ANNUAL REPORT
2025

çimentaş
CEMENTIR HOLDING

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1 INTRODUCTION

AGENDA OF THE ORDINARY GENERAL ASSEMBLY MEETING FOR THE YEAR 2025

1. Opening and roll call
2. Formation of the presiding committee and authorization of the committee to sign the minutes and other meeting-related documents pursuant to article 16 of the company's articles of association
3. Reading and deliberation of the Board of Directors' Report and the Independent External Auditor's Report
4. Reading, deliberation and resolution concerning the approval of the 2025 balance sheet and income statement
5. Reading, deliberation and resolution concerning the approval of the sustainability report prepared in accordance with the Türkiye Sustainability Reporting Standards ("TSRS") for the year 2024
6. Individual acquittal of the members of the Board of Directors of their fiduciary responsibilities for the accounts and transactions of the Company in 2025
7. Deliberation and decision concerning the profit/loss for the year 2025
8. Deliberation and resolution concerning the approval of the Independent External Audit Firm appointed by the Board of Directors for the fiscal year 2026 and the acceptance of the independent external audit agreement executed with such firm
9. Determination of the number and term of office of the members of the Board of Directors and election of the members of the Board of Directors and independent Board members
10. Deliberation and resolution concerning the remuneration of the members of the Board of Directors
11. Deliberation and resolution concerning granting permission to the members of the Board of Directors to perform the transactions specified under Articles 395 and 396 of the Turkish Commercial Code
12. Information and deliberation concerning the donations and charitable contributions made during the year 2025
13. Deliberation and resolution concerning the donations and charitable contributions to be made in the year 2026
14. Information and deliberation concerning guarantees provided by the Company for the liabilities of third parties
15. Wishes and closing

CHAIRMAN'S SPEECH

Dear Shareholders,

For Türkiye, 2025 was a year marked by the continuation of the disinflation process, the gradual normalization of monetary policy, and a more balanced growth trajectory. The Turkish economy recorded GDP growth of 3.4%.

Consumer inflation, which stood at 44% in 2024, continued its downward trend and declined to 31% by year-end 2025. However, food prices, persistent services inflation, and limited improvement in inflation expectations kept inflation above targeted levels.

On the monetary policy front, the Central Bank of the Republic of Türkiye maintained its tight stance during the first half of the year and initiated a gradual easing cycle in the second half, in line with the improvement in the inflation outlook. The policy rate stood at 38% at year-end.

The construction sector continued the recovery trend that began in the last quarter of 2022. Reconstruction activities in the earthquake-affected region, urban transformation projects, and infrastructure investments remained the main drivers of demand. Housing sales increased by more than 14% compared to the previous year.

For the cement industry, 2025 was a year of strong growth in both domestic demand and exports. According to TÜRKÇİMENTO data, cement production increased by 10.5% compared to the previous year, while domestic sales and cement exports rose by 9.7% and 15.5%, respectively. As a result, the industry reached the highest production and domestic sales volumes in its history.

Exports, which had declined in 2024, entered a clear recovery trend during 2025.

At Çimentaş, we aligned our operations with the disinflationary policies implemented throughout the year and managed our customer and supplier portfolio through a disciplined approach focused on effective working capital management. In response to rising financing costs, we limited the use of external funding and continued to finance our operations and investments primarily through equity. As a result, capacity utilization rates at all four of our cement plants reached historical highs, while cement sales volumes increased by 4%.

In line with our strategic priorities and portfolio optimization objectives, all of our shares in our subsidiary Kars Çimento Sanayi Ticaret A.Ş., together with all related rights and obligations, were transferred on 1 December 2025.

In 2025, our net sales revenue reached TRY 17 billion, while EBITDA amounted to TRY 3.9 billion. Our EBITDA margin stood at 23.2%.

Looking Ahead

While global and domestic economic uncertainties are expected to persist, we will continue to pursue sustainable growth through disciplined financial management, operational efficiency, and our ability to adapt quickly to changing market conditions.

We will continue to closely monitor developments in our industry and focus on long-term value creation through productivity improvements, digitalization initiatives, and sustainability-focused investments. With our strong corporate structure and experienced workforce, we remain committed to creating value for our stakeholders and contributing to the Turkish economy.

On behalf of our Board of Directors, I would like to thank our employees and stakeholders whose efforts and contributions supported the value-creating, environmentally responsible, and people-focused initiatives we carried out throughout the year.

Best regards,

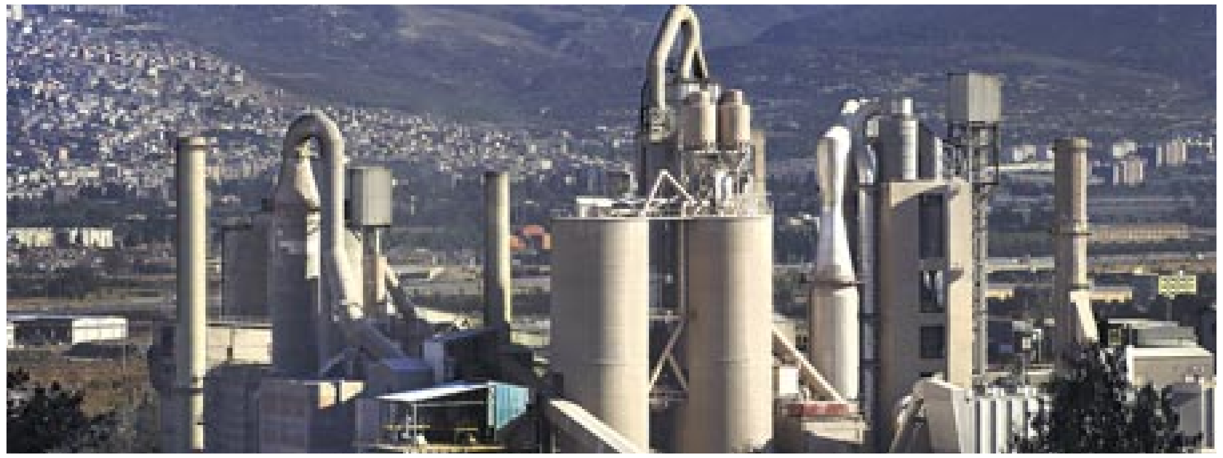
Taha Aksoy
Chairman of the Board of Directors

ÇİMENTAŞ GROUP

Founded in İzmir as the first private cement plant in the Aegean Region, Çimentaş was acquired by Cementir Holding in 2001. Çimentaş is one of Cementir Holding's most important subsidiaries, operating cement plants in İzmir, Edirne and Elazığ, 23 ready-mix concrete plants across Türkiye, aggregate facilities and an industrial waste management facility in Manisa. Together with the Cementir Group, Çimentaş shapes its responsible and sustainable operating approach in line with the highest occupational health and safety and environmental standards in the industry and expects all its employees to act accordingly. Çimentaş conducts its operations in compliance with applicable laws and regulations as well as internationally recognized standards, aiming to be known not only as a responsible producer in its areas of operation but also as a good neighbour through its contributions to the communities in which it operates. In terms of production capacity, Çimentaş ranks among Türkiye's leading cement producers. Together with its subsidiaries and affiliated companies, the Çimentaş Group has become a strong organization extending from İzmir to international markets. Today, Çimentaş manufactures and markets high-quality products through its production capacity, its own quarries and modern integrated plants operating in accordance with world-class standards.

CEMENTIR HOLDING GROUP

Cementir Holding N.V. is a multinational building materials company headquartered in the Netherlands and listed on the Euronext STAR Milan segment. The Company operates through four main business lines: grey cement, white cement, ready-mixed concrete and aggregates.
Cementir is the global leader in white cement and holds a strong position in the industry. It is the largest cement producer in Denmark, the largest ready-mixed concrete producer in Scandinavia, the third-largest cement producer in Belgium and a significant international player in Türkiye through its two publicly listed subsidiaries. The Group also operates one of Europe's largest aggregate quarries in Belgium and utilizes industrial waste as alternative fuel in its cement plants in Türkiye.
Cementir pursues a sustainable growth strategy based on product leadership, the pursuit of excellence and operational efficiency. Over the past two years, the Group has received significant ESG (Environmental, Social and Governance) recognitions. Its 2030 carbon reduction targets have been validated by the Science Based Targets initiative (SBTi), and it has been assigned ratings of A for Climate Change and A- for Water Security by CDP.
Cementir holds an investment-grade credit rating of BBB- with a stable outlook from Standard & Poor's. Since 1992, the Company has been part of the Caltagirone Group, one of Italy's leading privately owned industrial groups, with operations spanning housing, infrastructure, publishing, real estate and finance.



GLOBAL PRESENCE

TÜRKİYE

Grey cement production capacity: **5,4 million ton**
Grey cement plants: **3**
Ready-mixed concrete plants: **23**
Waste management facilities: **1**
Aggregate plant: **2**

Ready mixed concrete plants | Waste | Grey cement plants | Aggregate plant | Terminals

IDENTITY

We are an international Group aspiring to be product leader, who believes that the constant search for quality in every business process is key to success. We are a dynamic Group, constantly looking for new opportunities, who gives importance to the development of our employees, of the community in which we operate and to the value creation for our shareholders.
We believe in sustainable development and in diversity as a fundamental value of our activity.

VISION

We want to keep our uniqueness on the market by focusing on innovation, sustainable solutions and business diversification.
We are concrete. At the same time, we want to create value thanks to an agile organisation, capable of taking advantage of growth opportunities, respecting the environment and promoting dialogue and interaction with local communities.
We are dynamic.
We are Concretely Dynamic.

MISSION

Our mission is to generate value for our stakeholders through a path of sustainable growth by focusing on product leadership, the pursuit of excellence and the efficiency of operating processes.

VALUES

SUSTAINABILITY

We believe that there can be no success without respect for the environment: we are responsible to the communities in which we live and work, safeguarding the environment and natural resources.

DYNAMISM

We look beyond to anticipate and seize the best market opportunities. Being dynamic and flexible is what makes us unique and allows us to respond quickly to the needs of our customers.

QUALITY

We are committed every day and invest to improve the quality of our products, constantly innovating our offer. We focus on the needs of our customers while maintaining the highest quality standards. We pursue the efficiency and effectiveness of our processes.

VALUE OF PEOPLE

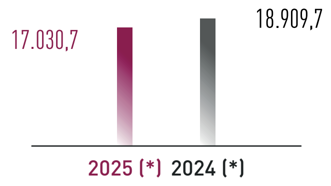
We build long-term relationships with our employees and stakeholders. We have a responsibility to ensuring a healthy and safe working environment and to recognise the merits and skills of each individual.

DIVERSITY AND INCLUSION

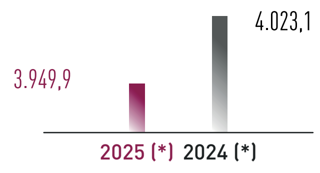
We consider diversity and inclusion a great resource. We work every day in a multicultural workplace and we value diversity at all levels of the organisation.

PERFORMANCE, FINANCIAL AND EQUITY HIGHLIGHTS

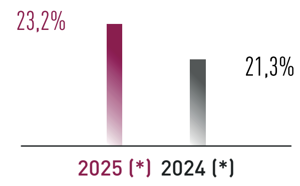
Revenue
(TL million)



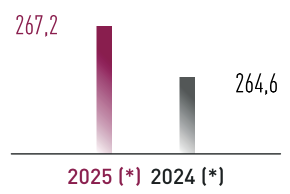
EBITDA
(TL million)



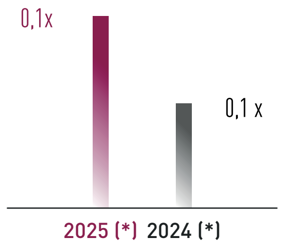
EBITDA Margin
(%)



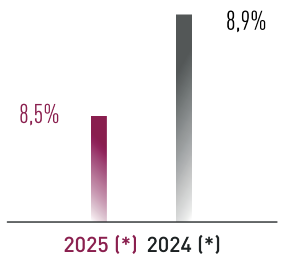
Net finansal debt
(TL million)



Net finansal debt / EBITDA



Return on equity
(%)



Performance highlights

('000 TL)	2025 (*)	2024 (*)	2023 (*)	2022 (*)	2021	2020
Revenue	17.030.749	18.909.657	20.300.260	17.105.072	1.820.999	1.141.875
EBITDA (1)	3.949.862	4.023.071	3.379.235	1.382.169	366.207	37.421
EBITDA Margin %	*23,2%*	*21,3%*	*16,6%*	*8,1%*	*20,1%*	*3,3%*
EBIT	2.947.597	3.027.478	2.281.038	375.696	284.848	-37.015
EBIT Margin %	*17,3%*	*16,0%*	*11,2%*	*2,2%*	*15,6%*	*-3,2%*
Financial income / (expense)	212.227	279.322	100.317	(433.431)	(72.232)	(24.418)
Profit before taxes	2.608.929	2.744.887	2.209.571	810.988	212.616	(61.433)
Income taxes	(872.530)	(978.204)	(859.584)	(2.657)	(15.272)	5.023
Profit / (loss) for the year	1.736.399	1.766.683	1.349.987	808.331	197.344	(56.410)
Profit / (loss) for the period margin %	*10,2%*	*9,3%*	*6,7%*	*4,7%*	*10,8%*	*-4,9%*
Group net profit/ (loss)	1.200.255	1.236.429	1.665.941	1.018.914	162.885	-35.250
Group net profit/ (loss) margin %	*7,0%*	*6,5%*	*8,2%*	*6,0%*	*8,9%*	*-3,1%*

(*) Amounts are restated in accordance with TAS29
(1) The 2025 results include a profit of TRY 845.6 million from the sale of the subsidiary related to the divestment of Kars Çimento.

Financial and equity highlights

('000 TL)	2025 (*)	2024 (*)	2023 (*)	2022 (*)	2021	2020
Net capital employed (a)	13.943.284	14.678.628	14.471.057	1.874.434	991.865	837.007
Total assets	28.008.510	27.278.600	25.607.375	4.793.734	2.536.626	1.790.158
Total equity	20.311.827	19.893.106	19.185.112	2.689.035	1.422.915	1.144.460
Group shareholders' equity	15.827.187	14.538.508	14.352.803	2.178.891	1.152.970	904.228
Net financial debt	267.215	264.601	161.214	200.824	106.267	28.102

(a) Intangible assets + tangible assets + working capital
(*) Amounts are restated in accordance with TAS29

Profit and equity ratios

	2025 (*)	2024 (*)	2023 (*)	2022 (*)	2021	2020
Return on equity (a)	8,5%	8,9%	7,0%	30,1%	13,9%	-4,9%
Return on capital employed (ROCE) (b)	21,1%	20,6%	15,8%	20,0%	28,7%	-4,4%
Equity ratio (c)	72,5%	72,9%	74,9%	56,1%	56,1%	63,9%
Net gearing ratio (d)	1,3%	1,3%	0,8%	7,5%	7,5%	2,5%
Net financial debt / EBITDA	0,1x	0,1x	0,0x	0,1x	0,3x	0,8x

(a) Net profit / Total equity
(b) EBIT / Net capital employed
(*) Amounts are restated in accordance with TAS29
(c) Total equity / Total assets
(d) Net financial debt / Total equity

Cash flows

('000 TL)	2025 (*)	2024 (*)	2023 (*)	2022 (*)	2021	2020
Cash flows from operating activities (CFFO)	2.564.174	2.562.983	1.899.441	574.197	120.576	35.242
Cash flows from investing activities (CFFI)	(721.881)	(206.467)	(2.113)	(453.374)	(126.608)	(13.753)
Cash flows from financing activities (CFFF)	(555.916)	(1.358.860)	551.551	381.573	37.793	(28.154)
Free cash flow (FCF)	1.286.377	997.656	2.448.880	502.396	31.761	(6.665)

Employees

	2025 (*)	2024 (*)	2023 (*)	2022 (*)	2021	2020
Number of employees (at 31 Dec.)	701	803	763	774	773	748
Acquisitions (000 TL	0	0	0	0	55.047	0,0
Investments (000 TL)	942.423	721.358	795.336	671.417	93.832	32.955

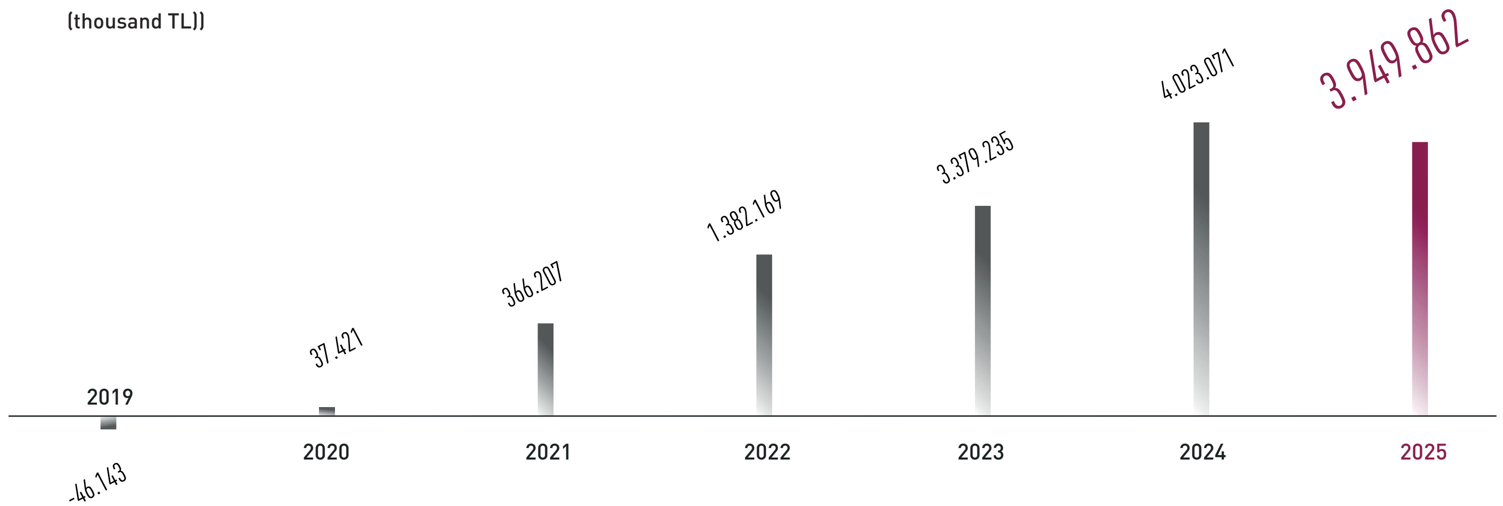
(*) Amounts are restated in accordance with TAS29

Sales volumes

	2025 (*)	2024 (*)	2023 (*)	2022 (*)	2021	2020
Grey cement (tonnes)	4.720.788	4.537.571	4.362.928	3.746.961	4.219.590	3.867.233
Ready-mixed concrete (m³)	2.022.957	2.174.065	1.833.655	1.717.568	1.892.832	1.469.596

EBITDA performance

(thousand TL))



2 ANNUAL REPORT

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e-mail: bdo@bdo.com.tr
www.bdo.com.tr

BDO Denet Bağımsız Denetim ve Danışmanlık A.Ş.
Tic.Sicil Numarası : 254683
Mersis Numarası : 0291001084600012
Eski Büyükdere Cad. No:14 Park Plaza Kat:4
34398 Sarıyer/İstanbul

(Convenience translation of a report originally issued in Turkish)

**INDEPENDENT AUDITOR'S REPORT
ON THE ANNUAL REPORT OFTHE BOARD OF DIRECTORS**

To the Shareholders of Çimentaş İzmir Çimento Fabrikası Türk Anonim Şirketi

1) Opinion

We have audited the annual report of Çimentaş İzmir Çimento Fabrikası Türk Anonim Şirketi ("the Company) and its subsidiaries ("the Group") for the period of 01/01/2025 - 31/12/2025.

In our opinion, the consolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated financial statements and the information we obtained during the audit.

2) Basis for Opinion

We conducted our audit in accordance with the Independent Auditing Standards, which are part of the Turkish Auditing Standards adopted within the framework of the regulations of the Capital Markets Board ("CMB") and issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Annual Report" 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 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) Our Auditor's Opinion on the Full Set Consolidated Financial Statements

We have expressed an opinion in our auditor's report dated 11 March 2026 on the full set consolidated financial statements of the Group for the period of 1/1/2025-31/12/2025.

4) The Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") of the Capital Market Board ("CMB"), the management of the Company [Group] is responsible for the following items:

a) Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.

b) Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.

c) The annual report also includes the matters below:

- Subsequent events occurred after the end of the fiscal year which have significance,
- The research and development activities of the Group,
- Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

5) Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the consolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's audited consolidated financial statements and to prepare a report including our opinion.

We conducted our audit in accordance with the regulations of the Capital Markets Board and the Independent Auditing Standards. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated financial statements.

The name of the engagement partner who supervised and concluded this audit is Selçuk Şahin.

**BDO Denet Bağımsız Denetim
ve Danışmanlık A.Ş.**
Member, BDO International Network

Selçuk Şahin, SMMM
Partner

11 March 2026
İstanbul, Türkiye

ÇİMENTAŞ İZMİR ÇİMENTO FABRİKASI TÜRK A.Ş. 2025 ANNUAL REPORT

A- GENERAL INFORMATION

1. Accounting period

01.01.2025-31.12.2025

2. Corporate information

Company name	: Izmir Çimento Fabrikası Turk A.Ş. Çimentaş
Central Registration System Number	: 0257003253100019
Registration number	: Commercial Register of Izmir – 20907
Contact details	www.cimentas.com.tr
Head office:	: Işıklar Mah. Eski Kemalpaşa Cad. Çimentaş Blok No: 4B Bornova-İZMİR Tel: 0 232 472 1050 Fax: 0 232 472 1055
Trakya Branch	: Sinanköy Mevkii Lalapaşa Edirne Tel: 0 284 1104 Fax: 0 284 323 1240
Soma Branch	: İstasyon Mahallesi Yırca Yolu- Demiryolu Altı (Kume Evler) No: 1 Soma/Manisa
Menderes Aggregate Branch	: Karakuyu Mah. 7655 sk. No: 120/1 Menderes/İzmir
Malatya Aggregate Bran	: Kırlangıç Mah. Kırlangıç Yolu Kume Evleri Surmeli İnşaat
Kırklareli Branc	: Pınar Mah. Şeytandere Mevkii Kume Evleri No:3 Merkez / Kırklareli

3. Shareholding structure and capital

Shareholder	Shares (TL)	%
Aalborg Portland Espana SL	84.649.172,52	97,17
Other/BIST	2.463.290,68	2,83
TOTAL	**87.112.463,20**	**100**

4. Members of the Board of Directors involved during the period

First name-surname	Title	Term
Taha Aksoy	Chairman	25.04.2025-25.04.2026
Marco Maria Bianconi	Vice Chairman	25.04.2025-25.04.2026
Mevlüt Cenker Mirzaoğlu	CEO	25.04.2025-25.04.2026
Pasquale Vetrano	Member	25.04.2025-25.04.2026
Michele Di Marino	Member	25.04.2025-25.04.2026
Seyda Zeynep Akdurak	Independent Board Member	25.04.2025-25.04.2026
Mehmet Cemali Dinçer	Independent Board Member	25.04.2025-25.04.2026
Mehmet Gürel Kapani	Independent Board Member	25.04.2025-25.04.2026

Authorisation limits

Invested with the powers specified in Capital Market Law, Turkish Commercial Code, Articles of Association of the Company and other legislation.

5. The Executives in charge during the period

First name-surname	Title
Taha Aksoy	Chairman
Mevlüt Cenker Mirzaoğlu	CEO
Salih Tural	CFO
Fevzi Savrun	Supply Chain Director
Gürol Özer	Regional Industrial Centre Director
Abdullah Doğukan Demir	Commercial Director
Melek Özen	Human Resources Director

6. Corporate Governance Committee

Seyda Zeynep Akdurak	President
Marco Maria Bianconi	Member
Onur Eraydın	Member

7. Audit Committee

Seyda Zeynep Akdurak	Member
Bahri Hüseyin Zühal	Member

8. Risk Committee

Mehmet Cemali Dinçer	President
Seyda Zeynep Akdurak	Member
Mehmet Cemali Dinçer	Member

9. Personnel

701 employees, including executives, were working in Çimentas Group Companies as at 31.12.2025.

10. Amendments to the Articles of Association during the period

There were no amendments to the Articles of Association during the period.

11. Issuance of securities during the period and related obligations

Since there were no securities issued during the period, there are no potential financial obligations for the company.

12. Subsidiaries and shareholding percentages in subsidiaries

Subsidiary	Nominal Shares (TL)	%
Recydia A.Ş.	180,160,293.00	23.72
Çimbeton A.Ş.	890,042.00	50,28
Destek A.Ş.	49,993.00	99.99
Yapıtek A.Ş.	286.498,52	2.00

B-BENEFITS PROVIDED TO THE TOP EXECUTIVES

A decision was made during the ordinary General Assembly meeting of the company for the year 2024 that each member of the Board of Directors was to be paid a 7.540 TL gross fee for each board meeting attended and no fee other than this has been paid to the members of the Board of Directors.
Senior executives of the Company are provided with short-term incentive premiums based on both company performance and individual performance, in addition to their salaries, as well as private health insurance. Apart from this, there is no fixed dividend, bonus, or similar payment scheme.
In 2025, the consolidated nominal amount of the benefits provided to the senior management of the Çimentaş Group Companies amounted to TL 109.802.355. Specifically, for Çimentaş İzmir Çimento Fabrikası Tuřk A.Ş., the total nominal amount of the benefits provided to its senior management was TL 102,.586.702.

C-R&D ACTIVITIES

R&D activities have been carried out at Cimentas Group with our İzmir, Elazığ, Kars and Trakya Cement Plants within the scope of quality improvement, customer satisfaction, environmental protection and cost reduction. These activities are listed below:

Scope	Plant	R&D activity
Environmental Protection, Sustainability, Cost Reduction	İzmir, Trakya	**Use of Synthetic Gypsum Instead of Natural Gypsum:** The effect of increasing synthetic gypsum usage rate on product quality and ready mixed concrete quality was analysed and optimum usage rate was determined. With the increase of synthetic gypsum usage amount, natural gypsum resources will be protected, and contribution will be made to sustainability.
Sustainability, Cost Reduction	İzmir, Trakya	**Use of Iron Slag Instead of Natural Iron Ore:** Instead of the natural iron ore used in the clinker production process, the use of iron slag waste generated in iron-steel and similar industrial plants was investigated. In this context, laboratory test studies have been carried out, and results were satisfying. Both cost reduction and environmental protection has been achieved.
Environmental Protection, Sustainability, Cost Reduction	İzmir, Trakya	**Bottom Ash Usage:** Bottom ashes formed in thermal power plants and textile sector have the ability to substitute for raw materials used in clinker production process. It is aimed to reduce the use of clay with the use of bottom ash. In this way, the bottom ashes that are formed are not only brought into the economy but also prevented the bottom ash from being stored in nature, causing environmental pollution.
Product Development	İzmir	**Low Chromium Cement Production:** In order to develop its product portfolio and increase its export potential, low chromium clinker production was carried out to produce low chromium cement. It satisfied all customer requirements, and it is being produced in batches throughout the year.
Product Development	İzmir	**Sulphate Resistant Cement (Geocim) Production:** 42,5 R class cement which is resistant to sulphate and chemical attacks was produced. It is preferred for projects which especially will be exposed to sea water and/or underground water.
Product Development	Trakya	**High Additive Cement Production for the Ready-Mixed Concrete Sector:** As an alternative to the CEM I 42,5 R product, CEM II/A-M (L-W) 52,5 R type cement with 12-20% mineral additive was produced. The carbon footprint has been reduced with less clinker use.
Product Development	Elazığ	**High Additive Cement Production for the Ready-Mixed Concrete Sector:** As an alternative to the CEM I 42.5 R product, CEM II/A-M (P-L) 42,5 R type cement with 12-20% mineral additive was produced. The carbon footprint has been reduced with less clinker use.
Environmental Protection, Cost Reduction	Çimentaş Group	**Increasing the Use of Alternative Fuels and Alternative Raw Materials:** It is aimed to increase the use of alternative fuels and alternative raw materials, as it will reduce production costs and have positive effects on the environment.
Product Development	Elazığ	**Sulphate Resistant Cement Production:** CEM I 42.5 R-SR5 type cement, which features Sulphate Resistant Cement Production that is resistant to sulphate and chemical attacks, has been produced. It is especially preferred in projects that will be exposed to chemical attacks.
Sustainability, Cost Reduction	Çimentaş Group	**Optimizing Grinding Aids:** Grinding Aid trials are performed both to increase grinding efficiency and to improve cement performance. It is aimed to decrease specific energy consumption and clinker usage.
Product Development	Trakya	**Air Entrained Cement:** CEM IV/B (P) 32,5 R-SR type cement was improved in terms of workability, resistance to freeze&thaw cycles and durability.

D-INFORMATION REGARDING COMPANY ACTIVITIES

1. Production activity of the company

The Çimentaş Group, cement production is carried out at four clinker and cement production facilities located in İzmir, Edirne, and Elazığ. Operating in different regions of Turkey, the Elazığ plant has a separate legal entity status, while the facility in Edirne is structured as a branch.
At the İzmir plant, clinker production is maintained in two rotary kilns, one equipped with a preheater and the other with a calciner. At the Edirne facility, clinker production is carried out in a single kiln with a calciner. In Elazığ, clinker production is performed using one kiln with a calciner.
The clinker production capacities of the plants are presented below, and the cement grinding capacities exceed the clinker production capacity:

Plant name	Annual clinker production capacity (tons)
Çimentaş İzmir	1.801.848
Çimentaş Trakya	1.183.200
Elazığ Çimento A.Ş.	1.000.000

2. Investments

While making investment plans for 2025, the focus has been on contributing to the optimization of the current process, increasing the use of alternative fuels and alternative raw materials, increasing the amount of reserves in the mine sites, improving environmental conditions, and improving occupational health and safety. During the investment processes, economic conditions were taken into account, delays in delivery times and issues that could increase investment costs were considered in all planning processes.

With the integration of the approval and cost control procedure of internal investments, projects were classified to define the best optimization projects according to facility needs and group requirements, improvement projects based on legislation and regulations were determined and prioritized and implementation-based plans were made.
Within the scope of this planning, 942.423.777 TL investments were made in cement factories and aggregate and concrete facilities in 2025. The breakdown of investments by company is as follows:

Company Name	Total Investment (TL)
Çimentaş	651.593.816
Elazığ Çimento	178.057.958
Kars	30.447.848
Süreko	31.675.434
Çimbeton	27.057.737
Ege Kırmataş	22.118.174
Destek	1.472.810
Total	**942.423.777**

Information on the investments completed in 2025 is given below.

