
Paid-in share capital	22	4.861.656	4.861.656
Adjustment to share capital	22	10.602.595	10.602.595
Repurchased shares (-)		(20.740)	(52.906)
Share premiums		1.788	1.788
Other comprehensive income / (losses)			
not to be reclassified under profit or losses		(516.497)	(637.392)
- <i>Gains (losses) on remeasurement of defined benefit plans</i>		(516.497)	(637.392)
Other comprehensive income / (losses)			
to be reclassified under profit or losses		(159.938)	(393.352)
- <i>Foreign currency translation differences</i>		(159.938)	(393.352)
Restricted reserves	22	8.906.744	8.353.966
Business combinations under common control		620.623	620.623
Retained earnings		29.893.222	26.976.324
Net profit for the year		8.762.754	9.381.523
Total liabilities and equity		80.297.285	73.870.801

The accompanying notes are an integral part of the consolidated financial statements.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD JANUARY 1 - DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

		Audited Current period	Audited Prior period
	Notes	January 1– December 31, 2025	January 1– December 31, 2024
Profit or loss			
Revenue	23	56.502.601	58.156.190
Cost of sales (-)	23	(41.418.519)	(41.621.753)
Gross profit		15.084.082	16.534.437
General administrative expenses (-)	24	(3.346.350)	(2.684.149)
Marketing expenses (-)	24	(394.089)	(421.272)
Research and development expenses (-)	24	(192.028)	(184.441)
Other income from operating activities	26	1.311.240	1.983.007
Other expenses from operating activities (-)	26	(1.114.859)	(967.109)
Operating profit		11.347.996	14.260.473
Income from investment activities	27	1.317.072	736.402
Expenses from investment activities (-)	27	(95.703)	(81.152)
Operating profit before financial income (expense)		12.569.365	14.915.723
Finance income	28	3.793.454	3.503.076
Finance expense (-)	28	(2.682.348)	(1.401.205)
Monetary (loss) / gain	29	(1.959.497)	(2.440.388)
Profit before tax from continuing operations		11.720.974	14.577.206
Tax income (expense)		(2.958.220)	(5.195.683)
Current tax expense	30	(2.287.922)	(2.775.202)
Deferred tax (expense)/income	30	(670.298)	(2.420.481)
Net profit for the period from continuing operations		8.762.754	9.381.523
Net profit for the period		8.762.754	9.381.523
Net profit for the period attributable to			
Equity holders of the parent		8.762.754	9.381.523
Non-controlling interests		-	-
Earnings per share			
Earnings per share (Nominal value of TL 1)	32	1,80	1,93

The accompanying notes are an integral part of the consolidated financial statements.

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OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD JANUARY 1 - DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

		Audited	Audited
		Current period	Prior period
		1 January –	1 January –
		December 31,	December 31,
	Notes	2025	2024
Net profit for the period		8.762.754	9.381.523
Other comprehensive income			
Items not to be reclassified to profit or loss:			
Gains / (Losses) on remeasurement of defined benefit plans	20	161.193	37.008
Taxes related to other comprehensive income			
- <i>Deferred tax income / (expense)</i>	30	(40.298)	(9.252)
Items to be reclassified to profit or loss:			
Foreign currency translation differences		103.298	(88.287)
Other comprehensive income / (expense)		224.193	(60.531)
Total comprehensive income / (expense)		8.986.947	9.320.992
Total comprehensive income / (expense) attributable to			
Equity holders of the parent		8.986.947	9.320.992
Non-controlling interests		-	-

The accompanying notes are an integral part of the consolidated financial statements.

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OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD JANUARY 1 - DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

	Paid-in share capital	Adjustment to share capital	Repurchased shares	Share premiums	Restricted reserves	Gains / (losses) on remeasurement of defined benefit plans	Foreign currency translation differences	Business combinations under common control	Retained earnings	Net profit for the period	Total equity
Balance at January 1, 2024	1.246.579	14.217.672	(52.906)	1.788	8.353.966	(665.148)	(305.065)	620.623	11.616.180	15.360.144	50.393.833
Transfers	-	-	-	-	-	-	-	-	15.360.144	(15.360.144)	-
Capital increase from capital adjustment differences	3.615.077	(3.615.077)	-	-	-	-	-	-	-	-	-
Total comprehensive income/(expense)	-	-	-	-	-	27.756	(88.287)	-	-	9.381.523	9.320.992
Net profit for the period	-	-	-	-	-	-	-	-	-	9.381.523	9.381.523
Other comprehensive income (expense)	-	-	-	-	-	27.756	(88.287)	-	-	-	(60.531)
December 31, 2024	4.861.656	10.602.595	(52.906)	1.788	8.353.966	(637.392)	(393.352)	620.623	26.976.324	9.381.523	59.714.825
January 1, 2025	4.861.656	10.602.595	(52.906)	1.788	8.353.966	(637.392)	(393.352)	620.623	26.976.324	9.381.523	59.714.825
Transfers	-	-	-	-	552.778	-	130.116	-	8.698.629	(9.381.523)	-
Dividends paid	-	-	32.166	-	-	-	-	-	(5.781.731)	-	(5.749.565)
Total comprehensive income/(expense)	-	-	-	-	-	120.895	103.298	-	-	8.762.754	8.986.947
Net profit for the period	-	-	-	-	-	-	-	-	-	8.762.754	8.762.754
Other comprehensive income (expense)	-	-	-	-	-	120.895	103.298	-	-	-	224.193
December 31, 2025	4.861.656	10.602.595	(20.740)	1.788	8.906.744	(516.497)	(159.938)	620.623	29.893.222	8.762.754	62.952.207

The accompanying notes are an integral part of the consolidated financial statements.

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OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

		Audited	Audited
		Current Period	Prior Period
		January 1 – December 31, 2025	January 1 – December 31, 2024
	Notes		
A. CASH FLOWS FROM OPERATING ACTIVITIES		10.211.019	12.172.808
Profit for the Period		8.762.754	9.381.523
Adjustments Related to Reconciliation of Net Profit for the Period		4.627.753	6.317.989
- Adjustments Related to Depreciation and Amortization Expenses	25	3.496.647	3.435.070
- Adjustments Related to Doubtful Receivables	7	9.272	(825)
- Adjustments Related to Inventory Impairment (Reversal)	9	106.466	-
- Adjustments Related to Provisions		1.486.069	946.626
- <i>Adjustments Related to Provisions for Employee Benefits</i>	20	844.673	360.989
- <i>Adjustments Related to Provisions (Reversal of) for Legal Cases</i>	18	328.596	333.345
- <i>Adjustments Related to Other Provisions (Reversal)</i>	18	312.800	252.292
- Adjustments Related to Interest (Income) and Expenses		(3.198.466)	(2.982.955)
- <i>Adjustments Related to Interest Income</i>	26, 27, 28	(3.605.395)	(3.429.202)
- <i>Adjustments Related to Interest Expense</i>	26, 28	406.929	446.247
- Adjustments Related to Fair Value Losses (Gains)		(467.643)	(359.634)
- <i>Adjustments Related to Fair Value (Gains) / Losses of Financial Assets</i>	27	(467.643)	(359.634)
- Adjustments Related to Dividend Income	27	(3.415)	(4.717)
- Adjustments Related to Losses (Gains) on Sale of Fixed Assets	27	(13.840)	(542)
- Adjustments Related to Unrealized Foreign Currency Translation Differences		887.676	(8.657)
- Adjustments Related to Tax Income / Expense	30	2.958.220	5.195.683
- Adjustments Related to Monetary (Gains) / Losses		(633.233)	97.940
Changes in Working Capital		110.481	(792.629)
- Adjustments Related to Changes in Trade Receivables		214.185	(968.764)
- <i>Decrease (Increase) in Trade Receivables from Related Parties</i>		230.099	(243.341)
- <i>Decrease (Increase) in Trade Receivables from Third Parties</i>		(15.914)	(725.423)
- Adjustments Related to Changes in Other Receivables Related to Operations		(23.448)	(118.566)
- <i>Decrease (Increase) in Other Receivables Related to Operations from Related Parties</i>		(60.628)	(78.558)
- <i>Decrease (Increase) in Other Receivables Related to Operations from Third Parties</i>		37.180	(40.008)
- Adjustments Related to Increase in Inventories		117.653	(659.566)
- Adjustments Related to Increase (Decrease) in Other Assets Related to Operations		170.612	(178.402)
- Decrease / (Increase) in Prepaid Expenses		216.791	28.327
- Adjustments Related to Changes in Trade Payables		(497.559)	1.059.846
- <i>Increase (Decrease) in Trade Payables to Related Parties</i>		79.885	(634.259)
- <i>Increase (Decrease) in Trade Payables to Third Parties</i>		(577.444)	1.694.105
- Increase in Payables Related to Employee Benefits		12.379	6.862
- Adjustments Related to Increase / (Decrease) in Other Operating Payables		(40.572)	11.214
- <i>Increase (Decrease) in Other Operating Payables to Related Parties</i>		(146.369)	136.155
- <i>Increase (Decrease) in Other Operating Payables to Third Parties</i>		105.797	(124.941)
- Increase / (Decrease) in contract liabilities		(59.560)	26.420
Cash Flows from Operations		13.500.988	14.906.883
- Payments Related to Provisions for Employee Benefits	20	(552.011)	(535.203)
- Tax Payments	30	(2.669.987)	(2.000.355)
- Interest received	26	197.703	214.903
- Payments related to provisions	18	(265.674)	(413.420)

The accompanying notes are an integral part of the consolidated financial statements.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

		Audited	Audited
		Current Period	Prior Period
		January 1 – December 31, 2025	January 1 – December 31, 2024
	Notes		
B. CASH FLOWS FROM INVESTING ACTIVITIES		(4.018.308)	(11.129.446)
- Cash Inflows from the Sale of Tangible and Intangible Assets	12, 27	16.531	3.464
- Cash Outflows from Purchases of Tangible and Intangible Assets	10, 12, 13	(6.993.730)	(10.092.926)
- Decreases (Increases) from Financial Investments		1.932.605	(1.532.231)
- Cash Inflows from Sale of Fund Shares or Debt Instruments		299.057	208.913
- Interest received	27	723.814	278.617
- Dividend Income	27	3.415	4.717
C. CASH FLOWS FROM FINANCING ACTIVITIES		1.064.333	(6.542)
- Cash Inflows from Borrowings		3.488.857	1.643.569
- <i>Cash Inflows from Loans</i>	17	3.488.857	1.643.569
- Cash Outflows Related to Debt Payments		(62.500)	(3.592.189)
- <i>Cash Outflows Related to Loan Repayments</i>	17	(62.500)	(3.592.189)
- Interest Paid	17	(111.681)	(214.042)
- Interest Received		2.747.405	2.992.735
Cash Outflows from Payments for Lease Liabilities		(163.140)	(836.615)
- Dividends Paid		(4.834.608)	-
D. NET INCREASE IN CASH AND CASH EQUIVALENT BEFORE CURRENCY TRANSLATION DIFFERENCE		7.257.044	1.036.820
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		703.052	243.417
Monetary gain loss effect on cash and cash equivalents		(2.387.275)	(2.924.304)
E. NET INCREASE IN CASH AND CASH EQUIVALENTS		5.572.821	(1.644.067)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	8.147.434	9.791.501
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	13.720.255	8.147.434

The accompanying notes are an integral part of the consolidated financial statements.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Established on November 25, 2015 as a subsidiary of the Ordu Yardımlaşma Kurumu ("OYAK"), OYAK Çimento A.Ş. ("OYAK Çimento") acquired OYAK's shares in Mardin Çimento Sanayii ve Ticaret A.Ş. ("Mardin Çimento") on December 3, 2015. OYAK is a "solidarity and pension fund" for members of the Turkish Armed Forces and is an institution subject to private law provisions, with a wide portfolio of subsidiaries operating in the industrial, financial, and service sectors.

In order to strengthen the OYAK Group's structure in the cement sector, the merger process involving the transfer of 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") into Mardin Çimento was completed in 2020. Following the merger, the title of Mardin Çimento was updated to OYAK Çimento Fabrikaları A.Ş. ("the Company").

In the following years, various mergers, acquisitions, and restructuring transactions were carried out within the structure of the Company and its subsidiaries (the "Group"). On December 31, 2020, one of the Company's subsidiaries, OYAK Beton San. ve Tic. A.Ş. ("OYAK Beton"), merged into the Company with all its assets and liabilities. On June 13, 2023, the title of the Company's parent, OYAK Çimento, was changed to OYAK Denizli Çimento Anonim Şirketi. On June 19, 2023, the merger of Denizli Çimento Sanayii Türk A.Ş., a subsidiary of OYAK Denizli Çimento A.Ş., into OYAK Denizli Çimento A.Ş. was registered using the "simplified merger" method. On December 28, 2023, the merger of OYAK Denizli Çimento A.Ş. into the Company with all its assets and liabilities was registered. As a result of the merger, Cimpör Global Holdings B.V. ("CGH"), the 100% shareholder of OYAK Denizli Çimento A.Ş., became the main shareholder of the Company with a 75,81% ownership interest.

Prior to the merger transaction dated December 28, 2023, a preliminary memorandum of understanding was signed on November 27, 2023 between OYAK and TCC Group Holdings ("TCC") regarding the negotiations for the transfer of 20% of the shares of the Company's parent, OYAK Denizli Çimento A.Ş., to TCC. Subsequently, on December 10, 2023, binding contracts were executed and the process of obtaining the required approvals from official authorities and institutions was initiated. Founded in 1946, TCC operates in cement, ready-mix concrete production, renewable energy, energy storage, high-efficiency batteries, and carbon black production, and has been listed on the Taiwan Stock Exchange since February 1962.

As a result of the share transfer transactions, CGH's 75,81% stake was transferred to TCC OYAK Amsterdam Holdings B.V., and following the mandatory tender offer process announced to the public on March 6, 2024, this rate increased to 80,05%. Considering the shareholding structure of TCC OYAK Amsterdam Holdings B.V. (60% TCC, 40% OYAK), the ultimate parent shareholder of the Company became TCC with a 48,03% stake, while the other shareholder became OYAK with a 32,02% stake.

In the following period, there were changes in the titles and fields of activity of the Company's subsidiaries. On October 24, 2024, the title of OYAK Çimento Enerji A.Ş. was changed to "T1C3 Teknoloji ve Yazılım Geliştirme A.Ş." and it was amended to operate as an R&D company. On July 18, 2025, the title of Adana Çimento Sanayi ve Ticaret Ltd was changed to "Northern Cyprus Cimpör Sanayi Ltd"; and on July 21, 2025, the title of Adana Çimento Free Port Ltd was changed to "Northern Cyprus Cimpör Free Port Trading Ltd."

On December 23, 2025, within the scope of restructuring the construction materials production and sales activities carried out within the Company — in order to strengthen group synergy, ensure market-oriented flexibility, and increase operational efficiency and commercial agility to support sustainable growth — a new company named "CIMPOR Yapı Malzemeleri A.Ş." was established as a wholly owned subsidiary of the Company.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP (cont'd)

The average number of employees employed within the Group during the period, by category, was 3.243 in total, consisting of 914 white-collar and 2.329 blue-collar employees. (As of December 31, 2024: a total of 2.890 employees, including 823 white-collar and 2.067 blue-collar employees.)

The Group's shares are traded on Borsa Istanbul ("BIST"). As of December 31, 2025, the publicly traded portion of the Company's shares is 19,95% (December 31, 2024: 19,95%) (Note 18).

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

The details of the Company's subsidiaries are as follows:

Subsidiaries	Operation Place	Sector	December 31,	December 31,
			2025	2024
			Shareholding rate (%)	Shareholding rate (%)
Northern Cyprus Cimpor Sanayi Ltd.	Cyprus	Sales of cement, clinker and ready mixed concrete	100,00	100,00
Northern Cyprus Cimpor Free Port Trading Ltd.	Cyprus	Sales of cement, clinker and ready mixed concrete	100,00	100,00
Cimpor Romania Terminal SRL	Romania	Sales of cement	100,00	100,00
Marmara Madencilik San. Tic. Ltd. Şti.	Türkiye	Mining	98,90	98,90
T1C3 Teknoloji ve Yazılım Geliştirme A.Ş.	Türkiye	Information technology	100,00	100,00
CIMPOR Yapı Malzemeleri A.Ş.	Türkiye	Manufacturing and trading of construction and building materials	100,00	-

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Approval of Consolidated Financial Statements

The consolidated financial statements have been approved by the Board of Directors and authorized for publication on February 27, 2026. The General Assembly has the authority to change the consolidated financial statements.

Declaration of Conformity to Turkish Financial Reporting Standards

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

The accompanying 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 June 13, 2013. The accompanying 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 consolidated financial statements are presented in accordance with "Announcement regarding with TFRS Taxonomy" which was published on July 3, 2024 by POA.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Measurement Principles

Consolidated financial statements are prepared on the basis of historical cost, except for the financial investments measured at fair value. In determining the historical cost, the fair value of the amount paid for the assets is generally taken as basis.

Functional and presentation currency

The financial statements of each entity of the Group are expressed in Turkish Lira, which is valid in the main economic environment in which they operate and is the functional currency of the Group and the presentation currency for consolidated financial statements.

Although the functional currency for Cimpor Romania Terminal SRL, one of the Group's subsidiaries, is the Romanian Leu ("RON") is based on the Group's functional currency. It was converted into TL, which is the presentation currency for consolidated financial statements, and included in the consolidated financial statements.

The changes in the foreign exchange rates as of the financial statement date and used for translation are as follows over the years:

	December 31, 2025	December 31, 2024
RON / TL year end	9,8123	7,3429
RON / TL average	8,8108	7,0941

Adjustment of consolidated financial reporting in hyperinflationary economy

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after December 31, 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared using the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in terms of the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of December 31, 2024, on the purchasing power basis as of December 31, 2025.

According to the decision numbered 81/1820 dated December 28, 2023, by the Capital Markets Board (CMB), issuers and capital market institutions subject to the Turkish Accounting/Financial Reporting Standards are required to apply the provisions of TAS 29 starting from the annual financial reports for the accounting periods ending as of December 31, 2023, in order to implement inflation accounting.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Adjustment of consolidated financial reporting in hyperinflationary economy (cont'd)

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") of Turkey published by the Turkish Statistical Institute ("TÜİK"). As of December 31, 2025, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Index (%)	Conversion factor
December 31, 2025	3.513,87	30,89	1,00000
December 31, 2024	2.684,55	44,38	1,30892
December 31, 2023	1.859,38	64,77	1,88981

The main components of the Group's adjustments for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in Turkish Lira (TL) are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed according to the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power on the balance sheet date. If the inflation-adjusted values of nonmonetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities, as well as equity items that are not expressed in terms of the current purchasing power at the balance sheet date, have been adjusted using the relevant correction coefficients.
- All income statement accounts, excluding income statement accounts that are counterparty to nonmonetary accounts of balance sheet, are restated based on the price correlations of the date they were initially reflected in the financial statements.

The effect of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(losses) account in the consolidated profit or loss statement.

Dividends

It was decided to distribute dividends amounting to TL 5.781.731 (TL 4.861.656 based on the purchasing power on the date distribution decision was made) from the profits of 2024 as a result of the Ordinary General Assembly held as of March 28, 2025.

Going Concern

The consolidated financial statements have been prepared on a going concern basis, under the assumption that the Group will benefit from its assets and fulfil its obligations in the next year and in the natural flow of its activities.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Subsidiaries

The subsidiaries' partnership interests are disclosed in Note 1.

Consolidated financial statements include the financial statements of businesses controlled by the Company and its subsidiaries. Control is ensured by the Company meeting the following conditions:

- has power over the investee company/asset,
- is exposed to or has the right to variable returns from the investee company/asset, and
- Ability to use its power in a way that can have an impact on returns.

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

In cases where the Company does not have a majority voting right over the invested company/asset, it has control over the invested company/asset, provided that it has sufficient voting rights to direct/manage the activities of the relevant investment on its own. The Company takes into account all relevant events and conditions in assessing whether a majority vote in the relevant investment is sufficient to provide control power, including the following factors:

- Comparing the voting rights held by the Company with the voting rights held by other shareholders;
- Potential voting rights held by the Company and other shareholders;
- Rights arising from other contractual agreements and
- Other events and conditions that may indicate whether the company has the current power to manage the relevant activities in situations where decisions need to be made (including votes made at general assembly meetings in previous periods).

Including a subsidiary within the scope of consolidation begins when the Company has control over the subsidiary and ends when it loses control. Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition until the date of disposal.

Each item of profit or loss and other comprehensive income belongs to the shareholders of the parent company and non-controlling interests. The total comprehensive income of the subsidiaries is transferred to the parent company shareholders and the non-controlling interests, even if the non-controlling interests result in a reverse balance. If necessary, adjustments have been made to the accounting policies in the financial statements of subsidiaries to ensure that they are the same as the accounting policies followed by the Group. All in-group assets and liabilities, equity, income and expenses and cash flows relating to transactions between Group companies are eliminated on consolidation.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Changes in the capital share of the Group's existing subsidiary

Changes in the Group's capital interest in its subsidiaries that do not result in a loss of control are accounted for as equity transactions. The book values of the Group's share and non-controlling interests are adjusted to reflect changes in subsidiary shares. The difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration received or paid is directly recognized as the Group's share in equity.

In case the Group loses control over a subsidiary, profit/loss after sale is calculated as the difference between (the sum of the sales price received and the fair values of the remaining share) and the previous book values of the assets (including goodwill) and liabilities of the subsidiary and the non-controlling interests. Amounts previously recognized and collected in equity regarding the subsidiary within other comprehensive income are recorded according to the accounting method to be used on the assumption that the Company has sold the relevant assets (for example, in accordance with the relevant TFRS standards, transferring them to profit/loss or transferring them directly to retained earnings). The fair value of the investment remaining after the sale of the subsidiary at the date of loss of control is used as fair value in the initial accounting determined the cost price is used within the scope of TFRS 9 "Financial Instruments: Recognition and Measurement Standard" or, where applicable, of the investment in an associate or a jointly controlled entity.

2.2 Changes and Errors in Accounting Policies and Estimates

Significant changes in accounting policies are applied retrospectively and previous period financial statements are restated. The Group has not made any changes in its accounting policies during the current year.

If changes in accounting estimates are related to only one period, they are applied prospectively in the current period in which the change is made; if they are related to future periods, they are applied prospectively both in the period in which the change is made and in future periods. There has been no significant change in the Group's accounting estimates during the current year. Significant accounting estimates and assumptions used in the preparation of consolidated financial statements are described in Note 3.25.

Identified material accounting errors are corrected retrospectively and previous period financial statements are rearranged. There is no material error detected by the Group in the current year.

2.3 Adoption of New and Revised Turkish Financial Reporting Standards

The accounting policies used in the preparation of consolidated financial statements for the accounting period ending December 31, 2025 have been applied consistently with those used in the previous year, except for the new and amended TFRS and TFRS interpretations valid as of January 1, 2025, summarized below. The effects on the Group's financial position and performance are explained in the relevant paragraphs.

i) The new standards, amendments and interpretations which are effective as of January 1, 2025 are as follows:

- Amendments to TAS 21 - Lack of exchangeability

The changes did not have a significant impact on the Group's financial position and performance.

(Convenience translation of consolidated financial statements originally issued in Turkish)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

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

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

ii) Standards issued but not yet effective and not early adopted

The new standards, interpretations and amendments that have been published as of the approval date of the consolidated financial statements but have not yet entered into force for the current reporting period and have not been implemented early by the Group are as follows. Unless otherwise stated, the Group will make the necessary changes that will affect the consolidated financial statements and footnotes after the new standards and interpretations enter into force.

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

The Group will wait until the final amendment to assess the impacts of the changes

- TFRS 17 - The new Standard for insurance contracts

- TFRS 19 – The new Standard for Subsidiaries without Public Accountability: Disclosures

The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments

- Annual Improvements to TFRSs – Volume 11

- Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity

- TFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

iii) 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 - Translation to a Hyperinflationary Presentation

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

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(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

The Group recognizes its financial assets in three classes: financial assets at amortized cost, financial assets at fair value reflected in profit or loss, and financial assets at fair value reflected in the other comprehensive income statement. Classification is made based on the business model and expected cash flows determined according to the purposes of utilizing financial assets. Management classifies financial assets on the date they are purchased.

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement and classification

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(a) Financial assets recognized at amortized cost

Financial assets where the management has adopted the business model of collecting contractual cash flows and the contractual terms include only principal and interest payments arising from the principal balance on certain dates, have fixed or determinate payments, are not traded in an active market and are not derivative instruments are classified as assets recognized at amortized cost. If their maturity is less than 12 months from the balance sheet date, they are classified as current assets, and if their maturity is longer than 12 months, they are classified as non-current assets. Financial assets recognized at amortized cost include "trade receivables" and "other receivables" items in the statement of financial position.

Trade and other receivables

The "simplified approach" is applied within the scope of the impairment calculations of trade and other receivables that are recognized at amortized cost in the financial statements and do not include a significant financing component (with a maturity of less than 1 year). With this approach, in cases where trade and other receivables are not impaired for certain reasons (except for realized impairment losses), loss provisions related to trade and other receivables are measured at an amount equal to "lifetime expected credit losses".

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OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

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(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.1 Financial instruments (cont'd)

Financial assets (cont'd)

Subsequent measurement and classification

(b) Financial assets measured at fair value through other comprehensive income

The Group measures a financial asset at fair value through other comprehensive income if both of the following conditions are met:

- holding the financial asset within the scope of a business model that aims to collect contractual cash flows and sell the financial asset,
- the contractual terms of the financial asset led to cash flows that include only principal and interest payments arising from the principal balance on certain dates.

In the initial recognition of an equity investment that is not held for trading purposes, the Group may make an irreversible choice to present subsequent changes in its fair value in other comprehensive income. This selection is made individually for each investment.

Subsequent measurement and classification

The following accounting policies apply to gains and losses arising from subsequent measurements:

Debt instruments measured at fair value through other comprehensive income	These assets are subsequently measured at fair value. Interest income, foreign currency gains and losses and impairment losses calculated using the effective interest method are recognized in profit or loss. Other gains and losses are recognized in other comprehensive income. When financial assets are derecognised, the total gains or losses previously recognized in other comprehensive income are reclassified to profit or loss.
Equity instruments at fair value through other comprehensive income	These assets are subsequently measured at fair value. Dividends are recognized in profit or loss unless they are clearly a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are not reclassified to profit or loss.

(c) Financial assets at fair value through profit or loss

All financial assets that are not measured at amortized cost or at fair value through other comprehensive income as explained above are measured at fair value through profit or loss.

This category includes derivative instruments and listed equity investments that the Group has not irreversibly elected to classify as financial assets measured at fair value through other comprehensive income. Dividends from investments are recognized as other income in the statement of profit or loss when the right to payment is established.

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AT DECEMBER 31, 2025

(Amounts are expressed in thousand of Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2025, unless otherwise indicated.)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.1 Financial instruments (cont'd)

Financial assets (cont'd)

Derecognition of financial assets

Financial assets (or, where applicable, part of a financial asset or part of a group of similar financial assets) are derecognized in the following situations. Mentioned situations are:

- Expiration of contractual rights regarding cash flows arising from the financial asset, or,
- The Group has transferred its contractual rights to receive cash flows from the asset, or retains the contractual rights to receive the cash flows of the financial asset but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When transferring a financial asset, the Group evaluates to what extent it will continue to retain the risks and returns arising from the ownership of this financial asset. If the Group transfers the right to receive cash flows from the asset but does not transfer all risks or benefits or does not transfer control over it, the asset is carried in the consolidated financial statements to the extent of the Group's ongoing relationship with the asset.

Impairment

The Group allocates a provision for expected credit losses (ECLs) for all debt instruments whose fair value is not reflected in profit or loss.

ECLs are recorded in two stages.

- 12-month ECLs: At the reporting date, if there has not been a significant increase in the credit risk of a financial instrument since its initial recognition in the financial statements, the Group measures the allowance for the financial instrument in question at an amount equal to the 12-month expected credit losses,
- Lifetime ECLs: If the credit risk on a financial instrument has increased significantly since its initial recognition in the financial statements, at each reporting date, the Group measures the credit risk on that financial instrument at an amount equal to the lifetime expected credit losses.

For trade receivables and other receivables, the Group applies a simplified approach in calculating ECLs. In addition, it recognizes a provision based on lifetime ECLs at each reporting date. Expected credit losses are calculated through a matrix based on actual credit loss experiences in the past years, also taking into account future forecasts.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.1 Financial instruments (cont'd)

Financial Liabilities

The Group's non-derivative financial liabilities consist of "borrowings", "trade payables" and "other payables" items in the statement of financial position.

i. Borrowings

Loans are first recorded at fair value, after deducting any transaction costs incurred. Borrowings are subsequently measured at amortized cost. The difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the borrowing period using the effective interest method. Fees paid to establish credit facilities are recognized as transaction costs of the loan if it is probable that some or all of the loan will be retired. In this case, the fee is postponed until the draw takes place. If there is no evidence that part or all of the loan will be retired, the fee is capitalized as a down payment for liquidity services and amortized over the term of the applicable loan.

Liabilities are removed from the financial statements in the balance sheet when the obligation specified in the contract is fulfilled, cancelled or expired.

ii. Trade and other payables

Trade and other payables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the debts arising from these liabilities are eliminated, cancelled or expired. An exchange of debt instruments with significantly different terms between an existing debtor and creditor or a significant change in the terms of an existing financial liability indicates that the old financial liability has been eliminated and a new financial liability must be recognized in the financial statements.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.2 Related Parties

Related parties are individuals or businesses that are related to the entity that prepares its financial statements (reporting entity).

- a) A person or a close member of that person's family is considered to be related to the reporting entity if:
- (i) has control or joint control over the reporting entity,
 - (ii) has a significant impact on the reporting entity,
 - (iii) is a member of the key management personnel of the reporting entity or a parent of the reporting entity.
- (b) An entity is considered related to a reporting entity if any of the following conditions are present:
- (i) The entity and the reporting entity are members of the same group (that is, each parent, subsidiary and other subsidiary is related to the others).
 - (ii) The entity is a subsidiary or joint venture of the other entity (or a member of a group of which the other entity is a member).
 - (iii) If both businesses are joint ventures of the same third party.
 - (iv) If one of the entities is a joint venture of a third entity and the other entity is a subsidiary of that third entity.
 - (v) The entity has post-employment benefit plans for employees of the reporting entity or an entity related to the reporting entity.

If the reporting entity itself has such a plan, sponsoring employers are also associated with the reporting entity.

- (vi) If the entity is controlled or jointly controlled by a person identified in (a).
- (vii) a person identified in subparagraph (i) of (a) has significant influence over the entity or is a member of the key management personnel of that entity (or its parent).

A related party transaction is the transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a fee is charged.

3.3 Revenue recognition

The Group recognizes revenue in its consolidated financial statements within the scope of the five-stage model below, in line with TFRS 15 "Revenue from Customer Contracts Standard".

- Defining contracts with customers
- Defining performance obligations in contracts
- Determining the transaction price in contracts
- Distribution of the transaction price to performance obligations
- Revenue recognition

The Group evaluates the cement, clinker and aggregate amounts it undertakes in each contract made with customers and determines each commitment it makes to transfer the goods or services in question as a separate performance obligation. The group fulfils its performance obligations at a certain time by transferring the goods or services. When the Group fulfils its performance obligation by transferring a promised good or service to its customer, it records the transaction price corresponding to this performance obligation as revenue in its consolidated financial statements. When control of goods or services passes (or passes) to customers, the goods or services are transferred.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.3 Revenue recognition (cont'd)

The Group takes into account the following criteria when evaluating the transfer of control of the goods or services sold to the customer:

- the Group's ownership of the right to collect receivables regarding the goods or services,
- the customer has legal ownership of the goods or services,
- transfer of possession of goods or services,
- the customer's ownership of significant risks and rewards arising from ownership of the goods or services,
- customer's acceptance of goods or services

Rental Income

Rental income is reflected in the consolidated financial statements when earned monthly.

Dividend

Dividend income from share investments is recorded when the shareholders' right to receive dividends arises (as long as the Group will receive economic benefits and it is possible to measure the income reliably).

3.4 Inventories

Inventories are valued at the lower of cost or net realizable value. Costs, including a portion of fixed and variable general production expenses, are valued according to the weighted average cost method of raw materials, semi-finished products, finished goods, commodity stocks and spare parts, according to the method appropriate to the class to which the inventory belongs. Net realizable value is obtained by deducting the estimated cost of completion and the estimated costs that must be incurred to realize the sale from the estimated sales price in ordinary commercial activity. When the net realizable value of inventories falls below their cost, the inventories are reduced to their net realizable value and reflected as an expense in the statement of profit or loss and other comprehensive income in the year in which the impairment occurs. In cases where the conditions that previously caused stocks to be reduced to net realizable value no longer apply or an increase in net realizable value is proven due to changing economic conditions, the impairment provision is cancelled. The cancelled amount is limited to the previously allocated impairment amount.

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3 SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.5 Business Combinations

A business combination is a transaction or event in which an acquirer obtains control of one or more businesses.