- **At the İzmir Plant**, the annual overhaul activities of Clinker Production Lines No. 1 and No. 3 were completed in the first half of the year. The annual overhaul activities of the cement mills were completed in the first quarter. During the overhaul periods, investment activities aimed at increasing the efficiency of existing equipment and improving operating conditions were completed. Within the scope of environmental and Occupational Health and Safety (OHS) investments planned for 2025, the relevant investments were completed in the first half of the year. New filtration systems were installed in clinker conveying lines and loading areas to prevent dust emissions, and design improvements were implemented. Within the scope of dedusting projects, approximately 4 km of road from the factory site to the quarry area was concreted. In order to reduce personnel workload and ensure continuous cleaning of the units, a new vacuum cleaning vehicle was procured. Within the scope of occupational safety, improvement activities covering all working areas at the site continued until the end of the year and are planned to continue in the following years. In order to increase plant operating performance and reduce production losses, the procurement processes of critical spare parts budgeted for 2025 were completed. In addition, the scope of digitalization investments serving Industry 4.0 initiatives within the units planned for 2025 was completed.
- **At the Edirne Plant**, the annual overhaul activities of clinker and cement production lines were completed. During the overhaul periods, investment activities aimed at increasing the efficiency of existing equipment and improving operating conditions were completed. Contracts were signed for the investment in a new 154 kV switchyard and energy transmission line in order to meet the electricity demand of the plant, and construction works were physically initiated. The completion of the works and commissioning of the project are planned for the third quarter of 2026. Through this investment, it is aimed to supply electricity from the high-voltage transmission line, reduce unit electricity costs, improve energy quality, and reduce production losses. Improvements related to dust emission values were completed through the arrangements made in dust collection systems. In addition, the scope of digitalization investments serving Industry 4.0 initiatives within the units planned for 2025 was completed. Advanced process control system investments for the rotary kiln and cement mills were completed, aiming to increase process efficiency and prevent production losses. In order to increase plant operating performance and reduce production losses, the procurement processes of critical spare parts budgeted for 2025 were completed.
- **At the Elazığ Plant**, the annual overhaul activities of cement production lines were completed. The overhaul of the clinker production line was completed in the third quarter of the year. Environmental and OHS investments planned within the scope of 2025 were carried out in the fourth quarter. In order to increase plant operating performance and reduce production losses, the procurement processes of critical spare parts budgeted for 2025 were completed. Within the scope of plant site rehabilitation, investment activities and environmental landscaping works were completed. In line with the growth targets in the readymixed concrete segment, the procurement process for three new truck mixers within the Elazığ Plant was completed.

Across all ready-mixed concrete plants and operations, facility renovation works aimed at improving employees' working conditions were continued, and activities aimed at minimizing contamination risks were carried out. In line with the growth targets in the ready-mixed concrete segment, the procurement process for three new truck mixers within the Elazığ Plant was completed.
In addition, investments contributing to efficiency improvements at the İzmir and Edirne Plants were carried out, and environmental improvement investments across all facilities - particularly at the İzmir and Elazığ Plants - were prioritized. Investments aimed at improving occupational safety processes and eliminating risks will continue across all facilities.
Within the scope of the Cementir 4.0 project supported by Cementir Holding N.V. ("Cementir Holding"), installation projects for smart process control systems at the İzmir Plant are ongoing.
During 2025, projects that contribute to improving existing plant performance, improving energy utilization and efficiency, and reducing production costs, and that can deliver rapid results, were completed in line with planned schedules.

3. Internal control and independent audit

The Internal Audit Function at Cementir Holding conducts the company's internal control and audit processes. There is a Budget Planning & Controlling department at the company where the company's activities and transactions are audited to verify whether they are in compliance with the law. Procedures and activity results are also checked to verify whether they are in compliance with the budget and/or plans.
Both departments have been operating efficiently and actively. They duly inform the related departments on time. By doing so, they demonstrate great performance by taking precautionary measures, implementing and enhancing additional operations.
Our company was audited by the independent auditing company. BDO Denet Bağımsız Denetim ve Danışmanlık A.Ş. during this fiscal year and received an unmodified audit report.
There are no significant lawsuits that may affect the activities of the Company.
No administrative or judicial sanctions were applied against the company or the members of the Board of Directors on the basis of practices violating legislative provisions.
Objectives set by the company were achieved within the 2025 period and the resolutions of the General Assembly were carried out.

4. Donations and remittance

The consolidated total amount of donations and benefits belonging to the companies of the Çimentaş Group for the period 2025 is 8.607.345 TL. The total amount of donations made on behalf of the Company in 2025 was 5.400.895 TL, consisting of 5.334.033 TL in cash and 66.862 TL as commodities.
The donation amounts are within the limits of the donation power received at the 2024 Ordinary General Assembly.

5. Information on production and sales

2025 stands out as a year in which construction production and volume indicators in Türkiye remained strong, while confidence and expectations did not recover at the same pace. In the third quarter of 2025, the Turkish economy expanded by 3.7%, whereas the construction sector grew by 13.9%, significantly outperforming overall economic growth. During this period, the sector's share in GDP reached 6.0%, and the growth trend observed over the past twelve consecutive quarters was sustained.

Construction activity remained resilient toward year-end. In November 2025, the construction production index increased by 22.3% year-on-year. Over the same period, the construction cost index driven by material inputs rose by approximately 23%, indicating that cost and price dynamics were a key contributor to the strength of nominal growth. A critical factor shaping the regional growth composition in 2025 was the earthquake-affected region.

Construction activities in these areas were largely completed during the year. This resulted in a strong demand multiplier that supported growth in earthquake-affected provinces throughout 2025, while leading to a more cautious investment environment in other regions, creating a dual-track regional Outlook From the perspective of the cement industry, 2025 appears to be a year in which both domestic demand and exports expanded simultaneously. During the January–November 2025 period, domestic cement sales increased by 8%, while total cement production grew by 9.35% year-on-year. The parallel increase in domestic sales and production indicates that capacity utilization and supply continuity were effectively managed to meet market demand throughout the year. In the regions where Çimentaş operates, domestic cement sales declined by 3.2% in the Marmara Region and 6.6% in the Aegean Region, while increasing by 18.7% in the Eastern Anatolia Region.

A particularly notable development in 2025 was the achievement of the highest monthly domestic cement sales volume in history in May 2025. This underscores that demand reached strong levels at certain periods during the year and demonstrates that the domestic market maintained its resilience in terms of activity and volumes.

Despite seasonal and market-specific variations across the regions in which the Group operates, total domestic cement sales volume in 2025 increased by 4.2% compared to the previous year.

6. Main factors affecting the performance of the sector and the business

Energy, including fuel and electricity, constitutes more than 50% of the costs of all businesses in the sector and our company on a regional basis. For this reason, energy management and cost are sensitive for the sector, and upward changes in coal and petcoke prices and/or exchange rates, which are mostly imported inputs, and increases in electricity prices negatively affect the capacity utilization and competitiveness of the sector. Although an increase in coal and petcoke prices is not expected in US Dollar terms, the exchange rate effect is expected to have negative effects.

In order to increase the use of alternative fuels in the sector, incentives for waste management must be improved and made more attractive.

One of the most sensitive issues in the sector is the licensing and sustainability of raw material resources.

Both legal and practical developments on these issues are followed carefully.

7- Result section of the commitment report

IT, management consultancy, administrative support and trademark usage services, which are listed in the report provided by the parent company, are in compliance with market practices. In this regard, no damage has been sustained by the company and no harmful act has been done/committed by the management of the parent company.

E- FINANCIAL POSITION

- Basic ratios

There is no value not recorded in the financial statements as per the Capital Market Legislation and Accounting Standard. Our company has not experienced technical bankruptcy or is overly in debt. The ratios compared with the previous year are as below:

Ratio	2025/12	2024/12
Current Ratio	1,98	1,90
Liquidity Ratio	1,70	1,55
Liabilities/Assets	0,27	0,27
Liabilities/Equity	0,38	0,37
Equity/Assets	0,73	0,73
Profitability by sales	0,19	0,19

When the consolidated financial statements of Çimentaş Group as of 31 December 2025 are examined, it is seen that the Group performance has declined compared to the previous year. The gross sales profit, which was 3.209.974 thousand TL in 2025, was 3.584.411 thousand TL in 2024, and the gross profit margin remains at 19%. In addition, while the consolidated main operating profit in 2024 was 2.276.087 thousand TL, the profit before tax was 2.744.887 thousand TL and the net period profit was 1.766.683 thousand TL, a profit was made in all the mentioned items in 2025 and the main operating profit was 1.647.681 thousand TL, the profit before tax was 2.608.929 thousand TL, and the net profit for the period was 1.736.399 thousand TL.

- Profit and investment policies applied by the company in order to strengthen the performance of the company

The key point for strengthening the company's performance is a financial policy mainly based on equity capital. Our main shareholder, Cementir Holding N.V., recognizes this policy and supports the company's application of it aimed at using equity capital for cost-decreasing investments. This approach is effective for achieving the sustainability of the profit margin. Our company, by distributing profit over the market conditions via ready money or free stock certificates, creates a higher premium performance for its partners with the increase in the share value.

- Financial resources and risk management policies

The financing of investments and the company's needs are mainly met with equity capital. If the need arises, the company uses short-term Turkish Lira loans or foreign-currency loans. The risks that can be faced by the company are audited by specialized groups in accordance with the main shareholder's policies.

As of 31 December 2025, Çimentaş shares with a nominal value of TL 2.881.409,09 is traded on Borsa Istanbul under the name of CMENT on the "Pre-Market Trading Platform".

- Explanations regarding special audits and public audits conducted during the reporting period

Following our material event disclosure dated 3 November 2023 titled "Competition Authority Investigation Regarding Our Subsidiary", it was notified by the Competition Board on 25 March 2024 that Çimentaş İzmir Çimento Fabrikası Türk A.Ş. had also been included in the ongoing investigation. The Short Decision of the Competition Board regarding the investigation conducted in Aydın province has been served to Çimentaş. The Board resolved to impose an administrative monetary fine of TRY 37,370,945.14 on Çimentaş İzmir Çimento Fabrikası Türk A.Ş., corresponding to 0.7742% of its 2023 gross revenue, on the grounds that it violated Article 4 of Law No. 4054 on the Protection of Competition. The period for appeal against the decision is ongoing, and a decision will be made as to whether an appeal will be filed. In the same investigation, no administrative fine was imposed on Çimbeton. The reasoned decision is awaited. According to the notification served by the Competition Board, it has been determined that Çimbeton Hazırbeton Prefabrik Yapı Elemanları Sanayi ve Ticaret A.Ş. was a party to an agreement aimed at price fixing and customer allocation in the ready-mixed concrete production and sales market in Malatya province, thereby violating Article 4 of Law No. 4054. Accordingly, pursuant to paragraph three of Article 16 of Law No. 4054, an administrative monetary fine of TRY 19,051,702.84 was imposed. The administrative fine was paid with a 25% reduction, and a lawsuit has been filed against the decision. According to the information notified by the Competition Board to our subsidiary Recydia Atık Yönetimi Yenilenebilir Enerji Üretimi Nakliye ve Lojistik Hizmetleri Sanayi ve Ticaret A.Ş., no findings were identified indicating that Recydia violated Article 4 of Law No. 4054 in relation to the investigation conducted in Malatya province regarding the ready-mixed concrete production and sales market. Therefore, it was resolved that no administrative monetary fine would be imposed on the Company within the framework of Article 16 of Law No. 4054.

F- EVALUATION OF RISKS

Risk Management, which is also a management function, has become legally necessary following the enactment of the new Capital Market Law and Turkish Commercial Code. Article 378 of the Turkish Commercial Code sets forth that the "Board of Directors in publicly held companies is responsible for: predetermination of the reasons that could endanger the continuance and development of the company, implementation of necessary solutions in order to prevent the risks, formation of a committee and making such systems function and improve".

In order to develop the current risk management skills and align with article 378 of Turkish Commercial Code, "Risk Committee" was formed within Çimentaş in November 2012. The committee members are Mr Mehmet Cemali Dinçer, Mr Marco Maria Bianconi and Mr Salih Tural for 2023. Risk Committee meetings are held periodically, and a report is submitted to the Board of Directors.

In this regard, a "Risk Management Project" was implemented in 2013. Within the scope of this project, risk inventories have been prepared; risks have been prioritised and evaluated by using the appropriate risk methodology in compliance with the internationally recognised "COSO Corporate Governance". As a result of such evaluations, risk maps have been created; roles and responsibilities including the steps of monitoring and reporting have been defined and documented. The Risk Committee works based on this methodology.

G- RELATED PARTY TRANSACTIONS

The details of major goods and service sales to related parties as of 31 December 2025 are as follows;

- Cement and clinker sales to Spartan Hive SpA is amounting to 767.757 thousand TL
- Ready-mixed concrete and fuel oil sales amounting to 574 thousand TL were realized to Yapıtek Yapı Teknolojisi Sanayi ve Ticaret A.Ş.

The details of major goods and service purchases from related parties as of 31 December 2025 are as follows;

- Raw material and spare part purchases from Spartan Hive SpA is amounting to 382.750 thousand TL.
- Royalty fee charge from Cementir Holding N.V is amounting to 148.203 thousand TL.
- Consultancy services from Aalborg Portland Holding A/S is amounting to 7.708 thousand TL.
- Goods purchases and consultancy services taken from Aalborg Portland A/S is amounting to 156.019 thousand TL.

A more detailed explanation of the transactions with related parties was made in the Disclosure No. 4 "Related Party Disclosures" of the Financial Report dated 31 December 2025.

REPORT ON THE APPLICATIONS OF CORPORATE GOVERNANCE PRINCIPLES

SECTION I- DECLARATION OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Our Company implements all the necessary corporate governance principles contained in the annex of the provisions communiqué related to the determination and the implementation of Corporate Governance Principles II-17.1 of the Capital Markets Board, during the year 2024. There are non-compulsory principles, some of which are contained in the Turkish Commercial Code and some are waived based on the structure of the sector and the management structure of the company. Remarks on the subject are provided below.

You can reach the "Corporate Governance Compliance Report" and "Corporate Governance Information Form" which were prepared in accordance with Corporate Governance Principles II-17.1 of Capital Markets Board by visiting the Company's profile at https://www.kap.org.tr/tr/sirket-bilgileri/ozet/907-cimentasizmir- cimento-fabrikasi-t-a-s.

SECTION II- SHAREHOLDERS

2.1 Investor Relations Department

The "Legal Affairs and Investor Relations Department" conducts relations with shareholders in coordination with the "Finance Directorate".

The primary activities of this department have been focused on conducting relations with either shareholders or the Capital Markets Board ("CMB") and the Istanbul Stock Exchange ("ISE"). Accordingly, monitoring the company's stock certificates, transactions related to shareholders' rights, disclosure of special events to the public and arrangement of General Assembly meetings of the company are handled by this department.

The authorized person is Onur Eraydın who has a Capital Market Activities Level 3 and Corporate Governance Rating License numbered 909667. This department can be reached via onureraydin@cimentas.com email or 0.232.472 10 50 phone number.

More than 35 applications have been received from individual and institutional investors as well as intermediary entities and replied to, and the requirements of the relevant parties have been met within the period.

2.2 Shareholders' rights regarding acquisition of information

Requests for information received by the company from shareholders, as well as investors and intermediary entities, have been especially intense in terms of requests for the report on operations as well as the 2022 General Assembly meeting and the performance of the company with regards profit distribution issues.

These requests have been met by providing the necessary explanations and documents.

Studies related to publishing the developments concerning the utilization of rights by shareholders through electronic media are still in progress. Updates related to the subject are made available on the company's website. Such developments are announced within the framework of legal regulations which are presently in force.

The appointment of a private auditor was not regulated as an individual right within the scope of the Articles of Association, and no request for the appointment of a private auditor was received within the period.

Çimentaş is periodically audited by an independent external audit firm within the context of Capital Market Law. On the other hand, systematic auditing of the group is periodically conducted by the Internal Audit Function within the framework of a specific programme. A regulation on the subject is also available in the new Turkish Commercial Code article 438.

2.3 General Assembly meetings

During the period, the Ordinary General Assembly meeting for the year 2024 was held on 25 April 2025 and 97,29% participation was recorded at the Ordinary General Assembly for the year 2024. Before the General Assembly meeting, the agenda, information about company activities and the financial statements were communicated to the shareholders on the company's website. Shareholders used their questioning rights during the meeting. Information about donations made during the period was given to the shareholders as part of a separate agenda item. The Articles of Association do not contain a particular provision related to the quorum, so the relevant provisions of Turkish Commercial Code (TCC) were applied.
Invitations to the General Assembly meeting are published as required by the provisions of the Turkish Commercial Code and Capital Markets Law and are also published on the company's website three weeks prior to the meeting. Registration proceedings for shareholders to participate in the General Assembly are conducted under the provisions of the TCC and Capital Markets Law.
Information related to the Ordinary and Extraordinary General Assembly meetings is made available for shareholders to review at the company headquarters pursuant to the Turkish Commercial Code.
In order to facilitate the participation of shareholders in the General Assembly, in addition to announcements and publications, due diligence is exercised to ensure access to information on the issues constituting the agenda of the General Assembly and requirements of legal regulations are complied with.
Media operators are also invited to the General Assembly Meeting, and they attend.
Minutes and documents related to the General Assembly meetings are made permanently available for shareholders to review at the company headquarters.

2.4 Voting rights and minority rights

Company shares do not provide voting privileges and each share gives only one voting right to its holder.
To resolve issues regarding voting by companies which have a mutual participation relation, the rules of "disfranchisement" stated in the Turkish Commercial Code are applied.
Since the number of minority shares in the company is low (around 3%), they are not represented in the management.
The Articles of Association of the company do not contain a provision for the method of cumulative voting in the election of the Board of Directors and statutory auditors.

2.5 Profit distribution policy and profit distribution timing

A written company profit distribution policy has been drafted and approved by the Board of Directors and the issue has been regulated explicitly in detail in the Articles of Association. With regard to the share of the company's profit, founder certificate holders have privileged rights, so, after deduction of taxes and legal liabilities, as well as losses of past years, from net profit and after allocation of 5% legal reserve as per article 519 of the Turkish Commercial Code and 50% for the first dividend under Articles of Association, 10% of the remaining dividend amount is distributed to the founder certificate holders.
Although the communiqué published by the Capital Markets Board gives a rate of 20% for first dividend, the rate is set at 50% in the Articles of Association of the company as specified above. This circumstance is the result of the policy aimed at maximizing the profit share rights of the shareholders. This policy is applied under consideration of the economic conditions of the country and the present situation of the company.
Legal periods in profit distribution are strictly followed.
The Board of Directors' profit distribution proposal is submitted to the shareholders as information via special event disclosures prior to the General Assembly meeting and are also stated in the activity report. In cases of non-distribution, information regarding the reason and usage of the non-distributed profit is given in the General Assembly.

2.6 Assignment of shares

Since all company shares were converted into bearer shares upon modification of the Articles of Association as resolved in the Ordinary General Assembly meeting for the year 2005. A particular provision restricting assignment of shares does not exist.

SECTION III- PUBLIC DISCLOSURE AND TRANSPARENCY

3.1 Company website

A website named www.cimentas.com, established in the name of our company, was activated during the year 2009.
The content of the website has reached the level established by the Principles of Corporate Governance thanks to improvements made since early 2012. Information on the website is updated continuously. The company's press documents are provided on the website. Information on the website is also available in English as necessary, taking into consideration the needs of international investors.

3.2 Annual report

Information on the corporate governance principles are featured in the annual report.

SECTION IV- STAKEHOLDERS

4.1 Information on the company policy relevant to the stakeholders

Relations between stakeholders and the company are entirely based on written agreements, while relations and operations between the parties are governed within the framework defined by the agreements. In cases where agreements do not exist, the parties' interests are preserved within the framework of legislation and goodwill rules and the company's options.
Stakeholders are informed about subjects pertaining to them by the company, with meetings organized by the company and through e-mails.

4.2 Support for stakeholder participation in management

Information on the company and its activities is given during the meetings held both with personnel and other stakeholders from time to time. In addition, although no model regarding participation of the personnel in management and disclosures has been established, expectations, complaints and suggestions from the personnel and the customers are collected through surveys and enquiries conducted with the personnel and the customers. Corrective and regulative actions are taken based on the findings which are evaluated and prioritized by top management.

4.3 Human resources policy

Çimentaş Group seeks to build a competent community of managers and employees through the improvement of organizational efficiency and individual skills in the workplace, in order to create a unique difference and competitive advantage.
The basic guidelines of Company HR policy may be summarized under the headings below.

(i) Recruiting and employment; To ensure that the competent people who will carry our organization to the future are acquired by correctly identifying the skills and competencies needed by the organization. To use the right tools during the election period and to ensure that decisions are taken without discrimination in accordance with our equal opportunity principle.

(ii) Training;	Organization of training and development activities for the purpose of developing the technical skills and leadership competencies of the existing human resource to support our sustainable growth. Development of special and structured programs for the development and retention of potential employees in the organization.
(iii) Remuneration;	Following a policy that encourages a culture of performance in line with our corporate values and allows us to attract/retain talent. Our policy is shaped by respecting the characteristics of labor markets and inflationary dynamics.
(iv) Activities increasing motivation and communication;	Creating a working environment where our employees will feel safe and motivated; prioritizing transparent communication and increasing dec-departmental cooperation.

The recruitment and placement process is carried out with the same standards in all Çimentaş Group companies and equal opportunities are offered to all candidates who want to apply for a job. Job applications are collected through our website and online sites that everyone can easily access. Job-specific job descriptions and identified as located in the pre-selection criteria is applied to all applications in the same way, and the ten candidates that meet the criteria predefined standardized tests and their results are considered by applying selection tools.
Trainings aimed at increasing the knowledge, skills and manners of employees are planned every New Year and are implemented fairly and evenly in accordance with the approved budget. Training needs are planned and implemented individually in accordance with the results of performance evaluation for managerial positions. In addition, planned collective trainings are carried out in accordance with the functions and team needs.
Every year the backup work for key positions in the organization is reviewed. Development activities are organized for potential employees who will be promoted to top positions.
A Collective Labour Agreement of the Cement Industry Employers' Union is applied in the Çimentaş Group companies. In accordance with the law, an Employers' Union Workplace Representative is elected from among the workers working in the establishments covered by the Collective Labour Agreement of the Cement Industry Employers' Union.
The duties of Union Representatives are as follows;

i. To ensure the settlement of disputes and complaints arising from the application of the Collective Labour Agreement, which are transferred to them by both the employee and the employer, by consulting with the employees and employers,
ii. Ensuring the observance of the rights of employees recognized to the employer in accordance with the provisions of this agreement and legislation, ensuring the protection of the rights and law of employees,
iv. In order to increase the knowledge and skills of employees, to assist the employer in educational work to be carried out by the employer at work and outside, and to ensure the participation of employees,
iv. To ensure the continuation of working peace with cooperation and working harmony between the worker and the employer in the workplace.

Job rating systematics and market conditions are considered in determining wages and other benefits for white-collar personnel. The job valuation, job groups and job titles determined by the Cement Industry Employers' Union are applied for the blue-collar personnel and the provisions of the collective bargaining agreement are followed.
The wages and fringe benefits of our employees who are outside the scope of the collective bargaining agreement are managed in a total cash perspective. In our company, all employees work on gross salary, and there are fringe benefits such as short-term incentive system, company vehicle, private pension with contribution, private health insurance to be applied at different levels.
The wages and fringe benefits of the employees, subject to the collective bargaining agreement, are reviewed at each contract renewal period.
Decisions taken at our workplaces and developments within our companies are communicated to our employees via union representatives, notice boards, group and in-house websites (Cementir Holding Cnergy, Çimentaş Group Intracim) and e-mails. Information sharing between the managerial positions is carried out at the Management Communication Meetings held quarterly, attended by all Çimentaş Group Managers.
Suggestions and improvements from the OHS sub-committees are discussed at the OHS board meetings held regularly every month. The workplace representative conveys the OHS board decisions to the workers and conveys the requests and suggestions from the workers to the board.
There is no discrimination based on race, religion, language, or gender among employees in Çimentaş Group companies. The channels through which our employees can report violations of ethical rules are regulated by procedures, and regular trainings and reminders are made regarding this issue.

4.4 Codes of Conduct and social responsibility

There is a Code of Conduct that has been accepted and approved by the Board of Directors and implemented by our main shareholder Cementir Holding. This regulation has been published on the company's website.
With regards social responsibility culture and understanding, the company has sustained its support especially in the fields of training, health and sports over the years through the ÇESVAK Foundation.

SECTION V- BOARD OF DIRECTORS

5.1 Structure of the Board of Directors

Members of the Board of Directors

Taha Aksoy	Chairman
Marco Maria Bianconi	Vice Chairman
Mevlüt Cenker Mirzaoğlu	CEO
Pasquale Vetrano	Member
Seyda Zeynep Akdurak	Independent Member
Mehmet Cemali Dinçer	Independent Member

All members of the Board of Directors meet the qualifications determined by the CMB Corporate Governance Principles. There is no special provision regarding the qualifications of the members of the Board of Directors in the Articles of Association. The majority of the members of the Board of Directors consist of non-executive directors. In accordance with the regulations of the Capital Markets Board and the Corporate Governance Principles, independent members have been appointed to the Board.

Brief CVs of the BoD members

Taha Aksoy, graduated from the Department of Civil Engineering of the Middle East Technical University, and subsequently completed her master's degree at the same university. He started her career as an assistant at METU and then continued this duty at Munich Technical University. He worked as the General Manager of Betonsan A.Ş, Çimentaş Gazbeton Enterprises and Beşer Balatacılık.
Taha Aksoy, who was a Member of Parliament between 2007 and 2011, most recently served as the General Coordinator of the 17th Mediterranean Games, Mersin 2013. Taha Aksoy has a very good command of English and a good command of German.

Marco Maria Bianconi, SMBA at the New York University Stern School of Business, class 1996, Finance major. Graduated with honors in Economics and Commerce at LUISS University in Rome in 1988, Chartered Accountant since 1989 and Certified Public Accountant until 2016. In 2003 he joined Caltagirone SpA as Finance

Director and then moved to Cementir in 2008 as Chief Planning, Budget and Control. Since 2012 he is Head of M&A and IR. Chairman of the BoD of China, Malaysia and the US subsidiaries and member of the BoD of various operating companies.
Previous work experiences include 8 years at Fidelity Investments UK as Analyst and Portfolio Manager, Merrill Lynch and CSFB in New York. He has served as a non-executive director of ACEA, Banca Antonveneta, Montepaschi Leasing & Factoring, Fabrica Immobiliare SGR.

Mevlüt Cenker Mirzaoğlu, graduated in Metallurgical and Materials Engineering from İstanbul Technical University, Cenker Mirzaoğlu has a deep knowledge of Turkish business and economy, with more than 20 years of professional experience, gained in cement, RMC and construction industries, initially with Sabancı Group, Betonsa, Akçansa and Çimsa companies. He joined Çimentaş Group in 2011, taking the lead of Çimbeton in RMC company of Çimentaş Group and then taking whole sales and marketing responsibility in Cimentaş Group. In 2015, he became General Manager of Çimko Cement&RMC Company and after 2 years he was appointed as CEO and Board Member. He was responsible for the transformation of the company. Currently he is the CEO and Board Member of Cimentas Group in Turkey.

Pasquale Vetrano, Pasquale Vetrano graduated with honors from the Department of Electrical Engineering at the University of Naples Federico II and obtained his master's degree from IMD Business School in Switzerland. A senior executive with extensive experience in multinational companies, Mr. Vetrano worked for nearly 25 years at ABB Group. He held various positions in Italy ranging from Operations to Supply Chain management, and subsequently served in different senior management roles at the company's headquarters in Zurich, including Division Supply Chain Manager and Group Vice President. During his career, he spent a significant period abroad in regions including China, India, the Middle East, North and Central Europe, and North Africa. In 2011, he joined Cementir Holding as Group Chief Strategic Procurement Officer and was appointed Group Chief Global Procurement Officer in 2017.
Since April 2017, Mr. Vetrano has served as Executive Board Member of Spartan Hive, the trading company of the Cementir Group. Since June 2018, he has also served as an Appointed Board Member of Cementir Holding and as a Board Member of Çimentaş and Recydia (Türkiye), as well as CCB (Belgium). He is fluent in English and Italian.

Seyda Zeynep Akdurak, After completing his high school education at Istanbul Robert College, she graduated from Boston University, Faculty of Communication, Department of Mass Communication and Faculty of Political Sciences, Department of Political Sciences in 1992. In 1992, she started to work as a sales representative in Söke Değirmencilik, and after working in various departments until 2015, she was appointed as the Chairman of the Board of Directors. Since 2016, she has been serving as a Board Member at Kemer Ziraat. Between 2001 and 2003, she served as a member of the Board of Directors of the Aegean Contemporary Education Foundation (EÇEV). In 2012, she took part in the establishment of the Association of Family Businesses (TAİDER) as a Founding Board Member. She is currently a member of the Board of Directors of Çimentaş Education and Health Foundation (ÇESVAK).

Mehmet Cemali Dinçer, Prof. Dr. Cemali Dinçer is a graduate of METU (Middle East Technical University), Ankara-Turkey, from the Department of Industrial Engineering in the Faculty of Engineering.
He subsequently completed his graduate education in the USA, studying on a NATO scholarship at Stanford University first a MSc degree in Industrial Engineering and, a MSc degree in Statistics, followed by a PhD in Industrial Engineering and Engineering Management. He was then invited to take part in establishing the Department of Industrial Engineering at Bilkent University, the first "Foundation University" of Turkey started education in Ankara at the time. In 1986 he was appointed as one of the first academic staff members at Bilkent University. In 1998 Dr. Dinçer transferred to the private sector and worked as General Manager of Yeni Asır Daily (a newspaper belonging Sabah Group of Media Company) in Izmir. Later he moved back to academia and joined Izmir University of Economics (IUE).
In 2006 Dinçer served as the General Manager of IzAIR (Izmir Airlines), an airline company operating in İzmir. In 2011 he worked at Istanbul Bilgi University as the Dean of the Faculty of Engineering and then as the Vice Rector, responsible for Academic Affairs.
Following these posts, he started work at Yaşar University in Izmir starting in September 2014. Dr. Dinçer has been reappointed as the Rector of Yaşar University by the Higher Education Council of Turkey in August 2019 for the second term of office.
Dr. Dinçer has received many awards, including by Stanford University, as well as he has published numerous scientific articles and books in international and national journals.
Since Candidate Presentation Committee has not been formed, Mr. Bahri Hušeyin Zuňal and Mr. Mehmet Cemali Dinçer, who have been determined by Corporate Governance Committee and approved in terms of independency, have been presented as independent member candidates to the Board of Directors with a report dated 08.03.2023 and approved at the Board of Directors Meeting on 09.03.2023. Independent members presented their independency statements in accordance with relevant legislation, and they have preserved their independence criteria.
To get duties outside the company the status of members of the Board of Directors and company managers is regulated by the corporate Code of Ethics.
Since Members of Board of Directors has no duty outside the group organization, there is no need to determine a rule for such duties.