Business combinations carried out by the Group have been accounted for using the acquisition method in accordance with IFRS 3 "Business Combinations." In this method, the consideration transferred includes the fair value of assets given at the date of acquisition, capital instruments issued, and liabilities assumed or incurred at the date of transition. If the business combination agreement contains provisions stipulating that the cost can be adjusted depending on future events; contingent considerations are also included in the consideration transferred at the date of merger, provided that the adjustment is probable and its value can be reliably measured. Contingent considerations arising from business combinations are measured at their fair value in the consolidated financial statements. Any excess of the cost of acquisition over the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill in the consolidated financial statements.

Goodwill recognized in business combinations is tested for impairment annually (as of December 31) or more frequently if events or changes in circumstances indicate impairment, instead of amortization (Note 15). Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of impairment testing. Any excess of the Group's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the business combination is accounted for as income in the related period.

Goodwill is not included in the financial statements due to the recognition of business combinations subject to joint control by pooling of interest. When applying the method of merging rights, the financial statements should be corrected and presented comparatively as of the beginning of the reporting period when the joint control occurred, as if the combination began from the beginning of that period. As it is appropriate to consider in the sense of the parent in the presentation of the business combinations subject to joint control in the financial statements, on and after the date of the acquisition of control by the entity having control of the group in the consolidation process over the entities under common control, the financial statements are restated as if that is done according to TFRS, in accordance with the provisions of TFRS including combination accounting. "The Effects of Business Combinations Under Common Control" account is used as an equalizing account under shareholders' equity in order to eliminate the possible asset - liability mismatch resulting from business combination subject to common control.

3.6 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

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3 SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.6 Goodwill (cont'd)

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.7 Borrowing Costs

For qualifying assets that require a considerable amount of time to be ready for use and sale (assets that require a longer period of time to be ready for use and sale as intended), borrowing costs that can be directly related to the acquisition, construction or production of the related asset, it is capitalized as an element of cost until it is ready for sale. Borrowing costs that are not included in this scope are expensed as incurred.

3.8 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits and other short-term investments with high liquidity and a maturity of 3 months or less than 3 months from the date of purchase which can be immediately converted to cash and do not have a significant risk of value change.

3.9 Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Lands held for use in the production or supply of goods or services, or for administrative purposes, are not subject to depreciation and stated by the fair value at the date of acquisition less any subsequent accumulated impairment losses.

Assets in the construction phase for administrative purposes or for other purposes that are not specified yet, are carried at cost, less any impairment. Legal fees are also included in the cost. In the case of assets that require significant time to be ready for use and sale, borrowing costs are capitalized. When these assets are completed and ready for use, they are classified in the related tangible fixed assets item. Such assets are depreciated when they are ready to use, as in the depreciation method used for other fixed assets.

The cost of property, plant and equipment except land and construction in progress are depreciated on a straight-line basis over their estimated useful lives disclosed below. Expected useful life, residual value and depreciation method are reviewed every year for the possible effects of the changes occurring in the estimates and are accounted for prospectively if there is a change in the estimates.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.9 Property, Plant and Equipment (cont'd)

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Leasehold improvements are depreciated over their expected useful lives on the same basis as owned assets or lease terms if less than useful lives.

Depreciation periods of property, plant and equipment are as follows:

	<u>Useful Life</u>
Land improvements	1-50 Years
Buildings	6-50 Years
Plant, machinery and equipment	2-40 Years
Vehicles	2-10 Years
Furniture and Fixtures	3-20 Years
Leasehold improvements	2-50 Years

3.10 Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at the beginning of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.10 Leases (cont'd)

The Group as lessee (cont'd)

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under TAS 37. The costs are included in the related right-of-use asset unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and included in 'other expenses' in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

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3. SIGNIFICANT ACCOUNTING POLICIES (*cont'd*)

3.10 Leases (*cont'd*)

The Group as Lessor

The Group enters into lease agreements as a lessor for some of its investment properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income from operating leases is accounted for on a straight-line basis during the relevant lease period. The direct initial costs incurred in the realization and negotiation of the operating lease are included in the cost of the leased asset and amortized over the lease term using the straight-line method.

Leases - the Group as lessor

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net outstanding investment in respect of the leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Leases - the Group as lessee

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the beginning of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

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3. SIGNIFICANT ACCOUNTING POLICIES (*cont'd*)

3.11 Discontinued operations and asset groups held for sale and related liabilities

A discontinued operation refers to the geographical portion of a business's main business line/operations that is planned to be disposed of or held for sale within the framework of a coordinated plan.

Details of the net profit or loss and net profit or loss of discontinued operations stated in the financial statements during the disposal of the assets or asset groups that constitute the discontinued operations are disclosed in the footnotes. In addition, net cash flows associated with operating, investing and financing activities of discontinued operations are stated in the relevant footnote.

Non-current asset groups are classified as non-current asset groups held for sale in cases where they will be recovered as a result of sales rather than through use. Liabilities directly associated with these assets are grouped accordingly.

Non-current assets or asset groups that meet the criteria for classification as held for sale are measured at the lower of their fair value, less sales costs, and their carrying value. No depreciation is allocated on these assets.

3.12 Intangible Assets

Intangible assets acquired

Intangible assets comprise acquired rights, computer software and rehabilitation assets reserved for mines are reflected in the consolidated financial statements with their accumulated amortization and net value after deducting the impairment, if any. Mining assets are amortized with the commencement of production, other assets according to their expected useful lives using the straight-line depreciation and production amount method. The estimated useful life and amortization method are reviewed at the end of each annual reporting period and the changes in the estimates are accounted for on a prospective basis.

The useful lives of intangible assets are as follows.

	<u>Economic Life</u>
Other rights/mining license rights	2 - 20 Years
Licenses	3 - 15 Years
Computer software	3 Years
Other intangible assets	2 – 20 Years

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives.

Mining license rights

Mining license rights; It consists of costs related to the purchase of mining sites. Mining license rights are stated in the financial statements with their net book value based on their acquisition costs, deducting accumulated depreciation and permanent impairment, if any. Depreciation expenses of mining license rights are associated with the production cost on the basis of the relevant mining areas. Depreciation expenses of mining license rights are amortized throughout the license period on the basis of the relevant mining areas.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.12 Intangible Assets (cont'd)

Mining assets

Mining assets; consist of reduced costs such as mine site reclamation, rehabilitation and closure of the area. Mining assets are reflected with net book value in financial statements over the cost of acquisition after eliminated the accumulated depreciation and impairment losses. Mining assets are started to be amortized with the start of production. Depreciation expense of mining assets in some of the relevant mining sites is associated with the production cost.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Profit or loss arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

3.13 Impairment of Non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest of cash-generating units for identifying a reasonable and consistent allocation basis.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.14 Segment Reporting of Financial Information

The Group has two operating segments, cement and ready-mixed concrete, which contains information used by the management to evaluate their performance and decide on resource allocation (Note 4).

3.15 Effects of exchange differences

Foreign Currency Transactions and Balances

The results and financial position of the Group are expressed in TL, which is the functional currency of the Company, and the presentation currency for the financial statements.

In preparing the financial statements of the Group, transactions in currencies other than functional currency (foreign currencies other than TL) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated to Turkish Lira at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated to Turkish Lira at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered, in order to hedge certain foreign currency risks (see below for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

3.16 Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.17 Government Grants and Incentives

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. The government incentives as a financial instrument, should be associated with the balance sheet as unearned income rather than being recognized in profit or loss in order to clarify the expense item financed and should be systematically reflected in profit or loss during the economic life of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

Government grants that enable the payment of the reduced corporate tax with a discount are assessed in accordance with TAS 12 Income Taxes; and deferred tax asset is recognized on condition that it is probable to benefit from the tax advantage of making taxable profit in the future over the tax advantage amount for which is entitled.

3.18 Taxation

Tax expense includes current tax expense and deferred tax expense. Tax is included in the statement of profit or loss provided that it does not relate directly to a transaction recognized in equity. Otherwise, the tax is accounted under equity along with the relevant transaction.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases which are used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Provided that they are subject to the tax legislation of the same country and there is a legally enforceable right to offset current tax assets from current tax liabilities, deferred tax assets and liabilities are mutually offset from each other.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.18 Taxation (cont'd)

Deferred tax (cont'd)

If deferred tax is related to transactions directly associated with equity capital in the same or a different period, it is directly associated with the equity account group.

The Company recognizes a deferred tax asset for all deductible temporary differences arising from its interests in subsidiaries, if and only if both situations are probable:

- Temporary differences will reverse within the foreseeable future and
- There will be sufficient taxable income to use temporary differences.

The Company recognizes a deferred tax liability for all taxable temporary differences relating to its interests in subsidiaries, except where both of the following conditions are met:

- As the parent company, the company can control the reversal times of temporary differences
- Most likely the temporary difference will not reverse in the foreseeable future.

Government incentives that enable reduced corporate tax payment are evaluated within the scope of TAS 12 Income Taxes standard; A deferred tax asset is recognized over the amount of the tax advantage, provided that it is highly probable to benefit from this advantage by obtaining taxable profit in the future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized on the basis of all temporary differences and unused tax losses if it is probable that sufficient profits will be available to allow deductible temporary differences and unused tax losses in the future. In each balance sheet period, the Group reviews deferred tax assets and recognizes them by taking into account the possibility that they may be deducted in the future.

Current and deferred tax for the period

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in directly in equity, in which case, the current and deferred tax are recognized in other comprehensive income. Current taxes and deferred taxes arising from the initial recognition of business combinations are recognized in the income statement as an expense or income.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.19 Investment Properties

Investment properties are properties held for the purpose of rental income and/or capital appreciation and are shown at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of replacing any part of the existing investment property is included in the amount on the balance sheet if it meets the accepted criteria. The amount in question does not include daily maintenance on investment properties. The straight-line method is used in the depreciation of investment properties. The depreciation period for investment properties is 10 - 50 years.

Investment properties are derecognized if they are sold or become unusable and it is determined that no future economic benefit will be obtained from their sale. Profit/loss arising from the derecognition or sale of investment real estate is included in the statement of profit or loss and other comprehensive income in the period in which it occurs.

3.20 Capital and Dividends

Common shares are classified as equity. Dividends distributed on common shares are recorded as deducted from accumulated profit in the period in which they are declared.

3.21 Earnings Per Share

Earnings per share stated in the statement of profit or loss and other comprehensive income are calculated by dividing the net profit by the weighted average number of shares outstanding during the year.

In Turkey, companies can increase their capital by distributing "bonus shares" to their shareholders from retained earnings. Such "bonus share" distributions are treated as issued shares in earnings per share calculations. Accordingly, the weighted average number of shares used in these calculations was found by taking into account the retrospective effects of the stock distributions in question.

3.22 Events After The Reporting Period

Events after the reporting period; It covers all events between the balance sheet date and the date of authorization for publication of the balance sheet, even if they occurred after any announcement regarding the profit or other selected financial information has been disclosed to the public.

If events requiring adjustment occur after the balance sheet date, the Group adjusts the amounts included in the financial statements in accordance with this new situation.

3.23 Employee Benefits

Provision for employment termination benefits

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company. Such payments are considered as being part of defined retirement benefit plan as per revised TAS 19 Employee Benefits ("TAS 19").

The employment termination benefit recognized in the balance sheet was calculated according to the net present value of the liability amounts expected to arise in the future due to the retirement of all employees and reflected in the financial statements. All calculated actuarial gains and losses are accounted for under other comprehensive income.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.23 Employee Benefits (cont'd)

Provision for senior labour incentive premium

The Group has a benefit under the name of "seniority incentive premium" paid to its employees with a certain seniority. The seniority incentive premium provision accrued in the financial statements represents the discounted value of the estimated total provision of possible future liabilities to the present time.

The Group used actuarial valuation methods for the calculation of the provision for severance incentive premium in the financial statements.

Defined benefit plans

The Group has to pay contributions to the Social Security Institution on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. These contributions are recognised as an employee benefit expense when they are accrued.

Unused vacation rights

The Group is obliged to pay the number of days with the number of days but not with the number of days that have been paid but not used in case of termination of the employees, by multiplying the total daily gross wage and other contractual benefits. In this context, the Group recognizes the unused vacation days provision for employee benefits. The Group's expectation is that it will not be possible to fulfil all of the unused vacation days in twelve months following the annual reporting period, hence such provision provisions are classified in the long term provisions for employee benefits.

3.24 Provision for rehabilitation

The Group records the present value of the estimated costs of legal and constructive obligations required to restore mines in the period when the liability occurred. These restoration activities include the closure and restoration of mine areas, and the improvement and afforestation of the affected areas.

Obligation usually occurs when the asset is installed or the place / environment in the production area is adversely affected. When the liability is initially recognized, the present value of the estimated costs is capitalized on the net book value of the respective mining assets. The liability that is discounted over time is increased by the change in the present value, which reflects the market assessments and the risks specific to the liability in the current period.

Changes in additional deterioration or rehabilitation costs are reflected to the related asset and rehabilitation obligations as incurred or incurred.

3.25 Significant Accounting Judgements, Estimates and Assumptions

The Group makes estimates and assumptions while preparing consolidated financial statements in accordance with TFRS in the process of applying the accounting policies specified in Note 3. Accounting estimates rarely produce exactly the same results as actual events. Estimates and assumptions that may cause significant adjustments to the carrying value of assets and liabilities in the next financial reporting period are stated below.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.25 Significant Accounting Judgements, Estimates and Assumptions (cont'd)

Critical decisions taken by the Group in implementing its accounting policies

Impairment on goodwill

In accordance with the accounting policy stated in Note 3.6, the Group reviews these amounts for impairment annually, or more frequently if there are indications that impairment may exist. Recoverable amounts of cash-generating units require management estimates to determine their value at use or cost-of-sale reduced fair value included in fair value calculations. These estimates include assumptions about profitability, turnover growth, investment spending. The difference between realizations and actual results may affect recoverable value.

Expected loss allowance for doubtful receivables

When measuring expected loss allowances on trade receivables, the Group uses reasonable and supportable forecasts based on assumptions about different future economic conditions and how these conditions will affect each other. While the provision is calculated to cover future losses for receivables that have a risk of not being collected within the framework of current economic conditions as of the balance sheet date, the provision amount is calculated by making an estimate of the loss that will occur in case of default for receivables that are not impaired as of the balance sheet date, in line with future expectations. The provisions recorded by the Group management for the risk of non-collection of trade receivables as of the relevant balance sheet date are explained in Note 7.

Provision for legal cases

While making the provision for legal cases, the probability of losing the relevant lawsuits and the consequences to be incurred in case of loss are evaluated in line with the opinions of the Group's lawyers and the Group Management makes the best estimates using the available data and is reflected in the consolidated financial statements by estimating the required provision (Note 18).

Useful lives of property, plant and equipment, intangible assets and investment properties

Group management makes significant assumptions in determining the useful lives of property, plant and equipment, intangible assets in accordance with technical team's experience. (Note 11, 12 and 13).

Right-of-use assets

For the right-of-use assets and lease liabilities recognized under TFRS 16 Leases, the Group uses the incremental borrowing rate specific to the relevant lease transactions as the discount rate in calculating the present value of lease liabilities. In determining the incremental borrowing rate, the credit interest rates announced by the Central Bank of the Republic of Turkey are taken as the basis.

Employee benefits

The Group makes various assumptions in the calculation of employment termination and retirement benefits and provision for seniority incentive premium such as discount rate, inflation rate, real salary increase rate, and the possibility of turnover. The assumptions used in the calculation of the liability are given in Note 20 in detail. The Group also calculates the provision for performance bonuses payable to employees based on the performance results achieved as of the reporting date and the targets expected to be attained by year-end.

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.25 Significant Accounting Judgements, Estimates and Assumptions (cont'd)

Provision for rehabilitation

The Group recognized the present value of the estimated costs of legal obligations required to restore mines in the period in which the obligation occurred. Due to the large number of factors that may affect the final liability to be paid, important estimates and assumptions are made in determining the rehabilitation provision. These factors include estimates of the scope and cost of rehabilitation activities, technological changes, changes in regulations, cost increases in proportion to inflation rates and changes in discount rates. These uncertainties may cause future expenditures to differ from those estimated today.

Provision for land occupation

It includes the management estimate regarding the payments that have to be paid to the state or individuals as a result of the use of privately owned areas under the control of the state.

Provision for impairment on inventories

Regarding inventory impairment provision, physical conditions of inventories are analysed, and their disposability is determined upon the opinion of the technical personnel. In the determination of net realizable value of inventories, data regarding the standard selling price and presumptions are made regarding the possible sale expenses. Based on these analyses, provision is booked for obsolete inventories and for inventories the net realizable value of which is below their cost values.

Deferred Tax

Deferred tax assets represent receivables related to deductible temporary differences, unused financial losses transferred to future periods and unused tax incentives transferred to future periods.

Deferred tax assets are not calculated for (continuous) amounts that are not available for deduction in terms of tax legislation.

The Group recorded its deferred tax asset as of December 31, 2025, since it is highly probable that sufficient profit will arise that will result in tax liability that will be netted off in the following periods.

3.26 Comparative Information and Restatement of Prior Period Consolidated Financial Statements

The current period consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in financial position and performance.

Comparative information is reclassified or restated when deemed necessary or required by a standard to ensure compliance with the presentation of the current period financial statements. Thus, comparative information provides a more accurate representation of events or transactions.

In order to ensure consistency with the current period presentation in the consolidated financial statements of the prior period, the following classifications have been made.

- As of December 31, 2024, the mine rehabilitation provision of TL 132.999, which is included in the adjustments related to reconciliation of net profit for the period in the cash flow statement, has been classified under cash flows from investing activities.

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4. 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 and ready-mixed concrete activities as of years ended at December 31, 2025 and December 31, 2024.

a) Statement of Profit or Loss by Segments

January 1 - December 31, 2025	Ready-mixed Concrete	Cement	Total
PROFIT OR LOSS			
Revenue	20.755.765	35.746.836	56.502.601
Cost of Sales (-)	(19.963.419)	(21.455.100)	(41.418.519)
GROSS PROFIT	792.346	14.291.736	15.084.082
General Administrative Expenses (-)	(280.915)	(3.065.435)	(3.346.350)
Marketing Expenses (-)	(75.401)	(318.688)	(394.089)
Research and Development Expenses (-)	(181.813)	(10.215)	(192.028)
Other Income from Operating Activities	106.249	1.204.991	1.311.240
Other Expenses from Operating Activities (-)	(41.951)	(1.072.908)	(1.114.859)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	318.515	11.029.481	11.347.996
January 1 - December 31, 2024	Ready-mixed Concrete	Cement	Total
PROFIT OR LOSS			
Revenue	19.565.148	38.591.042	58.156.190
Cost of Sales (-)	(18.314.208)	(23.307.545)	(41.621.753)
GROSS PROFIT	1.250.940	15.283.497	16.534.437
General Administrative Expenses (-)	(246.806)	(2.437.343)	(2.684.149)
Marketing Expenses (-)	(86.421)	(334.851)	(421.272)
Research and Development Expenses (-)	(172.629)	(11.812)	(184.441)
Other Income from Operating Activities	317.645	1.665.362	1.983.007
Other Expenses from Operating Activities (-)	(60.575)	(906.534)	(967.109)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	1.002.154	13.258.319	14.260.473

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4. SEGMENT REPORTING (cont'd)

b) Assets and Liabilities According to Segments

December 31, 2025	Ready-mixed Concrete	Cement	Undistributed	Total
Assets and liabilities				
Inventories	442.137	7.725.535	-	8.167.672
Property, plant and equipment	4.026.317	31.435.031	-	35.461.348
Intangible assets	16.328	7.518.011	-	7.534.339
Undistributed assets	-	-	29.133.926	29.133.926
Total assets	4.484.782	46.678.577	29.133.926	80.297.285
Undistributed liabilities	-	-	17.345.078	17.345.078
Total liabilities	-	-	17.345.078	17.345.078
December 31, 2024				
Assets and liabilities				
Inventories	423.855	7.967.936	-	8.391.791
Property, plant and equipment	4.029.465	26.397.749	-	30.427.214
Intangible assets	15.706	7.274.089	-	7.289.795
Undistributed assets	-	-	27.762.001	27.762.001
Total assets	4.469.026	41.639.774	27.762.001	73.870.801
Undistributed liabilities	-	-	14.155.976	14.155.976
Total liabilities	-	-	14.155.976	14.155.976

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5. CASH AND CASH EQUIVALENTS

	December 31, 2025	December 31, 2024
Bank	13.183.358	8.243.412
<i>Demand deposits</i>	47.035	77.086
<i>Time deposits with a maturity of less than three months</i>	13.136.323	8.166.326
Other cash and cash equivalents (*)	636.306	71.255
Cash and cash equivalents on the financial statement	13.819.664	8.314.667
Less: Interest accruals	(99.409)	(167.233)
Cash and cash equivalents in the statement of cash flows	13.720.255	8.147.434

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

Detailed information on time deposits as of December 31, 2025 and December 31, 2024 is as follows:

Currency	Maturity	Foreign currency amount	Gross interest rate (%)	December 31, 2025
TL	Feb 2026	9.770.408	33,00%-40,80%	9.770.408
USD	Jan 2026	26.511	2,25%-3,75%	1.135.874
EURO	Jan 2026	39.890	2,00%-2,80%	2.005.909
RON	Jan 2026	22.842	4,68%-6,60%	224.132
				13.136.323

Currency	Maturity	Foreign currency amount	Gross interest rate (%)	December 31, 2024
TL	Feb 2025	7.236.881	40,00%-50,25%	7.236.881
USD	Jan 2025	15.315	2,50%-3,50%	707.250
EURO	Jan 2025	2.063	1,50%	99.190
RON	Jan 2025	12.798	4,49%	123.005
				8.166.326

6. RELATED PARTY DISCLOSURES

Salaries and other benefits for key management personnel

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

	January 1– December 31, 2025	January 1– December 31, 2024
Salaries and other short-term benefits	489.388	203.047
	489.388	203.047

The Group conducts various transactions with related parties during its operations. The balances of related parties as of December 31, 2025 and December 31, 2024, as well as the transaction amounts and balances with these parties for the years ending on those dates, are outlined in the following pages.

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6. RELATED PARTY DISCLOSURES (cont'd)

	December 31, 2025			
	Receivables		Payables	
	Short term		Short term	
Balances with related parties	Trade	Non-trade	Trade	Non-trade
Cimpor Cote D'Ivoire SARL	160.304	74.543	-	-
Cimpor Cameroun SA	125.213	66.272	-	-
Cimpor France SAS	55.656	-	-	-
İskenderun Demir ve Çelik A.Ş.	54.022	-	-	-
OYAK İnşaat A.Ş.	33.254	-	-	-
Cimpor UK Limited	14.178	-	-	-
Cimpor Ghana	14.093	13.150	-	-
Cimpor - Industria de Cimentos	4.658	-	-	-
Cimpor Cabo Verde S.A.	2.998	-	-	-
Cimpor Global Holdings BV	2.559	19	-	1.715.959
Betao Liz, S.A.	2.182	-	-	-
Cimentaçor - Cimentos dos Açores Lda	492	-	-	-
Cimpor Portugal Holdings SGPS S.A.	316	-	-	-
Cimpor Energy	156	-	-	-
TCC OYAK Amsterdam Holding BV	83	-	-	-
OYAK Selülöz ve Kağıt Fabrikaları A.Ş.	29	-	-	-
Agrepor Agregados	16	-	-	-
Erdemir Çelik Servis Merkezi San. Tic. A.Ş.	1	-	-	-
Cimpor-Serviços S.A.	-	44.129	219.041	-
Cimpor Cote D'Ivoire	-	283	-	-
Güzel Enerji Akaryakıt A.Ş.	-	42	8.052	-
Oytaş İç ve Dış Ticaret A.Ş.	-	25	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	160.167	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	147.921	-
Kümaş Manyezit Sanayi A.Ş.	-	-	85.240	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	39.586	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	35.010	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	30.711	-
Cimpor-Industria De Cimentos S.A.	-	-	19.648	-
Omsan Lojistik A.Ş.	-	-	16.561	-
Omsan Denizcilik A.Ş.	-	-	13.418	-
İskenderun Enerji Üretim ve Tic.A.Ş.	-	-	7.794	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	4.905	-
Miilux Yüksek Mukavemetli Çelik Üretim A.Ş.	-	-	554	-
Ordu Yardımlaşma Kurumu (OYAK)	-	-	484	-
OYAK Otomotiv Enerji ve Lojistik Holding	-	-	387	-
OYAK Yatırım Menkul Değerler A.Ş.	-	-	207	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	-	-	188	-
Likitgaz Dağıtım ve Endüstri A.Ş.	-	-	105	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	6	-
Other	-	-	-	1.030
	470.210	198.463	789.985	1.716.989

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6. RELATED PARTY DISCLOSURES (cont'd)

	December 31, 2024			
	Receivables		Payables	
	Short term		Short term	
Balances with related parties	Trade	Non-trade	Trade	Non-trade
OYAK İnşaat A.Ş.	335.974	-	-	-
Cimpor Cote D'Ivoire	132.215	57.849	-	-
İskenderun Demir ve Çelik A.Ş.	101.931	-	-	-
Cimpor Cameroun SA	89.639	46.788	-	-
Cimpor - Industria de Cimentos	24.585	-	77.637	-
Cimpor-Serviços S.A.	11.385	-	-	-
Betao Liz, S.A.	2.086	-	-	-
Cimpor Ghana	1.731	7.286	-	-
Cimentaçor - Cimentos dos Açores Lda	269	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	214	-	-	-
Cimpor Global Holdings BV	161	-	-	1.627.220
TCC OYAK Amsterdam Holding BV	80	-	-	-
OYAK Selülöz ve Kağıt Fabrikaları A.Ş.	38	-	-	-
Erdemir Çelik Servis Merkezi San. Tic. A.Ş.	1	-	-	-
Cimpor Portugal Holdings SGPS S.A.	-	25.879	-	146.051
Oytaş İç ve Dış Ticaret A.Ş.	-	33	-	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	156.968	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	89.402	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	85.036	-
Kümaş Manyezit Sanayi A.Ş.	-	-	84.084	-
Omsan Denizcilik A.Ş.	-	-	71.183	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	58.066	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	31.844	-
OYAK Otomotiv Enerji ve Lojistik Holding	-	-	20.686	-
Güzel Enerji Akaryakıt A.Ş.	-	-	10.182	-
OYPOWER Elektrik Ticareti ve Hizm. A.Ş.	-	-	9.569	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	7.525	-
İskenderun Enerji Üretim ve Tic.A.Ş.	-	-	2.746	-
Yenilikçi Yapı Malzemeleri Yat. Üretim San. Tic. A.Ş.	-	-	1.580	-
Ordu Yardımlaşma Kurumu (OYAK)	-	-	1.356	-
ATAER Holding A.Ş.	-	-	907	-
Omsan Lojistik A.Ş.	-	-	414	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	293	-
OYAK Grup Sigorta ve Reasurans Brokerliği A.Ş.	-	-	210	-
OYAK Yatırım Menkul Değerler A.Ş.	-	-	209	-
Likitgaz Dağıtım ve Endüstri A.Ş.	-	-	199	-
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	4	-
Other	-	-	-	1.349
	700.309	137.835	710.100	1.774.620

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6. RELATED PARTY DISCLOSURES (cont'd)

Transactions with related parties	January 1 – December 31, 2025							
	Purchases	Sales	Purchases of tangible assets	Sales of tangible assets	Interest received	Interest paid	Other income	Other expense
Doco Petrol ve Danışmanlık A.Ş. (1)	950.118	-	-	-	-	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (2)	501.645	-	-	-	-	-	389	22.206
Cimpor Industria de Cimentos S.A. (3)	382.574	-	-	-	-	-	49	-
Omsan Denizcilik A.Ş. (4)	179.139	1.694	-	-	-	-	-	-
Kümaş Manyezit Sanayi A.Ş. (5)	106.899	-	-	-	-	-	32	9.907
Akdeniz Chemson Kimya San.ve Tic. A.Ş. (6)	81.967	-	-	-	-	-	25	3.840
Omsan Lojistik A.Ş. (7)	64.113	-	-	-	-	-	2	22
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (8)	50.996	-	9.595	-	-	-	131	255.629
Güzel Enerji Yakıt A.Ş. (9)	37.212	-	-	-	-	-	-	23.749
OYAK Pazarlama Hizmet ve Turizm A.Ş. (10)	28.116	-	1.135	-	-	-	10	196.393
İskenderun Demir ve Çelik A.Ş. (11)	17.964	284.791	564	-	-	-	3	5.839
İskenderun Enerji Üretim ve Tic.A.Ş. (12)	16.236	-	-	-	-	-	-	-
Ordu Yardımlaşma Kurumu (OYAK)	1.508	-	-	-	-	-	21	244
Likitgaz Dağıtım ve Endüstri A.Ş.	507	-	-	-	-	-	-	-
Miilix Yüksek Mukavemetli Çelik Üretim A.Ş.	434	-	505	-	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	329	-	-	-	-	-	-	802
OYPOWER Elektrik Ticareti ve Hizm. A.Ş.	178	-	-	-	-	-	-	-
OYAK İnşaat A.Ş. (13)	173	331.494	-	-	-	-	80.880	-
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (12)	119	-	-	-	-	-	3.415	41
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş. (14)	10	-	627	-	-	-	-	38.054
Cimpor Cote d'Ivoire SARL (15)	1	-	-	-	-	-	28.388	-
Cimpor France SAS (16)	-	54.941	-	-	-	-	-	-
Cimpor Cabo Verde S.A.	-	3.002	-	-	-	-	-	-
Cimpor UK Limited (17)	-	546	-	-	-	-	10.795	-
Cimpor Global Holdings B.V. (18)	-	-	-	-	-	16.001	-	518.792
Cimpor Cameroun SA (19)	-	-	-	-	-	-	24.525	-
Cimpor-Serços S.A. (20)	-	-	-	-	-	-	17.127	120.491
Cimpor Ghana (19)	-	-	-	-	-	-	11.575	-
Yenilikçi Yapı Malzemeleri Yat. Üretim San. Tic. A.Ş.	-	-	-	-	-	-	5.517	-
Agrepor Agregados	-	-	-	-	-	-	15	-
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	-	-	-	-	3	-
ATAER Holding A.Ş.	-	-	-	-	-	-	-	422
OYAK Birleşik Enerji A.Ş.	-	-	-	-	-	-	-	421
OYAK Yatırım Menkul Değerler A.Ş.	-	-	-	-	-	-	-	208
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	-	-	-	-	-	62
OYAK Grup Sigorta Reas. Brok.A.Ş.	-	-	-	-	-	-	-	3
	2.420.238	676.468	12.426	-	-	16.001	182.902	1.197.125

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6. RELATED PARTY DISCLOSURES (cont'd)

Transactions with related parties	January 1 – December 31, 2024							
	Purchases	Sales	Purchases of tangible assets	Sales of tangible assets	Interest received	Interest paid	Other income	Other expense
OYPOWER Elektrik Ticareti ve Hizm. A.Ş. (1)	1.640.053	-	-	-	-	-	-	-
Doco Petrol ve Danışmanlık A.Ş. (10) (2)	842.429	-	-	-	-	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (3)	498.986	-	-	-	-	-	-	19.126
Omsan Denizcilik A.Ş. (4)	255.498	-	-	-	-	-	-	-
Cimpor Industria de Cimentos S.A. (5)	213.715	41.972	-	-	-	-	36	-
İskenderun Demir ve Çelik A.Ş. (6)	136.946	618.943	-	-	-	-	-	53
OYAK Pazarlama Hizmet ve Turizm A.Ş. (7)	76.701	-	-	-	-	-	215	224.212
Akdeniz Chemson Kimya San.ve Tic. A.Ş. (8)	62.430	-	-	-	-	-	414	5.398
Güzel Enerji Yakıt A.Ş. (9)	50.804	-	2.160	-	-	-	-	18.718
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (10)	43.529	-	-	-	-	-	-	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (11)	36.246	-	8.127	-	-	-	-	228.562
İskenderun Enerji Üretim ve Tic.A.Ş. (10)	13.109	-	-	-	-	-	-	-
Omsan Lojistik A.Ş. (12)	828	-	-	-	-	-	-	-
Miilux Yüksek Mukavemetli Çelik Üretim A.Ş.	513	-	-	-	-	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	477	-	-	-	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş. (13)	5	-	123.917	-	-	-	-	949
OYAK İnşaat A.Ş. (14)	-	596.203	-	-	-	-	70.924	-
Kümaş Manyezit Sanayi A.Ş. (15)	-	-	238.535	-	-	-	42	14.036
OYAK Anker Bank GmbH (16)	-	-	-	-	22.217	25.833	-	-
Cimpor Global Holdings B.V. (17)	-	-	-	-	-	15.320	-	223.589
Cimpor Cote d'Ivoire SARL (18)	-	-	-	-	-	-	48.563	-
Cimpor France SAS (19)	-	38.008	-	-	-	-	-	-
Cimpor Portugal Holdings SGPS S.A. (20)	-	-	-	-	-	-	25.879	146.051
Cimpor Cameroun SA (21)	-	-	-	-	-	-	37.467	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	1.501	-	-	-	-	19.952
Yenilikçi Yapı Malzemeleri Yat. Üretim San. Tic. A.Ş.	-	-	-	-	-	-	9.524	-
OYAK Otomotiv Enerji ve Lojistik Holding	-	-	-	-	-	-	14	13.068
OYAK Selüloz ve Kağıt Fabrikaları A.Ş.	-	-	-	-	-	-	10	-
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	-	-	-	-	4	-
Ordu Yardımlaşma Kurumu (OYAK)	-	-	-	-	-	-	-	1.326
OYAK Yatırım Menkul Değerler A.Ş.	-	-	-	-	-	-	-	201
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	-	-	-	-	-	19
	3.872.269	1.295.126	374.240	-	22.217	41.153	193.092	915.260