5.2 Activity principles of the Board of Directors

As some of the members of the Board of Directors are located abroad, meetings of the Board of Directors are usually performed without being convened in person, but by video-conference.
There were 24 meetings of the Board of Directors in the period.
There were no questions or opposing opinions from members of the Board of Directors. Since there was no unfavourable vote, there was no dissenting opinion in the minutes of the meeting.
The date of the Board of Directors meeting, agenda and annotations related to the agenda together with information documents were delivered to the members of the Board of Directors prior to the meeting as per the "Corporate Actions Management" procedure.
Each member has only one voting right. There is no cumulative vote or negative veto right in the Board of Directors.
During the meetings of the Board of Directors, all subjects are resolved through detailed and clear discussion. The provisions of TCC are applied regarding the quorum.
Prohibition of activities in competition with the company is not applied to the members of the Board of Directors based on the permission of the General Assembly within the period. Moreover, these persons have not entered deals that would treat the company unfairly or performed any activity which required entering into competition with the company.
Related party transactions have been submitted for approval to the independent board members but there are no significant transactions.
There is an insurance policy in place to cover the compensation of damages that may arise from acts, errors, or faults of the members of the Board of Directors during the performance of their duties.

5.3 Committees established within the company

The "Audit Committee", "Corporate Governance Committee" and "Risk Committee" were established by the members of the Board of Directors.
The Audit Committee is composed of two members and independent board members Seyda Zeynep Akdurak and Mehmet Cemali Dinçer were elected by the BoD as members.

Independent board member Seyda Zeynep Akdurak was elected as the chairman of the Corporate Governance Committee and board member Marco Maria Bianconi and Company Finance and Treasury Manager Onur Eraydın were elected as the members.
Independent board member Mehmet Cemali Dinçer was elected as the chairman of the Risk Committee and board member Seyda Zeynep Akdurak and Chief Financial Officer Salih Tural were elected as members.
The working principles of the committees established by the members of the Board of Directors are determined and disclosed to the public by the BoD.

5.4 Risk management and internal control mechanisms

The "Risk Committee" was established by the Board of Directors and has been operating regularly, providing the Board of Directors with quarterly Risk Management Reports and follow-up on Management actions to mitigate the mapped risks.
There is an internal audit function within the group and there are mechanisms related to internal control and audit.

5.5 Strategic purposes of the company

The mission, vision and purposes of the company are established by the BoD. These purposes are established as part of five-year plans and reviewed each year.

5.6 Financial rights provided to the Board of Directors and top management

In addition to the attendance fee for the Board of Directors (BoD) members and the salary paid to the Chairman and Managing Directors, there is no other fee paid to the BoD members, or a reward system based upon the performance. The Board of Directors determines the amount of salary paid to the Chairman and Managing Director.
Remuneration principles are disclosed to the public via the company website, annual report and public disclosure platform. These disclosures are made based on information from the BoD.
In principle, the company does not provide credit to members of the Board of Directors and managerial personnel. However, the Managing Director may provide limited credit to managers in extraordinary cases.

SUSTAINABILITY

Notice of Compliance to Sustainability Principles	Compliance Status					Descriptions
	Yes	Partially	No	Exemped	Irrelevant	
A. GENERAL PRINCIPLES						
A1. STRATEGY, POLICIES AND AIMS						
Board of Directors (BOD) has defined its priority issues, risks and opportunities on the basis of Environmental, Social and Institutional Management (ESIM).		X				Please note, that Çimentaş is part of Cementir Group. Starting from 2019, Cementir set 26 Sustainability Targets, aligned with the United Nation's Sustainability Goals (SDGs), that will lead the Group business and therefore also for Çimentaş business, in the next decade. The targets are related to the effort of Group for adopting all necessary measures and the most innovative technological solutions to minimise the impact of our business on the environment; creating a healthy, safe and inclusive work environment; respecting human rights and creating a constructive and transparent relationship with the local communities and business partners.
ESIM Policy has been created in compliance to priority issues, risks and opportunities defined by BOD.		X				Board of Directors continues its studies on this matter.
In-House documents such as regulations, work procedures etc., have been created for the sake of effectively practicing ESIM policies.		X				In house directives and procedures related to Institutional Management, Human Resources and Labor Ethic are available.
Board resolution has been taken for ESIM policies and disclosed to public.			X			
Partnership strategy has been defined in compliance to ESIM policies, risks and opportunities.			X			
Aims with short and long term in compliance to Partnership strategy and ESIM policies and disclosed to public.			X			

Notice of Compliance to Sustainability Principles	Yes	Partially	No	Exempted	Irrelevant	Descriptions
A. GENERAL PRINCIPLES						
A2. APPLICATION/MONITOR						
Committees and/or units responsible of governing ESIM policies have been defined and disclosed to public.		X				The parent Company, Cementir Holding, established a Group Sustainability Committee in 2019. The Group Sustainability Committee examines, evaluates and makes recommendations to the Cementir Holding Board regarding the sustainability objectives for the incentivisation of management at Group, Region and BU level, acts as delegated by the Cementir Holding Board in matters of sustainability global and local, including as regards the definition, monitoring, evaluation and reporting of policies and practices, management standards, strategy, performance and governance, at global and local level.
Such defined Committees and/or units have prepared report related to their activities they have developed in scope of ESIM policies.		X				
Reports have been submitted to Board of Directors at least once a year, within maximum period of time, which have been determined for disclosing of annual activity reports to public.			X			
Application and action plans have been created in line with the aims defined with short and long term and disclosed to public.			X			
ESIM Key Performance Indicators (KPG) have been determined and indicators have been comparatively disclosed on the basis of years.	X					Aspect managed at group levels. On a quarterly basis the main sustainability KPIs (CO2 emission, energy consumptions, water consumptions, safety KPIs, training hours) are collected and monitored. On a yearly basis, the consolidated sustainability KPIs are published in the Cementir Group Sustainability Report.

Notice of Compliance to Sustainability Principles	Yes	Partially	No	Exempted	Irrelevant	Descriptions
A. GENERAL PRINCIPLES						
A2. APPLICATION/MONITOR						
In the event of verifiable qualified data are available KPG's have been presented together with local and international sector comparisons.	X					Aspect managed at group level. Cementir is committed to reducing Scope 1 and Scope 2 GHG emissions by 29% per ton of cement-based products by 2030, using 2021 as the base year. The mentioned target covering greenhouse gas emissions from company operations (Scopes 1 and 2) are consistent with reductions required to keep warming to Well-below 1.5°C and have been validated by the Science Based Targets initiative (SBTi). The Group targets has individual goals for each subsidiary, so also for Cimentas.
Innovation activities that reform sustainability performance, realized regarding business process or products and services have been disclosed.	X					Aspect managed at group level. The Group developed FUTURCEMTM. FUTURECEM™ is an innovative, validated, and patented technology which allows more than 35% of clinker in cement to be substituted with limestone and calcined clay. Leveraging on their unique synergy, the material combination in FUTURECEM™ has resulted in a more sustainable and performing cement with up to 30% lower carbon footprint compared to ordinary Portland cement. And the low carbon benefits of FUTURECEM™ are achieved while preserving strengths and quality of cement. In 2021 Cementir started the distribution of FUTURCEM in North Europe.
A3. REPORTING						
Sustainability performance, aims and actions have been reported at least once a year and disclosed to public.	X					Aspects managed at group level. Every year, Cementir Group publishes a Group Sustainability Report. The Report consolidates the information on the entire Cementir Group and therefore also Çimentaş is included.
Information concerning sustainability activities have been disclosed in scope of activity report.	X					
Important information regarding to understanding of position, performance, and development of partnership by shareholders have been directly shared with a concise speech (further posting detailed information and data at corporate web site or preparation of different reports directly meeting needs of different shareholders etc.).	X					

Notice of Compliance to Sustainability Principles	Compliance Status				Descriptions
	Yes	Partially	No	Exempted Irrelevant	
A. GENERAL PRINCIPLES					
A3. REPORTING					
Maximum care has been given to transparency and reliability in reports and descriptions.	X				
All development concerning priority issues in statements and reporting have been disclosed objectively in scope of balanced approach.	X				
Information was given on which of activities conducted are involved in which of United Nations (UN) 2030 Sustainable Development Purposes.		X			Starting from 2019, Cementir set 26 Sustainability Targets, aligned with the United Nation's Sustainability Goals (SDGs), that will lead the Group business and therefore also for Çimentaş business, in the next decade. Every year, Cementir Group publishes a Group Sustainability Report with the status of each target.
Statement concerning lawsuits filed and/or finalized adversely on Environmental, social and institutional management matters, was released.		X			Statements related to administrative and judicial proceedings that may affect value, price or investment decisions of capital market instrument are being released.
A4. VERIFICATION					
Sustainability performance measurements verified by independent third parties (independent sustainability assurance providers) have been disclosed to public.	X				Aspects managed at group level. Every year, Cementir Group publishes a Group Sustainability Report. The report is supported by independent assurance by external auditors (PwC). The Report consolidates the information on the entire Cementir Group and there also Çimentaş is included.
Effort was made regarding to increasing aforesaid verification transactions.	X				This matter is being assessed by Board of Directors.
B. ENVIRONMENTAL PRINCIPLES					
Policies and practices, action plans, environmental management systems (ISO 14001) and programs in the field of environment management have been disclosed.	X				Cement group of us holds ISO 14001 certificate. Information concerning policies and practices in the field of environment management are included in consolidated reports prepared by group on global basis.
Laws related to environment and other relevant regulations have been harmonized and this situation has been disclosed.	X				
Limit, reporting period, reporting date of environmental report prepared in scope of sustainability principles, data collection process and restrictions related to reporting conditions are contained in the report prepared in scope of sustainability principles.	X				Aforesaid information is included in consolidated reports prepared by group on global basis.

Notice of Compliance to Sustainability Principles	Compliance Status				Descriptions
	Yes	Partially	No	Exempted Irrelevant	
B. ENVIRONMENTAL PRINCIPLES					
Top level responsible related to the matter of environment and climate change in partnership, relevant committees and responsibilities have been disclosed.		X			Although the Company does not have a Sustainability Committee, it is involved in environmental and climate change studies carried out by the ultimate shareholder Cementir Holding.
Incentives presented for management of environmental matters including realization of aims have been disclosed.	X				The sustainability roadmap has been determined and management approval has been obtained.
The fact that how environmental issues are integrated with business aims and strategies has been disclosed.	X				
Sustainability performances regarding to business process or products and services and activities improving such performances have been disclosed.	X				
Not only with respect to direct operations, but also along with partnership value chain, the fact that how environmental matters are managed and how suppliers and customers are integrated with strategies have been disclosed.		X			
We have been involved in policy creation process in environmental matters (sectoral, regional, national and international).	X				Participation in Comities that are related with "Türk Çimento".
Cooperation with duties obtained from, and operations supported of associations, relevant institutions to whom having been member in environmental matter, and NGOs have been disclosed.		X			Cooperation is realized in the matter of environment with various NGOs, which is not disclosed.
Information related to environmental effects in light of environmental indicators consisting of the effects of greenhouse gas emissions, energy management, water and waste water management, waste management, biodiversity (directly) scope-1, (through energy) scope-2, (through other means) scope-3 have been reported in comparably and periodically.	X				Aforesaid information is included in consolidated reports prepared by group on global basis.
Standard, protocol, methodology and basis year details used to collect and calculate data have been disclosed.	X				
Situation of environmental indicators for report year have been disclosed comparably with former years as to indicate increases and decreases.		X			
Aims with short and long term on scientific basis as suggested by United Nations Climate Change Parties Conference have been determined in order to decrease environmental effects and such aims have been disclosed.	X				

Notice of Compliance to Sustainability Principles	Compliance Status					Descriptions
	Yes	Partially	No	Exempted	Irrelevant	
B. ENVIRONMENTAL PRINCIPLES						
Information was given in connection with proceedings realized in report year in accordance with the aims (if any) defined previously in order to decrease environmental effects.	X					
Strategy and actions of combatting climate crisis have been disclosed.	X					
Program or procedures to prevent or to minimize potential adverse effects of products and/or services presented, have been disclosed.		X				
Actions, third parties have taken to provide reduction in amount of greenhouse gas emissions, have been disclosed.		X				Aspect managed at group level. Cementir is committed to reducing Scope 1 and Scope 2 GHG emissions by 29% per ton of cement-based products by 2030, using 2021 as the base year. The mentioned target covering greenhouse gas emissions from company operations (Scopes 1 and 2) are consistent with reductions required to keep warming to Well-below 1.5°C and have been validated by the Science Based Targets initiative (SBTi). The Group targets has individual goals for each subsidiary, so also for Cimentas.
Total number of actions taken, projects conducted and attempts regarding to reducing environmental effects, and environmental benefit/gain and cost savings these have provided for, have been disclosed.		X				
Total energy consumption data except raw material have been reported and energy consumptions have been disclosed as Scope-1 and Scope-2.	X					
Information about electricity, heat and cooling produced and consumed in reporting year was provided for.	X					
Studies have been conducted on the matters of increasing use of renewable energy, transition to electricity with zero or lower carbon and these studies have been disclosed.			X			
Data for production and utilization of renewable energy have been disclosed.			X			Production or consumption of renewable energy are not available.
Projects of energy productivity have been done and reduction in energy consumption and amount of emission thanks to these studies have been disclosed.	X					

Notice of Compliance to Sustainability Principles	Compliance Status					Descriptions
	Yes	Partially	No	Exempted	Irrelevant	
B. ENVIRONMENTAL PRINCIPLES						
Amount of waters pulled from underground and from surface, used, recycled and discharged, resources and procedures thereof including water pulling by resource, water resources affected by water pulling, percentage and total volume of water recycled and reused have been reported.	X					
Whether operations or activities conducted are included in any carbon pricing system such as Emission Trade System, Cap & Trade or Carbon Tax have been disclosed.	X					
Information on carbon credit accumulated or purchased in reporting period have been disclosed.			X			Accumulated or purchased carbon credit are not available.
If carbon pricing is applied within partnership, details of application have been disclosed.	X					Aspect managed at group level. To foster the transition of the Group to a low carbon economy, decisions on investments are driven by an internal carbon price.
All mandatory and volunteer platforms, where environmental information are published have been disclosed.		X				
C. SOCIAL PRINCIPLES						
C1. HUMAN RIGHTS AND LABOR RIGHTS						
Corporate Human Rights and Labor Rights Policy has been created, where Institutional Human Rights and Labor Rights Policy has been created, where full compliance to Universal Declaration of Human Rights, ILO Conventions approved by Türkiye and legal frame and legislation regulating human rights and labor life has been committed.	X					
Aforesaid policy and roles and responsibilities related to practicing such policy have been disclosed to public.		X				We have Human Resources Policy but relevant roles and responsibilities have not been disclosed.
Opportunity Equality has been provided for in process of recruiting.	X					
Inclusion issues, such as fair labor force, improvement of labor standards, woman employment, where distinctions such as sex, religious belief, race, ethnicity, age, disability, refugee are not made, and supply and value chain effects are also observed have been included in present policies.	X					
Measures taken along with value chain on the matter of observing rights of groups (low income, women etc.) sensitive to certain economic, environmental, social factors or minority rights/equal opportunity have been disclosed.		X				Measures regarding to observing and protecting equal opportunity in human resources management are taken and any statement related to this matter was not released.

Notice of Compliance to Sustainability Principles	Yes	Partially	No	Exempted	Irrelevant	Descriptions
C. SOCIAL PRINCIPLES						
C1. HUMAN RIGHTS AND LABOR RIGHTS						
Developments related to preventing and correcting discrimination, inequality, human rights violations, enforced employment have been reported.	X					Such reports are submitted to group. Starting from 2020, the Group Internal Audit Department has verified the effective compliance of each company in the following areas: child labour, forced labour, non-discrimination, conditions of employment, security, and supply chain management.
Regulations regarding to not employing child labor have been disclosed.		X				Regulations regarding to not employing child labor are available and any statement related to this matter was not released.
Employees have been informed of training and development investments made and policies thereof, policies in connection with indemnifications, side benefits recognized, right of unionization, work/life balance solutions and competency management.		X				Policies in question are available and any statement related to this matter was not released.
Mechanisms related to workers' complaints and settlement of disputes have been created settlement process of disputes have been determined.	X					
Activities conducted regarding to ensuring worker's satisfaction have been regularly disclosed.		X				Studies related to worker's satisfaction are ongoing and such activities are shared within company.
Labor health and security policies have been created and disclosed to public.	X					
Measures taken against labor incidents and for the purpose of protection of health and incident statistics have been disclosed.		X				Measures against labor incidents and regarding protection of labor health are taken and any statement related to this matter was not released.
Policies for protection of personal data and data security have been created and disclosed to public.	X					
Ethic policy, in which work, working ethics, compliance process, advertisement and marketing ethics, clearly informing etc. are included, have been created and disclosed to public.	X					Aspect managed at group level The group published a Code of ethics. In order to monitor the continued compliance with the Code of Ethics by those employed by Group a Group Ethics Committee composed of the Group General Counsel and the Group Chief Internal Audit Officer has been established. The Ethics Committee is addressed the periodic information report on whistleblowing. Employees or third parties (suppliers, customers or other stakeholders) can send, with the maximum guarantee of confidentiality, reports of illegal or undesirable behaviour by filling in the form in the Group website, by sending ordinary mail, email or using other dedicated channels.

Notice of Compliance to Sustainability Principles	Yes	Partially	No	Exempted	Irrelevant	Descriptions
C. SOCIAL PRINCIPLES						
C1. HUMAN RIGHTS AND LABOR RIGHTS						
Studies in scope of social investment, social responsibility, financial comprehensiveness and access to finance have been disclosed.		X				This Company holds social responsibility projects underway, and any statement was not released on this matter.
Informing meetings and training programs have been arranged for employees on the matters of ESIM policies and applications.			X			
C2. PARTNERS, INTERNATIONAL STANDARDS AND INITIATIVES						
Activities in the field of sustainability have been conducted upon considering needs and priorities of all partners (such as workers, customers, suppliers and service providers, public institutions, shareholders, society and civil society institutions etc.).	X					
Customer satisfaction policy in connection with management and solution of customer complaints has been developed and disclosed to public.		X				This Company holds customer satisfaction policy, and any statement was not released on this matter.
Partner communication was conducted continuously and in a transparent manner.	X					
The fact that which partner, for what purpose and on what matter and how frequently is contacted, and developments achieved in sustainability activities have been disclosed.		X				Partners are contacted in scope of sustainability and any statement was not released on this matter.
International reporting standards adopted such as Carbon Transparency Project (CDP), Global Reporting Initiation (GRI), International Integrative Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), Task Force for Climate related Financial Descriptions (TCFD) etc., have been disclosed to public.	X					Aspects managed at group level. CDP In 2023, the parent Company, Cementir Holding Cementir received a score of 'A-' rating both for the management of climate change issues, and for the management of water consumptions. Cementir disclosed to CDP the data of the overall group, so also the data related to Cimentas were disclosed. GRI Cementir Group publishes a Group Sustainability Report every year according to GRI Standards. TCFD The Cementir Group is committed to developing a business model in line with the TCFD recommendations.
International establishment or principles such as Equator Principles, United Nations Environment Program Finance Initiation (UNEP-FI), United Nations Global Causes (UNGC), United Nations Principles of Responsible Investment (UNPRI) to which being executor or member; international principles adopted such as International Capital Markets Associations (ICMA), Green/Sustainable Bill Principles have been disclosed to public.					X	Any international establishment/cause/principle to which being executor or member is not available in scope of ESIM.
Concrete effort was attempted to take place in international sustainability indexes such as Stock Market İstanbul Sustainability Index and Dow Jones Sustainability Index, FTSE4Good, MSCI ESIM Indexes.		X				This matter is assessed by Board of Directors.

Notice of Compliance to Sustainability Principles	Compliance Status					Descriptions
	Yes	Partially	No	Exempted	Irrelevant	
D. CORPORATE MANAGEMENT PRINCIPLES						
Concrete effort was attempted to comply with all Corporate Management Principles beside those Corporate Management Principles to which compliance is mandatory in scope of Capital Market Board Corporate Management Notification nr. II-17.1	X					
Sustainability issue, environmental effects of activities conducted and principles on this matter have been taken in account while determining management strategy.	X					
Measures necessary to comply with principles related to benefit owners and to empower communication with benefit owners as specified in Corporate Management Principles have been taken.	X					
Comments of benefit owners have been taken in determination of measures and strategies in the field of sustainability.	X					
Studies on the matter of increasing awareness on the matter of sustainability and importance thereof have been conducted by means of social responsibility projects, awareness activities and training.		X				Studies are conducted in the body of Foundation and in view of local managements.
Effort attempted to be member of international standards and initiative on sustainability matter and to make contribution into studies.		X				This matter is assessed by Board of Directors.
Policies and programs regarding to combat against bribery and corruption and honesty principle in taxation respect have been developed and disclosed.		X				The matters in question are contained in Work Ethics Policy of Company and were not disclosed to public.

3 CONSOLIDATED FINANCIAL STATEMENTS 2025

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

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of
Çimentaş İzmir Çimento Fabrikası Türk Anonim Şirketi

A. Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the consolidated financial statements of Çimentaş İzmir Çimento Fabrikası Türk Anonim Şirketi ("the Company") and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of profit or loss and 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 Turkish Financial Reporting Standards ("TFRS").

2. Basis for Opinion

We conducted our audit in accordance with the Independent Auditing Standards, which are part of the Turkish Auditing Standards adopted within the framework of the regulations of the Capital Markets Board ("CMB") and issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). 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 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 judgement, 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.

Key Audit Matter	How The Matter was Handled During the Audit
Revenue Recognition	
The Group's revenue consists of sales revenue from cement, ready-mix concrete, and waste services. Revenue is recognized in the consolidated financial statements when and as the Group's performance obligations are fulfilled and control over the products and services is transferred to the buyer. Revenue has been considered as the key audit matter due to revenue is an important measurement criterion in terms of the Group's performance evaluation and there is a risk that it may not be recognized in the relevant period and in the correct amount due to its nature. Accounting policies and important accounting evaluations, estimates and assumptions used in accounting of the Group's revenue are presented in Notes 2.7 and 21.	Our audit procedures performed with regard to recognition of revenue are as follows: - Contracts with customers were reviewed to check the terms and conditions relating to commercial and shipping conditions, and to assess whether the Group fulfilled its performance obligations for different shipping arrangements and when revenue should be recognized in the consolidated financial statements. - The revenue has been analytically tested. - Revenue was tested on a sample basis on invoices. - During the substantive tests are performed transfer of control over invoiced products and completeness and accuracy of amounts which were recognised in the consolidated financial statements. - The existence of trade receivables and the accuracy of balances were tested using external confirmations obtained directly from the buyers identified using the sampling method. - Post-balance sheet period collections were inspected to measure reliably that receivables are collectible. Information has been obtained from the Group's legal advisors regarding ongoing debt collection lawsuits. - Adequacy of disclosures of the consolidated financial statements regarding the revenue recognition in accordance with TFRS has been assessed.

BDO

Key Audit Matter	How The Matter was Handled During the Audit
Accounting for Investment Properties At Fair Value	
In accordance with the relevant provisions of the "IAS 40 Investment Property" standard in the consolidated financial statements of the Group, investment properties amounting to TL 5.303.964 thousand are carried at their fair values. As of December 31, 2025, the value of these assets increased by 317.621 thousand TL based on the valuations conducted by an independent professional valuation firm. The aforementioned increase in value has been accounted for in the consolidated income statement under "Income from investment activities" and in the deferred tax effect account under the tax account. As of December 31, 2025, the total value of investment properties represents a significant portion of the Group's assets, the current period's value increase is substantial, and the valuation techniques applied involve significant estimates and assumptions. Therefore, the determination of the fair value of these assets has been assessed by us as a key audit matter. Information regarding the accounting policies and amounts related to the fair value accounting of the Group's investment properties is presented in Notes 2.7 and 11.	In our audit work, the following audit procedures were applied in relation to the determination of the fair value of investment properties: - The competence, adequacy, and independence of the independent professional valuation organization appointed by the group management have been assessed in accordance with the relevant auditing standards. - The completeness of data such as square meters, real estate location, and zoning status used by the independent professional appraisal organization appointed by the Group management was verified through a matching study based on the Group's records and sampling. - In order to evaluate the assumptions and methods used by the Group management and the independent professional valuation organization appointed by the Group management, an external expert has been included in the review of the valuation reports in accordance with the provisions of the "IAS 620 Use of Expert Work" standard. - The appropriateness and adequacy of the disclosures in the consolidated financial statement notes regarding the fair value measurement of investment properties have been assessed in accordance with the relevant financial reporting standards.

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.

BDO

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.

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

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

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 IAS 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 IASs that are adopted within the framework of Capital Markets Board (CMB) regulations, 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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, related safeguards.

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) Other Responsibilities Arising from Regulatory Requirements

1) In accordance with paragraph 4 of the Article 402 of Turkish Commercial Code ("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 TCC and provisions of the Company's articles of association in relation to financial reporting.

2) In accordance with paragraph 4 of the Article 402 of the TCC, the Board of Directors provided to us the necessary explanations and required documents within context of audit.

3) In accordance with paragraph 4 of the Article 398 of TCC no. 6102; the auditor's report on the system and committee of early detection of risk has been submitted to the Board of Directors of the Company on 11 March 2026.

The name of the engagement partner who supervised and concluded this audit is Selçuk Şahin.

BDO Denet Bağımsız Denetim
ve Danışmanlık A.Ş.
Member, BDO International Network

Selçuk Şahin, SMMM
Partner

11 March 2026
İstanbul, Turkey

ÇİMENTAŞ İZMİR ÇİMENTO FABRİKASI TÜRK A.Ş. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2025 AND 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL thousand") based on the purchasing power of the Turkish Lira as of 31 December 2025.)

		Independently Audited	
ASSETS	Footnote	31 December 2025	31 December 2024
Current Assets		**9.875.467**	**9.504.931**
Cash and Cash Equivalent	5	3.931.889	3.210.172
Trade Receivables		3.525.392	3.596.279
- Due From Related Parties	*4.1*	*60.414*	*39.865*
- Due from Third Parties	*7.1*	*3.464.978*	*3.556.414*
Other Receivables		35.745	378.800
- Due From Related Parties	*4.2*	*273*	*336.382*
- Due from Third Partie	*8.1*	*35.472*	*42.418*
Inventories	9	1.350.892	1.769.554
Prepaid Expenses	10.1	85.655	99.575
Current Income Tax Assets	27	466.235	144.577
Other Current Assets	19.1	479.659	305.974
Non-Current Assets		**18.133.043**	**17.773.670**
Other Receivables		512	853
- Due from Third Parties	*8.2*	*512*	*853*
Investment Properties	11	5.303.964	4.986.343
Tangible Assets	12	7.152.422	7.192.958
Right of Use Assets	13	296.687	309.259
Intangible Assets		5.201.443	5.222.963
- Goodwill	*15*	*4.806.292*	*4.806.292*
- Other Intangible Assets	*14*	*395.151*	*416.671*
Prepaid Expenses	10.2	46.297	1.725
Deferred Tax Assets	27	131.556	59.285
Other Non-Current Assets	19.2	162	284
TOTAL ASSETS		**28.008.510**	**27.278.601**

Consolidated footnotes are integral parts of the consolidated financial statements.

		Independently Audited	
LIABILITIES	Footnote	31 December 2025	31 December 2024
Short-Term Liabilities		**5.000.029**	**4.993.556**
Short-Term Portions of Long-Term Borrowing	6	149.421	219.243
- Short-Term Portions of Long-Term Borrowing from Non-related Parties		*149.421*	*219.243*
- Leasing Payables		*149.421*	*219.243*
Trade Payables		3.286.865	3.103.124
- Due to Related Parties	*4.3*	*2.880*	*2.569*
- Due to Third Parties	*7.2*	*3.283.985*	*3.100.555*
Debts Related to Employee Benefits	18.1	70.596	80.034
Other Payables		7.528	20.660
- Other Due to Third Parties	*8.3*	*7.528*	*20.660*
Deferred Income (Apart from Obligations Arising under Customer Contracts)	10.3	111.925	323.088
Current Income Tax Liability	27	522.064	251.767
Related to Employee Benefits		272.229	467.740
- Short-Term Provisions Related to Employee Benefits	*18.2*	*29.265*	*97.265*
- Other Short-term Provisions	*16.3*	*242.964*	*370.475*
Other Short-Term Liabilities	19.3	579.401	527.900
Long-Term Liabilities		**2.696.654**	**2.391.938**
Long-Term Borrowings	7	117.794	45.358
- Long-Term Borrowing from Non-Related Parties			
- Leasing Payables		*117.794*	*45.358*
Deferred Income (Apart from Obligations Arising under Customer Contracts)	10.4	--	68
Long-term Provisions		197.380	235.494
- Long-Term Provisions Related to Employee Benefits	*18.3*	*80.944*	*108.540*
- Other Long-term Provisions	*16.3*	*116.436*	*126.954*
Deferred Tax Liability	27	2.381.480	2.111.018
TOTAL LIABILITIES		**7.696.683**	**7.385.494**
EQUITY		**20.311.827**	**19.893.107**
Equity of Parent Company		**15.827.187**	**14.538.509**
Paid-in Capital	20	87.112	87.112
Capital Adjustment Differences	20	672.659	2.762.977
Additional Capital Contributions of Shareholders	20	626.579	626.579
Cross Shareholding Capital Adjustment	20	(21.516)	(81.339)
Share Premiums / Discounts	20	3.971.009	3.971.009
Effects of Business Combinations under Common Control		(211.589)	(211.589)
Other Accumulated Comprehensive Income / Expenses that will not be Reclassified through Profit or Loss		(95.103)	(152.615)
- Revaluation and Remeasurement Gains	*20*	*(95.103)*	*(152.615)*
- Re-measurement Loss on Defined Benefit Plans	*20*	*(95.103)*	*(152.615)*
Reserves on Retained Earnings		1.709.084	1.397.943
Retained Earnings		7.888.697	4.902.003
Net Profit for the Period		1.200.255	1.236.429
Non-Controlling Interests		4.484.640	5.354.598
TOTAL LIABILITIES		**28.008.510**	**27.278.601**

Consolidated footnotes are integral parts of the consolidated financial statements.

ÇİMENTAŞ İZMİR ÇİMENTO FABRİKASI TÜRK A.Ş. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE ACCOUNTING PERIODS 1 JANUARY - 31 DECEMBER 2025 AND 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL thousand") based on the purchasing power of the Turkish Lira as of 31 December 2025.)