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6. RELATED PARTY DISCLOSURES (cont'd)

Disclosures related to transactions with related parties for the period January 1 – December 31, 2025 are as follows:

- (1) Purchases from Doco Petrol ve Danışmanlık A.Ş. consist of fuel purchases.
- (2) Purchases from OYKA Kağıt Ambalaj San. and Tic. A.Ş. consist of paper bags used in bagged cement sales.
- (3) Cimpor Industria de Cimentos S.A. purchases consist of slag purchases and sales consist of cement sales.
- (4) Purchases from Omsan Denizcilik A.Ş. consist of transportation service.
- (5) Purchases from Kümaş Manyezit Sanayi A.Ş. consist of magnesite refractory brick.
- (6) Purchases from Akdeniz Chemson Kimya San.ve Tic. A.Ş. consist of raw material purchases.
- (7) Purchases from Omsan Lojistik A.Ş. consist of transportation services.
- (8) OYAK Savunma ve Güvenlik Hizmetleri A.Ş. purchases and other expenses consist of security services and security systems.
- (9) Purchases from Güzel Enerji Yakıt A.Ş. consist of fuel purchases.
- (10) Purchases from OYAK Pazarlama Hizmet ve Turizm A.Ş. consists of accommodation, transportation, construction and cleaning services.
- (11) İskenderun Demir ve Çelik A.Ş.'s purchases consist of slag and petroleum coke purchases, while its sales consist of aggregate, concrete and cement sales.
- (12) Purchases from İskenderun Enerji Üretim ve Tic.A.Ş. and Ereğli Demir Çelik Fabrikaları T.A.Ş. consist of purchases of slag and ash.
- (13) OYAK İnşaat sales consist of concrete sales, and other income consists of interest income from deferred payments.
- (14) Other expense of İndisol Bilişim ve Teknoloji Hizmetleri A.Ş. consists of information processing systems expenses and license maintenance services and consultancy.
- (15) Cimpor Cote d'Ivoire SARL sales consist of sales of stock materials and general administrative expenses.
- (16) Cimpor France SAS sales consist of cement sales.
- (17) Cimpor UK Limited other incomes consist of freight billing charges.
- (18) Expenses from Cimpor Global Holdings BV consist of exchange rate differences and interest expenses.
- (19) Cimpor Cameroun SA and Cimpor Ghana other incomes consist of warehouse material sales.
- (20) Other income and other expenses from Cimpor Serviços S.A. consist of administrative expense allocations.

Disclosures related to transactions with related parties for the period January 1 – December 31, 2024 are as follows:

- (1) Purchases from OYPOWER Elektrik Ticareti ve Hizmetleri A.Ş. consist of purchase of electricity energy.
- (2) Purchases from Doco Petrol ve Danışmanlık A.Ş. consist of fuel purchases.
- (3) Purchases from OYKA Kağıt Ambalaj San. and Tic. A.Ş. consist of paper bags used in bagged cement sales.
- (4) Purchases from Omsan Denizcilik A.Ş. consist of transportation service.
- (5) Cimpor Industria de Cimentos S.A.'s purchases consist of slag, while its sales consist of cement sales.
- (6) İskenderun Demir ve Çelik A.Ş.'s purchases consist of slag and petcoke, while its sales consist of aggregates, concrete, and cement.
- (7) Purchases from OYAK Pazarlama Hizmet ve Turizm A.Ş. consists of accommodation, transportation, construction and cleaning services.
- (8) Purchases from Akdeniz Chemson Kimya San.ve Tic. A.Ş. consist of raw material purchases.
- (9) Purchases from Güzel Enerji Yakıt A.Ş. consist of fuel purchases.
- (10) Purchases from Ereğli Demir Çelik Fabrikaları T.A.Ş. and İskenderun Enerji Üretim ve Tic.A.Ş. consist of purchases of slag and ash.
- (11) Purchases and other expenses from OYAK Savunma ve Güvenlik Hizmetleri A.Ş. consist of security services and systems.
- (12) Purchases from Omsan Lojistik A.Ş. consist of transportation services.
- (13) Purchases from Mais Motorlu Araçlar İmal ve Satış A.Ş. consist of vehicle purchases.
- (14) Sales to OYAK İnşaat A.Ş. consist of concrete sales, while its other incomes consist of late charge incomes.
- (15) Purchases from Kümaş Manyezit Sanayi A.Ş. consist of magnesite refractory brick.
- (16) Income from OYAK Anker Bank GmbH consists of interest income from time deposits.
- (17) Expenses from Cimpor Global Holdings BV consist of exchange rate differences and interest expenses.
- (18) Cimpor Cote d'Ivoire SARL's sales consist of the sale of inventory and the allocation of general administrative expenses.
- (19) Cimpor France SAS sales consist of cement sales.
- (20) Other income and other expenses from Cimpor Portugal Holdings SGPS S.A. consist of administrative expense allocations.
- (21) Cimpor Cameroun SA other incomes consist of warehouse material sales.

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7. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables

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

Short-term trade receivables	December 31, 2025	December 31, 2024
Trade receivables	7.804.391	7.626.453
Trade receivables from related parties (Note 6)	470.210	700.309
Notes receivable	717.965	868.535
Income accruals	19.531	26.688
Provision for doubtful trade receivables and expected credit loss (-)	(114.129)	(140.334)
	8.897.968	9.081.651

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 48 days. (December 31, 2024: 47 days).

As of December 31, 2025, provision for doubtful receivables and expected credit loss has been made for the portion of trade receivables amounting to TL 114.129 (December 31, 2024: TL 140.334).

Explanations regarding the nature and level of risks in trade receivables are explained in Note 33.

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

Movements of provision for doubtful trade receivables and expected credit loss	January 1- December 31, 2025	January 1- December 31, 2024
Opening balance	(140.334)	(204.276)
Collections	1.827	9.214
Charge for the period	(10.505)	(6.809)
Monetary gain / (loss)	34.883	61.537
Closing balance	(114.129)	(140.334)

The Group measures the loss allowance for trade receivables based on the lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the customer and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the customers operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

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7. 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:

Short-term trade payables	December 31, 2025	December 31, 2024
Trade payables	6.653.710	7.231.154
Trade payables to related parties (Note 6)	789.985	710.100
	7.443.695	7.941.254

The average turnover days of trade payables related to the purchase of goods is 87 days. (December 31, 2024: 72 days).

8. OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

Other short-term receivables	December 31, 2025	December 31, 2024
Other receivables from related parties (Note 6)	198.463	137.835
Deposits and guarantees given	48.238	66.026
Other receivables	17.364	36.896
Receivables from tax administration	1.812	1.075
Other doubtful receivable provision (-)	(3.080)	(3.286)
	262.797	238.546

Other long-term receivables	December 31, 2025	December 31, 2024
Deposits and guarantees given	7.765	8.362
	7.765	8.362

Movements of allowance for doubtful other receivables and expected credit loss:

Movements of allowance for doubtful other receivables	January 1- December 31, 2025	January 1- December 31, 2024
Opening balance	(3.286)	(2.464)
Charge for the period	(594)	(1.580)
Monetary (gain) / loss	800	758
Closing balance	(3.080)	(3.286)

b) Other payables

Other short-term payables	December 31, 2025	December 31, 2024
Other payables to related parties (Note 6)	1.716.989	1.774.620
Taxes and funds payable	268.882	147.067
Deposits and guarantees received	33.269	45.206
Other miscellaneous payables	4.909	8.990
	2.024.049	1.975.883

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9. INVENTORIES

	December 31, 2025	December 31, 2024
Raw material	6.030.784	5.762.166
Semi-finished goods	1.602.018	1.950.382
Finished goods	425.230	441.164
Trade goods	25.204	19.924
Goods in transit (*)	480.855	511.455
Spare parts and other inventories	7.680	4.333
Impairment on inventories (-)	(404.099)	(297.633)
	8.167.672	8.391.791

(*) As of December 31, 2025 and December 31, 2024 the balance of goods in transit consists of Petro coke stocks purchased.

Movements of the provision for impairment on inventories over the years are as follows:

	January 1– December 31, 2025	January 1– December 31, 2024
Movement of inventories impairment		
Opening balance	(297.633)	(297.633)
Charge for the period	(106.466)	-
Closing balance	(404.099)	(297.633)

10. PREPAID EXPENSES AND DEFERRED INCOME

a) Prepaid Expenses

	December 31, 2025	December 31, 2024
Short-term prepaid expenses		
Prepaid expenses	457.259	466.117
Advances given for inventory purchases	46.834	250.075
	504.093	716.192

	December 31, 2025	December 31, 2024
Long-term prepaid expenses		
Advanced given for fixed asset purchases	1.830.603	3.226.354
Prepaid expenses	634	4.978
Prepaid taxes and funds	-	348
	1.831.237	3.231.680

b) Contract liabilities

	December 31, 2025	December 31, 2024
Short-term contract liabilities		
Advances received	219.571	290.975
Short-term contract liabilities	61.796	49.952
	281.367	340.927

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11. INVESTMENT PROPERTIES

Cost	Land			Total
	Lands	improvements	Buildings	
Opening balance as of January 1, 2025	388.767	57.664	15.951	462.382
Transfers (*)	295.332	-	-	295.332
Closing balance as of December 31, 2025	684.099	57.664	15.951	757.714
Accumulated depreciation				
Opening balance as of January 1, 2025	-	53.059	12.226	65.285
Charge for the period	-	830	104	934
Closing balance as of December 31, 2025	-	53.889	12.330	66.219
Net book value as of December 31, 2025	684.099	3.775	3.621	691.495

Cost	Land			Total
	Lands	improvements	Buildings	
Opening balance as of January 1, 2024	388.767	57.664	15.951	462.382
Closing balance as of December 31, 2024	388.767	57.664	15.951	462.382
Accumulated depreciation				
Opening balance as of January 1, 2024	-	52.229	12.126	64.355
Charge for the period	-	830	100	930
Closing balance as of December 31, 2024	-	53.059	12.226	65.285
Net book value as of December 31, 2024	388.767	4.605	3.725	397.097

(*) As of December 31, 2025, the Group's existing lands, valued at TL 295.332, have been transferred to investment properties. (Note 12)

Fair value measurements of the Group's investment properties

As of December 31, 2025, the fair value of the investment properties of the Group is determined by independent valuation company TSKB Gayrimenkul Değerleme A.Ş. authorized by the CMB, provide real estate valuation services in accordance with the capital market legislation and have sufficient experience and quality in measuring the fair value of properties in the relevant regions. The fair value of the investment properties owned was determined according to the market comparative approach, which reflects the current transaction prices for similar properties for lands, and the cost formation approach for land improvements and buildings.

The rental income generated by the Group for its investment properties is disclosed in Note 27.

As of December 31, 2025 and December 31, 2024 the Group's investment properties and the fair value hierarchy of these assets are presented in the table below:

	Fair value level as of reporting period			
	December 31, 2025	Level 1	Level 2	Level 3
Investment Land	3.014.217	-	3.014.217	-
Investment Buildings	6.528	-	6.528	-
Investment Land Improvements	29.142	-	29.142	-
Total	3.049.887	-	3.049.887	-
Fair value level as of reporting period				
	December 31, 2024	Level 1	Level 2	Level 3
Investment Land	2.441.008	-	2.441.008	-
Investment Buildings	6.353	-	6.353	-
Investment Land Improvements	27.968	-	27.968	-
Total	2.475.329	-	2.475.329	-

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12. PROPERTY, PLANT AND EQUIPMENT

	Lands	Land improvements	Buildings	Plant, machinery and equipment	Vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total
Cost									
Opening balance as of January 1, 2025	3.822.033	3.892.264	13.666.104	65.822.343	4.309.223	2.045.186	4.928.087	1.678.948	100.164.188
Additions	-	52.162	52.643	942.283	97.114	43.501	7.351.304	7.557	8.546.564
Disposals	-	-	-	(1.217)	(27.765)	(2.073)	-	-	(31.055)
Transfers from construction in progress (*)	-	83.904	98.423	7.336.593	631.044	99.646	(8.328.692)	-	(79.082)
Other transfers (**)	(295.332)	-	-	-	-	-	-	-	(295.332)
Translation differences	-	-	3.464	2.147	76	58	-	-	5.745
Closing balance as of December 31, 2025	3.526.701	4.028.330	13.820.634	74.102.149	5.009.692	2.186.318	3.950.699	1.686.505	108.311.028
Accumulated depreciation									
Opening balance as of January 1, 2025	-	3.098.466	8.673.836	52.628.289	2.412.638	1.786.790	-	1.136.955	69.736.974
Charge for the period	-	99.217	222.564	2.165.522	538.966	70.558	-	39.712	3.136.539
Disposals	-	-	-	(1.217)	(25.259)	(1.888)	-	-	(28.364)
Translation differences	-	-	2.229	2.149	86	67	-	-	4.531
Closing balance as of December 31, 2025	-	3.197.683	8.898.629	54.794.743	2.926.431	1.855.527	-	1.176.667	72.849.680
Net book value as of December 31, 2025	3.526.701	830.647	4.922.005	19.307.406	2.083.261	330.791	3.950.699	509.838	35.461.348

(*) As of December 31, 2025, interest expenses of TL 105.173 and exchange rate differences of TL 108.971 related to short and long-term borrowings within the scope of the Group's ongoing investments have been capitalized in the cost of the relevant assets. (Note 27)

(**) As of December 31, 2025, the Group's land and plots of land in use, amounting to TL 295.332, have been transferred to investment properties. (Note 11)

Depreciation of property, plant and equipment are disclosed in Note 25.

There is no mortgage or pledge on the property, plant and equipment of the Group as of December 31, 2025.

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12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Lands	Land improvements	Buildings	Plant, machinery and equipment	Vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total
<u>Cost</u>									
Opening balance as of January 1, 2024	3.907.252	3.646.026	13.108.915	63.362.766	3.302.180	1.927.006	2.467.113	1.674.941	93.396.199
Additions	71.821	197.275	625.582	1.795.340	1.007.456	101.378	3.299.485	53	7.098.390
Disposals	-	-	(9.577)	(6.281)	(2.092)	(3.537)	-	-	(21.487)
Transfers from construction in progress	-	48.963	5.021	660.172	2.698	21.113	(838.511)	3.954	(96.590)
Other transfers (*)	(157.040)	-	-	-	-	-	-	-	(157.040)
Transfers from PPE classified for sale	-	-	-	34.356	-	-	-	-	34.356
Translation differences	-	-	(63.837)	(24.010)	(1.019)	(774)	-	-	(89.640)
Closing balance as of December 31, 2024	3.822.033	3.892.264	13.666.104	65.822.343	4.309.223	2.045.186	4.928.087	1.678.948	100.164.188
<u>Accumulated depreciation</u>									
Opening balance as of January 1, 2024	-	3.008.156	8.466.002	50.392.376	2.043.765	1.737.990	-	1.097.454	66.745.743
Charge for the period	-	90.310	250.885	2.268.750	370.402	51.836	-	39.501	3.071.684
Disposals	-	-	(9.396)	(5.916)	(916)	(2.337)	-	-	(18.565)
Translation differences	-	-	(33.655)	(26.921)	(613)	(699)	-	-	(61.888)
Closing balance as of December 31, 2024	-	3.098.466	8.673.836	52.628.289	2.412.638	1.786.790	-	1.136.955	69.736.974
Net book value as of December 31, 2024	3.822.033	793.798	4.992.268	13.194.054	1.896.585	258.396	4.928.087	541.993	30.427.214

(*) Mining sites classified under land have been transferred to intangible assets.

Depreciation of property, plant and equipment are disclosed in Note 25.

There is no mortgage or pledge on the property, plant and equipment of the Group as of December 31, 2024.

As of December 31, 2025, the insurance amount on the Company's property, plant and equipment is USD 1.943.856, the TL equivalent of 83.285.863 (December 31, 2024: USD 1.243.847; TL equivalent is 69.198.263).