		Independently Audited	
PROFIT OR LOSS	Footnote	1 January - 31 December 2025	1 January - 31 December 2024
Revenue	21	17.030.749	18.909.657
Cost of Sales (-)	21	(13.820.775)	(15.325.246)
GROSS PROFIT	**21**	**3.209.974**	**3.584.411**
General Administrative Expenses (-)	22.1	(1.205.297)	(1.259.662)
Marketing Expenses (-)	22.2	(288.604)	(311.033)
Other Income from Real Operating Activities	24.1	357.449	578.303
Other Expenses from Real Operating Activities (-)	24.2	(378.656)	(315.932)
REAL OPERATING PROFIT		**1.694.866**	**2.276.087**
Income from Investing Activities	25.1	1.252.807	754.717
Expenses from Investing Activities (-)	25.2	(76)	(3.327)
OPERATING PROFIT BEFORE FINANCIAL INCOME		**2.947.597**	**3.027.477**
Financial Income	26.1	525.333	531.439
Financial Expenses (-)	26.2	(313.106)	(252.116)
Monetary Gain /(Loss)	31	(550.895)	(561.913)
PROFIT BEFORE TAX		**2.608.929**	**2.744.887**
Tax Income / (Expense)			
Income Tax Expense	27	(672.656)	(359.413)
Deferred Tax (Expenses)/Income	27	(199.874)	(618.791)
PROFIT FOR THE PERIOD		**1.736.399**	**1.766.683**
Distribution of Profit for the Period			
Non-Controlling Interests		536.144	530.254
Equity of Parent Company		1.200.255	1.236.429
Net Income / (Loss) for the Period		**1.736.399**	**1.766.683**
Earning per Share Attributable to Parent Company TL	28	**13,8610**	**14,2787**
OTHER COMPREHENSIVE INCOME / (EXPENSE):			
Income that will not be Reclassified through Profit or Loss			
Remeasurement Losses on Defined Benefit Plans		10.631	(98.524)
Taxes on Other Comprehensive Expense that will not be Reclassified through Profit or Loss		(2.658)	24.631
- Deferred Tax Income / (Expenses)		*(2.658)*	*24.631*
OTHER COMPREHENSIVE EXPENSE		**7.973**	**(73.893)**
OTHER COMPREHENSIVE INCOME / (EXPENSE)		**1.744.372**	**1.692.790**
Distribution of Total Comprehensive Income / (Expense)			
Non-Controlling Interests		538.816	506.679
Equity of Parent Company		1.205.556	1.186.111
Total comprehensive income / (expenses)		**1.744.372**	**1.692.790**

Consolidated footnotes are integral parts of the consolidated financial statements.

ÇİMENTAŞ İZMİR ÇİMENTO FABRİKASI TÜRK A.Ş. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE ACCOUNTING PERIODS 1 JANUARY - 31 DECEMBER 2025 AND 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL thousand") based on the purchasing power of the Turkish Lira as of 31 December 2025.)

							Other Accumulated Comprehensive Income / Expenses that will not be Reclassified through Profit or Loss						
							Revaluation and Remeasurement Gains		Accumulated Profits				
	Paid-in Capital	Capital Adjustment Differences	Additional Capital Contributions of Shareholders	Cross Shareholding Capital Adjustment	Share Premiums/ Discounts	Effects of Business Combinations Under Common Control	Remeasurement Losses on Defined Benefit Plans	Reserves on Retained Earnings	Retained Earnings	Net Income / (Loss) for the Period	Equity of Parent Company	Non-Controlling Interests	Equity
Independently Audited													
PRIOR PERIOD													
Balances as of 1 January 2024	**87.112**	**2.762.977**	**626.579**	**(81.339)**	**3.971.009**	**(211.589)**	**(102.297)**	**1.382.493**	**4.251.917**	**1.665.941**	**14.352.803**	**4.832.309**	**19.185.112**
Transfers	--	--	--	--	--	--	--	15.450	1.634.881	(1.665.941)	(15.610)	15.610	--
Net profit for the period	--	--	--	--	--	--	--	--	--	1.236.429	1.236.429	530.254	1.766.683
Other comprehensive income / (expenses)	--	--	--	--	--	--	(50.318)	--	--	--	(50.318)	(23.575)	(73.893)
Total comprehensive income / (expenses)	**--**	**--**	**--**	**--**	**--**	**--**	**(50.318)**	**--**	**--**	**1.236.429**	**1.186.111**	**506.679**	**1.692.790**
Dividends	--	--	--	--	--	--	--	--	(984.795)	--	(984.795)	--	(984.795)
Balances as of 31 December 2024	**87.112**	**2.762.977**	**626.579**	**(81.339)**	**3.971.009**	**(211.589)**	**(152.615)**	**1.397.943**	**4.902.003**	**1.236.429**	**14.538.509**	**5.354.598**	**19.893.107**

Consolidated footnotes are integral parts of the consolidated financial statements.

ÇİMENTAŞ İZMİR ÇİMENTO FABRİKASI TÜRK A.Ş. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE ACCOUNTING PERIODS 1 JANUARY - 31 DECEMBER 2025 AND 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL thousand") based on the purchasing power of the Turkish Lira as of 31 December 2025.)

							Other Accumulated Comprehensive Income / Expenses that will not be Reclassified through Profit or Loss						
							Revaluation and Remeasurement Gains		Accumulated Profits				
	Paid-in Capital	Capital Adjustment Differences	Additional Capital Contributions of Shareholders	Cross Shareholding Capital Adjustment	Share Premiums/ Discounts	Effects of Business Combinations Under Common Control	Remeasurement Losses on Defined Benefit Plans	Reserves on Retained Earnings	Retained Earnings	Net Income / (Loss) for the Period	Equity of Parent Company	Non-Controlling Interests	Equity
Independently Audited													
CURRENT PERIOD													
Balances as of 1 January 2025	**87.112**	**2.762.977**	**626.579**	**(81.339)**	**3.971.009**	**(211.589)**	**(152.615)**	**1.397.943**	**4.902.003**	**1.236.429**	**14.538.509**	**5.354.598**	**19.893.107**
Transfers	--	(2.090.318)	--	--	--	--	--	344.012	3.014.798	(1.236.429)	32.063	(32.063)	--
Net profit for the period	--	--	--	--	--	--	--	--	--	1.200.255	1.200.255	536.144	1.736.399
Other comprehensive income / (expenses)	--	--	--	--	--	--	5.301	--	--	--	5.301	2.672	7.973
Total comprehensive income / (expenses)	**--**	**--**	**--**	**--**	**--**	**--**	**5.301**	**--**	**--**	**1.200.255**	**1.205.556**	**538.816**	**1.744.372**
Dividends	--	--	--	--	--	--	--	--	(984.795)	--	(984.795)	--	(984.795)
Sale of Subsidiary *(Footnote:2.1.3)*	--	--	--	59.823	--	--	52.211	(32.871)	(19.340)	--	59.823	(1.376.711)	(1.316.888)
Balances as of 31 December 2025	**87.112**	**672.659**	**626.579**	**(21.516)**	**3.971.009**	**(211.589)**	**(95.103)**	**1.709.084**	**7.888.697**	**1.200.255**	**15.827.187**	**4.484.640**	**20.311.827**

Consolidated footnotes are integral parts of the consolidated financial statements.

ÇİMENTAŞ İZMİR ÇİMENTO FABRİKASI TÜRK A.Ş. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE ACCOUNTING PERIODS 1 JANUARY - 31 DECEMBER 2025 AND 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL thousand") based on the purchasing power of the Turkish Lira as of 31 December 2025.)

		Independently Audited	
	Footnote	31 December 2025	31 December 2024
A. CASH FLOWS RESULTING FROM THE COMPANY'S OPERATIONS		2.564.174	2.562.983
Profit for the Period		**1.736.399**	**1.766.682**
Period Profit from Ongoing Operations		1.736.399	1.766.682
Adjustments for Period Net Profit Reconciliation		**1.317.196**	**1.830.005**
Adjustments for Depreciation and Amortisation Expense	12.2, 23	1.002.483	996.340
Adjustments for Impairment		19.125	--
Adjustments for Impairment Value in Receivables		*19.125*	--
Adjustments to Provisions		(77.948)	207.478
Adjustments for Provisions Related with Employee Benefits		*24.223*	*95.596*
Adjustments for Provisions for Lawsuits and Fines	16.3	*(27.677)*	*80.254*
Adjustments for Other Provisions		*(74.494)*	*31.628*
Adjustments for Interest Income and Expenses		(11.922)	(302.389)
Adjustments for Interest Income	24.1, 26.1	*(165.865)*	*(441.153)*
Adjustments for Interest Expenses	24.2, 26.2	*153.943*	*138.764*
Adjustments to Earnings on Fair Value		(317.621)	(746.050)
Adjustments for Fair Value Gains on Investment Property	25.1	*(317.621)*	*(746.050)*
Adjustments for Tax Expense	27	872.530	978.204
Adjustments for Earnings through Sale of Long-Term Assets	25.1, 25.2	(1.399)	(5.340)
Adjustments related to the losses / (gains) resulting from the sale of subsidiaries or common activities		(845.604)	--
Adjustments for Other Items Resulting in Cash Flows from Investing or Financing Activities		(88.107)	--
Monetary (Gain)/Loss		765.659	701.762
Changes in Operating Capital		**170.441**	**(680.293)**
Adjustments for Increase in Trade Receivables		(1.075.894)	(1.595.791)
(Increase) / Decrease in Trade Receivables from Related Parties		*(201.775)*	*52.670*
Increase in Trade Receivables from Non-Related Parties		*(874.119)*	*(1.648.461)*
Adjustments for Increase in Other Receivables Related to Operations		302.072	(367.179)
Increase in Other Related-Party Receivables Related to Activities		*312.111*	*(340.156)*
Decrease / (Increase) in Other Receivables due from Non-Related Party Transactions		*(10.039)*	*(27.023)*
Adjustments for Inventory Decrease / (Increase)		205.038	225.622
Adjustments for Increase in Trade Payables		1.043.159	946.802
(Decrease)/Increase in Trade Payables to Related Parties		*1.355*	*1.944*
Increase in Trade Payables to Non-Related Parties		*1.041.804*	*944.858*
Adjustments for Increase / (Decrease) in Other Payables Related to Operations		(6.178)	2.747
Increase / (Decrease) in Other Payables due to Non-related Party Transactions		*(6.178)*	*2.747*
Increase / (Decrease) in Deferred Income (Apart from Obligations Arising under Customer Contracts)		(143.848)	104.195
Adjustments related to Other Increase / (Decrease) in Working Capital		(153.908)	3.311
Decrease / (Increase) in Other Assets Related to Operations		*(322.166)*	*(224.584)*
Increase / (Decrease) in Other Liabilities Related to Operations		*168.258*	*227.895*
Cash Flow Used in Activities		**3.224.036**	**2.916.394**
Payments Made Related to Provisions for Employee Benefits		(72.148)	(93.212)
Payments Related to Other Provisions		(14.289)	(28.535)
Tax Payments		(573.425)	(231.664)

ÇİMENTAŞ İZMİR ÇİMENTO FABRİKASI TÜRK A.Ş. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE ACCOUNTING PERIODS 1 JANUARY - 31 DECEMBER 2025 AND 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL thousand") based on the purchasing power of the Turkish Lira as of 31 December 2025.)

	Footnote	31 December 2025	31 December 2024
B. CASH FLOWS RESULTING FROM INVESTMENT ACTIVITIES		(721.881)	(206.467)
Cash Inflows Related to Sales Resulting in Loss of Control of Subsidiaries		(72.620)	--
Cash Inflows from Proceeds from Sale of Tangible and Intangible Assets		1.600	832
Cash Outflows from Acquisition of Tangible and Intangible Assets		(943.074)	(271.075)
Cash Inflows from Proceeds of Sale of Investment Properties		--	107.332
Other Cash Inflows		147.408	--
Interest Received		144.805	406.444
C. CASH FLOWS RESULTING FROM FINANCING ACTIVITIES		(555.916)	(1.358.860)
Other Cash Inflows		(61.326)	(41.442)
Cash Outflows from Payment of Payables Arising under Leases		(372.566)	(349.443)
Dividend Payment		(8.764)	(851.303)
Interest Paid		(113.260)	(116.672)
NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF THE FOREIGN CURRENCY CONVERSION DIFFERENCES (A+B+C)		1.286.377	997.656
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	3.210.172	2.789.971
Effect of monetary loss/gain on cash and cash equivalents		(564.660)	(577.455)
NET INCREASE IN CASH AND CASH EQUIVALENTS		721.717	420.201
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	3.931.889	3.210.172

Consolidated footnotes are integral parts of the consolidated financial statements.

4 NOTES TO THE FINANCIAL STATEMENTS

ÇİMENTAŞ İZMİR ÇİMENTO FABRİKASI TÜRK A.Ş. AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL thousand") based on the purchasing power of the Turkish Lira as of 31 December 2025.)

1. ORGANISATION OF THE GROUP AND NATURE OF BUSINESS

Çimentaş İzmir Çimento Fabrikası Türk A.Ş. ("Çimentaş" or "the Company"), parent company, was established on 7 August 1950. The Company operates in the production, trade, sale and transportation of bulk and bagged cement. The company's parent company is Spanish-domiciled Aalborg Portland Espana SL ("Aalborg Portland Espana") and Çimentaş's former parent company, Italian-domiciled Cementir Holding S.p.A ("Cementir Holding"), maintains its controlling share in the company as ultimate parent company.
Subsidiaries ("Subsidiaries") of Çimentaş operate in the following main areas:

Subsidiaries	Operating Country	Nature of Business
• Çimbeton Hazır Beton ve Prefabrik Yapı Elemanları San. ve Tic. A.Ş. ("Çimbeton")	Türkiye	Ready-mixed concrete and cement production
• Destek Organizasyon Temizlik, Akaryakıt, Tabldot Servis San. ve Tic. A.Ş. ("Destek")	Türkiye	Fuel sales
• Recydia Atık Yönetimi Yenilenebilir Enerji Üretimi ve Lojistik Hizmetleri San. Ve Tic. A.Ş. ("Recydia")	Türkiye	Cement production and waste management
• Süreko Atık Yönetimi Nakliye Lojistik Sanayi ve Ticaret A.Ş. ("Süreko")	Türkiye	Waste management

Çimentaş and its subsidiary Çimbeton are publicly traded companies. 2.83% of the shares of Çimentaş (31 December 2024: 3.31%) and 49.65% of the shares Çimbeton's (31 December 2023: %49.65) are traded in Borsa İstanbul A.Ş. ("BIST"), respectively under the names of CMENT and CMBTN.
The company's registered address is Işıklar Mah. Eski Kemalpaşa Cad. No: 4B Bornova – İzmir. For the Company and its subsidiaries, the term "The Group" will be used throughout the report.
As of 31 December 2025. the number of employees in the Group was 701 (31 December 2024: 763).

2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

2.1.1 Financial reporting standards applied

The attached consolidated financial statements are prepared according to the "Communiqué on the Principles of Financial Reporting in the Capital Market" with Serial number II-14-1 published by Capital Market Board ("CMB") and announced in the Official Gazette number 28676 dated 13 June 2013 and are based on the Turkish Financial Reporting Standards promulgated by the Public Oversight, Accounting and Auditing Standards Authority ("KGK") pursuant to the Article 5 of the Communiqué. TFRS's, contain the Standards and Interpretations published by KGK under the names Turkish Accounting Standards ("TAS")/ Turkish Financial Reporting Standards ("TFRS"), TAS Interpretations and TFRS Interpretations. The consolidated financial statements also comply with the formats defined in the "Announcement About TFRS Taxonomy" published by KGK on 3 July 2024 and with the Financial Statement Samples and Guide for Use published by CMB.

On 11 March 2025. the board of directors approved the Group's financial statements for the 31 December 2025 year-end. The General Assembly is entitled to amend financial statements after their publication and the regulatory bodies concerned are entitled to request, they be amended.

Redrafting of the financial statements in the period of high inflation

With the announcement made by the Public Oversight Accounting and Auditing Standards Authority (KGK) on 23 November 2023 and in accordance with Decision 81/1820 of the Capital Markets Board (CMB) dated 28 December 2023. it has been decided that issuers and capital market institutions will prepare their financial statements as of 31 December 2023 by applying the provisions of TAS 29 "Financial Reporting in Hyperinflationary Economies".
The Group's consolidated financial statements dated 31 December 2025 have been redrafted according to changes in the general purchasing power of the functional currency in accordance with TAS 29 - Financial Reporting in Hyperinflationary Economies ("TAS 29"). TAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be drafted in terms of the measuring unit current at the date of the financial statements and that the financial statements for the previous period be restated in the same way.
For this reason, the Group's consolidated financial statements dated 31 December 2024 have been redrafted and presented on the basis of purchasing power as of 31 December 2025.
One of the features that necessitates the application of TAS 29 is the cumulative three-year inflation rate approaching or exceeding 100%. Based on the Türkiye-wide Consumer Price Index ("CPI") announced by the Turkish Statistical Institute ("TSI"), the cumulative three-year inflation rate in Türkiye reached 211% as of 31 December 2025. However, TAS 29 does not determine the 100% rate as the absolute rate at which high inflation occurs, and it is a matter of judgement whether the financial statements should be restated in accordance with TAS 29. Moreover, high inflation is also determined by the characteristics of a country's economic environment.
The table below shows the development of the CPI over the last three years and as of 31 December 2025:

	2025	2024	2023
Annual Index	3.513,87	2.684,55	1.859,38
Annual Inflation	30,89%	44,38%	64,77%
Cumulative Inflation	211%	290%	268%
Adjustment Coefficient	1,000	1,309	1,890

During an inflationary period, a business whose monetary assets exceed its monetary liabilities loses purchasing power, while a business whose monetary liabilities exceed its monetary assets gains purchasing power to the extent that its assets and liabilities are not tied to a price level. A gain or loss on the net monetary position is accounted for as a monetary gain (loss) item in the statement of profit or loss.
The Group has restated all non-monetary items to reflect the impact of inflation adjustment reporting in measurement units current as of 31 December 2025. Monetary items have not been restated as they are expressed in measuring units current as of 31 December 2025.

2.1.2 Functional and reporting currency

The financial statements are presented in the reporting currency Turkish lira ("TL"), the currency of the primary economic environment in which the Company operates. The information related to the currencies other than TL is specified fully unless otherwise stated.

2.1.3 Basis of Consolidation

Consolidated financial statements include the financial statements of the parent company Çimentaş and its subsidiaries, in accordance with the principles described below. The financial statements of the companies included in this consolidation are prepared by applying the uniform accounting system according to TFRS and with the same presentation, as of the date of issue of the consolidated financial statements. When necessary, the subsidiaries' accounting policies were redrawn to be consistent with those of the Group.

i. Non-controlling interests

Non-controlling interests have been classified separately as "non-controlling interests" in the statement of the subsidiary's share of net assets and consolidated profit and loss and other comprehensive income and expense in the reporting period, the consolidated statement of profit or loss and other comprehensive income and expense and the consolidated statement of changes in equity.

ii. Subsidiaries

All businesses controlled by the Group are subsidiaries of the Group. The Group is said to be in control of the entity if it is exposed to variable returns due to its relationship with the business or if it is entitled to the returns, while at the same time, having the convenience of influencing it using its hold on the business. When the control on the subsidiary is taken over by the Group, then the subsidiary is included in the consolidation. When the control on the subsidiary ends, then the subsidiary concerned is excluded from the consolidation.

The statements of financial position and profit or loss and other comprehensive income of the companies included in the consolidation are consolidated employing the full consolidation method and all significant debit/credit balances and purchase and sale transactions between are mutually netted. The shareholding amounts and the shareholders' equity of the companies participated in are eliminated mutually. Under assets, while recognised profits and losses arising from intra-group transactions are mutually netted, unrealised losses are written off in cases where the transaction is not indicative of impairment of the exchanged asset. Changes have been made to subsidiaries' accounting policies where necessary in the interests of consistency with accounting policies adopted by the Group.

The statement below shows the direct and indirect share and control percentage of the Group over its subsidiaries as of 31 December 2025 and 2024:

	Directly and indirectly controlled shares of Çimentaş and its subsidiaries (%)		Directly and indirectly controlled shares of Çimentaş and its subsidiaries (%)	
	2025	2024	2025	2024
Destek	99,99	99,99	99,99	99,99
Recydia	23,72	23,72	56,91	56,91
Kars Çimento (*)	--	41,55	--	58,70
Çimbeton	50,31	50,31	92,81	92,81
Süreko	23,72	23,72	56,91	56,91

(*) Within the framework of the investment policy and strategy, all the shares of the Group in its subsidiary Kars Çimento Sanayi Ticaret A.Ş.("Kars Çimento") were sold on 1 December 2005 with all their rights and liabilities.

On the basis of the resolution dated 28 May 2025 of the Board of Directors, all the legal processes have been completed, and all the permissions have been obtained for the sale of Kars Çimento, and the shares were officially transferred as of 1 December 2025. All the shares of the Group in Kars Çimento were sold and transferred to Arsem Madencilik Enerji Sanayi ve Ticaret AŞ ("Arsem Madencilik").

The total sale value of the said shares was determined as 51.000 Euro to be paid in cash and free from financial liabilities within the framework of the principles specified in the agreement. With the addition of the cash and financial debt positions of Kars Çimento and the adaptations at the closing date, the calculated final sale value is 4.390.561 thousand TL. 41.55% of the final sale value which corresponds to the shares which belonged to Çimentaş is calculated as 1.824.068 thousand TL (21.188 thousand Euro and the adaptations at the date of closing and the net financial position included). The said total sale amount was offset from the debts of the Group to Kars Çimento.

Kars Çimento	01 December 2025
Sale Price	1.824.066
Disposed net assets	(2.355.172)
Outflow of non-controlling shares	1.376.710
Profit from subsidiary recognised in the incomestatement (Footnote:25.1)	**845.604**

iii. Loss of control

The Group de-recognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary, if it loses control over the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. The shares remaining in the previous subsidiary are measured at their fair value on the day the control is lost.

iv. Changes in stakes in subsidiaries that do not lead to loss or acquisition of control

Transactions conducted in shares not conferring control that do not lead to the loss or acquisition of control are treated as transactions among shareholders in non-controlling shares. Profit or loss arising from the purchase or sale of non-controlling shares that do not lead to the loss or acquisition of control are recognised under assets.

v. Eliminations during consolidation

Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions are eliminated when preparing the condensed consolidated financial statements. Profits and losses arising from transactions conducted between a subsidiary and the parent company or the parent company's subsidiaries subject to consolidation have been netted. Unrealised losses are eliminated in the same way as unrealised gains, unless there is evidence of impairment.

vi. Business combinations

The Group recognizes business combinations using the acquisition method at the time control passes to the Group when the acquired set of activities and assets meets the definition of a business. In determining whether a particular set of activities and assets constitutes a business, the Group assesses whether the set of activities and assets possesses the two basic elements of inputs and processes applied to those inputs. However, to be considered a business, the set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output.

The Group has the option of performing a voluntary "concentration test" that permits assessment to be made in a simplified manner of whether the acquired set of activities and assets is a business. The concentration test is met if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The amount transferred on acquisition is generally recognised at fair value as such under acquired net identifiable assets. The ensuing goodwill is tested for impairment annually. Profit or loss arising from bargain purchases is immediately recognised in profit or loss. Transactional costs the Group incurs in connection with the business combination apart from expenses entailed by the issue of debt notes or equity instruments are booked to expenses as they are incurred.

The cost of acquisition does not include amounts entailed in the closure of existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is recognised at fair value on the combination date. If contingent consideration that meets the definition of a financial instrument is classified as a component of equity it is not remeasured and is recognised in equity. Conversely, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

In the event that share-based payment rights (vested rights) held by employees of the acquired business in respect of past employment are replaced with new share-based payment rights (replacement rights), all or a portion of the market-based measurement of the replacement rights is included in the acquisition consideration as part of the business combination. This amount is determined as the portion of the replacement rights attributable to precombination service and by comparing the market-based measurement of the replacement rights and the market-based measurement of the vested rights.

2.1.4 Foreign currency transactions

i) Transactions and balances

Foreign currency transactions are exchanged to the functional currency based on the foreign exchange rate on the day of the transaction. Exchange rate income and expenses arising from these transactions and from the conversion of the monetary assets and liabilities in foreign currency with the exchange rate at the end of the year are considered as cash flow and net investment and are included in the consolidated profit or loss other comprehensive statement, excluding the ones that are monitored in the equity item.

2.2 Changes in the Turkish Financial Reporting Standards
New and revised standards and interpretations

The accounting policies used in the preparation of the consolidated financial statements for the accounting period ending as of 31 December 2025 have been applied consistently with those used in the previous year, except for the new and amended Turkish Accounting Standards ("TAS")/Turkish Financial Reporting Standards ("TFRS") and TAS/TFRS interpretations valid as of 1 January 2025 summarised below. The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

a. New Standards, Amendments and Interpretations Effective 1 January 2025:

- TAS 21 Amendments– Lack of Exchangeability; In May 2024. the KGK published amendments to TAS 21. The amendments determine how to assess whether a currency is exchangeable into another currency and how to determine the applicable exchange rate when it is not. According to the amendment, when the valid exchange rate is estimated because a currency is not exchangeable, information is disclosed that allows users of the financial statement to understand how a currency's lack of exchangeability with another currency affects or is expected to affect the entity's performance, financial position and cash flow. When the amendments are implemented, comparative information is not adjusted. The effects of this amendment on the Group's financial position and performance are being evaluated.

b. Standards Published but Not Entered into Force and Early Implementation as of 31 December 2025:

- TFRS 10 and TAS 28 Amendments: Sales or contributions of assets between an investor and its associate/joint venture; Sales or contributions of assets between an investor and its associate/joint venture, The KGK has indefinitely postponed the effective date of the amendments made to TFRS 10 and TAS 28 in December 2017. to be changed depending on the ongoing research project outputs regarding the equity method. However, it still allows early application. The effects of this amendment on the Group's financial position and performance are being evaluated.
- TFRS 17 – New Insurance Contracts Standard; In February 2019. the KGK published TFRS 17. a comprehensive new accounting standard covering recognition, measurement, presentation and disclosure for insurance contracts. TFRS 17 introduces a model that allows both the measurement of liabilities arising from insurance contracts with current balance sheet values and the recognition of profit during the period in which services are provided. With the announcement made by the KGK, the mandatory effective date of the Standard has been postponed to accounting periods starting on or after 1 January 2027. The Group will evaluate the effects of this amendment after the standards in question are finalised.
- TFRS 9 and TFRS 7 Amendments – Classification and Measurement of Financial Instruments; in August 2025. KGK published amendments for the classification and measurement of financial instruments (related to TFRS 9 and TFRS 7). With this amendment, it was made clear that the financial liabilities will be derecognised "at the expiration date". Additionally, the amendment introduces an accounting policy preference for derecognition of financial liabilities settled through electronic payment systems before the expiration date, provided that certain conditions are met. The amendment also provides clarification on how to assess the contractual cash flow characteristics of financial assets with Environmental, Social and Governance (ESG) or other conditional features, as well as the treatment of assets that don't create any unlimited liability and contractually linked financial instruments. In addition, with this amendment, additional disclosures have been added to TFRS 7 for financial assets and liabilities that contain contractual provisions that reference a contingent event (including those related to ESG) and equity financial instruments designated at fair value through other comprehensive income. The said amendments will come into effect in the annual reporting period beginning on or after 1 January 2026. The companies may apply the amendments about the classification of financial assets and related disclosures earlier than that date and after other amendments. The new provisions shall be applied retrospectively by making adjustments in the opening balance of the previous years' profits (losses) item. The Group will evaluate the effects of this amendment after the standards in question are finalised.
- TFRS 9 and TFRS 7 Amendments – Agreements Based on Nature-Dependent Electricity; The KGK published the "Nature-dependent Electricity Contracts" amendment (related to TFRS 9 and TFRS 7) in August 2025. The amendment clarifies the application of the provisions for the own use exception and permits hedge accounting when such contracts are used as hedging instruments. The amendment also introduces new disclosure requirements to ensure investors understand the impact of these contracts on the entity's financial performance and cash flows. The amendment will come into effect in the annual reporting periods beginning on or after 1 January 2026. Early application is permitted and, in this case, information about the early application is provided in the footnotes. Clarification about the provisions of "own use" are applied retrospectively, but the provisions that allow hedge accounting are applied prospectively to the new hedge accounting relations defined on or after the first application date. The Group will evaluate the effects of this amendment after the standards in question are finalised.
- Annual Improvements about TFRS's – Volume 11; In September 2025. KGK published "Annual Improvements about TFRS's – Volume 11" which includes the following changes:
  - TFRS 1 First-time adoption of Turkish Financial Reporting Standards - Hedge accounting performed by a company which applies TFRS's for the first time: The purpose of this amendment is to eliminate a potential confusion caused by the inconsistency between the statements in TFRS 1 and provisions of the TFRS 9 on hedge accounting.
  - TFRS 7 Financial Instruments: Statements - Gains or losses about the derecognition of financial liabilities In TFRS 7. the way unobservable inputs are expressed is changed and a reference is added to TFRS 13.
  - TFRS 9 Financial Instruments - Transaction price with derecognition of lease liability by the lessee; TFRS 9 is modified in order to clarify how to ensure the recognition in gain or loss of any gain or loss arising from the requirement for the lessee to apply the recognition of financial liabilities in TFRS 9. Furthermore, TFRS 9 was amended so that the reference to the transaction amount is removed.
  - TFRS 10 Consolidated Financial Statements- determination of "de facto agent": The Standard was modified in order to eliminate the inconsistencies in the paragraphs of TFRS.
  - TAS 7 Statement of Cash Flows- Cost method After the removal of the term "cost method" with the previous amendments, the said term was deleted from the text of the Standard.

The amendments will come into effect in the annual reporting periods beginning on or after 1 January 2026 and all the changes may be applied earlier. The Group will evaluate the effects of this amendment after the standards in question are finalised.

- TFRS 18 – Presentation and Disclosure in Financial Statements; In May 2025. the KGK published the TFRS 18 Standard which replaced the TMS 1. TFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including the presentation of certain totals and subtotals. TFRS 18 requires companies to present all income and expenses included in the statement of profit or loss in one of five categories: operating activities, investing activities, financing activities, income taxes and discontinued operations. The standard also requires the disclosure of performance measures determined by management and introduces new provisions for the aggregation or disaggregation of financial data in accordance with the roles defined for the primary financial statements and footnotes. With the publication of TFRS 18. certain changes have occurred in other financial reporting standards such as TAS 7. TAS 8 and TAS 34. TFRS 18 and related amendments will come into effect in the reporting periods beginning on or after 1 January 2027. But earlier application is allowed. TFRS 18 will be applied retrospectively. The Group will evaluate the effects of this amendment after the standards in question are finalised.

- **TFRS 19 – New Subsidiaries which doesn't have Public Accountability: Disclosure Standard;** In August 2025. the KGK issued TFRS 19. which provides certain entities with the option to provide reduced disclosures when applying the recognition, measurement and presentation requirements in TFRSs. Unless otherwise stated, eligible entities electing to apply TFRS 19 will not need to apply the disclosure requirements in other TFRSs. An entity that has a parent (intermediate or ultimate) that is a subsidiary, does not have public accountability and prepares consolidated financial statements in compliance with TFRSs that are available for public use may choose to apply TFRS 19. TFRS 19. will come into effect in the annual reporting periods beginning on or after 1 January 2027 but earlier application is allowed. If it is preferred an early application, this should be stated in the footnotes. During the first (annual or interim) reporting period when this Standard is first applied, the statements presented for the comparative period must be rendered consistent with the disclosures that take place in the current period pursuant to the TFRS 19. The Group will evaluate the effects of this amendment after the standards in question are finalised.

c. Amendments published by the International Accounting Standards Board (IASB) but not published by KGK

The amendments to TFRS 21 referred to below have been published by the IASB but have not yet been adapted/published as TFRS by the KGK. They therefore do not constitute part of the TFRS. The Company shall make the necessary changes to its statements and footnotes after these Standards and amendments are issued and become effective as TFRS. The Group will make the changes required in its consolidated financial statements and their footnotes after such changes come into effect in TFRS.

- **IAS 21 Amendments – Conversion to Hyperinflated Presentation Currency;** The said changes published by IASB in November 2025 made obligatory the use of closing exchange rate when converting from a non-hyperinflated functional currency to a hyperinflated presentation currency. According to this requirement, when the functional currency is the currency of a non-hyperinflationary economy, a company which has a presentation currency which is the currency of an hyperinflationary economy, must use the closing rate at the end of the current period for the conversion of activity results and financial statements of all related amounts (in other words, for assets, liabilities, equity items, income and expenses) including comparative amounts. However, a company with a functional currency and presentation currency of a hyperinflationary economy, expresses the comparative amounts of a foreign company with a functional currency which is the currency of a non-hyperinflationary economy, in current measurement unit by applying the general price index as per IAS 21. These amendments also bring certain additional disclosure obligations.

2.3 Changes in Accounting Policies

The applied valuation principles and accounting policies have been set out consistently in all the information presented. The Group recognizes, measures and presents transactions, other events and situations of similar nature on a consistent basis in the financial statements. Material changes in accounting policies or material accounting errors are applied retrospectively by restating the consolidated financial statements of the prior period. As of 31 December 2025. the Group has no changes in accounting policies.

2.4 Changes in Accounting Estimates and Errors

Changes in accounting policies arising from the first-time adoption of a new standard are applied retroactively and prospectively in compliance with transitional provisions, if any. Changes in which no transitional provision is included are adopted with the retroactive application of major voluntary changes made to accounting policies or major accounting errors that are detected, and financial statements for previous periods are revised. The changes in accounting estimates affecting only one period are applied in the current period where the changes have been made, and the changes in accounting estimates affecting the periods are applied in the current period and future periods prospectively.

2.5 Comparative information

To enable the determination of the financial position and performance trends, the Group's consolidated statement of financial position as of 31 December 2025 has been prepared in comparison with the consolidated statement of financial position as of 31 December 2024; and the consolidated statement of profit and loss and other comprehensive income for the period and other comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flow for the accounting period ended 31 December 2025. have been prepared in comparison with the consolidated statement of profit and loss and other comprehensive income for the period and other comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flow for the accounting period ended 31 December 2024.

2.6 Offsetting

All items with significant amounts and nature, even with similar characteristics, are presented separately in the financial statements. Insignificant amounts are grouped and presented by means of items having similar basics and function. When the nature of transactions and events necessitate offsetting, presentation of these transactions and events based on their net amounts or recognition of the assets after deducting the related impairment are not considered as a violation of the rule of non-offsetting.

2.7 Summary of Significant Accounting Policies

The significant accounting policies and valuation principles used in the preparation of the consolidated financial statements are summarised below.

2.7.1 Revenue

The Group records revenue in financial statements when or as a contracted good or service is transferred to its customer and the performance obligation is satisfied. When (or as) control of an asset passes to the customer, the asset is transferred.

The Group records revenue in financial statements in accordance with the principles listed below:

a) Identification of contracts with customers,

b) Identification of the performance obligations in the contract,

c) Determination of the transaction price in the contract,

d) Allocation of the transaction price to the performance obligations in the contract,

e) Recognition of revenue when (or as) each performance obligation is satisfied

According to this model, first the goods or services promised under each contract made with customers are assessed and each promise relating to the transfer of the said goods or services is identified as being a separate performance obligation. The performance obligation is then identified as either being satisfied over time or at a point in time. If the Group passes control of a good or service over time and thus satisfies the performance obligation in respect of the sales in question over time, it measures progress towards complete satisfaction of the performance obligation in question and recognizes revenue in financial statements over time. Revenue in respect of obligations for performance having the nature of a promise to transfer goods or services is recognised when control of the goods or services passes to the customer.

The group recognizes a contract made with a customer as revenue if the following conditions are fully satisfied:

a) The parties have approved the contract (in writing, orally or in conformity with other commercial practices) and have promised to render their own performances,

b) The Group can identify each party's rights in relation to the goods or services to be transferred,

c) The Group can identify the payment terms for the goods or services to be transferred,

d) The contract has commercial substance,

e) The Group will probably collect the consideration for the goods or services. In assessing the likelihood that consideration will be collected, attention is given purely to the customer's ability to pay this consideration on time and its intentions in this regard.

Revenue originating from product sales

The Group chiefly obtains revenue from the sale of ready-mixed concrete and bulk and bagged cement. Revenue is recognised once control of products passes to the customer.

In determining whether the control of goods and services sold has passed to the customer, the Group takes note of the criteria of,

• having a right to payment for the good
• the customer's having legal title to the good
• transfer of physical possession of the good
• possession of the significant risks and rewards related to the ownership of the good
• the customer's having accepted the good.

Revenue originating from sales of services

The Group obtains revenue from waste management service. Revenue is recognised on completion of the service. Waste management service revenue is recognised the moment waste is disposed of or taken into the sanitary storage section. Apart from the above-mentioned performance obligations, the Group has no additional performance obligation to its customers.

In assessing whether the control of goods and services sold has passed to the customer, the Group takes note of the criteria of:

• having a right to payment for the good or service
• the customer's having legal title to the good or service
• transfer of physical possession of the good
• possession of the significant risks and rewards related to the ownership of the good
• the customer's having accepted the good or service.

For each performance obligation, the Group identifies whether the performance obligation was satisfied on time at the outset of the contract or the performance obligation was satisfied at a certain point in time. The Group recognizes revenue originating from product sales in its financial statements following the passing of control to the customer.

The Group, on becoming entitled to collect consideration from its customers directly corresponding to the value for the customer of the completed performance, recognizes revenue up to amount it is entitled to invoice for in its financial statements.

If the Group expects to refund the customer with a portion or all of the proceeds collected from the customer, it records an obligation to refund in financial statements. The obligation to refund is calculated as the portion of the proceeds that the entity has collected (or will collect) to which it does not expect to be entitled. The obligation to refund is updated at the end of each reporting period to take account of changed circumstances.

2.7.2 Financial assets

Classification and measurement

The Group recognizes financial assets as financial assets recognised at amortised cost, assets whose fair value difference is recognised in other comprehensive income and financial assets whose fair value difference is recognised in profit or loss. Classification is made on the basis of the business model objective for financial assets and expected cash flows. Management makes classification of financial assets on their acquisition date.

Financial assets recognised at amortised cost

Management classifies as financial assets recognised at amortised cost financial assets where the business model adopted is to hold the financial asset to collect the contractual cash flows and the contractual terms give rise on specified dates solely to payments of principal and interest on the principal amount outstanding and which are not traded on an active market and are not derivatives. Assets that have less than twelve months to maturity as of the balance sheet date are classified as current assets, while those having more than twelve months to maturity are classified as non-current assets. Assets recognised at amortised cost are included within "trade receivables", "cash and cash equivalents" and "other receivables" on the balance sheet.

Impairment

Since trade receivables recognised at amortised cost included in financial statements have no material financial component, the Group has elected to employ the simplified procedure for calculating impairment and employs the provision approach. By means of this approach, where trade receivables have not for various reasons become impaired, the Group measures the expected credit loss allowance at an amount equal to lifetime expected credit losses. In calculating the expected credit loss, as well as past credit loss experiences, the Group's future-orientated forecasts are taken into account.

2.7.3 Lease transactions

At the start of a contract, the Group assesses whether the contract constitutes a lease or contains a leasing transaction. If the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, this contract constitutes or contains a lease. In order to assess whether a contract conveys the right to control an identified asset, the Group uses the definition of lease in TFRS 16.

(i) As lessee

On the date the lease actively commences or the contract containing the lease component is amended, the Group shares each lease into components taking as a basis the proportional price of each rental component and the total price each of components that are not lease components in nature.

The group has chosen not to separate the components that are not lease components in nature from the lease components, but instead to account for each lease component and their related non-lease components as single lease components.

The Group recognizes a right of use asset and a lease liability in its financial statements on the date the lease effectively commences. The initial measurement of the right-of-use asset and liability consists of the amount obtained by deducting all lease incentives received from all lease payments made on or before the actual commencement of the lease, all initial direct costs and all estimated future costs with regard to stripping and removal of the asset, restoration of the area in which it is placed, or restoration to bring the underlying asset into the condition required by the terms and conditions of the lease.

If the cost of the lease transaction, or the cost of assigning ownership of the underlying asset to the lessee at the end of the lease period or the cost of the right of use asset indicates that the lessee will exercise a purchase option, it will be subject to depreciation from the date the right of use asset lease actually commences to the end of the useful life of the underlying asset. Otherwise the right of use asset will be subject to depreciation starting as of the date the lease effectively commences until the end of the useful life of the asset in question or the lease, whichever is the shorter. In addition, the value of the right-of-use asset is periodically reduced by deducting any impairment losses, if any, and adjusted in line with the remeasurement of the lease liability.

At the actual start of the lease, the lease obligation is measured at the present value of the lease payments not paid at that time. If the interest rate implied on the lease can easily be determined, lease payments are discounted using this rate. If the implicit interest rate cannot easily be determined, using the Group's incremental borrowing rate.

The Group determines the alternative borrowing interest rate by taking into account the interest rates it will pay for its borrowings from various external financing sources and makes some adjustments to reflect the lease terms and the type of asset leased.

Lease payments included in the measure of lease liability comprise the following:

– Fixed payments (including fixed payments in essence);
– Variable lease payments based on an index or rate, whose initial measurement is made using an index or rate at the time the lease actually commences;
– Sums expected to be paid by the lessee within the scope of residual value guarantees;

In case of reasonable certainty that the purchase option will be used, if the exercise price and the lease term of this option indicate that the Group will use an option to terminate the lease, penalty payments regarding the termination of the lease.

In the comparative period, the Group classified leases to which all risks and benefits arising from owning an asset as a lessee are transferred, as financial leases. In this case, at the beginning of the lease contract of the leased asset, it accounts for the lower of the fair value or the present value of the minimum lease payments. Minimum lease payments are payments which must be made throughout the duration of the lease period, excluding conditional leases. After initial accounting, assets will be accounted for in accordance with the accounting policy applying to the asset concerned.

Leases where the risk and benefits in full arising from taking ownership of an asset are not transferred will be classified as operating leases and will not be accounted for on the financial statement. Lease payments made within the scope of operating lease are accounted for as expenses in the statement of profit or loss linearly throughout the lease term. Lease incentives received are recognised as an integral part of the total lease expense during the lease term.

(ii) As lessor

When in the position of lessor the Group will decide at the commencement of the lease period whether the lease is an operating lease or a financial lease.

In order to classify each lease, the Group will make a general assessment as to whether or not all risks and benefits associated with ownership of the asset forming the basis of the lease are transferred. If the risk and returns are assigned, the lease is a financial lease; if not, it is an operational lease. As a part of this assessment, the Group will consider factors such as whether an asset being leased for a short term comprises a large part of its economic life.

2.7.4 Capital

Ordinary shares are classified as capital. Dividends distributed on ordinary shares are recorded by being deducted from accumulated profits during the period in which they are declared. Dividends received are recorded as income on the date the right to receive payment arises.

2.7.5 Tangible Assets

Tangible assets have been reflected in financial statements at acquisition cost, with accumulated depreciation and, if applicable, impairment until the balance sheet date deducted. Cost includes the expenditures that are directly undertaken during the acquisition of the asset and attributable to the acquisition. Gains or losses on disposals of tangible assets are included in the relevant income and expense accounts, and the cost and accumulated depreciation of tangible assets is written off from the relevant accounts as appropriate. When parts of tangible assets have different useful lives, they are accounted for as separate items of the tangible assets.

Subsequent costs

Maintenance and repair costs are charged to the profit or loss and other comprehensive income for the period in which they are incurred. The Group will omit from the balance sheet carrying values regardless of whether parts that are changed in the direction of the revisions are depreciated independently of the other parts. Major renewals are subject to depreciation based on the remaining life of the related tangible asset or the economic life of the renewal itself, whichever is shorter.

Expenditures after capitalisation are added to the cost of the asset if it is highly probable that future economic benefits will be realised and the cost of the related expenditure is reliably measured or reflected on the financial statements as a separate asset. Under conditions indicating that their carried values may be higher than their recoverable values, tangible assets are checked for impairment. To determine impairment, assets are grouped at the lowest level, which are the cash-generating units (cash-generating unit). If the carrying value of an item of property, plant or equipment is greater than its estimated realisable value, a provision is set aside, and the book value is reduced to its realisable value. The realisable value is the higher of the value in use of the tangible asset or the net selling price after deducting the costs to sell the asset.

Depreciation

Depreciation on tangible assets is performed on a straight-line basis according to their useful lives from the date of recognition or assembly of the related assets. Leasehold improvements are subject to depreciation on a straight line basis according to the shortest between their lease period and their useful lives. Land and plots are not subject to depreciation.

Estimated useful lives of property, plant and equipment are as follows:

Buildings and land improvements	5-50 years
Machinery, installations, and devices	4-25 years
Motor vehicles	2-10 years
Furniture and fixtures	3-20 years
Other intangible assets	2-10 years
Leasehold improvements	5-20 years

The depreciation method, useful lives and depreciated costs of the tangible assets are reviewed at every reporting period.

2.7.6 Intangible Assets

Intangible fixed assets are presented in financial statements at cost value, with accumulated amortisation and impairment deducted. In case of impairment, the book value of intangible assets is reduced to its recoverable value.

Amortisation

Amortisation is calculated on a straight-line basis over the estimated useful lives of the items and is generally recognised in profit or loss after deducting the residual value of intangible asset items from their costs. Goodwill is not subject to amortisation.

Estimated useful lives of intangible assets are as follows:

Rights	4-20 years
Other intangible assets	3-20 years

The amortisation method, useful lives and residual values of intangible assets are reviewed at each reporting date.

i. Investment properties

If not being used for the production of goods or services or for administrative purposes, or for the purpose of obtaining rent, or for the purpose of value gain, or both, or not being sold during the normal course of operations, the property is classified as investment property. As of 31 December 2025. investment properties are valued by the independent professional valuation company Vakıf Gayrimenkul Değerleme A.Ş. and the fair value determined in the valuation studies carried out by the Company has been reflected in the financial statements. Gains or losses arising from changes in fair value are recognised in the consolidated profit or loss and other comprehensive income.

ii. Inventories

The values of the inventories are based on the cost or net realisable value, whichever is lower. The inventories are based on the weighted average cost basis. The cost of the inventories includes incurred in acquiring the inventories, conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of finished goods includes overhead costs to a reasonable extent in accordance with normal production capacity. Net realisable value is the amount acquired by deducting the sum of the estimated completion cost, necessary to realise the sales from the estimated sales price in the course of business.

2.7.7 Impairment of assets

Non-financial assets

In each reporting period the Group reviews the carrying values of non-financial assets (excluding investment properties, stocks, contractual assets and deferred tax assets) to determine whether there are any signs of impairment. If any such indication exists, then the recoverable amount of the asset is estimated. Goodwill shall be subject to an annual impairment test.

For the impairment test, assets are grouped according to the smallest asset group creating cash inflow, independent of continuous use, the cash inflows of other assets or cash-generating units ("CGU"s). Goodwill arising from a business combination is allocated to CGUs or CGU groups that are expected to benefit from the synergy of the combination.

The recoverable amount of an asset or CGU is the higher of its fair value less costs to sell and its value in use. Its value in use depends on estimated future cash flows reduced to present values using the pre-tax discount rate that reflects the time value of money and current market values of risks peculiar to the asset or CGU.

If an asset or CGU's recoverable amount is lower than its carrying amount, the carrying amount of the asset or CGU in question comes down to the recoverable amount.

Impairment losses will be accounted for in profit or loss. First the carrying amount of any goodwill apportioned to the CGU will be reduced, then a reduction transaction will be carried out at the carrying amount rate of other assets in the CGU.

2.7.8 Employee benefits

(i) Short-term benefits for employees

Short-term benefits for employees are recognised as expenses as long as the relevant service is rendered. A liability is recognised for the amounts that arise from the Group's legal and constructive obligation at the end of previous services of its employees and which it is obliged to pay and which are anticipated to be paid in cases where this liability can reliably be estimated.

(ii) Long-term benefits for employees

Provision for severance pay represents the present value of the Company's estimated total future obligations arising from the retirement of the employees in accordance with Turkish Labour Law. In accordance with the applicable social legislation and Turkish Labour Law in Türkiye; The Company is obliged to pay severance pay collectively to all employees who have completed at least one year of service upon termination or retirement, except for voluntary termination or dismissal due to improper conduct or who leave for retirement. The defined benefit obligation is reduced to net present value according to actuarial assumptions and reflected in the financial statements. Actuarial gains and losses arising from changes in the actuarial assumptions used in the measurement of the provision are reflected in the financial statements by being associated with the profit or loss and other comprehensive income.

2.7.9 Provisions, contingent liabilities and contingent assets

The Group recognizes a provision equivalent to the liability in the accompanying financial statements where the Group has a legal and constructive obligation resulting from previous events, an outflow of the resources including economic benefits from the entity is probable, and the liability can be estimated reliably.

Contingent liabilities are continuously reviewed to determine whether there is a possibility for the outflow of resources including economic benefits from the entity will be required to settle the obligation. Such contingent liabilities are disclosed to the financial statements, except for the situations where the potential for the outflow of resources and economic benefits from the entity is remote.

If an economic benefit to the entity is available, explanations are included in the notes to the financial statements about the contingent asset. If an economic benefit is certain, the asset and its related income changes are included in the financial statements at the time when they have occurred.

Environmental liabilities comprising environmental rehabilitation, quarry site rehabilitation and infilling and landfill site disposal have been estimated by the Group in line with plans formulated in view of statutory regulations, technological possibilities and management's best estimates. Estimated environmental liabilities are sensitive to changes in applicable interest rates as well as changes in environmental rehabilitation plans and costs that may ensue from deviations in estimated proven and probable reserves from the projected production plan or in disposal obligations from manners of use and physical conditions. It is estimated that the Group's liabilities in respect of environmental rehabilitation, quarry site rehabilitation and infilling and landfill site disposal will arise on expiry of quarry site operating licences and also in the case of landfill site disposal when stipulated capacities are reached or statutory regulations so require.

2.7.10 Financial income and expenses

Financial income consists of interest income on time deposits and exchange differences arising from financing activities. Financial expenses consist for the most part of interest expenses on loans, exchange difference and bank commission expenses.

2.7.11 Taxes estimated on company profit

Income tax expense consists of the sum of the period tax and deferred tax. Income tax is recognised in profit or loss other than those attributable to business combinations or directly to shareholders' equity or other comprehensive income.

(i) Current period tax

Tax expense for the period includes the current period tax expense and the deferred tax expense (Footnote 27). Tax for the period and the deferred tax are recognised as income or expense in the statement of consolidated comprehensive income for the period, provided that the tax is not related to a transaction that is recognised directly under shareholders' equity (in this case, it will be recognised in the shareholders' equity).

Adjustment records related to tax liabilities in prior years are accounted for under the other operating expenses item. The current period tax expense is calculated in accordance with the tax laws that are in effect or highly likely to be in effect in the countries where subsidiaries operate. If the current tax law is open to interpretation, the management will periodically assess the tax statement, and when it deems necessary, set aside a provision for the debts to be paid to the tax authorities.

ii) Deferred Tax

Deferred tax is calculated by using the liability method based on the temporary differences between what is stated in the subsidiaries' financial statements and in the relevant legal tax assessment account for the assets and liabilities. However, in the case that assets and liabilities with no effect on the commerce or on the profits or loss are entered in the financial statements for the first time, except for company mergers, the deferred tax assets or liabilities will not be entered in the financial statements. Deferred tax assets and liabilities are calculated based on the tax rates expected to be applied on the period when the tax assets or liability will be realised, by taking into consideration the tax rates and the tax legislation that were in effect or had entered into effect as of the date of statement of financial position.

Deferred tax liability is calculated for all taxable temporary differences, whereas deferred tax asset is entered in the consolidated financial statements, provided that it is highly possible to take advantage of the deductible temporary differences to earn taxable profits in the future.

Deferred tax liability that is calculated based on the temporary differences arising from the subsidiaries is shown in the consolidated financial statements, except for when the Group controls the timing of the cancellation of that temporary difference and the temporary difference cannot be cancelled in the foreseeable future. Deferred tax asset and liability with regard to income tax is tracked by the same tax authority; as such, deferred tax asset and liability for each company is mutually offset. As a result, the deferred tax position of the parent company and each subsidiary is offset in the consolidated financial statement.

(iii) Tax exposure

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Many related transactions and calculations, the effects of which on the final tax amount cannot be determined, are made during the normal course of business and such cases require the use of significant judgement in determining the provision for income tax. The Group records estimated additional tax liabilities as a consequence of tax related events. The Group recorded a part of the deferred tax receivables that arose from the transferred financial losses, which belong to certain subsidiaries and may be of use in the coming periods, due to the strong probability that such assets may be utilised in the future (Note 27). Where the ultimate tax consequences arising from these items differ from those initially recorded, these differences could affect income tax provision and deferred tax liabilities in the periods in which they were set.

2.7.12 Earnings / (loss) per share

Earnings/ (losses) per share disclosed in the consolidated statement of profit or loss and other comprehensive income are determined by dividing net period profit/(loss) by the weighted average number of shares that have been outstanding during the related period concerned.

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to their current shareholders from retained profits. Distribution of such kind of bonus shares are taken into consideration in the computation of earnings per share as issued share certificates. Accordingly, the weighted average number of shares used in these computations is determined considering the retrospective effects of the share certificate issues.

2.7.13 Subsequent events

Subsequent events represent the events that occur against or on behalf of the Group between the reporting date when the financial statements are prepared and the date when the consolidated statement of financial position was authorised for the issue. The Group corrects its financial statements in accordance with situations if new evidence indicates that during the end of the period when the financial statements were prepared that these events were already present or in the event that such events arose after this date and that they require correction of the financial statements. If such events do not require restating the financial statements, the Group shall disclose such events in the related notes.

2.7.14 Dividends

Dividends distributed on the ordinary shares are offset and recognised with retained earnings in the period in which they are declared.

2.7.15 Statement of cash flows

In the cash flow statement, cash flows are classified and reported as operating, investing and financing activities. Cash flows result in cash flows resulting from the Group's operations. The Group presents operating cash flows in accordance with the defined method of defining cash flows, income expense accruals or deferrals related to previous transactions.

Cash flows from investing activities represent the cash flows used in / provided from investing activities by the Group (tangible and intangible asset investments) and the cash flows acquired from these activities.

Cash flows from financing activities represent the funds used in financing activities by the Group and repayment of these funds.

2.7.16 Goodwill

A company merger involves joining two separate businesses or business operations to form a distinct reporting unit. Mergers between entities which are not under common control are accounted using the purchase method within the scope of IFRS 3 "Business Combinations".

The excess of the consideration transferred on the purchasing cost undertaken, the fair value of the identifiable assets, liabilities and contingent liabilities acquired by the acquirers at the time of the purchase is reported as goodwill.

In business combinations, tangible assets, intangible assets and / or contingent liabilities which are not included in the financial statements of the purchased company, but which qualify for separate recognition from goodwill are recognised in the financial statements at fair value as long as their fair value can be measured reliably. Goodwill amounts which are recognised in the financial statements of the purchased company cannot be measured as an identifiable asset. Goodwill is allocated to the smallest cash generating units, which can be followed for management's internal reporting purposes for impairment testing.

Goodwill impairment test is performed every year on the same date and if any indication related to impairment of goodwill is detected, then impairment tests are repeated more frequently. An impairment loss for goodwill is not reversed. Bargain purchase effect is recognised directly in profit or loss.

2.7.17 Borrowing costs and loans received

Bank borrowings are initially recognised with their amount at the date received, less any transaction cost. Subsequently, bank borrowings are reflected at their discounted cost using the effective interest method. The difference, between the amount from which the transaction costs are deducted and the discounted cost amount, is recognised as financial expense in the consolidated statement of comprehensive income during the loan period. The financial expense that occurs resulting from the received loans is reported in the consolidated statement of profit or loss and other comprehensive income. If the maturity of the loans is less than 12 months as of balance sheet date, it is shown in the short-term liabilities; if the maturity of the loans is more than 12 months as of balance sheet date, it is shown in the long term liabilities.

2.7.18 Related parties

a) A person or a close member of that person's family is related to a reporting entity if:

That person

i) Has control or joint control over the reporting entity,

ii) Has important influence over the reporting entity,

iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b) If any of the following conditions apply, the entity is deemed related to the Group:

i) The entity and the reporting entity are members of the same group,

ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member),

iii) Both entities are joint ventures of the same third party,

iv) One of the entities is a joint venture of a third entity and the other entity is an associate of the third entity,

v) The entity has benefit plans available upon termination of employment for the employees of the Group or of a business with connection to the Group (If the Group itself has such a plan, then sponsoring employers are connected to the Group as well),

vi) Controlled or jointly controlled by a person described in article (a) of the entity,

vii) A person described in article (a)(i) has important influence on the entity or is a key executive of the entity (or of the parent company of the entity).

Related-party transactions and related-party balances have been presented in Footnote 4.

2.7.19 Reciprocal shareholding share purchase

Reciprocal shareholdings have been recorded and shown in consolidated financial statements deducted from paid-in capital. The number of weighted average treasury stocks is deducted from the number of current shares in calculation of the earning / (loss) per share.

2.7.20 Financial Instruments

(i) Accounting and initial measurement

The Group enters trade receivables and credit instruments into its records on the date they come into being. The Group recognizes all other financial assets and liabilities only on the date of transaction when the relevant financial instrument is a party to the contractual conditions.

In the initial measurement of financial assets (other than trade receivables that do not have a significant financing component) and financial liabilities other than those whose fair value changes are reflected in profit or loss, transaction costs that can be directly associated with their acquisition or issue are also measured by being added to the fair value. Trade receivables that do not have a significant financing component are measured at initial accounting on the transaction price.

(ii) Classification and subsequent measurement

When first included in the financial statements, a financial instrument is classified in the specified way; those measured at amortised cost; those measured at fair value through other comprehensive income - investments in debt instruments, those measured at fair value through other comprehensive income - investments in equity instruments or those measured at fair value through profit or loss.

After the financial instruments are recognised for the first time, they are not reclassified unless the Group changes the operating model used for the management of financial assets.

Financial assets are not reclassified after initial recognition unless the Group changes its operating model to manage financial assets. In this case, all affected financial assets are reclassified on the first day of the first reporting period following the change in operating model.

A financial asset is measured at amortised cost if both of the following conditions are met and it is not classified as measured at fair value through profit or loss:

- The financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets that are not measured at amortised cost specified above or at fair value through other comprehensive income are measured at fair value through profit or loss. These include all derivative financial assets. When financial assets are included in the financial statements for the first time, the change in fair value of a financial asset is irreversibly recognisable as profit or loss, provided that it eliminates or significantly reduces any accounting inconsistency arising from the measurement of financial assets in a different way, and the related gains or losses are included in the financial statements differently.

Financial assets – Profit or loss arising from subsequent measurement

Financial instruments measured at fair value through profit and loss	These assets are measured at their fair value at subsequent measurements. Net gains and losses, including any interest or dividend income, are accounted for in profit or loss.
Financial assets measured at amortised cost	These assets are measured at amortised cost using the interest method in effect at their subsequent measurements. Amortised costs are reduced by the amount of impairment losses, if any. Interest income, foreign currency gains and losses and impairments are accounted for in profit or loss. Gains or losses arising from these being omitted from statements of financial position are accounted for as profit or loss.
Equity instruments at fair value through other comprehensive income	These assets are measured at their fair value in subsequent periods. Dividends are recognised in profit or loss unless expressly recovering part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss.

Financial liabilities – Classification, subsequent measuring and profit and loss

Financial liabilities are classified as measured at amortised cost and at fair value through profit or loss.

A financial liability is classified as at fair value through profit or loss if it meets the definition of held for trading. A financial liability is classified as a financial liability held for trading if it is a derivative instrument or if it is defined in this way at the time of first registration. Financial liabilities at fair value reflected in profit or loss are measured at their fair value and net gains and losses, including interest expenses, are recognised in profit or loss. Other financial liabilities are measured by deducting impairment from the amortised cost values of future principal and interest cash flows at effective interest rates, following their initial recording. Interest expenses and exchange differences are recognised in profit or loss. Gains or losses arising from the derecognition of these liabilities are recognised in profit or loss.

(iii) Derecognition

Financial assets

When the contractual rights to cash flows related to financial assets expire or when the Group substantially transfers the ownership of all risks and returns arising from the ownership of this financial asset, or when the company has neither significantly transferred nor retains substantially all risks and benefits arising from the ownership of this financial asset, it derecognizes the financial asset in question if it does not continue to have control over the financial asset.

In the event that the Group continues to substantially retain all risks and benefits arising from the ownership of a financial asset, it continues to record the relevant financial asset in the statement of financial position.

Financial liabilities

The Group excludes a financial liability from the statement of financial position only when the liability for the relevant liability is removed or cancelled. In addition, in the event of a significant change in the conditions or cash flows of an existing financial liability, the Group deducts a financial liability from the statement of financial position. Instead, it requires a new financial liability to be recognised at fair value based on the modified terms. In derecognizing a financial liability, the difference between the book value and the amount paid for this liability (including any non-cash assets transferred or any liability assumed) is recognised as profit or loss in the financial statements.

(iv) Offsetting financial assets and liabilities

The Group offsets its financial assets and liabilities and reports the net amount in the financial statements purely and simply when it has a legal right to offset the amounts and intends either to conduct the transaction on a net basis or to realise the asset and settle the liability simultaneously.

2.7.21 Going concern

The Group has prepared its consolidated financial statements based on the going concern principle.

2.8 Significant Accounting Evaluations, Estimates and Assumptions

The preparation of consolidated financial statements requires the use of estimates and assumptions that could affect the amounts of assets and liabilities reported at the date of statement of financial position, the explanations of contingent assets and liabilities and the amounts of income and expenses reported during the accounting period. Although these estimates and assumptions are based on the Group management's best knowledge of current events and transactions, actual results may differ from these assumptions. The Group's important accounting projections and forecasts.