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13. INTANGIBLE ASSETS

	Rights	Capitalized Development Expenses	Computer Software and Other Intangible Assets	Total
<u>Cost value</u>				
Opening balance as of January 1, 2025	1.237.483	222.327	1.034.270	2.494.080
Additions	5.800	49.769	205.932	261.501
Transfers (*)	25.272	795	53.015	79.082
Translation differences	82	-	-	82
Closing balance as of December 31, 2025	1.268.637	272.891	1.293.217	2.834.745
<u>Accumulated amortization and impairment</u>				
Opening balance as of January 1, 2025	424.285	34.701	623.084	1.082.070
Charge for the period	63.628	2.475	29.713	95.816
Translation differences	305	-	-	305
Closing balance as of December 31, 2025	488.218	37.176	652.797	1.178.191
Net book value as of December 31, 2025	780.419	235.715	640.420	1.656.554
<hr/>				
	Rights	Capitalized Development Expenses	Computer Software and Other Intangible Assets	Total
<u>Cost value</u>				
Opening balance as of January 1, 2024	983.390	181.671	856.961	2.022.022
Additions	3.344	40.656	176.224	220.224
Transfers	252.545	-	1.085	253.630
Translation differences	(1.796)	-	-	(1.796)
Closing balance as of December 31, 2024	1.237.483	222.327	1.034.270	2.494.080
<u>Accumulated amortization and impairment</u>				
Opening balance as of January 1, 2024	379.779	27.854	602.953	1.010.586
Charge for the period	44.954	6.847	20.131	71.932
Translation differences	(448)	-	-	(448)
Closing balance as of December 31, 2024	424.285	34.701	623.084	1.082.070
Net book value as of December 31, 2024	813.198	187.626	411.186	1.412.010

(*) A transfer of 65.726 TL (December 31, 2024: 96.590 TL) was made from construction on progress to intangible assets during the period. There was no transfer of mining sites from lands to intangible assets (December 31, 2024: 157.040 TL).

Amortization of intangible assets are disclosed in Note 25.

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14. RIGHT-OF-USE ASSETS

As of December 31, 2025 and December 31, 2024 the Group's right-of-use assets obtained by leasing are as follows:

	Land	Buildings and Land and Port Usage Rights	Plant, Machinery and Equipment	Vehicles	Total
Net book value as of January 1, 2025	54.994	946.110	56.062	62.319	1.119.485
Additions	106.965	74.660	11.715	65.458	258.798
Disposals	-	(6.486)	-	-	(6.486)
Amortisation expense for the period	(31.693)	(147.877)	(53.000)	(30.788)	(263.358)
Net book value as of December 31, 2025	130.266	866.407	14.777	96.989	1.108.439

	Land	Buildings and Land and Port Usage Rights	Plant, Machinery and Equipment	Vehicles	Total
Net book value as of January 1, 2024	65.131	192.819	73.938	40.873	372.761
Additions	59.276	883.310	-	94.662	1.037.248
Amortisation expense for the period	(69.413)	(130.019)	(17.876)	(73.216)	(290.524)
Net book value as of December 31, 2024	54.994	946.110	56.062	62.319	1.119.485

Amortization of right of use assets are disclosed in Note 25.

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15. GOODWILL

	December 31, 2025	December 31, 2024
Goodwill	5.877.785	5.877.785
	5.877.785	5.877.785

The Group assesses goodwill allocated to cash generating units for impairment annually or more frequently when there is an indication of impairment. The recoverable amount of cash generating unit is determined by calculating the value in use or fair value less costs to sell calculations. No impairment has been identified as a result of the impairment tests realized on the basis of cash generating units. Sensitivity testing was conducted by increasing and decreasing the discount rate and growth rate, which are estimates and assumptions used in impairment tests, by 1%, and no impairment was detected as a result of the sensitivity test. Discount rate and growth rate, which are important assumptions used in calculating recoverable amounts, are as follows;

Discount rate	2026	2027	2028	2029	2030	Ongoing period
December 31,2025	30,7%	25,0%	22,7%	22,7%	20,8%	20,8%

Inflation rate	2026	2027	2028	2029	2030	Ongoing period
December 31, 2025	24,0%	20,0%	17,0%	17,0%	17,0%	14,0%

As of December 31, 2025 and December 31, 2024, goodwill amounting to TL 5.700.554 carried in consolidated financial statements is related to acquisition of Denizli Çimento and remaining portion is due to acquisition of İskenderun Plant.

16. GOVERNMENT INCENTIVES AND GRANTS

The Company holds investment incentive certificates obtained within the scope of investments carried out at its various branches.

Ünye Çimento offset an investment deduction amounting to full TL 9.120.316 against its tax base as of December 31, 2025 for the Waste Derived Fuel investment (December 31, 2024: full TL 20.257.953). As a result of the revaluation of the tax base, there is a remaining investment contribution amount of full TL 609.916 available for use in future periods (December 31, 2024: full TL 14.752.962). The investment has been completed and the investment completion approval has been obtained.

Aslan Çimento, within the scope of the clinker production line modernization and energy efficiency investment, offset an investment deduction of full TL 65.167.380 against the tax base as of December 31, 2025 (December 31, 2024: full TL 56.414.572). There is an investment contribution amount of full TL 229.861.596 available for use in future periods. The investment has been completed and the investment completion approval has been obtained.

Denizli Çimento, within the scope of the Lime Production Facility establishment investment, offset an investment deduction of full TL 8.008.680 against the tax base as of December 31, 2025. The investment is still ongoing.

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16. GOVERNMENT INCENTIVES AND GRANTS (cont'd)

İskenderun Branch, for the Clinker Grinding Facility Capacity Increase Project, offset an investment deduction of full TL 525.695.093 against the tax base as of December 31, 2025 under the Regional Investment Incentive Certificate. There is an investment contribution amount of full TL 155.441.037 available for use in future periods. The investment is still ongoing.

Mardin Branch, within the scope of the Solar Power Plant investment, offset an investment deduction of full TL 4.221.035 against the tax base as of December 31, 2025 under the Regional Investment Incentive Certificate (December 31, 2024: full TL 74.150.318). There is an investment contribution amount of full TL 9.941.590 available for use in future periods. The investment is still ongoing.

For the Beypazarı Solar Power Plant (SPP) investment, an investment deduction of full TL 358.834.166 was offset against the tax base as of December 31, 2025. There is an investment contribution amount of full TL 358.834.166 available for use in future periods. The investment is still ongoing.

The contribution amount benefited from the income obtained from the investment between January 1, and December 31, 2025 is full TL 971.046.670. There is an investment contribution amount of full TL 754.688.305 available for use in future periods.

17. FINANCIAL BORROWINGS

Short-term borrowings	December 31, 2025	December 31, 2024
Short-term portions of long-term borrowings	2.632.474	80.491
Short-term lease borrowings	133.375	64.952
	2.765.849	145.443

Long-term borrowings	December 31, 2025	December 31, 2024
Long-term financial borrowings	1.223.638	22.129
Long-term lease borrowings	189.216	123.586
	1.412.854	145.715

The details of bank loans are as follows:

		December 31, 2025	
Currency	Weighted average interest rate	Short-term	Long-term
TL	39,81%	-	17.895
EURO (*)	4,50%	-	3.838.217
		-	3.856.112

		December 31, 2024	
Currency	Weighted average interest rate	Short-term	Long-term
TL	47,55%	-	102.620
		-	102.620

(*) The Group secured financing totaling EUR 75.000.000 in February 2025 for the 115 MW capacity Solar Power Plant (SPP) under construction in the Ankara Beypazarı region and the Waste Heat Recovery Facilities to be established in the Ankara, Adana and Mardin factories.

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17. FINANCIAL BORROWINGS (cont'd)

There are no debt instruments issued as of December 31, 2025 and December 31, 2024.

Payment periods of financial borrowings other than leasing liabilities and other financial liabilities are as follows:

	December 31, 2025	December 31, 2024
Within one year	2.632.474	80.491
Between 1-2 years	1.223.638	18.635
Between 2-3 years	-	3.494
	3.856.112	102.620

Movement of financial borrowings other than leasing liabilities and other financial liabilities for the years ended at December 31, 2025 and December 31, 2024 are as follows:

	January 1- December 31, 2025	January 1- December 31, 2024
Opening balance	102.620	3.005.499
Interest paid	(111.681)	(214.042)
Capitalized exchange differences	108.971	-
Capitalized interest expenses	105.173	-
Interest accrual	66.174	135.196
Foreign exchange differences	913.942	70.362
Loans and borrowing instruments acquired	3.488.857	1.643.569
Repayment of loans and borrowing instruments	(62.500)	(3.592.189)
Monetary (gain) / loss	(755.444)	(945.775)
Closing balance	3.856.112	102.620

18. PROVISIONS

a) Short-term provisions:

	December 31, 2025	December 31, 2024
Provision for state mining rights (*)	198.784	168.622
Legal provisions	678.357	388.683
Other short-term provisions (**)	98.002	185.436
	975.143	742.741

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

(**) As of December 31, 2025 and December 31, 2024 a significant part of the other short-term provisions balance consists of sales turnover premium and other cost provisions.

b) Long-term provisions:

	December 31, 2025	December 31, 2024
Mine rehabilitation provision	433.769	310.496
Provision for land occupation	65.788	54.009
	499.557	364.505

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18. PROVISIONS (cont'd)

The movements of short and long-term provisions for the years ended at December 31, 2025 and December 31, 2024 are as follows:

	Short-term			Long-term	
	Provision for state mining rights	Legal provisions	Other	Provision for rehabilitation of mines	Provision for land occupation
January 1, 2025	168.622	388.683	185.436	310.496	54.009
Additional provisions (*)	220.836	328.596	99.876	204.439	26.917
Payments during the period	(144.524)	-	(121.150)	-	-
Reversal of provisions	-	-	(34.829)	-	-
Exchange	-	54.991	-	-	-
Monetary (gain) / loss	(46.150)	(93.913)	(31.331)	(81.166)	(15.138)
December 31, 2025	198.784	678.357	98.002	433.769	65.788

	Short-term			Long-term	
	Provision for state mining rights	Legal provisions	Other	Provision for rehabilitation of mines	Provision for land occupation
January 1, 2024	133.375	86.777	682.806	257.364	42.071
Additional provisions (*)	185.027	333.345	229.655	132.999	27.822
Payments during the period	(99.483)	-	(313.937)	-	-
Reversal of provisions	-	-	(190.212)	-	-
Monetary (gain) / loss	(50.297)	(31.439)	(222.876)	(79.867)	(15.884)
December 31, 2024	168.622	388.683	185.436	310.496	54.009

(*) Additional provisions for lawsuits consist of additional provisions set aside in relation to the Group's trading operations.

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19. COMMITMENTS AND CONTINGENT ASSETS

Guarantees-Pledges-Mortgages ("GPM") given by the Group:

December 31, 2025	TL	USD (TL Equivalent)	EURO (TL Equivalent)	Total TL
A. Total Amount of GPMs Given for the Group's Own Legal Personality	448.284	374.576	-	822.860
- <i>Guarantee Letters</i>	448.284	374.576	-	822.860
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	-	-	-	-
Total	448.284	374.576	-	822.860

December 31, 2024	TL	USD (TL Equivalent)	EURO (TL Equivalent)	Total TL
A. Total Amount of GPMs Given for the Group's Own Legal Personality	426.541	401.249	-	827.790
- <i>Guarantee Letters</i>	426.541	401.249	-	827.790
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	-	-	-	-
Total	426.541	401.249	-	827.790

Contingent assets	December 31, 2025	December 31, 2024
Letters of guarantee received from customers	9.954.378	9.844.328
Direct debit system limit	6.891.753	5.759.603
Letters of guarantee received from suppliers	3.195.870	4.074.643
Collateral insurances received from customers	1.194.523	1.122.800
	21.236.524	20.801.374

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20. EMPLOYEE BENEFITS

Payables due to employee benefits

	December 31, 2025	December 31, 2024
Social security premiums payable	121.032	115.788
Personnel taxes payable	97.493	94.818
Due to personnel	36.688	32.228
	255.213	242.834

Short-term provisions related to employee benefits

	December 31, 2025	December 31, 2024
Provision for personnel premiums and bonuses	704.062	518.889
	704.062	518.889

The movement of provision for personnel premium for the years ended at December 31, 2025 and December 31, 2024 is as follows:

	2025	2024
Provision as of 1 January	518.889	987.688
Change for the period	756.664	595.592
Payments made during the period	(471.449)	(299.099)
Provision no longer required	-	(532.828)
Monetary gain/ (loss)	(100.042)	(232.464)
Provision as of 31 December	704.062	518.889

Long-term provisions related to employee benefits

	December 31, 2025	December 31, 2024
Provision for severance pay	388.843	483.194
Provision for senior labour incentive premium	368.365	479.744
Provision for unused vacation	147.887	129.030
	905.095	1.091.968

Provision for severance pay

According to the Turkish Labour Law, the Group has to pay severance pay to its employees; who have retired after 25 years of employment (age 58 years for women, 60 years for men), who have been dismissed from work, called for military service or who have died.

As of December 31, 2025, retirement pay provision is subject to the ceiling of full TL 53.919,68 (December 31, 2024: full TL 41.828,42). The severance pay ceiling is determined by the Ministry of Treasury and Finance for each period, and the severance pay ceilings are expressed as the purchasing power of the specified dates.

The liability of severance pay is not subject to any funding legally. The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 *Employee Benefits* requires actuarial valuation methods to be developed to estimate the Group's obligation under defined benefit plans. The employee termination benefit liability is calculated by an independent actuary.

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20. EMPLOYEE BENEFITS (cont'd)

Provision for severance pay (cont'd)

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for future inflation effects. Consequently, in the accompanying consolidated financial statements as of December 31, 2025, the provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees.

The provisions at the respective balance sheet dates have been calculated using the ratios in the following table.

December 31, 2025	
Discount rate	28,93% (fix)
Inflation rate	24,15% (fix)
Salary increase	1.5% above inflation
Severance pay ceiling increase	24,15%
December 31, 2024	
Discount rate	26,67% (fix)
Inflation rate	23,49% (fix)
Salary increase	For January 1, 2025, the rate budgeted by the Company; 1,5% above inflation thereafter
Severance pay ceiling increase	33,07% for January 1, 2025; at the same level as inflation for the following periods

Turnover rates were considered as 1-11% for employees working for 0-15 years and 0% for employees working more than 15 years. Ceiling amount of full TL 64.948,77 which is in effect since January 1, 2025 is used in the calculation of Groups' provision for retirement pay liability (January 1, 2024: full TL 46.655,43).

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

- If the discount rate is increased by 1 percent annually, the severance pay amount decreases by 11,1 percent.
- If the discount rate is reduced by 1 percent annually, the severance pay amount increases by 13,1 percent.
- If the annual inflation rate increases by 1 percent, the severance pay amount increases by 13,5 percent.
- If the annual inflation rate is reduced by 1 percent, the severance pay amount decreases by 11,6 percent.
- If the possibility of voluntary turnover is not used, the severance pay amount increases by 6,1 percent.

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20. EMPLOYEE BENEFITS (cont'd)

Provision for severance pay (cont'd)

For the years ended at December 31, 2025 and 2024, the movement of severance pay provision is as follows:

Movements of severance pay provision	2025	2024
Provision as of 1 January	483.194	733.796
Service cost	90.560	78.649
Interest cost (Note 28)	125.975	111.396
Employment termination benefits paid	(35.786)	(187.653)
Actuarial loss / (gain)	(161.193)	(37.008)
Monetary (gain) / loss	(113.907)	(215.986)
Provisions as of 31 December	388.843	483.194

Provision for seniority incentive premium

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 December 31, 2025 were calculated on the basis of a valuation carried out by an independent valuer by using 'expected unit credit method'. Actuarial assumptions used are disclosed below.

The provisions on the relevant balance sheet dates were calculated using the ratios in the table below.

December 31, 2025	
Discount rate	28,93% (fix)
Inflation rate	24,15% (fix)
December 31, 2024	
Discount rate	26,67% (fix)
Inflation rate	23,49% (fix)

Turnover rates were considered as 1-11% for employees working for 0-15 years and 0% for employees working more than 15 years.

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20. EMPLOYEE BENEFITS (cont'd)

Provision for seniority incentive premium (cont'd)

The principal assumptions used in the calculation of provision for seniority incentive premium liability are discount rate, inflation rate and probability of turnover.

- If the discount rate is increased by 1 percent annually, the seniority incentive premium amount decreases by 6,4 percent.
- If the discount rate is reduced by 1 percent annually, the seniority incentive premium amount increases by 7,1 percent.
- If the annual inflation rate is increased by 1 percent, the seniority incentive premium amount increases by 7,2 percent.
- If the annual inflation rate is reduced by 1 percent, the seniority incentive premium amount decreases by 6,6 percent.
- If the possibility of voluntary turnover is not used, the senior labour incentive premium amount increases by 6,3 percent.