2.8.1 Goodwill impairment test

Within the scope of provisions under the "Impairment of Assets" standard ("TAS 36") published by the Public Oversight Board, the Group is conducting impairment tests into the estimates and assumptions used to a significant extent regarding the amounts of goodwill ensuing from the acquisitions of Lalapaşa and Elazığ Çimento, Süreko and Agrega. The Group completed the impairment tests regarding the goodwill on 31 December 2025 (Footnote 15).

2.8.2 Fair value measurements of investment property

As of 31 December 2025. investment properties are valued by the independent professional valuation company Vakıf Gayrimenkul Değerleme A.Ş. and the fair values determined in the valuation studies carried out by the Company has been reflected in the financial statements. The peer comparison model is used in fair value determinations for land and plots and buildings and details of the method and assumptions involved are as follows:

- An assessment of the most effective and efficient use was made in fair value calculations.
- In the benchmarking method, the existing market information was utilised, similar real estate that recently came on the market were considered, sales discounts were applied in relation to the criteria that could affect the market value, and a price adjustment has been made to establish an average square metre price. The similar identified real estates were compared with respect to criteria such as location, visibility, size, infrastructure facilities, construction styles, construction permits and features, physical characteristics, discussions were held with real estate brokers for a current evaluation of the real estate market, going rates in the construction market were looked at and information was shared with independent professional valuation firms. The valuation technique used in measuring the fair value of investment properties is the market value approach based on similar property sales in the neighbourhoods of the specified property.
- In the project development method, the fair value of the immovable property was appraised with reference to per square metre construction costs in conjunction with per square metre sales values arrived at on a flat for land or build and sell basis of peers located in the vicinity.

2.8.3 Trade receivables and impairment

In assessing the recoverability of the trade receivables in question, Group management considers collateral obtained from customers, past collection performance, maturity analyses and disputes or lawsuits over the receivables. Once these assessments result in the identification of doubtful receivables, the method for determining the amounts of provision set aside for such receivables also involves assumptions and estimates.

2.9 Statement of compliance with the TFRS and the principles published by the KGK

The Group management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS issued by the POA and using the principles of the POA. As the Group management, we declare that the financial statements of the current and previous years and the summary of the significant accounting policies and the Notes are prepared in accordance with TFRS.

3. SEGMENT REPORTING

There are three reportable operation areas that contain the information that is used to assess the Group administration's performance and decide on resource allocation. These strategic reportable segments are reviewed periodically by the Group's decision-making authority in accordance with their performances and resource allocations since they are affected by different economic conditions and different geographical positions. The Group's main segments are cement, aggregate, ready-mixed concrete and waste management. There is a fuel sales service under the other group, and it does not meet the reportable segment criteria.

1 January - 31 December 2025	Cement	Aggregate	Ready-mixed Concrete	Waste management	Other	Adjustment between segments	Total
Revenue							
External revenue	11.096.131	199.252	4.992.106	201.265	541.995	--	17.030.749
Sales between segments	2.056.512	479.863	44.421	57.519	337.842	(2.976.157)	--
Net sales	**13.152.643**	**679.115**	**5.036.527**	**258.784**	**879.837**	**(2.976.157)**	**17.030.749**
Cost of Sales	**(9.628.885)**	**(525.962)**	**(5.027.492)**	**(185.065)**	**(861.318)**	**2.407.947**	**(13.820.775)**
Gross profit	**3.523.758**	**153.153**	**9.035**	**73.719**	**18.519**	**(568.210)**	**3.209.974**
Interest income	117.879	--	4.036	90.913	147	(71.247)	141.728
Interest expense	(86.773)	--	(119.819)	(5.183)	(1.633)	71.247	(142.161)
Tax income / (expense)	(433.918)	(1.651)	(11.486)	(425.381)	(1.763)	1.669	(872.530)
Net profit / (loss) for the period	1.981.957	84.081	(265.775)	(67.960)	5.018	(922)	1.736.399
Segments assets	37.260.366	1.181.111	2.370.935	12.592.428	88.354	(25.484.684)	28.008.510
Acquisitions of tangible and intangible assets	859.334	22.118	26.979	31.675	2.317	--	942.423
Segment liabilities	13.224.680	854.384	2.026.868	10.579.367	81.145	(19.069.761)	7.696.683

1 January - 31 December 2024	Cement	Aggregate	Ready-mixed Concrete	Waste management	Other	Adjustment between segments	Total
Revenue							
External revenue	11.507.226	138.690	6.235.197	243.309	785.235	--	18.909.657
Sales between segments	2.291.853	537.936	3.694	58.341	422.372	(3.314.196)	--
Net sales	**13.799.079**	**676.626**	**6.238.891**	**301.650**	**1.207.607**	**(3.314.196)**	**18.909.657**
Cost of Sales	**(10.226.006)**	**(506.676)**	**(6.055.717)**	**(204.615)**	**(1.180.953)**	**2.848.721**	**(15.325.246)**
Gross profit	**3.573.073**	**169.950**	**183.174**	**97.035**	**26.654**	**(465.475)**	**3.584.411**
Interest income	379.904	--	6.234	178.687	376	(162.523)	402.678
Interest expense	(157.421)	--	(111.694)	(21.865)	(1.096)	162.523	(129.553)
Net profit / (loss) for the period	(720.159)	(2.844)	(30.588)	(226.266)	(2.146)	3.799	(978.204)
Net dönem karı / (zararı)	1.894.156	120.715	(30.701)	(202.282)	4.981	(20.187)	1.766.682
Segments assets	32.119.521	604.477	2.632.976	7.588.524	85.367	(15.752.264)	27.278.601
Acquisitions of tangible and intangible assets	560.388	19.993	50.492	87.632	2.567	--	721.072
Segment liabilities	8.543.224	348.046	2.023.730	5.375.619	74.686	(8.979.811)	7.385.494

4. RELATED PARTY DISCLOSURES

4.1 Short-term trade receivables from related parties

Short-term trade receivables from related parties as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Spartan Hive S.P.A. ("Spartan Hive")	59.617	39.762
Aalborg Portland Espana ("Aalborg")	732	--
Yapıtek Yapı Teknolojisi Sanayi ve Ticaret A.Ş. ("Yapıtek")	47	76
Çimentaş Eğitim ve Sağlık Vakfı ("Çimentaş Vakfı")	18	27
	60.414	**39.865**

As of 31 December 2025. the average payment period of trade receivables from related parties is one month (31 December 2024: one month). No security had been obtained from related parties in respect of trade receivables, and no delay interest invoices had been raised by the Group relating to trade receivables from related parties as of 31 December 2025 and 31 December 2024.

4.2 Other Short-Term Receivables from Related Parties

Short-term other receivables from related parties as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Cementir Holding	--	334.364
Aalborg Portland Espana	273	2.018
	273	**336.382**

4.3 Short-Term Trade Payables Due to Related Parties

Short-term trade payables due to related parties as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Spartan Hive (*)	1.857	407
Çimentaş Vakfı	734	2.162
Cementir Holding	289	--
	2.880	**2.569**

(*) The debt of the Group to Spartan Hive as of 31 December 2025 and 2024 consists of purchases of raw materials.

The average payment period of short-term trade payables to the related parties is 2 months (31 December 2023: 2 months). As of 31 December 2025. and 31 December 2024. there are no guarantees given to related parties for trade payables and there is no late payment invoices issued to the Group for trade payables to related parties.

4.4 Other Short-Term Trade Payables Due to Related Parties

None (31 December 2024: None).

4.5 Goods and Service Sales to Related Parties

As of 31 December 2025. and 2024, goods and service sales to related parties are as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Spartan Hive (*)	767.757	784.177
Yapıtek (**)	574	3.196
Çimentaş Vakfı	254	358
	768.585	**787.731**

(*) All the relevant amount comes from cement and clinker sales to Spartan Hive.

(**) Goods and service sales to Yapıtek consist of ready-mixed concrete and fuel oil sales.

4.6 Goods and Service Purchases from Related Parties

As of 31 December 2025 and 2024, goods and service purchases from related parties are as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Spartan Hive (*)	382.750	448.072
Aalborg Digital (****)	156.019	139.935
Cementir Holding (**)	148.203	154.474
Çimentaş Vakfı	8.712	10.767
Aalborg (***)	7.708	8.237
Aalborg Portland Holding	--	10.445
	703.392	**771.930**

(*) All the relevant amount consists of raw materials and spare parts purchases from Spartan Hive.

(**) All of this amount derives from brand usage fees.

(***) All of this amount derives from consultancy service fees on the basis of the service contract signed with Aalborg Portland Holding valid as of 1 January 2013.

(****) All of this amount derives from IT and administration consultancy service charges.

4.7 Finance Income from Related Parties

As of 31 December 2025. and 2024. goods and service sales to related parties are as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Aalborg Portland Espana (*)	88.107	--
	88.107	**--**

(*) All of the relevant amount consists of the income from the sale of Çimentaş shares held by Kars Çimento to the parent company.

4.8 Senior manager benefits

Çimentaş Group's executives consist of directors and senior officers. The following benefits are provided to the executives between 31 December 2025 and 2024:

	1 January – 31 December 2025	1 January – 31 December 2024
Short-term benefits for employees	109.802	106.138

5. CASH AND CASH EQUIVALENTS

As of 31 December 2025 and 2024. cash and cash equivalents are detailed as follows:

	31 December 2025	31 December 2024
Cash on hand	367	170
Cash at banks	3.715.096	3.168.248
Demand deposits	87.339	830.003
Turkish Lira	*83.601*	*89.559*
Foreign currency	*3.738*	*740.444*
Time deposits	3.627.757	2.338.245
Turkish Lira	*--*	*2.338.245*
Foreign currency	*3.627.757*	*--*
Other liquid assets (*)	216.426	41.754
Cash and cash equivalents	**3.931.889**	**3.210.172**

(*) As of 31 December 2025 and 2024 original maturity of other ready assets consists of credit card receivables shorter than three months.

Maturity of time deposits is within one month (31 December 2024: Within one month). As of 31 December 2025. foreign currency deposits consist of 72.150 thousand Euro and 79 USD (31 December 2024: 16.000 thousand USD, 33 Euro).
As of 31 December 2025 and 2024 the weighted average yearly effective interest rates of the time deposits of the related currencies are as follows:

	31 December 2025	31 December 2024
TL time deposits	--	43,75%
EURO time deposits	0,50%	--

As of 31 December 2025 the Group did not have any compensating deposit balance (31 December 2024: None).
Credit risks of the banks that hold the Group's deposits are assessed based on independent data.
Interest rate risk, exchange rate risk and sensitivity analyses of the Group's financial assets and liabilities have been set out in Note 29.

6. FINANCIAL BORROWINGS

Financial liabilities as of 31 December 2025 and 2024:

	31 December 2025	31 December 2024
Short term bank borrowings		
Short-term portion of long-term borrowings from lease transactions	149.421	219.243
Total short term financial borrowings	**149.421**	**219.243**
Long term financial borrowings:		
Long-term portion of borrowings from lease transactions	117.794	45.358
Total long term financial borrowings	**117.794**	**45.358**
Total financial debt	**267.215**	**264.601**

The maturity breakdown of financial borrowings is as follows:

	31 December 2025	31 December 2024
Less than 3 months to maturity	34.699	54.155
3-12 months to maturity	114.722	165.088
1 - 2 years to maturity	45.079	27.801
2 - 5 years to maturity	72.715	17.557
	267.215	**264.601**

The weighted average of alternative borrowing rates applied to lease obligations denominated in TL is 36.86% as of 31 December 2025 (31 December 2024: TL.32.80%)

7. TRADE RECEIVABLES AND PAYABLES

7.1 Short-Term Trade Receivables

As of 31 December 2025. and 2024. short-term trade receivables are as follows:

	31 December 2025	31 December 2024
Customer current accounts	2.676.968	2.775.034
Notes and cheques receivables	817.371	794.837
	3.494.339	**3.569.871**
Less: Provision for doubtful trade receivables	(29.361)	(13.457)
	3.464.978	**3.556.414**

The trade receivables collection period, while varying according to product type and contracts made with customers, averages 63 days (31 December 2024: 55 days).
Maturities for short-term trade receivables from non-related parties as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Overdue receivables	308.361	158.135
0 - 30 day maturity	1.322.151	1.704.206
31 - 60 day maturity	744.709	908.068
61 - 90 day maturity	840.087	745.929
91 days and over	249.670	40.076
Total	**3.464.978**	**3.556.414**

Considering past experience and the current economic situation, the Group management assesses and where necessary allocates an appropriate proportion of the provision for doubtful receivables. The current year changes in the provision for doubtful receivables are as follows:

	31 December 2025	31 December 2024
Beginning of the period	**13.457**	**19.415**
Doubtful receivables for the period (Footnote 24.2)	19.738	156
Doubtful receivables received for the period	(285)	(159)
Doubtful receivables written-off for the period	(328)	(470)
Sold subsidiary effect	(23)	--
Monetary gain/loss	(3.198)	(5.485)
End of the period	**29.361**	**13.457**

Details of the credit and market risk, exchange rate risk and impairment of the Group's short-term trade receivables are set out in Footnote 29.

7.2 Short-Term Trade Payables

As of 31 December 2025. short-term trade payables to non-related parties are 3.283.985 thousand TL (31 December 2024: 3.100.555 thousand TL) and it consists of the payables to various suppliers.
The average payment period of short term trade payables is 61 days (31 December 2024: 60 days).
Comments on the exchange rate and liquidity risk to which the Group is exposed are set out in Footnote 29.

8. OTHER RECEIVABLES AND PAYABLES

8.1 Other Short-Term Receivables from Third Parties

As of 31 December 2025 and 2024. other long-term receivables from third parties are as follows:

	31 December 2025	31 December 2024
Receivables from public institutions	7.931	16.004
Deposits and guarantees given	242	317
Other	27.299	26.097
	35.472	**42.418**

8.2 Other Long-Term Receivables from Third Parties

As of 31 December 2025 and 2024. other long-term receivables from third parties are as follows:

	31 December 2025	31 December 2024
Deposits and guarantees given	512	853
	512	**853**

8.3 Other Short-Term Payables to Third Parties

As of 31 December 2025 and 2024. other short-term payables to third parties are as follows:

	31 December 2025	31 December 2024
Deposits and guarantees received (*)	3.207	7.327
Other	4.321	13.333
	7.528	**20.660**

(*) All of the Deposits and guarantees consist of collateral received in cash from the Group's customers.

9. INVENTORIES

As of 31 December 2025 and 2024. details of inventories are as follows:

	31 December 2025	31 December 2024
Raw materials	1.015.517	1.312.777
- Spare parts and operating supplies	*586.483*	*819.411*
- Fuel	*140.707*	*237.139*
- Packaging materials	*12.462*	*13.245*
- Other	*275.865*	*242.982*
Semi-finished goods	255.482	365.203
Finished goods	63.208	80.806
Trade goods	7.699	8.976
Goods in transit	8.986	1.792
	1.350.892	**1.769.554**

The total amount of the raw materials, semi-finished goods and finished goods recognised as expense and associated with the cost of the sales in the period that ended as of 31 December 2025 is 6.946.915 thousand TL (31 December 2024: 7.835.329 thousand TL) (Footnote 23).
As of 31 December 2025. there is no impairment on the inventories (31 December 2024: None).
As of 31 December 2025. there is no mortgage/pledge on the inventories (31 December 2024: None).

10. PREPAID EXPENSES AND DEFERRED INCOME

10.1 Short-Term Prepaid Expenses

As of 31 December 2025 and 2024. short-term prepaid expenses are as follows:

	31 December 2025	31 December 2024
Job advances given -	39.030	59.239
Prepaid expenses	46.616	36.909
Other	9	3.427
	85.655	**99.575**

Prepaid expenses comprised prepaid insurance and rent expenses.

10.2 Long Term Prepaid Expenses

As of 31 December 2025 long term prepaid expenses are TL 46.297 thousand TL.
(31 December 2024: TL 1.725 thousand TL).

10.3 Short Term Deferred Income

As of 31 December 2025 and 2024. short-term deferred income is as follows:

	31 December 2025	31 December 2024
Advance payments for orders received	111.873	322.682
Other	52	406
	111.925	**323.088**

Received order advances consist of the payments the Group received from dealers and customers for the coming period orders.

10.4 Long Term Deferred Income

As of 31 December 2025 there is no long term deferred income (31 December 2024: 68 TL).

11. INVESTMENT PROPERTIES

For the years ending on 31 December 2025 and 2024. the change in investment properties is as follows:

	2025	2024
1 January	**4.986.343**	**4.338.997**
Changes in fair value (Footnote 25.1)	317.621	746.050
Real estate sold	--	(98.704)
31 December	**5.303.964**	**4.986.343**

Investment properties are the properties which the Group holds in hand and are intended to be appreciated in the future and not to be utilised in the production or supply of goods and services or administrative course of the business, in order to obtain value appreciation.
As of 31 December 2025 and 2024. fair values of the investment properties are as follows:

	31 December 2025	31 December 2024
Land	5.181.738	4.859.508
Buildings	122.226	126.835
	5.303.964	**4.986.343**

As of 31 December 2025 there are no mortgages on the investment properties (31 December 2024: None).

Fair value hierarchy

On 31 December 2025. the Group commissioned Vakıf Gayrimenkul Değerleme A.Ş. to survey the market prices of investment properties and reported the properties in fair value based on the appraisal reports.
The fair value of the investment property amounting to TL 5.303.964 thousand has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

12. TANGIBLE ASSETS

The Group's tangible assets comprise mine assets and other non-current assets and their carrying amounts are as follows:

	31 December 2025	31 December 2024
Quarry assets	123.288	140.019
Other non-current assets	7.029.134	7.052.939
	7.152.422	**7.192.958**

12.1 Quarry assets

Quarry assets are composed of the discounted costs of rehabilitation and closure of the mine sites. Changes of mine sites for the years ending on 31 December 2025 and 2024 are as follows:

	1 January 2025	Additions	Transfers	Sold Subsidiary Effect	31 December 2025
Cost of rehabilitation of mining areas	366.824	27.063	10.183	(25.671)	378.398
Accumulated depreciation	(226.805)	(33.837)	--	5.532	(255.110)
	140.019	**(6.774)**	**10.183**	**(20.139)**	**123.288**

(*) As of 31 December 2025. quarry assets amounting to TL 10.183 thousand TL have been categorised from investments in progress.

	1 January 2024	Additions	Transfers	31 December 2024
Cost of rehabilitation of mining areas	296.312	38.458	32.054	366.824
Accumulated depreciation	(197.312)	(29.493)	--	(226.805)
	99.000	**8.965**	**32.054**	**140.019**

12.2 Other non-current assets

Movements in property, plant and equipment for the year ended 31 December 2025 are as follows:

	1 January 2025	Additions	Outflows	Transfers*	Sold subsidiary effect	31 December 2025
Cost:						
Land	2.459.424	27.084	--	1.199	(57.887)	2.429.820
Land improvements	2.322.533	--	--	184.581	(87.497)	2.419.617
Buildings	4.279.949	--	--	33.706	(1.010.341)	3.303.314
Machinery, installations, and devices	26.177.217	41	(4.930)	327.855	(3.209.555)	23.290.628
Motor vehicles	433.953	--	(800)	47.335	(5.776)	474.712
Furniture and fixtures	903.959	15.912	(13.003)	19.570	(115.339)	811.099
Other tangible assets	104.282	--	--	--	(2.488)	101.794
Leasehold improvements	228.878	--	--	5.958	--	234.836
Construction in progress	154.063	899.386	--	(634.817)	(5.300)	413.332
Total cost	**37.064.258**	**942.423**	**(18.733)**	**(14.613)**	**(4.494.183)**	**33.479.152**
Accumulated depreciation						
Land improvements	1.984.626	46.539	--	--	(58.097)	1.973.068
Buildings	2.883.465	82.526	--	--	(907.597)	2.058.394
Machinery, installations, and devices	23.654.043	401.259	(4.930)	--	(3.045.500)	21.004.872
Motor vehicles	350.443	25.633	(801)	--	(5.448)	369.827
Furniture and fixtures	849.562	23.140	(12.801)	--	(113.100)	746.801
Other tangible assets	104.282	--	--	--	(2.488)	101.794
Leasehold improvements	184.898	10.364	--	--	--	195.262
Total accumulated depreciation	**30.011.319**	**589.461**	**(18.532)**	**--**	**(4.132.230)**	**26.450.018**
Net book value	**7.052.939**					**7.029.134**

(*) As of 31 December 2025. investments in progress amounting to TL 14.613 thousand are classified under intangible fixed assets and quarry assets.

As of 31 December 2025. there are no charges such as mortgages or pledges on fixed tangible assets (31 December 2024: None).

Movements in property, plant and equipment for the year ended 31 December 2024 are as follows:

	1 January 2024	Additions	Outflows	Transfers(*)	31 December 2024
Cost:					
Land	2.343.937	30.323	--	85.164	2.459.424
Land improvements	2.228.471	--	--	94.062	2.322.533
Buildings	4.239.165	--	(4.128)	44.912	4.279.949
Machinery, installations, and devices	25.532.719	1.274	(391)	643.615	26.177.217
Motor vehicles	406.260	--	--	27.693	433.953
Furniture and fixtures	898.749	6.645	(15.707)	14.272	903.959
Other tangible assets	104.282	--	--	-	104.282
Leasehold improvements	200.202	2.144	--	26.532	228.878
Construction in progress	458.647	680.686	--	(985.270)	154.063
Total cost	36.412.432	721.072	(20.226)	(49.020)	37.064.258
Accumulated depreciation					
Land improvements	1.940.594	44.032	--	--	1.984.626
Buildings	2.805.253	79.285	(1.073)	--	2.883.465
Machinery, installations, and devices	23.199.556	454.755	(268)	--	23.654.043
Motor vehicles	328.088	22.355	--	--	350.443
Furniture and fixtures	841.528	22.760	(14.726)	--	849.562
Other tangible assets	104.282	--	--	--	104.282
Leasehold improvements	175.848	9.050	--	--	184.898
Total accumulated depreciation	**29.395.149**	**632.237**	**(16.067)**	**--**	**30.011.319**
Net book value	**7.017.283**				**7.052.939**

(*) As of 31 December 2024. investments in progress amounting to TL 49.020 thousand are classified under intangible fixed assets and quarry assets.

The distribution of current period amortisation and depreciation expenses of tangible and intangible assets and rights of use is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Cost of Sales	953.956	946.233
General administrative expenses (Note 22.1)	42.610	42.934
Marketing expenses (Note 22.2)	5.917	7.173
Total	**1.002.483**	**996.340**

13. RIGHT OF USE ASSETS

The right of use assets movement table for the year ending 31 December 2025 is as follows:

	1 January 2025	Additions	Outflows	Sold subsidiary effect	31 December 2025
Cost:					
Land	10.009	3.104	--	--	13.113
Buildings	14.123	4.344	--	--	18.467
Machinery, installations, and devices	122.115	53.066	(49.036)	--	126.145
Vehicles	600.847	368.865	(378.132)	(13.096)	578.484
Total cost	**747.094**	**429.379**	**(427.168)**	**(13.096)**	**736.209**
Accumulated depreciation					
Land	1.043	1.560	--	--	2.603
Buildings	10.966	1.137	--	--	12.103
Machinery, installations, and devices	57.509	41.119	(49.036)	--	49.592
Vehicles	368.317	312.426	(298.021)	(7.498)	375.224
Total accumulated depreciation	**437.835**	**356.242**	**(347.057)**	**(7.498)**	**439.522**
Net book value	**309.259**				**296.687**

The distribution of amortisation expenses of right of use assets has been presented in Footnote 12.2.
The right of use assets movement table for the year ending 31 December 2024 is as follows:

	1 January 2024	Additions	Outflows	31 December 2024
Cost:				
Land	--	10.009	--	10.009
Buildings	10.805	3.318	--	14.123
Machinery, installations, and devices	94.792	50.564	(23.241)	122.115
Vehicles	355.097	430.278	(184.528)	600.847
Total cost	**460.694**	**494.169**	**(207.769)**	**747.094**
Accumulated depreciation				
Land	--	1.043	--	1.043
Buildings	7.643	3.323	--	10.966
Machinery, installations, and devices	50.215	30.535	(23.241)	57.509
Vehicles	190.115	277.823	(99.621)	368.317
Total accumulated depreciation	**247.973**	**312.724**	**(122.862)**	**437.835**
Net book value	**212.721**			**309.259**

14. INTANGIBLE ASSETS

For the years ending on 31 December 2025 and 2024. changes of the intangible assets were as follows:

	1 January 2025	Additions	Outflows	Transfers (*)	Sold subsidiary effect	31 December 2025
Cost:						
Rights	250.340	651	--	--	(10.608)	240.383
Other intangible assets	483.780	--	--	4.430	(8.691)	479.519
Total cost	**734.120**	**651**	**--**	**4.430**	**(19.299)**	**719.902**
Accumulated amortisation						
Rights	(60.040)	(1.322)	--	--	8.419	(52.943)
Other intangible assets	(257.409)	(21.621)	--	--	7.222	(271.808)
Total accumulated amortisation	**(317.449)**	**(22.943)**			**15.641**	**(324.751)**
Net book value	**416.671**					**395.151**

(*) Intangible fixed assets amounting to TL 4.430 thousand are classified as investments in progress as of 31 December 2025.

	1 January 2024	Additions	Outflows	Transfers (*)	31 December 2024
Cost:					
Rights	247.592	--	--	2.748	250.340
Other intangible assets	469.274	288	--	14.218	483.780
Total cost	**716.866**	**288**	**--**	**16.966**	**734.120**
Accumulated amortisation					
Rights	(59.574)	(466)	--	--	(60.040)
Other intangible assets	(236.780)	(20.629)	--	--	(257.409)
Total accumulated amortisation	**(296.354)**	**(21.095)**	**--**	**--**	**(317.449)**
Net book value	**420.512**				**416.671**

(*) Intangible fixed assets amounting to TL 16.966 thousand are classified as investments in progress as of 31 December 2024.

15. GOODWILL

As of 31 December 2025 and 2024. goodwill comprises the follows:

	31 December 2025	31 December 2024
Goodwill from acquisition of Lalapaşa	3.972.684	3.972.684
Goodwill from acquisition of Sureko	466.775	466.775
Goodwill from acquisition of Elazığ Çimento	362.802	362.802
Goodwill from acquisition of Ege Kırmataş	4.031	4.031
	4.806.292	**4.806.292**

(i) Acquisition of Lalapaşa

The Group participated on 10 October 2005 to an open bidding for Lalapaşa put up for sale by Savings Deposit Insurance Fund ("TMSF") and won the tender offering 166.500.000 USD. Following the approval of Competition Board and Fund Board, control of Lalapaşa was transferred to the Group on 28 December 2005 and the acquisition is recognised in accordance with TFRS 3. The goodwill reflected on the consolidated financial statements amounts to 3.972.684 thousand TL.

The Group's management conducted an impairment test on the goodwill arising from the acquisition of Lalapaşa by using the reduced cash-flow method pursuant to the provisions of TAS 36. No impairment was found as a result of the test conducted by taking into consideration the current conditions and generally accepted appraisal techniques on 31 December 2025.

In the valuation technique applied, the impairment test of the goodwill is based on the following assumptions:

a) These generally accepted appraisal techniques are highly sensitive to the EBITDA/Net Sales ratio between the 22% and 25% range (2024: 27% to 28%) and to the changes in the Weighted Average Cost of Capital value, accepted as 20.60% (2024: 21.80%).

b) The EBITDA/Net Sales ratio is compliant with the Company's budget for 2025 and beyond, whereas Weighted Average Cost of Capital ratio depends on macroeconomic and certain recycling industry variables.

As of 31 December 2025. the estimated recoverable amount of the CGU exceeds its carrying amount by TL 122 thousand. For the forecast recoverable amount to equal the carrying amount, if the discount rate from among the assumptions employed is increased by 1% and the other variables are kept constant, the CGU's recoverable amount is equal to its carrying amount. Likewise, the CGU's recoverable amount is equal to the carrying amount when the EBITDA / net sales ratio is reduced as far as 24% from the values used in assumptions with the other variables kept constant.

(ii) Acquisition of Elazığ Çimento

On 21 September 2009. the Group acquired 99.9% of net assets of Elazığ Çimento for a purchase consideration of 161.116 thousand TL which is the equivalent of 110.000.000 USD The acquisition was reported in accordance with the provisions of TFRS 3. "Business Combinations" and no other identifiable intangible assets have been detected in TAS 38 whose fair value can be measured reliably, and the related goodwill reflected on the consolidated financial statements amounts to TL 362.802 thousand.

The Group's management conducted an impairment test on the goodwill arising from the acquisition of Elazığ Çimento by using the reduced cash-flow method pursuant to the provisions of TAS 36. No impairment was found as a result of the test conducted by taking into consideration the current conditions and generally accepted appraisal techniques on 31 December 2025.

In the valuation technique applied, the impairment test of the goodwill is based on the following assumptions:

a) These generally accepted appraisal techniques are highly sensitive to the EBITDA/Net Sales ratio between the 22% and 25% range (2024: 27% - 28%) and to the changes in the Weighted Average Cost of Capital value, accepted as 20.60% (2024: 21.80%).

b) The EBITDA/Net Sales ratio is compliant with the Company's budget for 2025 and beyond, whereas Weighted Average Cost of Capital ratio depends on macroeconomic and certain recycling industry variables.

As of 31 December 2025. the estimated recoverable amount of the CGU exceeds its carrying amount by TL 1.267 thousand. For the forecast recoverable amount to equal the carrying amount, if the discount rate from among the assumptions employed is increased by 14% and the other variables are kept constant, the CGU's recoverable amount is equal to its carrying amount. Likewise, the CGU's recoverable amount is equal to the carrying amount when the EBITDA / net sales ratio is reduced as far as 15% from the values used in assumptions with the other variables kept constant.

(iii) Acquisition of Süreko

On 1 September 2009. the Group acquired 69.9% of net assets of Süreko for a purchase consideration of 10.759 thousand Euro, equivalent to 22.853 thousand TL. Acquisition is valued according to the principles of TFRS 3 "Business Combinations". Calculated after the acquisition, the goodwill amounting to TL 466.775 thousand is recognised in the consolidated financial statements.

In accordance with the principles of TAS 36. goodwill from the acquisition of Sureko is subject to an impairment test by the Group management, using the method of discounted cash flow. No impairment was found as a result of the test conducted by taking into consideration the current conditions and generally accepted appraisal techniques on 31 December 2025.

In the valuation technique applied, the impairment test of the goodwill is based on the following assumptions:

a) These generally accepted appraisal techniques are highly sensitive to the EBITDA/Net Sales ratio between the 48% and 49% range (2024: 32% to 33%) and to the changes in the Weighted Average Cost of Capital value, accepted as 18.00% (2024: 18.90%).

b) While the EBITDA/net sales ratio complies with the budgets that the Company has prepared for 2025 and afterwards, the Weighted Average Cost of Capital is dependent on certain macroeconomic and waste sector-related variables.

As of 31 December 2025. the estimated recoverable amount of the CGU exceeds its carrying amount by TL 184 thousand. For the forecast recoverable amount to equal the carrying amount, if the discount rate from among the assumptions employed is increased by 3% and the other variables are kept constant, the CGU's recoverable amount is equal to its carrying amount. Likewise, the CGU's recoverable amount is equal to the carrying amount when the EBITDA / net sales ratio is reduced as far as 42% from the values used in assumptions with the other variables kept constant.

(iv) Acquisition of Ege Kırmataş

On 23 November 2021. the Group acquired 100% of the shares in Ege Kırmataş for the consideration of TL 50.270 thousand corresponding to USD 4.500 thousand. The acquisition was treated under the provisions of TFRS 3 "Business Combinations" and the goodwill amounting to TL 4.031 thousand calculated following the acquisition was incorporated into the consolidated financial statements. In accordance with the principles of TAS 36. goodwill from the acquisition of Ege Kırmataş is subject to an impairment test by Group management, using the method of discounted cash flow. No impairment was found as a result of the test conducted by taking into consideration the current conditions and generally accepted appraisal techniques on 31 December 2025.

16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

16.1 Commitments and Contingent Liabilities

a) Guarantees Given

As of 31 December 2025 and 2024. details of the guarantees given are as follows:

	31 December 2025	31 December 2024
Letters of guarantee	380.802	843.381
Guarantees given through the direct debit system ("DBS") (*)	44.217	42.380
	425.019	**885.761**

(*) The total limit as of 31 December 2025 of guarantees the Group gives vendors through the DBS is TL 88.490 thousand and the balance in question in the statement constitutes the amount outstanding to suppliers as of the current period (31 December 2025: 89.590 bin TL).

The Group's position related to letters of guarantee given, pledges and mortgages ("GPM") as of 31 December 2025 and 2024. is as follows:

	31 December 2025				31 December 2024			
	TL Equivalent	TL	USD	GBP	TL Equivalent	TL	USD	GBP
A Total amount of GPMs given in the name of the Company's own legal entity	412.830	380.696	750	--	869.807	853.644	350	--
B Total amount of GPMs given in partnerships included in the scope of favour of full consolidation	12.189	12.189	--	--	15.954	15.954	--	--
C Total amount of GPMs given to guarantee the debt of third party in order to carry out its ordinary trade activities	--	--	--	--	--	--	--	--
D Total amount of other GPMs given	--	--	--	--	--	--	--	--
- Total amount of GPMs given in favour of parent company	--	--	--	--	--	--	--	--
- Total amount of GMPs given in favour of other group companies which are not in the scope of the items B and C	--	--	--	--	--	--	--	--
- Total amount of GMPS given in favour of third parties which are not in the scope of the item C	--	--	--	--	--	--	--	--
	425.019	**392.885**	**750**	**--**	**885.761**	**869.598**	**350**	**--**

The ratio of other GPMs issued to the total equity of the Group as of 31 December 2025 is 0.0% (31 December 2024: 0.0%).

b) Sureties Received

As of 31 December 2025 and 2024. the details of the sureties received are as follows:

	31 December 2025	31 December 2024
Sureties received	--	105.211
	--	**105.211**

c) Sureties given

None (31 December 2024: None).

d) Guarantees Received

As of 31 December 2025 and 2024. details of guarantees received are as follows:

	31 December 2025	31 December 2024
Letters of guarantee	3.986.495	3.847.152
Collateral received through DDS	749.055	933.579
Mortgages	37.522	49.113
Guarantee notes	23.150	29.607
Pledges	20.977	14.368
Collateral cheques	165	377
Letters of credit	126	165
Sureties	--	105.211
	4.817.490	**4.979.572**

16.2 Important Lawsuits

- Compensation for damages lawsuit against the Group for the mining activities

Batı Madencilik which has mining license in the district Keşan / Edirne asserted that it suffers a loss because trass ore extracted by the Group form its mine site in the same region and to recover its alleged losses, filed a claim for compensation amounting to 1.045 thousand TL against the Group. An expert report prepared during the trial includes statements against the Group. For this reason, the Group wrote a detailed petition of objection against the said expert report and submitted to the court with a scientific opinion report prepared by the Faculty of Law of Dokuz Eylül University. The court sentenced the Group to pay for TL 800 thousand. The decision was appealed and Supreme Court decided in favour of the Group, but the plaintiff requested the review of the court decision. The demand of the plaintiff company was rejected, and the case was sent back to local court. The Company's objection to the expert examination not conducted was accepted and the court ruled for formation of a new commission of experts. The same company filed an additional lawsuit for damages against the Group for the same reasons amounting to TL 3.141 thousand in December 2009. Both actions for damages were consolidated. At the end of the trial, the court ruled to the detriment of the Group. The reasoned decision was delivered, and it was appealed with a stay of execution request. The appeal request resulted in the favour of the company, and the local court reversed the judgement. The plaintiff party applied for rectification of decision and the rectification of decision application has resulted in the Group's favour. The case has been remitted to the local court for a retrial to be held. The case was partially accepted by the Local Court, and after the reasoned decision was served, the appeal was filed.

The plaintiff company started enforcement proceedings based on the decision of the Local Court, and the Stay of Execution decision was taken by additional security being put on the case in order to pause the enforcement proceedings during the appeal process. The case is in the appeal process.

- The investigation and lawsuits of the Competition Board

- The Investigation of the Competition Board about Çimentaş İzmir Çimento- Çimbeton -Recydia

After our disclosure of special case on 3 November 2025 on the subject "The Investigation of the Competition Board About our Subsidiary", we are informed by the competition board that İzmir Çimento Fabrikası Türk A.Ş was also included to the pending investigation.

The Short Decision of the Competition Board about the investigation conducted in Aydın was served to Çimentaş and an administrative fine of 37.370.945.14 TL was imposed on Çimentaş İzmir Çimento Fabrikası Türk AŞ which is 0.7742% of the gross income of the year 2023. for having violated the Article 4 of the Law number 4054 on the Protection of Competition. There is still time to raise an objection against this decision, and it will be decided whether an objection will be raised or not. Çimbeton was not sentenced in this investigation. The detailed ruling is not served yet.

According to the information given by the Board of Competition to our company, it was determined that Çimbeton Hazırbeton Prefabrik Yapı Elemanları Sanayi ve Ticaret A.Ş has violated the Article 4 of the Law number 4054 as a party to of an agreement for price fixing and customer sharing in the ready-mixed concrete market in Malatya province and therefore condemned with an administrative fine of 19.051.702.84 TL pursuant to the third paragraph of the Article 16 of the Law number 4054. This administrative fine was paid with a reduction of 25% and a counterclaim was made.

According the information provided by the Competition Board to our subsidiary Recydia Atık Yönetimi Yenilenebilir Enerji Üretimi Nakliye ve Lojistik Hizmetleri Sanayi ve Ticaret A.Ş., as there was no findings showing that Recydia has violated the Article 4 of the Law number 2054 on Protection of Competition in the ready-mixed concrete production and sale market in relation with the investigation conducted in Malatya province, it was decided that there is no need to apply an administrative fine within the framework of the Article 16 of the Law number 2054 on Protection of Competition.

- SCL Cases

The company with the commercial title SCL started legal proceeding against Çimentaş for the collection of an alleged loss of 11.259.915.70 TL allegedly caused by a failure to fulfil as required the Bulk and Bagged Cement Transportation Agreement with the starting date 04.06.2008 and as the legal proceedings were stopped after an objection, a lawsuit was brought claiming 11.259.915.70 TL and requesting the refusal of the objection. At the preliminary hearing, the case was rejected on procedural grounds in our favour due to the limitation period. Both parties have appealed against the decision, and the appeal process is ongoing.

The company named SCL also filed a compensation claim against Çimentaş for excess/consequential damage. The court of first instance decided to dismiss the action. The plaintiff side has appealed against the decision, and the appeal process is ongoing.

- İzmir Metropolitan Municipality Environmental Plan Modification Action

In relation with the 1/25000 scale İzmir Metropolitan Area Environmental Plan Modification approved by the Metropolitan Municipality of İzmir on 15 September 2023 with the decision number 2023/970 E, after the refusal of the objection raised during the public display period, a lawsuit was brought on 6 February 2024 with the request to primarily suspend and cancel the execution of the decision number 1300 dated 15 December 2023 of the Metropolitan Municipality of İzmir. This lawsuit is pending in Administrative courts.

4th Administrative Court of İzmir decided to suspend the execution with its decision dated 2 January 2025. Although the Izmir Metropolitan Municipality objected to the decision, the Court decided to reject the objection and the stay of execution decision became final.

Following the stay of execution decision, the Court decided to void the contested transaction in our favour. The case was appealed by the Municipality and the court of appeal accepted the case and decided to revoke the decision of the 4th Administrative Court of İzmir and dismissed the case. The said decision was appealed. The case is in the appeal review process.

16.3 Other Provisions

i) Other Short-Term Provisions

Other short-term provisions as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Provisions for litigation, claims and penalties	78.960	164.987
State's right usage fee	111.387	95.110
Other	52.617	110.378
	242.964	**370.475**

As of 31 December 2025 and 2024. changes of the provision for lawsuits and fines are as follows:

	2025	2024
1 January	**164.987**	**163.503**
Provisions for the current year	47.800	81.617
Effect of sale of subsidiary	(5.121)	--
Payment for litigation, claims and penalties	(14.289)	(28.535)
Amount of provisions reversed in the period (Footnote 24.1)	(70.279)	(1.363)
Monetary gain/loss	(44.138)	(50.235)
31 December	**78.960**	**164.987**

ii) Other long-term provisions

As of 31 December 2025 and 2024. long term provisions are as follows:

	31 December 2025	31 December 2024
Provision for environmental rehabilitation, improvement and closure of the mine sites	116.436	126.954
	116.436	**126.954**

Changes of the provision for environmental rehabilitation, improvement and closure of mines are as follows:

	2025	2024
Beginning of the period	**126.954**	**123.556**
Increase throughout the period	28.131	44.144
Unwinding of discount effect of discount recognised as expense (Footnote 26.2)	4.353	3.160
Effect of sale of subsidiary	(10.133)	--
Monetary gain/loss	(32.869)	(43.906)
End of the period	**116.436**	**126.954**

17. COMMITMENTS

a) Purchase commitments

As of 31 December 2025. the Group had commitments for the purchase it will make of 92 thousand tonnes of fuel amounting to 64.995 thousand TL and 6.947 thousand USD (31 December 2024: 191 thousand tonnes, TL 225.943 thousand TL and 12.539 USD).

b) Sales commitments

As of 31 December 2025: The Group has a commitment to sell amounting to 5.283 thousand USD corresponding to 82 thousand tonnes of clinker and 65 thousand tonnes of cement (As of 31 December 2024: The Group has a commitment to sell amounting to 2.559 thousand USD corresponding to 65 thousand tonnes of cement).

18. EMPLOYEE BENEFITS

18.1 Short-Term Payables Related to Employee Benefits

Short-term payables within the scope of employee benefits as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Payables for social security and tax withholdings	46.642	49.945
Salary payables	23.144	29.286
Other	810	803
	70.596	**80.034**

18.2 Short-Term Provisions Related to Employee Benefits

Short-term provisions related to employee benefits as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Personnel premium provisions	--	69.903
Unused vacation provision	29.265	27.362
	29.265	**97.265**

18.3 Long-Term Provisions Related to Employee Benefits

Long-term provisions related to employee benefits as of 31 December 2025 and 2024. are as follows:

	31 December 2025	31 December 2024
Provision for severance payment	80.944	108.540
	80.944	**108.540**

Provision for severance payment has been set as follows:

Under the Turkish Labour Law, the Group is required to make severance payment to each employee who has completed one year of service and whose employment is terminated or who is called up for military service, passes away or retires after completing 25 years of service (20 years for women) and reaches the age for retirement (58 for women and 60 for men). After the legislative change on 23 May 2002. some transition process articles were brought into force in relation with the service period before retirement.

The severance amount payable consists of one month's gross salary for each year of service and is limited to 64.948 TL per year as of 01 January 2026 (01 January 2025: TL 46.653 per year).
The liability of payment is not subject to any funding in the legal terms and there is no clause for funding. The severance pay provision is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees.
The basic assumption is that the ceiling provision settled for each year of service increases in proportion to inflation. In this way, the implemented discount rate reflects the real rate without the expected impacts of the inflation rate.
The accounting policies of the group require the Company to use various actuarial methods to predict the Group's severance payment liability. The severance payment provision has been calculated in accordance with the present value of future probable obligations arising from the retirement of all the employees and reported in the financial statements.
Accordingly, the following statistical assumptions are used in the calculation of the total liability:

	31 December 2025	31 December 2024
Discount rate	5,10%	2,21%
Probability of turnover without receiving severance	6,60%	6,60%

The changes of employee severance as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Beginning of the period	**108.540**	**49.127**
Interest cost (Footnote 26.2)	24.548	9.721
Service cost (Footnotes 22.1 and 23)	12.662	1.309
Payments made during the period	(12.894)	(39.993)
Sale of subsidiary	(13.316)	--
Actuarial loss (gain)	(10.631)	98.524
Monetary loss	(27.965)	(10.148)
End of the period	**80.944**	**108.540**

The interest expense, service expense and actuarial difference amounting to TL 26.580 thousand TL (2024: 109.554 thousand TL), 24.548 thousand TL is reported under interest cost financial expenses (31 December 2024: 9.721 thousand TL) and 12.662 thousand TL is reported under general administrative expenses (31 December 2024: 1.309 thousand TL). As of 31 December 2025. the actuarial difference amounting to 10.631 thousand TL (31 December 2024: 98.524 thousand TL) is reported under other comprehensive expense.

19. OTHER ASSETS AND LIABILITIES

19.1 Other Current Assets

As of 31 December 2025 and 2024. other current assets are as follows:

	31 December 2025	31 December 2024
Value added tax ("VAT") receivables	470.617	305.974
Other	9.042	--
	479.659	**305.974**

19.2 Other Non-Current Assets

As of 31 December 2025 and 2024. other non-current assets are as follows:

	31 December 2025	31 December 2024
Other	162	284
	162	**284**

19.3 Other Short-Term Liabilities

Other short-term liabilities as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Taxes and funds payable	572.019	527.522
Other	7.382	378
	579.401	**527.900**

20. CAPITAL, RESERVES AND OTHER EQUITY ITEMS

Paid-up capital and differences of capital adjustment

3As of 31 December 2025. the Company's issued capital is 87.112 thousand TL made up of 87.112.463 shares each with a nominal value of 1 Lira (31 December 2024: Issued capital TL 87.112 thousand consisting of 87.112.463 shares with a nominal value per lot of 1 TL).
The shareholding structure of the Company is as follows:

	31 December 2025		31 December 2024	
	Share Percentage (%)	Amount Of Share Thousand	Share Percentage (%)	Amount Of Share Thousand
Aalborg Portland Espana	97,17%	84.649	96,69%	84.231
Other / Public share	2,83%	2.463	3,31%	2.881
Paid-in capital	**100%**	**87.112**	**100%**	**87.112**
Cross shareholding capital adjustment		(21.516)		(81.339)
		65.596		**5.773**
Capital adjustment differences (*)		672.659		2.762.977
Total adjusted capital		**738.255**		**2.768.750**

(*) The Group, with the resolution of its ordinary general assembly meeting of the year 2024 held on 25 April 2025. has set off the accumulated losses arising from the adjustments made according to the inflation in the paid capital accounts in the financial statements prepared according to Turkish Financial Reporting Standards as of 31.12.2024. with the Capital Adjustment Differences account.

Additional Capital Contributions of Shareholders

Alfacem, a subsidiary of Cementir Holding, has waived its receivable arising from the loan in the nominal amount of TL 251.162 thousand equivalent to EUR 6.300 thousand due on 30 November 2022 that it made to Çimentaş on 21 December 2021.

Aalborg Portland Holding which is a subsidiary of Cementir Holding notified that it waived from its receivables arising from the credit facilities amounting 2.092 thousand GBP it provided on 10 May 2022 to NWM which is a subsidiary of Çimentaş and from the credit facilities amounting 6.810 GBP to Quarci.

The relevant amounts were reports in the "Additional Capital Contributions of Shareholders" item pursuant to the Article 4.68 of the Conceptual Framework for Financial Reporting published by KGK in the Official Gazette dated 27 October 2018 with issue number 30578.

Cross shareholding capital adjustment

The capital adjustments due to cross-ownership of TL 21.536 thousand (31 December 2024: TL 81.339 thousand) consist of Çimentaş shares received from third parties, shown in the consolidated financial statements based on the cost value, and held by the Group. As of 31 December 2025. the total number of the shares is 520.256 (31 December 2024: 520.256).

Share Premiums / Discounts

The share premium amounting 3.971.009 thousand TL (31 December 2024: 3.971.009 thousand TL) represents the difference between the initial sale price of the shares and their nominal values.

Reserves on Retained Earnings

Legal reserves

According to the Turkish Commercial Code, legal reserves are divided into two primary and secondary legal reserves. According to Turkish Commercial Code, the primary legal reserves are allocated as 5% of the tax base found after deducting statutory retained losses in the statutory net period profit, until it reaches 20% of the Company's paid-in / issued capital. Secondary legal reserves are 1/10 of dividend distributions which excess 5% of the paid-in capital. On the other hand, if it is decided to distribute the entire net distributable profit for the period as dividends, and strictly limited to this situation, the secondary legal reserve is appropriated at a rate of 1/11 for the portion of the net distributable period profit that exceeds 5% of the paid-up/issued capital. 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 50% of paid-in capital. According to Law No. 5520 on Corporate Tax, 75% of the profits arising from the sale of the shares of subsidiaries, long-term assets, preferential rights, founders' shares, which have been included in the assets of entities for at least two years, are exempted from the corporate tax effective from 21 June 2006. In order to benefit from the exemption, the profit must be carried in a liability fund account and not withdrawn from the operation for 5 years. However, the exemption on capital gains the corporate taxpayers were entitled to from sales of real properties held for at least two years has been reduced from 75% to 50% by the regulation published in the Official Gazette dated 5 December 2018.

Dividends

Publicly traded companies shall perform dividend distribution in accordance with the Communiqué on Dividends no. II-19.1 of the Capital Markets Board effective as of 1 February 2014. Companies will distribute their profits within the framework of the profit distribution policies to be determined by their general assemblies and in accordance with the provisions of the relevant regulation. Within the scope of this communiqué, no minimum distribution rate has been determined. Companies will pay dividends as set out in their articles of association or in their profit distribution policies. Additionally, dividends can be paid via equal or different amounts of instalments and cash dividend advances on profit contained in financial statements may be distributed.

It was unanimously decided not to distribute profits in the year 2024 and to transfer the distributable amount to extraordinary reserves to used them to strengthen the financial status of the Group.

Non-controlling interests

Equity in a subsidiary that is not attributable, directly or indirectly, to a parent is classified under the "Non-controlling interests" in the consolidated financial statements.

31 December 2025 (TFRS)	Historical Value	Inflation Adjustment Effect	Indexed Value
Capital	87.112	672.659	759.771
Legal reserves	188.572	1.235.933	1.424.505

31 December 2025 (VUK)	Historical Value	Inflation Adjustment Effect	Indexed Value
Capital	87.112	--	87.112
Legal reserves	188.572	1.499.483	1.688.055

21. REVENUE AND COST OF SALES

Revenue and cost of sales for the years ending on 31 December 2025 and 2024 are as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Domestic sales	16.204.998	17.852.866
Export sales	1.098.376	1.246.985
Gross sales	**17.303.374**	**19.099.851**
Less: discounts	(272.625)	(190.194)
Net sales	**17.030.749**	**18.909.657**
Less: Cost of Sales	(13.820.775)	(15.325.246)
Gross profit	**3.209.974**	**3.584.411**

22. GENERAL ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

22.1 General Administrative Expenses

General administrative expenses for the years ending on 31 December 2025 and 2024 were as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Personnel expenses	375.497	401.240
Consultancy expenses	334.149	359.828
Outsourced benefits and services	183.275	205.816
Taxes, levies and charges	46.780	49.407
Amortisation and depreciation	42.610	42.934
Lightening and water expenses	20.165	20.271
Insurance expenses	18.568	17.444
Travel expenses	11.420	10.144
Severance payment expenses	12.662	1.310
Other	160.171	151.268
	1.205.297	**1.259.662**

22.2 Marketing Expenses

Marketing expenses for the years ending on 31 December 2025 and 2024 are as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Loading and freight expenses	119.973	117.891
Personnel expenses	80.221	84.094
Marketing service expenses	31.392	43.219
Shipping expenses	29.329	40.071
Advertising expenses	9.247	10.461
Amortisation and depreciation	5.917	7.173
Other	12.525	8.124
	288.604	**311.033**

23. EXPENSES BY NATURE

For the years ending on 31 December 2025 and 2024. distribution of expenses by nature was as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Raw material, work in process and finished goods costs	6.946.915	7.835.329
Electricity and water expenses	1.978.947	2.274.009
Outsourced benefits and services	1.538.144	1.945.306
Personnel expenses	1.495.232	1.498.434
Amortisation and depreciation	1.002.483	996.340
Shipping expenses	549.711	654.178
Loading and freight expenses	419.614	347.010
Maintenance and repair costs	391.091	370.143
Consultancy expenses	334.149	359.828
Taxes, levies and charges	250.203	236.668
Travel expenses	20.230	19.143
Severance payment expenses	12.662	1.309
Other	375.295	358.244
	15.314.676	**16.895.941**

24. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

24.1 Other Income from Operating Activities

Other income from operating activities for the years ending on 31 December 2025 and 2024 were as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Foreign exchange gain from operating activities	80.039	78.932
Lawsuit provisions no longer required	70.279	1.522
Gain on sale of scrap materials	40.429	13.055
Rental income	35.647	26.580
Late payment interest	24.137	38.476
Insurance income	9.082	4.318
Compensation income (*)	--	340.628
Other	97.836	74.795
	357.449	**578.303**

(*) This amount was subject to a judgment for collection and payment from Cementir Holding N.V. together with the legal interest of the compensation awarded in favour of our Company in the lawsuit filed by the CMB against our parent company Cementir Holding N.V. and has been accounted for as other income from main activities as of 31 December 2024.

24.2 Other Expenses from Operating Activities

Other expenses from operating activities for the years ending on 31 December 2025 and 2024 were as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Foreign exchange losses from operating activities	235.613	128.611
Expenses for penalty, compensation and legal proceedings	47.800	81.617
Provision for doubtful receivable expenses	19.738	156
Excavation expense	17.272	3.478
Excavation expense	11.782	9.211
Other	46.451	92.859
	378.656	**315.932**

25. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

25.1 Income from Investing Activities

Income from investing activities for the year ending on 31 December 2025 and 2024 is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Investment properties value appreciation	317.621	746.050
Subsidiary sale profit	845.604	--
Profits on Sale of Securities	88.107	--
Profit on sale of non-current assets	1.475	8.667
	1.252.807	**754.717**

25.2 Expenses from Investing Activities

Income from investing activities for the year ending on 31 December 2025 and 2024 is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Loss on sale of non-current assets	76	3.327
	76	**3.327**

26. FINANCIAL INCOME AND EXPENSES

26.1 Financial Income

Financial income for the years ending on 31 December 2025 and 2024 is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Foreign exchange gain	383.605	128.761
Interest income	141.728	402.678
	525.333	**531.439**

26.2 FFinancial Expenses

Financial expenses for the years ending on 31 December 2025 and 2024 are as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Interest expense on leasing transactions	113.260	116.672
Bank commission expenses	123.322	96.099
Foreign exchange expense	47.549	25.421
Actuarial interest expense	24.548	9.721
Effect of discount from reclamation of mine sites and provision for closure of mine sites	4.353	3.160
Other	74	1.043
	313.106	**252.116**

27. INCOME TAXES (DEFERRED TAX ASSETS AND LIABILITIES INCLUDED)

Prepaid corporate tax and corporation tax provision as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Current period corporation tax provision	522.064	325.715
Deduction: Prepaid corporation tax	(466.235)	(218.525)
Tax provision for the current period - net	**55.829**	**107.190**

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return for their financial statements. Therefore, the provisions for taxes reported in the end of the year consolidated financial statements have been calculated separately for all the companies included in the scope full consolidation. According to this:

	1 January - 31 December 2025	1 January - 31 December 2024
Current income tax liability	522.064	251.767
Prepaid income tax	(466.235)	(144.577)
	55.829	**107.190**

The tax income / (expenses) in the profit or loss and other comprehensive income for the years that ended on 31 December 2025 and 2024 is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Current period corporation tax	(672.656)	(359.413)
Deferred tax income / (expenses)	(199.874)	(618.791)
Total tax income / (expenses)	**(872.530)**	**(978.204)**

Companies calculate provisional tax at a rate of 25% (2024: 25%) on their quarterly financial profits and declare it by the 17th day of the second month following that period and pay it by the evening of the 17th day. Tax payments that are made in advance during the year pertain to that year and are deducted from the corporate tax to be calculated on the corporate tax return to be paid in the following year. If there is an advance tax amount which is paid despite the deduction, this amount can be refunded in specie or can be set off against another financial liability due to the government.

As of the year 2025. the inflation adjustment to be applied as per the Tax Procedure Law is postponed to the accounting 2025. 2026 and 2027 with the Law number 7571. Within this framework, the Group reevaluated the assets subject to depreciation for the relevant period as per the repeated article 298/Ç of the Tax Procedure Law. The said application is only for tax purposes; it doesn't impact the carrying amounts of the non-current assets in TFRS consolidated financial statements.

The reconciliation of tax expense is as follows:

	2025	2024
Pre tax profit	**2.608.929**	**2.744.887**
Tax calculated at the parent company's tax rate on pre-tax profit	(652.232)	(686.222)
Non-deductible expenses	(406.965)	(43.068)
Tax exempt income	42.441	(1.466)
Effect of items calculated as deferred tax with different tax rates	19.851	46.628
Losses not recognised as deferred tax	(55.698)	--
Effect of financial losses for which deferred tax assets had not previously been recognised	(26.132)	--
Effect of inflation	206.205	(294.076)
Total tax expense	**(872.530)**	**(978.204)**

The breakdown of the calculations of the tax assets and liabilities made by using the applicable tax rates as of 31 December 2025 and 2024 is as follows:

	Deferred Tax Assets		Deferred Tax Liabilities	
	2025	2024	2025	2024
Debt provisions	16.891	88.352	--	--
Provision for severance payment	20.236	27.135	--	--
Deductible financial losses	26.132	--	--	--
Provision for rehabilitation and closure of the mine sites	29.109	30.889	--	--
Provision for advances paid and doubtful receivables	391	512	--	--
Tangible and intangible assets	--	--	(1.299.418)	(1.111.818)
Investment properties	--	--	(992.971)	(932.943)
Inventories	--	--	(48.888)	(64.772)
Other assets and liabilities	--	--	(1.406)	(89.088)
Total deferred tax asset / (liability)	92.759	146.888	(2.342.683)	(2.198.621)
Offset amount	38.797	(87.603)	(38.797)	87.603
Total deferred tax asset / (liability)	**131.556**	**59.285**	**(2.381.480)**	**(2.111.018)**

The Company and its subsidiaries domiciled in Türkiye are subject to the tax legislation and implementations applicable in Türkiye. Corporate tax is declared by the evening of the twenty-fifth day of the fourth month following the end of the accounting period to which it relates and is paid in a single instalment by the end of the month in question.

The company and its subsidiaries calculate provisional tax at a rate of 25% (2024: 25%) on their quarterly financial profits and declare it by the 17th day of the second month following that period and pay it by the evening of the 17th day. Tax payments that are made in advance during the year pertain to that year and are deducted from the corporate tax to be calculated on the corporate tax return to be paid in the following year. If there is an advance tax amount which is paid despite the deduction, this amount can be refunded in specie or can be set off against another financial liability due to the government.

According to Law No. 5520 on Corporate Tax, 75% of the profits arising from the sale of the shares of subsidiaries, preferential rights, founders' shares, which have been included in the assets of entities for at least two years, are exempted from the corporate tax effective from 21 June 2006. In order to benefit from the exemption, the profit must be carried in a liability fund account and not withdrawn from the operation for 5 years. But, the exemptions to be applied on the capital gains of taxpayers they gained from the properties and securities which they hold at lease for two years was reduced from 75% to 50% with the regulations published in the Official Gazette dated 15 December 2017 and reduced from 50% to 25% with the "Law on Additional Motor Vehicle Tax for Compensation of Economic Losses Caused by the Earthquake on 6/2/2023 and on Amendments to Certain Laws and Decree Law No. 375" published in the Official Gazette dated 15 July 2023r. Accordingly, corporate tax and deferred tax calculations for the earnings from the sale of real properties will be made by taking into account the corporate tax rate applicable for the current year for the remaining 250%.

The tax legislation in Türkiye doesn't allow the Company and its subsidiaries to prepare a consolidated tax statement. Therefore, the provision for taxes reported in the financial statements have been separately calculated on company basis.

In order to benefit from the exemption, the profit must be carried in a liability fund account and not withdrawn from the operation for 5 years. Tax statements and the relevant accounting records can be inspected and tax calculations can be revised by the tax office within five years.

Dividend payments made by joint stock companies resident in Türkiye to real persons resident or non-resident in Türkiye and to legal entities non-resident in Türkiye are subject to an income tax of 15%, excluding the ones that are not liable to pay or exempt from corporate tax and income tax.

Dividend payments made from joint stock companies resident in Türkiye to joint stock companies resident in Türkiye are not subject to income tax. In addition, in case the profit is not distributed and capitalised no income tax is calculated.

In order to benefit from the exemption, the profit must be carried in a liability fund account and not withdrawn from the operation for 5 years. The sale value must be collected until the end of the second calendar year following the year the sale is completed.

In Türkiye, there is no procedure for an agreement with the tax authority on tax payables. Corporate tax returns are submitted within four months following the month in which the accounting period closes. The authorities charged with examining taxes may examine tax returns and underlying accounting records for a period of five years following the accounting period and may impose further payments at the outcome.

Withheld income tax

A withholding obligation applies to dividend payments, and this withholding obligation is applied in the period dividend payments are made. Dividend payments apart from those made to limited taxpayer corporations who derive their income through business premises or a permanent representative in Türkiye or to corporations seated in Türkiye were subject to a withholding of 15% until 22 December 2021. But, with the Presidential Decision which have entered into fore with its publication in the Official Gazette dated 22 December 2021 with issue number 31697. the provisions on dividend distributions of the Income Tax Law number 193 and Corporate Tax Law number 5520 were amended and withholding tax rate was reduced from 15% to 10%, but with the announcement made by the Revenue Administration on 22 December 2024. the withholding tax rate for dividend payments was raised again to 15%.

Further reference is made to the withholding rates included in the relevant Treaties for the Avoidance of

Double Taxation as to withholding rates applied to profit distributions made to limited taxpayer corporations and natural persons. The addition of past years' profits to capital is not deemed to be profit distribution and is thus not subject to withholding tax.