Movement of provision for the seniority incentive premium for the years ended at December 31, 2025 and 2024, is as follows:

Movements of provision for seniority incentive premium	2025	2024
Provision as of January 1	479.744	376.901
Service cost	(66.369)	180.916
Interest cost (Note 28)	126.537	76.867
Seniority incentive premium paid (-)	(37.748)	(19.890)
Monetary (gain) / loss	(133.799)	(135.050)
Provision as of 31 December	368.365	479.744

Provision for unused vacation

The movement of provision for unused vacation for the years ended at December 31, 2025 and 2024 are as follows:

	2025	2024
Provision as of 1 January	129.030	130.066
Provisions during the period (net)	63.818	38.660
Paid (-)	(7.028)	(28.561)
Monetary (gain) / loss	(37.933)	(11.135)
Provision as of 31 December	147.887	129.030

21. OTHER CURRENT ASSETS

Other Current Assets	December 31, 2025	December 31, 2024
Deferred VAT	1.115	170.750
Other	9.013	8.431
	10.128	179.181

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22. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital

As of December 31, 2025 and December 31, 2024 the paid-in capital structure of the Company is as follows:

Shareholders	%	December 31, 2025	%	December 31, 2024
TCC OYAK Amsterdam Holdings B.V.	80,05	3.891.796	80,05	3.891.796
Publicly traded	19,95	969.860	19,95	969.860
Nominal capital	100,00	4.861.656	100,00	4.861.656
Inflation adjustment (*)		10.602.595		10.602.595
Adjusted capital		15.464.251		15.464.251

(*) Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital restated for the effects of inflation. Adjustment to share capital is not available for any other usage except to be added to share capital.

As of December 31, 2025, the Group's capital consists of full 486.165.578.300 shares. (December 31, 2024: full 486.165.578.300 shares). The nominal value of the shares is 0,01 TL per share (December 31, 2024: 0,01 TL per share).

b) Restricted reserves

	December 31, 2025	December 31, 2024
Restricted reserves	8.906.744	8.353.966
	8.906.744	8.353.966

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all a dividend distribution. Under the Turkish Commercial Code, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed fifty percent of paid-in capital.

c) Profit distribution

Listed companies distribute dividend in accordance with the Communiqué No. II-19.1 issued by the CMB which is effective from February 1, 2014. Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly also in conformity with relevant legislations. The communiqué does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be paid by fixed or variable instalments and advance dividend can be distributed in accordance with profit on interim financial statements of the Company. As of the reporting period, the Company has retained earnings of TL 6.729.963, net profit for the period of TL 12.783.125, extraordinary reserve amounting to TL 3.083.112 and special fund amounting to TL 456.828 which can be subject to profit distribution.

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22. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (cont'd)

d) Inflation adjustment effect

The historical values and inflation adjustment effects of the following accounts under the Company's equity are as follows as of December 31, 2025, in accordance with the TFRS and VUK financial statements:

December 31, 2025 (TFRS)	Historic value	Inflation adjustment effect	Inflated value
Capital	4.861.656	10.602.595	15.464.251
Repurchased shares	20.112	(40.852)	(20.740)
Share premiums	234	1.554	1.788
Restricted reserves	859.207	8.047.537	8.906.744

December 31, 2025 (Statutory)	Historic value	Inflation adjustment effect	Inflated value
Capital	4.861.656	12.684.066	17.545.722
Repurchased shares	(37.683)	(259.719)	(297.402)
Share premiums	234	5.716	5.950
Restricted reserves	888.689	8.591.702	9.480.391
Other reserves	3.566.698	9.337.966	12.904.664

23. REVENUE AND COST OF SALES

a) Sales

	January 1 - December 31, 2025	January 1 - December 31, 2024
Domestic sales	51.329.173	52.290.126
Foreign sales (export)	3.696.417	4.459.311
Foreign sales (export listed)	1.536.195	1.493.893
Other sales	136.645	130.101
Sales discounts (-)	(195.829)	(217.241)
Net Sales	56.502.601	58.156.190

b) Cost of sales

	January 1 - December 31, 2025	January 1 - December 31, 2024
Direct raw material and material costs	(26.788.572)	(27.105.918)
Direct labour costs	(4.132.889)	(1.757.110)
General production costs	(6.409.492)	(9.080.623)
Depreciation and amortization	(3.372.882)	(3.347.066)
Total production cost	(40.703.835)	(41.290.717)
Change in work-in progress	(348.364)	151.839
Change in finished goods	(15.934)	(167.347)
Change in services	(350.386)	(315.528)
Cost of goods sold	(41.418.519)	(41.621.753)

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24. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

	January 1 - December 31, 2025	January 1 - December 31, 2024
General administrative expenses (-)	(3.346.350)	(2.684.149)
Marketing expenses (-)	(394.089)	(421.272)
Research and development expenses (-)	(192.028)	(184.441)
	(3.932.467)	(3.289.862)

a) General Administrative Expenses

	January 1 - December 31, 2025	January 1 - December 31, 2024
Personnel expenses	(1.928.129)	(1.398.917)
Outsourced benefits and services	(825.205)	(782.282)
Depreciation and amortization expenses	(115.503)	(74.946)
Tax and duty expenses	(99.814)	(124.738)
Travel costs	(78.365)	(71.015)
Other material costs	(53.713)	(48.453)
Provision expenses	(40.727)	(35.031)
Organisation expenses	(35.888)	(16.425)
Insurance costs	(33.490)	(30.137)
Energy costs	(24.885)	(27.270)
Other	(110.631)	(74.935)
	(3.346.350)	(2.684.149)

b) Marketing Expenses

	January 1 - December 31, 2025	January 1 - December 31, 2024
Personnel expenses	(301.362)	(329.136)
Travel costs	(56.819)	(22.514)
Outsourced benefits and services	(12.573)	(23.041)
Representation and hospitality expenses	(6.740)	(6.453)
Depreciation and amortization expenses	(6.209)	(11.935)
Official organisation and fee expenses	(4.058)	(14)
Other material costs	(313)	(479)
Other	(6.015)	(27.700)
	(394.089)	(421.272)

c) Research and Development Expenses

	January 1 - December 31, 2025	January 1 - December 31, 2024
Personnel expenses	(178.102)	(172.828)
Outsourced benefits and services	(5.127)	(3.699)
Depreciation and amortization expenses	(2.053)	(1.123)
Other	(6.746)	(6.791)
	(192.028)	(184.441)

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25. EXPENSES BY NATURE

	January 1 - December 31, 2025	January 1 - December 31, 2024
Depreciation and amortization		
Cost of sales	(3.372.882)	(3.347.066)
General administrative expenses	(115.503)	(74.946)
Marketing expenses	(6.209)	(11.935)
Research and Development expenses	(2.053)	(1.123)
	(3.496.647)	(3.435.070)
	January 1 - December 31, 2025	January 1 - December 31, 2024
Personnel expenses		
Cost of sales	(4.132.889)	(1.757.110)
General administrative expenses	(1.928.129)	(1.398.917)
Marketing expenses	(301.362)	(329.136)
Research and Development expenses	(178.102)	(172.828)
	(6.540.482)	(3.657.991)

The fees related to the services received from the independent auditor:

Based on the Board Decision of the Public Oversight, Accounting and Auditing Standards Authority published in the Official Gazette, the fees related to the services received from the independent auditor/independent audit firm as of the reporting period are presented below:

	January 1 - December 31, 2025	January 1 - December 31, 2024
Independent audit fee for the reporting period	23.785	19.920
Tax consulting service fee	3.145	3.407
Fee for other assurance services	2.175	1.852
Fees for other services not included in independent audit	-	-
	29.105	25.179

26. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from operating activities for the years ended at December 31, 2025 and 2024 is as follows:

	January 1 - December 31, 2025	January 1 - December 31, 2024
Other Income from Operating Activities		
Operational foreign exchange income	623.117	575.114
Mining royalty income (*)	285.596	197.416
Income from delayed collections	197.703	214.903
Profit from scrap sales	56.630	71.898
Damage compensation income received from insurance	37.295	32.404
Income from provisions no longer required (**)	20.829	642.261
Service income from related parties (Note 6)	17.127	25.879
Material sales income	5.702	28.848
Discount interest income	4.297	-
Other income	62.944	194.284
	1.311.240	1.983.007

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26. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES (cont'd)

(*) Mining royalty income comprises of mining license income.

(**) TL 19.002 of the balance is from provisions that no longer required regarding sales turnover premiums, TL 1.827 of the balance (December 31, 2024: TL 9.214) is from provisions that no longer required regarding doubtful trade receivables. (December 31, 2024: TL 532.830 of the balance is from provisions that no longer required regarding personnel premiums and bonuses, TL 100.217 from provisions that no longer required regarding administrative penalties.)

The details of other expenses from operating activities for the years ended at December 31, 2025 and 2024 are as follows:

Other Expenses from Operating Activities	January 1 - December 31, 2025	January 1 - December 31, 2024
Foreign exchange losses related to operational activities	(706.377)	(571.986)
Provision expenses (*)	(293.999)	(306.704)
Compensation and penalty expenses	(59.041)	(9.201)
Donation expenses	(21.184)	(9.236)
Commission expenses	(642)	(1.191)
Discount interest expense	-	(33.978)
Other expenses	(33.616)	(34.813)
	(1.114.859)	(967.109)

(*) TL 11.099 of the balance (December 31, 2024: TL 8.389) consists of provisions for doubtful trade receivables and other doubtful receivables, and TL 282.900 (December 31, 2024: TL 298.315) consists of provisions for lawsuits.

27. INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

The details of income from investment activities for the years ended at December 31, 2025 and 2024 are as follows:

Income from investment activities	January 1 - December 31, 2025	January 1 - December 31, 2024
Interest income from time deposits with a maturity of more than three months	693.931	253.298
Valuation gain of financial assets measured at fair value through profit and loss	560.896	437.787
Private sector bonds and bills income	29.883	25.319
Rent income from investment properties	14.758	14.736
Profit from sale of fixed assets	13.999	542
Dividend income	3.415	4.717
Other	190	3
	1.317.072	736.402

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27. INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES (cont'd)

The details of expenses from investment activities for the years ended at December 31, 2025 and 2024 are as follows:

Expenses from investment activities	January 1 - December 31, 2025	January 1 - December 31, 2024
Valuation difference of financial assets measured at fair value through profit and loss	(93.253)	(78.153)
Loss from sale of fixed assets	(159)	-
Other	(2.291)	(2.999)
	(95.703)	(81.152)

28. FINANCIAL INCOME AND EXPENSES

The details of financial income for the years ended at December 31, 2025 and 2024 are as follows:

Financial Income	January 1 - December 31, 2025	January 1 - December 31, 2024
Interest income from bank deposits	2.679.581	2.935.682
Foreign exchange gains related to financial activities	1.113.703	561.042
Other financial income	170	6.352
	3.793.454	3.503.076

The details of financial expenses for the years ended at December 31, 2025 and 2024 are as follows:

Finance Expenses	January 1 - December 31, 2025	January 1 - December 31, 2024
Foreign exchange losses related to financial activities (*)	(1.896.140)	(593.997)
Commission expenses	(344.685)	(341.265)
Interest expense due to seniority incentive premium (Note 20)	(126.537)	(76.867)
Interest expense due to severance pay provision (Note 20)	(125.975)	(111.396)
Interest expense due to lease liabilities	(72.242)	(73.490)
Interest expenses due to short and long-term borrowings	(66.174)	(109.363)
Interest expenses regarding related parties (Note 6)	(16.001)	(41.153)
Other financial expenses	(34.594)	(53.674)
	(2.682.348)	(1.401.205)

(*) As of December 31, 2025, interest expenses of TL 105.173 and exchange rate differences of TL 108.971 related to short and long-term borrowings within the scope of the Group's ongoing investments have been capitalized in the cost of the relevant assets. (December 31, 2024: None)

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29. NOTES REGARDING NET MONETARY POSITION GAINS/(LOSSES)

Non-monetary items	December 31, 2025	December 31, 2024
Financial position table items	(3.695.505)	(2.619.414)
Inventory	1.392.928	1.541.502
Prepaid expenses	47.714	15.829
Tangible and intangible assets	5.502.425	6.781.141
Investment properties	651.812	798.610
Other financial assets	88.988	153.922
Goodwill	148.793	279.783
Deferred tax assets	1.280.671	2.204.310
Paid-in share capital	(385.097)	(724.116)
Accumulated other comprehensive income and expenses not to be reclassified under profit or losses	(11.930)	(3.152)
Restricted reserves	(121.673)	(228.576)
Retained earnings	(12.290.136)	(13.438.667)
Profit or loss table items	1.736.008	179.026
Revenue	(5.077.074)	(6.797.447)
Cost of sales	5.672.423	6.201.726
Research and development expenses	18.909	20.893
Marketing expenses	36.830	45.888
General administrative expenses	297.838	274.767
Other income and expense from operating activities	(41.442)	(144.646)
Income and expense from investment activities	(48.667)	(28.802)
Finance income and expense	(73.860)	(170.054)
Current tax expense	951.051	776.701
Net monetary position losses	(1.959.497)	(2.440.388)

The amounts related to monetary gain losses of non-monetary items are calculated by taking into account their cost amounts before inflation accounting.

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30. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Current tax liabilities

Income tax payable	December 31, 2025	December 31, 2024
Corporate tax provision	2.287.922	2.775.202
Additional accrued taxes and funds	456.838	-
Less: Prepaid taxes and funds (-)	(2.669.987)	(2.131.432)
Current income tax liabilities	74.773	643.770

The effective tax rate as of December 31, 2025 is 25% (December 31, 2024: 25%).

Tax expense in profit or loss and other comprehensive income

	January 1 - December 31, 2025	January 1 - December 31, 2024
Current tax expense	2.287.922	2.775.202
Deferred tax income / (expense)	670.298	2.420.481
	2.958.220	5.195.683

Tax recognized directly under equity

	January 1 - December 31, 2025	January 1 - December 31, 2024
Actuarial loss / gain	(40.298)	(9.252)
	(40.298)	(9.252)

Corporate Tax:

The Group is subject to Turkish corporate taxes in force. The necessary provisions are allocated in the consolidated financial statements for the estimated liabilities based on the Group's results for the year. 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 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.

Institutions with the Law No. 7456 published in the Official Gazette dated July 15, 2023 by making changes in the first paragraph of Article 32 of the Tax Law, the year 2023 and the following the corporate tax rate for corporate earnings of taxation periods has been increased to 25%. As of reporting date, the current corporate tax rate for the corporate earnings has been determined as 25% (December 31, 2024: 25%). Deferred tax rate is 12,5% (December 31, 2024: 12,5%) for valuation increases/decreases of financial investments ("listed on the stock exchange") held for more than two years. According to the laws of Romania and the Cyprus, it is calculated as 16% and 23,5% respectively, on the taxable corporate income after deducting the legally deductible expenses.

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**30. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)
(cont'd)**

Corporate Tax (cont'd):

With the Law No. 7456 published in the 32249 numbered Official Gazette dated July 15, 2023, the exemption rate to be applied to the gains arising from the sale of immovables which in companies' assets before July 15, 2023 has been determined as 25%, and the deferred tax rate to be applied based on the temporary differences arising on the revaluation of the related assets are 18,75%.

Deferred Tax:

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

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 Article 10 of Corporate Tax Law; corporate tax rate is 25% for the corporate earnings to be obtained in the taxation periods of 2025 and following years.

Tax Advantages within the scope of investment incentive system:

The Group's earnings from investments subject to incentive certificates are subject to corporate tax at reduced rates, starting from the accounting period in which the investment is partially or fully operated, until it reaches the investment contribution amount. In this context, as of December 31, 2025, the tax advantage amounting to TL 628.828 (December 31, 2024: TL 369.028), which the Group will benefit from in the foreseeable future, has been reflected in the consolidated financial statements as a deferred tax asset. As a result of the accounting of the tax advantage in question as of December 31, 2025, a deferred tax income of TL 346.895 was created in the consolidated profit or loss statement for the period of January 1 - December 31, 2025. The contribution amount benefited from the income obtained from the investment between January 1, and December 31, 2025 is TL 971.047.

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 carried out as of 31 December 2025, when the inputs in the basic macroeconomic and sectoral assumptions that make up the business plans were increased/decreased by 10%, there was no change in the recovery period of deferred tax assets related to investment incentives, which is estimated to be 5 years.