Transfer pricing

Transfer pricing regulations in Türkiye have been provided for in Article 13 headed "Distribution of concealed earnings through transfer pricing" of the Corporate Tax Law. Implementational details concerning the distribution of concealed earnings through transfer pricing were fleshed out in the 18 November 2007 communiqué.
If the taxpayer has engaged in purchases or sales of goods or services contrary to the arm's length principle with related parties, the earnings are considered to have been fully or partly distributed in a concealed manner through transfer pricing. Such concealed earnings distributed through transfer pricing are treated by law as non-recognised expenses for corporate tax purposes.

The movements in deferred tax income/(loss) for the year ended 31 December 2025 are as follows:

	1 January 2025	Portion recognised in profit or loss	Effect of sale of subsidiary	The part recognised in comprehensive income	31 December 2025
Deductible financial losses	--	26.132	--	--	26.132
Debt provisions	88.352	(69.416)	(2.045)	--	16.891
Provision for severance payment	27.135	(912)	(3.329)	(2.658)	20.236
Provision for rehabilitation and closure of the mine sites	30.889	753	(2.533)	--	29.109
Provision for advances paid and doubtful receivables	512	(121)	--	--	391
Tangible and intangible assets	(1.111.818)	(191.696)	4.096	--	(1.299.418)
Investment properties	(932.943)	(60.028)	--	--	(992.971)
Inventories	(64.772)	8.327	7.557	--	(48.888)
Other assets and liabilities	(89.088)	87.087	595	--	(1.406)
Deferred tax assets / (liabilities)	**(2.051.733)**	**(199.874)**	**4.341**	**(2.658)**	**(2.249.924)**

The movements in deferred tax income/(loss) for the year ended 31 December 2024 are as follows:

	1 January 2024	Portion recognised in profit or loss	The part recognised in comprehensive income	31 December 2024
Deductible financial losses	--	--	--	--
Debt provisions	85.199	3.153	--	88.352
Provision for severance payment	12.282	(9.778)	24.631	27.135
Provision for rehabilitation and closure of the mine sites	30.864	25	--	30.889
Provision for advances paid and doubtful receivables	740	(228)	--	512
Tangible and intangible assets	(683.466)	(428.353)	--	(1.111.819)
Investment properties	(813.018)	(119.925)	--	(932.943)
Inventories	(71.571)	6.799	--	(64.772)
Derivative assets	--	--	--	--
Other assets and liabilities	(18.603)	(70.484)	--	(89.087)
Deferred tax assets / (liabilities)	**(1.457.573)**	**(618.791)**	**24.631**	**(2.051.733)**

28. EARNINGS PER SHARE

Earnings per share for the accounting periods ending on 31 December 2025 and 2024 are as follows:

	2025	2024
Net profit for the period of parent company	**1.200.255**	**1.236.429**
Weighted average number of issued ordinary shares (lot value is TL 1*)	87.112.463	87.112.463
Weighted average number of issued treasury shares	(520.256)	(520.256)
	86.592.207	**86.592.207**
Gain per share calculated on net period profit of parent company (TL)	**13.8610**	**14.2787**

(*) 1 lot is composed of 100 shares

29. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

29.1 Financial risk management

The Group is exposed to market risk, capital risk, credit risk and liquidity risk, which are composed of foreign currency, cash flow and interest rate risks because of its operations. The Group's risk management policy is focused on unexpected changes in the financial markets.
The financial risk management policy is carried out by the top management and finance department of Çimentaş in accordance with the policies and strategies approved by the Board of Directors. The Board of Directors prepares policies and principles of a general nature to manage credit, liquidity, interest and capital risks in particular and monitors the financial and operational risks in detail.
The aims that are determined by the Group to manage financial risks can be summarised as follows:

- Maintaining the sustainability of the cash flows provided from the Group's operations and main assets effectively by considering the currency and interest rate risks,
- Keeping sufficient sources of borrowings ready to be used effectively and efficiently when necessary in appropriate conditions of type and maturity,
- Keeping the risks from others at the minimum level and monitoring them effectively.

Risk management framework

The Board of Directors of the Company is responsible in general terms for determining and monitoring the risk management framework of the Group. The Board of Directors has established a Committee for Early Risk Detection responsible for improving and monitoring the risk management policies of the Group. The committee reports its activities to the Board periodically.
The risk management policies of the Group are determined with the purpose of detecting and analysing possible risks, determining appropriate risk limits and establishing their controls, and monitoring risks and making sure they remain within the limits. Risk management policies and systems are regularly reviewed to reflect changes in the Group's operations and market conditions. The Group aims to develop a disciplined and constructive control environment where all employees understand their roles and responsibilities through training and management standards and procedures.
The Group Auditing Committee, monitors management in terms of compliance with the risk management policy and procedures of the Group and provides support to fulfil the risk management framework. The internal audit department regularly evaluates risk management policies and procedures and reports the results to the Audit Committee.

29.1.1 Credit risk

Having financial assets also brings the risks that the counterparty may not obey the rules of the agreements. The Group administration manages these risks by limiting the average risk related to the other party (except for related parties) in the agreement getting guarantees when necessary. The Group manages these risks which can arise from customers, by updating the determined credit limits within specific periods. The Group uses credit limits, and the credit quality of customers is evaluated considering the customer's financial position, past experiences, market recognition and other factors.

	Receivables					
	Trade Receivables		Other Receivables			
Current Period 31 December 2025	Related Party	Other Party	Related Party	Other Party	Deposits at Banks	Other Liquid Assets
Maximum credit risk to be exposed to as of the reporting date (A+B+C+D)	**60.414**	**3.464.978**	**273**	**35.984**	**3.715.096**	**216.426**
- Part of the maximum credit risk, secured by guarantee, etc.	--	2.783.974	--	--	--	--
A. VNet carrying amounts of financial assets that are not overdue nor impaired	60.414	3.156.617	273	35.984	3.715.096	216.426
B. Net carrying amounts of assets that are overdue but not impaired	--	308.361	--	--	--	--
C. Net carrying amount of the impaired assets	--	--	--	--	--	--
- Overdue (gross carrying amount)	--	29.361	--	--	--	--
- Impairment (-)	--	29.361	--	--	--	--
- Part of the net value, secured by guarantee, etc.	--	--	--	--	--	--
- Not overdue (gross carrying amount)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Part of the net value, secured by guarantee, etc.	--	--	--	--	--	--
D. Off-balance sheet items with credit risk	--	--	--	--	--	--

	Receivables					
	Trade Receivables		Other Receivables			
Prior Period 31 December 2024	Related Party	Other Party	Related Party	Other Party	Deposits at Banks	Other Liquid Assets
Maximum credit risk to be exposed to as of the reporting date (A+B+C+D)	**39.865**	**3.556.414**	**336.382**	**43.271**	**3.168.248**	**41.754**
- Part of the maximum credit risk, secured by guarantee, etc.	--	2.618.049	--	--	--	--
A. Net carrying amounts of financial assets that are not overdue nor impaired	39.865	3.398.279	336.382	43.271	3.168.248	41.754
B. Net carrying amounts of assets that are overdue but not impaired	--	158.135	--	--	--	--
C. Net carrying amount of the impaired assets	--	--	--	--	--	--
- Overdue (gross carrying amount)	--	13.457	--	--	--	--
- Impairment (-)	--	(13.457)	--	--	--	--
- Part of the net value, secured by guarantee, etc.	--	--	--	--	--	--
- Not overdue (gross carrying amount)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Part of the net value, secured by guarantee, etc.	--	--	--	--	--	--
D. Off-balance sheet items with credit risk	--	--	--	--	--	--

As a result of the Group administration's evaluation considering the past experiences and subsequent period collections, there is no collection risk for the trade receivables which are overdue but not impaired; while maturity of the financial instruments which are overdue but not impaired is as follows:

	Receivables				
Current Period 31 December 2025	Trade Receivables	Other Receivables	Deposits at Banks	Derivative Instruments	Other Liquid Assets
Past due 1-30 days	216.892	--	--	--	--
Past due 1-3 months	70.345	--	--	--	--
Past due 3-12 months	17.785	--	--	--	--
Past due 1-5 years	3.339	--	--	--	--
Past due more than 5 years	--	--	--	--	--
	308.361	**--**	**--**	**--**	**--**

	Receivables				
Prior Period 31 December 2024	Trade Receivables	Other Receivables	Deposits at Banks	Derivative Instruments	Other Liquid Assets
Past due 1-30 days	123.879	--	--	--	--
Past due 1-3 months	30.626	--	--	--	--
Past due 3-12 months	1.741	--	--	--	--
Past due 1-5 years	1.889	--	--	--	--
Past due more than 5 years	--	--	--	--	--
	158.135	**--**	**--**	**--**	**--**

29.1.2 Liquidity Risk

Prudential liquidity risk management means keeping adequate cash and marketable securities, utilisation of fund sources by means of adequate borrowing transactions and the power to close out the market positions. The liquidity risk for existing and prospective debt requirements is managed by sustaining adequate amount of accessibility to the Group's own lenders and to the funds created from the operations. The Group administration closely follows the collection from its customers in order to ensure uninterrupted liquidity, tries to prevent any financial burden on the Group in case of late payments and arranges available cash and non-cash credit limits through arrangements with banks when the Group is in need. In addition, the Group's liquidity management policy includes preparation of cash flow projections per cement production plants and monitoring and evaluation of the liquidity ratios by comparing them with budgeted ratios.

The Group's financial liabilities and contractual outflows from those liabilities in respect of their maturities as of 31 December 2025 and 2024 are as follows:

31 December 2025 Contractual maturities	Carrying Amount	Total contractual cash outflows (=I+II+III+IV)	Less than 3 months (I)	Between 3 - 12 months (II)	Between 1- 5 Years (III)
Non-derivative Financial Liabilities					
Bank Loans	--	--	--	--	--
Payables form Leasing Transactions	267.215	386.312	55.730	161.422	169.160
Trade Payables	3.286.865	3.306.010	3.296.624	9.386	--
Other Payables(*)	4.321	4.321	4.321	--	--
Total	**3.558.401**	**3.696.643**	**3.356.675**	**170.808**	**169.160**

(*) Deposits and guarantees received are not included in other payables.

31 December 2024 Contractual maturities	Carrying Amount	Total contractual cash outflows (=I+II+III+IV)	Less than 3 months (I)	Between 3 - 12 months (II)	Between 1- 5 Years (III)
Non-derivative Financial Liabilities					
Bank Loans	--	--	--	--	--
Payables form Leasing Transactions	264.601	350.295	71.050	219.735	59.510
Trade Payables	3.103.125	3.128.206	3.116.419	11.787	--
Other Payables(*)	13.333	13.333	13.333	--	--
Total	**3.381.059**	**3.491.834**	**3.200.802**	**231.522**	**59.510**

(*) Deposits and guarantees received are not included in other payables.

29.1.3 Market Risk

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from exchange rate changes through translating asset and liability amounts in foreign currency to TL. The Group follows a policy for stabilizing its foreign exchange position in order to reduce the exchange rate risk. Existing risks are monitored and the exchange rate position of the Group is followed up in the meetings regularly held by the Group's Auditing Committee and the Board of Directors.

	31 December 2025					31 December 2024				
	TL Equivalent	USD	Euro	British Pound*	Other	TL Equivalent	USD	Euro	British Pound*	Other
1. Trade Receivables	49.650	1.159	--	--	--	39.762	861	--	--	--
2a. Monetary Financial Assets (Including Cash and Bank Accounts)	3.631.544	79	72.151	--	--	740.442	16.000	33	--	--
2b. Non-Monetary Financial Assets	--	--	--	--	--	--	--	--	--	--
3. Other	2.135	--	42	--	27	336.381	--	6.996	--	--
4. Current Assets (1+2+3)	**83.683.329**	**1.238**	**72.193**	**--**	**27**	**1.116.585**	**16.861**	**7.029**	**--**	**--**
5. Trade Receivables	--	--	--	--	--	--	--	--	--	--
6a. Monetary Financial Assets	--	--	--	--	--	--	--	--	--	--
6b. Non-Monetary Financial Assets	--	--	--	--	--	--	--	--	--	--
7. Other	--	--	--	--	--	--	--	--	--	--
8. Non-Current Assets (5+6+7)	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
9. Total Assets (4+8)	**3.683.329**	**1.238**	**72.193**	**--**	**27**	**1.116.585**	**16.861**	**7.029**		**--**
10. Trade Payables	844.586	14.582	4.341	--	--	576.069	10.124	2.235	--	35
11. Financial Liabilities	--	--	--	--	--	--	--	--	--	--
12a. Other Monetary Liabilities	--	--	--	--	--	--	--	--	--	--
12b. Other Non-Monetary Liabilities	--	--	--	--	--	--	--	--	--	--
13. Short Term Liabilities (10+11+12)	**844.586**	**14.582**	**4.341**	**--**	**--**	**576.069**	**10.124**	**2.235**	**--**	**35**
14. Trade Payables	--	--	--	--	--	--	--	--	--	--
15. Financial Liabilities	--	--	--	--	--				--	--
16a. Other Monetary Liabilities	--	--	--	--	--	--	--	--	--	--
16b. Other Non-Monetary Liabilities	--	--	--	--	--	--	--	--	--	--
17. Long Term Liabilities (14+15+16)	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
18. Total Liabilities (13+17)	**844.586**	**14.582**	**4.341**	**--**	**--**	**576.069**	**10.124**	**2.235**	**--**	**35**
19. Net Asset/(Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
19a. Off-Balance Sheet Foreign Currency Derivative Characterised as Assets	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
19b. Off-Balance Sheet Foreign Currency Derivative Characterised as Liabilities	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
20. Net Foreign Currency Asset / Liability) Position (9-18+19)	**2.838.743**	**(13.344)**	**67.852**	**--**	**27**	**540.516**	**6.737**	**4.794**	**--**	**(35)**
21. Monetary Items Net Foreign Currency Asset / Liability) Position (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	**2.838.743**	**(13.344)**	**67.852**	**--**	**27**	**540.516**	**6.737**	**4.794**	**--**	**(35)**
22. Fair Value of Financial Instruments Used in Foreign Currency Hedges	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
23. Hedged Foreign Currency Assets	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
24. Hedged Foreign Currency Liabilities	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**

(*) The British Sterling exchange risk for the subsidiaries whose current currency is not British Sterling is shown in the column.

31 December 2025	Foreign Exchange Risk Sensitivity Analysis			
	Profit / (Loss)		Equity	
	Foreign currency appreciation	Foreign currency deprecation	Foreign currency appreciation	Foreign currency deprecation
Assumption of devaluation/appreciation by 10% of USD against TL				
1-Net asset / liability of USD	(57.287)	57.287	(57.287)	57.287
2-USD risk hedged (-)	--	--	--	--
3-USD net effect (1+2)	**(57.287)**	**57.287**	**(57.287)**	**57.287**
Assumption of devaluation/appreciation by 10% of EUR against TL				
4-Net asset / liability of EURO	341.159	(341.159)	341.159	(341.159)
5-EURO risk hedged (-)	--	--	--	--
6-Euro net effect (4+5)	**341.159**	**(341.159)**	**341.159**	**(341.159)**
Assumption of devaluation/appreciation by 10% of GBP against TL				
7-Net asset / liability of GBP	--	--	--	--
8-GBP risk hedged (-)	--	--	--	--
9-GBP net effect (7+8)	**--**	**--**	**--**	**--**
Assumption of devaluation/appreciation by 10% of other foreign currencies against TL				
10-Net asset / liability of other currency	--	--	--	--
11-The part protected from other currency risks (-)	--	--	--	--
12-Other currency net effect (10+11)	**--**	**--**	**--**	**--**
Total(3+6+9+12)	**283.872**	**(283.872)**	**283.872**	**(283.872)**

31 December 2024	Foreign Exchange Risk Sensitivity Analysis			
	Profit / (Loss)		Equity	
	Foreign currency appreciation	Foreign currency deprecation	Foreign currency appreciation	Foreign currency deprecation
Assumption of devaluation/appreciation by 10% of USD against TL				
1-Net asset / liability of USD	31.027	(31.027)	31.027	(31.027)
2-USD risk hedged (-)	--	--	--	--
3-USD net effect (1+2)	**31.027**	**(31.027)**	**31.027**	**(31.027)**
Assumption of devaluation/appreciation by 10% of EUR against TL				
4-Net asset / liability of EURO	23.031	(23.031)	23.031	(23.031)
5-EURO risk hedged (-)	--	--	--	--
6-Euro net effect (4+5)	**23.031**	**(23.031)**	**23.031**	**(23.031)**
Assumption of devaluation/appreciation by 10% of GBP against TL				
7-Net asset / liability of GBP	--	--	--	--
8-GBP risk hedged (-)	--	--	--	--
9-GBP net effect (7+8)	**--**	**--**	**--**	**--**
Assumption of devaluation/appreciation by 10% of other foreign currencies against TL				
10-Net asset / liability of other currency	--	--	--	--
11-The part protected from other currency risks (-)	--	--	--	--
12-Other currency net effect (10+11)	**--**	**--**	**--**	**--**
Total (3+6+9+12)	**54.058**	**(54.058)**	**54.058**	**(54.058)**

Interest rate risk

The Group's financial assets and liabilities designated at fair value through profit and loss and the fair value hedge accounting model reported in the hedging derivative instruments (interest rate swaps) are not available. Hence, the change in interest rates will not affect profit or loss of the Group in the reporting period.

	2025	2024
Financial instruments with fixed interest rate		
Financial assets	3.627.757	2.338.245
Financial liabilities	267.215	264.6015
Financial instruments with floating interest rate		
Financial assets	--	--
Financial liabilities	--	--

Price risk

The Group's operational profitability and cash inflows generated by operations are affected in line with the competition in the cement and ready mixed concrete sector and changes in raw material prices, and the Group administration follows these price changes and takes remedial measures to reduce the pressure of costs on prices. Related risks are monitored through meetings held by the Early Detection of Risk Committee of the Group.

29.1.4 Capital Risk

While managing capital, the Group's aim is to keep sustainability of the Group's operations with the most appropriate capital structure to minimize the cost of capital and to provide earnings and benefit to its shareholders.

The Group can change the amount of the dividends to shareholders, return the capital to shareholders, issue new bonds and sell assets to reduce their debt rates in order to maintain the capital structure or to recapitalise. In parallel with other companies in the industry, the Group monitors the capital with reference to the debt/equity ratio. This ratio is calculated by dividing the net debt by equity. Net debt is calculated by deducting cash and cash equivalents from total debt (including other financing debt).

	31 December 2025	31 December 2024
Total financial debt	267.215	264.601
Less: Cash and Cash Equivalents (Footnote 5)	(3.931.889)	(3.210.172)
Net debt	(3.664.674)	(2.945.571)
Total equity	20.311.827	19.893.106
Debt / equity ratio	**(18)%**	**(15)%**

29.1.5 Fair value of financial instruments

The Group determines the fair values of financial instruments by using its current market data knowledge and appropriate valuation methods. However, since judgement may be required in determining fair value, fair values may not reflect the amounts that may appear in the existing market. Considering that the fair values of the financial assets and liabilities, including receivables from cash and banks, other financial assets and other short-term financial liabilities, which are measured at amortised cost using the effective interest method interest, are short-term in nature and the possible losses may be immaterial, the Group administration has assessed that they are close to their reported values.

30. FINANCIAL INSTRUMENTS (DISCLOSURES FOR FAIR VALUE AND HEDGE ACCOUNTING)

Classification of Financial Instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best valued by a quoted market price, if one exists.

The methods and assumptions below are used for estimating the fair values of financial instruments whose fair values can be determined.

Financial assets

It is accepted that the fair values of foreign currency balances which are translated from the year end rates are close to the carrying amounts. Cash and cash equivalents are shown with their fair values. It is also assumed that the current market values of trade and related party receivables are close to the carrying amounts of their fair values as they are short dated.

Financial liabilities

Trade payables, due to related parties and other financial liabilities are estimated to be measured at amounts close to their fair values at amortised cost; and the fair value of foreign currency balances translated with year-end exchange rate is accepted as being close to their reported values.

31. EXPLANATIONS REGARDING NET MONETARY POSITION GAINS/(LOSSES)

Non-Monetary Items	31 December 2025	31 December 2024
Financial statement items	**(2.443.619)**	**(2.290.076)**
Inventories	305.715	372.403
Financial Investments	4.298.275	4.607.088
Tangible Assets	5.358.436	5.534.137
Investment Properties	2.709.749	1.260.407
Right of Use Assets	57.571	75.588
Other Intangible Assets	74.079	76.305
Goodwill	3.834.020	3.791.182
Deferred Tax Assets	(355.607)	(894.584)
Deferred Tax Liability	(2.477.645)	(1.805.923)
Capital Adjustment Differences	(20.349.710)	(19.935.515)
Share Premiums / Discounts	(5.141.450)	(5.075.846)
Cross Shareholding Capital Adjustment	20.765	76.912
Other Accumulated Comprehensive Income / Expenses that will not be Reclassified through Profit or Loss	193.769	250.063
Effects of Business Combinations Under Common Control	3.491.057	3.436.007
Previous Years' Profits / (Losses)	7.210.623	7.689.703
Reserves on Retained Earnings	(1.673.266)	(1.748.003)
Profit or loss statement items	**1.892.724**	**1.728.162**
Revenue	(1.694.392)	(2.447.539)
Cost of Sales (-)	2.442.896	3.156.804
Marketing Sales and Distribution Expenses (-)	29.856	45.549
General Administrative Expenses (-)	138.764	181.538
Other Income from Real Operating Activities	(26.183)	(42.439)
Other Expenses from Real Operating Activities (-)	47.861	49.926
Income from Investing Activities	644.396	73.258
Expenses from Investing Activities (-)	3	3.084
Financial Income	(89.523)	(61.164)
Financial Expenses (-)	30.162	33.610
Deferred Tax Income (Expenses)	368.884	735.535
Net monetary position losses	**(550.895)**	**(561.914)**

32. FEES IN RESPECT OF SERVICES PROCURED FROM THE INDEPENDENT AUDITOR/INDEPENDENT AUDITING BODY

The Group's declaration concerning fees for services rendered by independent auditing bodies that it has prepared on the basis of the KGK's Board Resolution promulgated in the repeat edition of the Official Gazette dated 30 March 2021 and guided by the rules in the KGK's letter of 19 August 2021 is as follows:

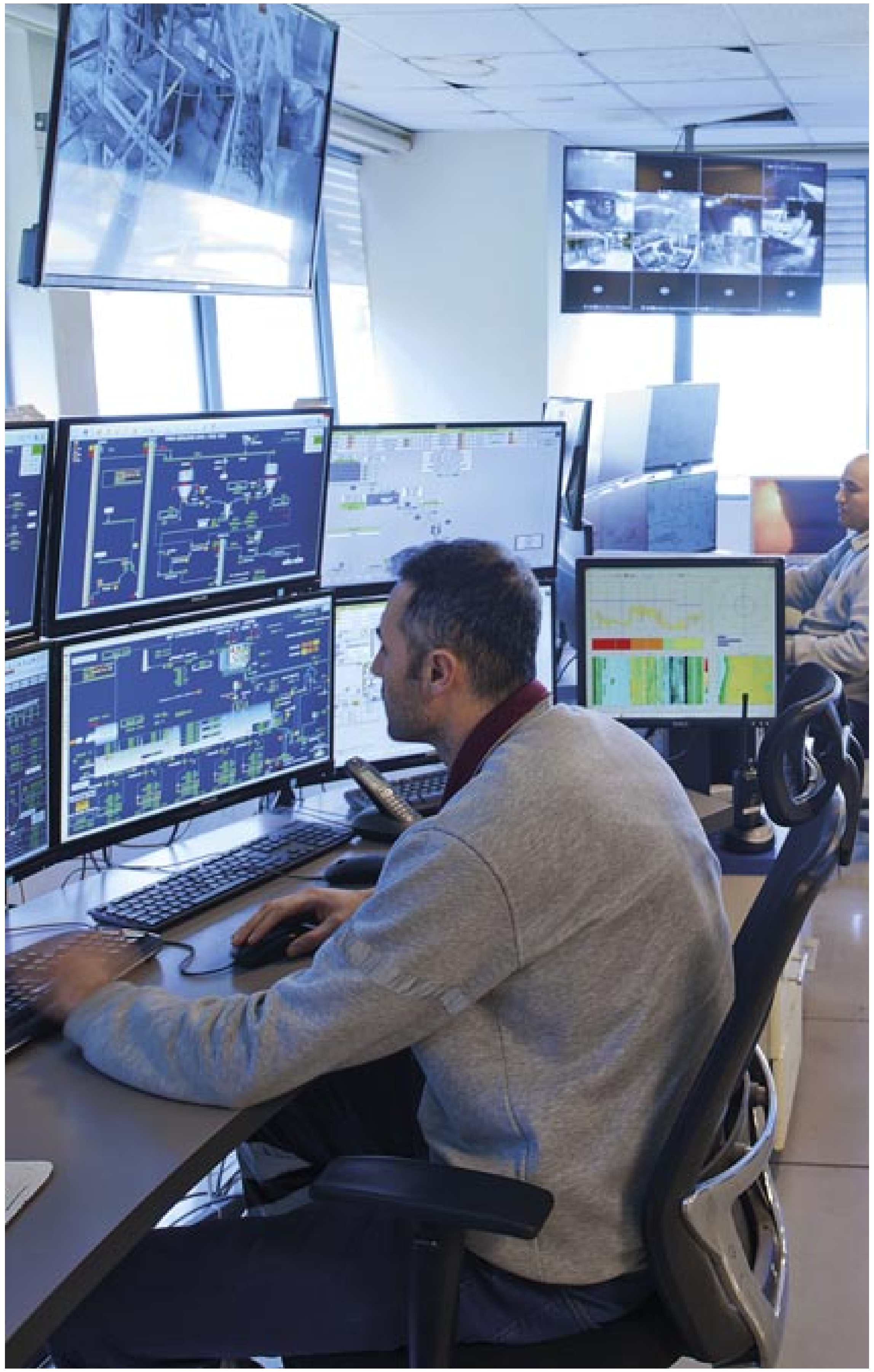
	31 December 2025	31 December 2024
Independent audit fees for the reporting period	5.633	6.011
Other assurance services	1.066	--
	6.699	**6.011**

33. SUBSEQUENT EVENTS

The appeal review in the compensation case filed in relation with the mining activity specified in the important lawsuit presents in the footnote number 16.2 has been completed and it was decided to refuse all appeal objections in then main case and the merged case and to approve the decision of the court of first instance. 15.000 thousand TL was paid in total to two of the three plaintiffs, and it is planned to pay about 5.000 thousand TL to the other plaintiff (Footnote 16.2).

2025 PROFIT DISTRIBUTION PROPOSAL

In accordance with the Dividend Communiqué No. II-19.1 of the Capital Markets Board dated January 23, 2014, at the Board of Directors meeting held on March 11, 2026, it was resolved to propose that no dividend distribution be made, as there is no distributable amount due to the absence of profit in the Company's statutory financial statements and those prepared in accordance with CMB regulations.



ÇİMENTAŞ GROUP

Çimentaş İzmir Çimento Fabrikası Türk A.Ş. ("Çimentaş")

Having been established as the 1st cement factory of the region in 1950, Çimentaş produces clinker in 2 kilns and cement in 4 mills located in the İzmir plant. With its 70 years of history Çimentaş is one of the fundamental establishments of the sector and the region.

Çimentaş İzmir Çimento Fabrikası Türk A.Ş. Trakya Branch ("Trakya Çimento")

Trakya Çimento was acquired from the Savings Deposit Insurance Fund in the final days of 2005 through an Asset Sale transaction. It has been structured and organized as the Trakya Branch of Çimentaş İzmir Çimento Fabrikası Türk A.Ş. Thus, Çimentaş has entered the biggest cement market of the country and has created new opportunities in terms of exports to neighbouring countries.

Çimentaş İzmir Çimento Fabrikası Türk A.Ş. Menderes Agrega Şubesi ("Menderes Agrega")

Çimentaş İzmir Çimento Fabrikası Türk Anonim Şirketi merged with Ege Kırmataş Madencilik İnşaat Lojistik Sanayi ve Ticaret A.Ş. by taking over it. After the merger, Ege Kırmataş Madencilik İnşaat Lojistik Sanayi ve Ticaret A.Ş. It was dissolved and deleted from the trade registry, and a new branch titled İzmir Çimento Fabrikası Türk Anonim Şirketi Çimentaş Menderes Agrega Şubesi was established at the headquarters of the abandoned company.

Çimbeton Hazırbeton ve Prefabrik Yapı Elemanları San. ve Tic. A.Ş. ("Çimbeton")

Founded in 1986, Çimbeton A.Ş. is the leading supplier in the region of the ready mixed concrete market. The company, which indicates the place, meaning and characteristics of the RMC in the construction sector, became the most important institution of the regional market. It is one of the profitable and productive companies of the sector.

Recydia Atık Yönetimi, Yenilenebilir Enerji Üretimi, Nakliye ve Lojistik Hizmetleri Sanayi ve Ticaret A.Ş. ("Recydia")

Recydia founded in 2009, with the aim of gaining various advantages from the supply and usage of alternative fuel in order to diversify and optimize the energy resources of the Group.

The Company merged with Elazığ Altınova Çimento Sanayi Ticaret A. Ş., Bakırçay Çimento Sanayi ve Ticaret A. Ş. and Hereko Istanbul 1 Atık Yönetimi Nakliye Lojistik Elektrik Üretim Sanayi ve Ticaret A. Ş. on 31.12.2014 in accordance with Turkish Commercial Code Article 136.

Recydia Atık Yönetimi, Yenilenebilir Enerji Üretimi, Nakliye ve Lojistik Hizmetleri Sanayi ve Ticaret A.Ş. Elazığ Çimento Branch ("Elazığ Çimento")

Elazığ Çimento was acquired under a OYAK-GAMA Joint Venture in September 2006. It is one the leading establishments in terms of economic and social development of its region. The Company merged with Recydia A.Ş. in 2014 and has continued its activities as Recydia A.Ş. Elazığ Çimento Branch.

Süreko Atık Yönetimi, Nakliye, Lojistik, Elektrik Üretim Sanayi ve Ticaret A.Ş. ("Süreko")

The company was acquired by our subsidiary Recydia A.Ş. in 2009, provides waste disposal services to industrial companies and private sector enterprises in line with the principle ¨Reliable Waste Management¨ with its plant in Manisa-Kula.

Destek Organizasyon Temizlik Akaryakıt Tabldot Servis San. ve Tic. A.Ş. ("Destek")

Destek operates gas service stations and the Company is a profitable and efficient organization that creates resources for Çimentaş Education and Health Foundation with its revenues.

Çimentaş Education and Health Foundation

Çimentaş Education and Health Foundation was founded in 1986 and received tax-exempt status in 1992. Establishing an education facility as a result of new policies it has produced, the Foundation continues to provide educational support to young people.

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CEMENTIR HOLDING

Çimentaş İzmir Çimento Fabrikası Türk A.Ş.

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