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**30. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)
(cont'd)**

Deferred tax assets/(liabilities):	December 31, 2025	December 31, 2024
Investment incentive allowance	628.218	347.920
Energy incentive	610	21.107
Provision for employment termination benefit	97.211	120.799
Provision for doubtful trade receivables	7.423	9.247
Seniority labour incentive bonus provision	92.091	119.936
Provision for personnel premiums and bonuses	176.016	129.722
Legal provisions	169.589	97.171
Provision for state mining rights	49.696	42.156
Provision for unused vacation	36.972	32.258
Provision for land occupation	16.447	13.502
Provision for rehabilitation of mines	108.442	77.624
Valuation of financial investments	(10.921)	(7.692)
Revaluation adjustments of property, plant and equipment and intangible assets and depreciation and amortization differences of property, plant and equipment and other intangible assets	59.895	1.129.397
Inventories	(352.682)	(405.058)
Deductible prior year losses	-	21.853
Other	(33.738)	5.923
	1.045.269	1.755.865

Deferred tax (asset)/liability	December 31, 2025	December 31, 2024
Deferred tax assets	1.045.269	1.755.865
Deferred tax liability	-	-
	1.045.269	1.755.865

The movement of deferred tax (assets) / liabilities for the year ended at December 31, 2025 and 2024 is as follows:

	2025	2024
Opening balance as of 1 January	1.755.865	4.185.598
Recognized in statement of profit / (loss)	(670.298)	(2.420.481)
Recognized in other comprehensive (income) / expense	(40.298)	(9.252)
Closing balance as of 31 December	1.045.269	1.755.865

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**30. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)
(cont'd)**

Tax expense for the period can be reconciled with the profit for the period as follows:

	January 1 - December 31, 2025	January 1 - December 31, 2024
Profit before tax	11.720.974	14.577.206
Income tax rate of 25% (2024: 25%)	(2.930.244)	(3.644.302)
Tax effect of:		
- non-deductible expenses	(70.241)	(88.782)
- exemptions and other discounts	502.311	716.545
- Current period losses not subject to deferred tax	-	30
- Investment incentive exemption	1.317.942	341.116
- Different tax rate effect	47.273	2.300
- Monetary gain / (loss) and other inflation effects	(1.825.261)	(2.522.590)
Tax expense on statement of income	(2.958.220)	(5.195.683)

31. FINANCIAL INVESTMENTS

	December 31, 2025	December 31, 2024
a) Financial assets at fair value through profit and loss	953.290	2.717.309
b) Equity instruments designated as fair value through other comprehensive income	-	-

a) Financial assets at fair value through profit and loss

	December 31, 2025	December 31, 2024
Listed equity instruments (short-term)		
-Ereğli Demir Çelik Fabrikaları A.Ş.	273.634	366.886
Investment funds	679.656	2.350.423
	953.290	2.717.309

Company	December 31, 2025			December 31, 2024		
	Share Rate %	Amount	Cost	Share Rate %	Amount	Cost
<u>Shares Traded on the Stock Exchange</u>						
Ereğli Demir Çelik Fabrikaları A.Ş. (*)	<1	273.634	366.887	<1	366.886	445.039
Investment funds		679.656	231.476		2.350.423	2.069.081

(*) Ereğli Demir Çelik Fabrikaları A.Ş. shares comprise 11.487.571 shares.

32. EARNING PER SHARE

	January 1 – December 31, 2025	January 1 – December 31, 2024
Earnings per Share		
Net profit for the period	8.762.754	9.381.523
Average amount of shares available during the period	486.165.578	486.165.578
Earning per share from ongoing activities (1 TL nominal cost)	1,80	1,93

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33. 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 and equity items which comprise cash and cash equivalents, issued capital, reserves and prior years' profits, respectively.

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.

	December 31, 2025	December 31, 2024
Total payables and other financial liabilities (Note 17)	4.178.703	291.158
Less: Cash and Cash Equivalents (Note 5)	(13.819.664)	(8.314.667)
Less: Short-term Financial Investments (Note 31)	(953.290)	(2.717.309)
Net Debt	(10.594.251)	(10.740.818)
Total Equity	62.952.207	59.714.825
Total Capital	4.861.656	4.861.656
Net Debt/Total Capital Ratio	(2,18)	(2,21)

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.

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33. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management

Credit risks exposed by type of financial instruments	Receivables				Financial Investment	Deposits at Banks
	Trade Related Party	Other	Non-trade Related Party	Other	Other	Other
December 31, 2025						
Maximum credit risk exposed to as of the reporting date (A+B+C+D)	470.210	8.427.758	198.463	72.099	679.656	13.183.358
- Secured portion of the maximum risk by guarantees, etc.	-	5.400.975	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	70.496	8.091.077	198.463	72.099	679.656	13.183.358
B. Book value of financial assets that are renegotiated. if not that will be accepted as past due nor impaired	-	-	-	-	-	-
C. Net book value of financial assets that are past due but not impaired	399.714	336.681	-	-	-	-
Secured portion with guarantees, etc.	-	264.910	-	-	-	-
D. Net book value of the impaired assets	-	-	-	-	-	-
- Past due (gross amount)	-	114.129	-	3.080	-	-
- Impairment (-)	-	(114.129)	-	(3.080)	-	-
- Secured portion of the net book value by guarantees, etc.	-	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured portion of the net book value by guarantees, etc	-	-	-	-	-	-

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33. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management (cont'd)

Finansal araç türleri itibarıyla maruz kalınan kredi riskleri	Receivables				Financial Investment	Deposits at Banks
	Trade Related Party	Other	Non-trade Related Party	Other	Other	Other
December 31, 2024						
Maximum credit risk exposed to as of the reporting date (A+B+C+D)	700.309	8.381.342	137.835	109.073	2.350.423	8.243.412
- Secured portion of the maximum risk by guarantees, etc.	-	5.418.635	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	256.764	7.945.187	137.835	109.073	2.350.423	8.243.412
B. Book value of financial assets that are renegotiated. if not that will be accepted as past due nor impaired	-	-	-	-	-	-
C. Net book value of financial assets that are past due but not impaired	443.545	436.155	-	-	-	-
Secured portion with guarantees, etc.	-	280.753	-	-	-	-
D. Net book value of the impaired assets	-	-	-	-	-	-
- Past due (gross amount)	-	140.334	-	3.286	-	-
- Impairment (-)	-	(140.334)	-	(3.286)	-	-
- Secured portion of the net book value by guarantees, etc.	-	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured portion of the net book value by guarantees, etc	-	-	-	-	-	-

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33. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management (cont'd)

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group aims to decrease credit risk by transacting only with parties who has credit assurance and where possible, obtaining sufficient guarantee. The Group's collection risk arises mainly from its trade receivables. The Group manages this risk which may arise due to its customers by limiting the credit limits set for customers with the guarantees received. The use of credit limits is continuously monitored by the Group, and the customer's credit quality is continuously evaluated considering the customer's financial position, past experiences and other factors. Trade receivables are evaluated by considering the Group policies and procedures and clearly shown accordingly in the balance sheet after the provision for doubtful receivables is made (Note 7).

Trade receivables cover a high number of customers across various industries and geographical areas. Credit evaluations are continuously made over the trade receivables of the customers.

Aging of the overdue receivables is as follows:

December 31, 2025	Receivables		Total
	Trade Receivables	Other Receivables	
Overdue 1 to 30 days	322.393	-	322.393
Overdue 1 to 3 months	103.845	-	103.845
Overdue 3 to 12 months	76.030	-	76.030
Overdue 1 year	234.127	-	234.127
Total overdue receivables	736.395	-	736.395
Portion secured with guarantee, etc.	264.910	-	264.910

December 31, 2024	Receivables		Total
	Trade Receivables	Other Receivables	
Overdue 1 to 30 days	381.766	-	381.766
Overdue 1 to 3 months	196.633	-	196.633
Overdue 3 to 12 months	104.725	-	104.725
Overdue 1 year	196.576	-	196.576
Total overdue receivables	879.700	-	879.700
Portion secured with guarantee, etc.	280.753	-	280.753

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33. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management (cont'd)

December 31, 2025	Note	Financial assets at amortized cost	Fair value through profit or loss	Fair value through other comprehensive income	Financial liabilities at amortized cost	Carrying value
Financial assets						
Cash and cash equivalents	5	13.819.664	-	-	-	13.819.664
Trade receivables (including related parties)	7	8.897.968	-	-	-	8.897.968
Other receivables (including related parties)	8	270.562	-	-	-	270.562
Other financial assets	31	-	953.290	-	-	953.290
Financial liabilities						
Borrowings	17	-	-	-	4.178.703	4.178.703
Trade payables (including related parties)	7	-	-	-	7.443.695	7.443.695
Other payables (including related parties)	8	-	-	-	2.024.049	2.024.049
December 31, 2024	Note					
Financial assets						
Cash and cash equivalents	5	8.314.667	-	-	-	8.314.667
Trade receivables (including related parties)	7	9.081.651	-	-	-	9.081.651
Other receivables (including related parties)	8	246.908	-	-	-	246.908
Other financial assets	31	-	2.717.309	-	-	2.717.309
Financial liabilities						
Borrowings	17	-	-	-	291.158	291.158
Trade payables (including related parties)	7	-	-	-	7.941.254	7.941.254
Other payables (including related parties)	8	-	-	-	1.975.883	1.975.883

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33. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**b) Financial Risk Factors (cont'd)****Fair value hierarchy table**

The fair value of financial assets and liabilities is determined as follows:

- First level: Financial assets and liabilities are valued at stock market prices traded in the active market for identical assets and liabilities.
- Second level: Financial assets and liabilities are valued from the inputs used to find the price of the relevant asset or liability that can be observed directly or indirectly in the market, other than the stock market price specified at the first level.
- Third level: Financial assets and liabilities are valued from inputs that are not based on observable data in the market used in determining the fair value of the relevant asset or liability.

Level classifications of financial assets and liabilities stated at their fair values:

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

	December 31, 2025		
	Level 1	Level 2	Level 3
Financial assets measured at fair value			
Stock shares	273.634	-	-
Investment funds	679.656	-	-
	December 31, 2024		
Financial assets measured at fair value	Level 1	Level 2	Level 3
Stock shares	366.886	-	-
Investment funds	2.350.423	-	-

b.2) Liquidity risk management

The Group's activities expose it to a variety of financial risks including interest rate risk, liquidity risk, currency risk and credit risk. The Group management and the Board of Directors analyze and approve the policies about the management of the risks described below. The Group also takes into consideration the market value risk of all its financial instruments.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities and its derivative financial instruments. The tables below have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes interests payable on the relevant liabilities. The fair value of financial assets and liabilities is determined as follows:

Liquidity risk table:

December 31, 2025	Carrying value	Total contractual cash outflows (I+II+III+IV)	Less than 3 months (I)	3 to 12 months (II)	1-5 years (III)
Contract terms					
Non-derivative financial liabilities					
Financial liabilities	4.178.703	4.350.708	1.464.789	1.408.482	1.477.437
Trade payables	7.443.695	7.443.695	7.443.695	-	-
Other payables	2.024.049	2.024.049	2.024.049	-	-
Payables related to employee benefits	255.213	255.213	255.213	-	-
Total liabilities	13.901.660	14.073.665	11.187.746	1.408.482	1.477.437

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33. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**b) Financial Risk Factors (cont'd)****b.2) Liquidity risk management (cont'd)**

December 31, 2024	Carrying value	Total	Less than 3 months (I)	3 to 12 months (II)	1-5 years (III)
		contractual cash outflows (I+II+III+IV)			
Contract terms					
Non-derivative financial liabilities					
Financial liabilities	291.158	294.644	48.655	98.872	147.117
Trade payables	7.941.254	7.941.254	7.941.254	-	-
Other payables	1.975.883	1.975.883	1.975.883	-	-
Payables related to employee benefits	242.834	242.834	242.834	-	-
Total liabilities	10.451.129	10.454.615	10.208.626	98.872	147.117

b.3) Market risk management

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign currency risk, including:

- currency swaps to manage the foreign currency and interest risk associated with foreign currency denominated borrowings;

Market risk exposures are supplemented by sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

b.3.1) Foreign currency risk management

Transactions denominated in foreign currencies result in foreign currency risk. The Group is mainly exposed to currency risk in Euro, USD and Romanian Leu.

The carrying amounts of the Group's foreign currency denominated monetary and non-monetary assets and monetary and non-monetary liabilities at the reporting period are as follows:

	December 31, 2025				
	TL Equivalent (Functional currency)	US Dollar	EURO	Romanian Leu	Other
1. Trade Receivables	725.948	5.472	9.710	-	56
2. Monetary Financial Assets (including cash, bank deposits)	3.364.415	26.485	39.884	22.833	-
3. Other Current Assets	247.361	431	4.537	-	13
4. Current Assets (1+ 2 + 3)	4.337.724	32.388	54.131	22.833	69
5. Non-current Assets	1.401.240	5.316	23.336	-	-
6. Total Assets (4+5)	5.738.964	37.704	77.467	22.833	69
7. Trade payables	2.693.421	26.948	30.194	-	271
8. Financial Liabilities	3.838.236	-	76.191	-	-
9. Other current liabilities	2.284.041	13.224	34.072	-	-
10. Current Liabilities (7+8+9)	8.815.698	40.172	140.457	-	271
11. Other non-current liabilities	-	-	-	-	-
12. Non-current Liabilities	-	-	-	-	-
13. Total Liabilities (10+12)	8.815.698	40.172	140.457	-	271
14. Net foreign currency asset liability position (6 - 13)	(3.076.734)	(2.468)	(62.990)	22.833	(202)
15. Monetary items net foreign currency asset/liability position (6 - 13)	(3.076.734)	(2.468)	(62.990)	22.833	(202)
16. Export	2.634.687	51.375	7.839	-	-
17. Export-registered sales	984.729	22.664	3	-	-
18. Import	2.898.546	41.961	20.247	-	1.275

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33. 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)***

	December 31, 2024				
	TL Equivalent (Functional currency)	US Dollar	EURO	Romanian Leu	Other
1. Trade Receivables	745.041	7.119	8.657	-	-
2. Monetary Financial Assets (including cash, bank deposits)	929.430	15.315	2.063	12.798	-
3. Other Current Assets	311.412	3.205	3.399	-	-
4. Current Assets (1+ 2 + 3)	1.985.883	25.639	14.119	12.798	-
5. Non-current Assets	3.019.621	43.561	20.963	-	-
6. Total Assets (4+5)	5.005.504	69.200	35.082	12.798	-
7. Trade payables	2.548.572	26.338	27.599	-	11
8. Financial Liabilities	-	-	-	-	-
9. Other current liabilities	2.080.651	6.634	36.821	-	-
10. Current Liabilities (7+8+9)	4.629.223	32.972	64.420	-	11
11. Other non-current liabilities	-	-	-	-	-
12. Non-current Liabilities	-	-	-	-	-
13. Total Liabilities (10+12)	4.629.223	32.972	64.420	-	11
14. Net foreign currency asset liability position (6 - 13)	376.281	36.228	(29.338)	12.798	(11)
15. Monetary items net foreign currency asset/liability position (6 - 13)	376.281	36.228	(29.338)	12.798	(11)
16. Export	2.726.613	52.232	6.542	-	-
17. Export-registered sales	402.293	8.712	-	-	-
18. Import	3.621.346	64.851	12.895	-	-

Foreign currency sensitivity analysis

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

The following table shows the Group's sensitivity to a 20% (December 31, 2024: 20%) increase and decrease in USD, EURO and Romanian Leu. 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% change in foreign currency rates. A positive number indicates an increase in profit / loss and other equity.

	December 31, 2025	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of 20% appreciation of US Dollar against TL		
1 - USD net asset / liability	(21.149)	21.149
2- Portion hedged from USD risk (-)	-	-
3 – USD net effect (1+2)	(21.149)	21.149
In case of 20% appreciation of Euro against TL		
4 - Euro net asset / liability	(633.502)	633.502
5 - Portion hedged from Euro risk (-)	-	-
6 – Euro net effect (4+5)	(633.502)	633.502
In case of 20% appreciation of RON against TL		
7 - Ron net asset / liability	44.809	(44.809)
8 - Portion hedged from Ron risk (-)	-	-
9 – Ron net effect (7+8)	44.809	(44.809)
TOTAL (3+6+9)	(609.842)	609.842

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33. 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)

	December 31, 2024	
	Profit / Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of 20% appreciation of US Dollar against TL		
1 - USD net asset / liability	255.625	(255.625)
2- Portion hedged from USD risk (-)	-	-
3 – USD net effect (1+2)	255.625	(255.625)
In case of 20% appreciation of Euro against TL		
4 - Euro net asset / liability	(215.555)	215.555
5 - Portion hedged from Euro risk (-)	-	-
6 – Euro net effect (4+5)	(215.555)	215.555
In case of 20% appreciation of RON against TL		
7 - Ron net asset / liability	18.793	(18.793)
8 - Portion hedged from Ron risk (-)	-	-
9 – Ron net effect (7+8)	18.793	(18.793)
TOTAL (3+6+9)	58.863	(58.863)

(*) The amount is stated on the basis of the purchasing power of Turkish Lira as of December 31, 2025.

34. SUBSEQUENT EVENTS

None.