

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET  
A.Ş. AND ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
31 DECEMBER 2025 AND  
THE INDEPENDENT AUDITOR'S REPORT**

## (CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)

### INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Çimsa Çimento Sanayi ve Ticaret A.Ş.

#### A) Report on the Audit of the Consolidated Financial Statements

##### 1) Opinion

We have audited the consolidated financial statements of Çimsa Çimento Sanayi ve Ticaret A.Ş. (“the Company”) and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of 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 31 December 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 Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards accepted by regulations of the Capital Markets Board and published 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”) published by the POA, as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements included in the regulations of the Capital Markets Board and other regulations that are relevant to audits of the consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3) Key Audit Matters

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

Key Audit Matter	How the matter was addressed in the audit
<p><b>Goodwill Impairment</b></p> <p>As of 31 December 2025, there is an intangible asset recorded as goodwill in the consolidated financial statements amounting to TRY 5,465,680 thousand.</p> <p>According to TFRS, goodwill with an indefinite life is subject to an annual impairment test. During our audit, we have focused on this matter for the following reasons:</p> <ul style="list-style-type: none"> <li>• The significant amount of goodwill recognized in the Group's consolidated financial statements as of 31 December 2025,</li> <li>• The use of significant forward-looking estimates and assumptions in the goodwill impairment testing. These assumptions include earnings before interest, taxes, depreciation, and amortization (EBITDA) growth expectations, long-term growth rates, and discount rates applied to cash flows,</li> <li>• The possibility that the estimates and assumptions used in the goodwill impairment testing could be affected by future sectoral and economic changes.</li> </ul> <p>The accounting policies related to the measurement of goodwill and disclosures, including sensitivity analysis, are provided in Note 2.5 and Note 17.</p>	<p>The following procedures were performed regarding the audit of the goodwill impairment test:</p> <ul style="list-style-type: none"> <li>• Discussions with Group management to assess the management's forward-looking plans and disclosures within the context of macroeconomic data.</li> <li>• Discussions with management regarding the structure of the discounted cash flow calculation model and the assumptions used and verifying the mathematical accuracy of the model.</li> <li>• Involving our valuation experts, the appropriateness of key estimates used in the calculations (such as EBITDA growth expectations, long-term growth rates, discount rates applied to cash flows, etc.) was assessed by comparing them with industry benchmarks.</li> <li>• Discussions with Group management to assess the feasibility of the projected future cash flows and investment projections.</li> <li>• Evaluating the reasonableness of the consolidated cash flow forecasts prepared by management by comparing them with historical financial performance results.</li> <li>• Reviewing the disclosures related to goodwill impairment tests and their results in the consolidated financial statement notes and evaluating the adequacy of the information provided in these notes in accordance with TFRS.</li> </ul>



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

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

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

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

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

Responsibilities of independent auditors in an independent audit 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 the regulations of the Capital Markets Board and SIA 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 the regulations of the Capital Markets Board and SIA, 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.



## 5) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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



## B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 26 February 2026.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Group's set of accounts and financial statements prepared for the period 1 January-31 December 2025 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor's report is Volkan Becerik.

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

Volkan Becerik  
Partner

İstanbul, March 23, 2026

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**

**TABLE OF CONTENTS**

	<b>Page</b>
Consolidated statement of financial position	1 - 2
Consolidated statement of profit or loss	3
Consolidated statement of other comprehensive income	4
Consolidated statement of changes in equity	5
Consolidated statement of cash flows	6
Notes to the consolidated financial statements	7 – 82

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS OF 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

	Notes	(Audited) Current Period 31 December 2025	(Audited) Prior Period 31 December 2024
<b>ASSETS</b>			
Cash and cash equivalents	6	9,736,668	10,062,308
Trade receivables	8	7,821,769	7,405,650
<i>Trade receivables from related parties</i>	32	6,396	569
<i>Trade receivables from third parties</i>		7,815,373	7,405,081
Other receivables		122,930	44,873
<i>Other receivables from third parties</i>	10	122,930	44,873
Derivative financial assets	23	26,428	28,725
Inventories	11	6,786,728	6,764,584
Prepaid expenses	12	250,028	559,621
Current tax assets	29	-	113,236
Other current assets	21	251,643	259,685
Non-current assets held for sale		2	2
<b>Current Assets</b>		<b>24,996,196</b>	<b>25,238,684</b>
Other receivables	10	13,612	19,239
<i>Other receivables from third parties</i>		13,612	19,239
Financial investments	7	2,607,640	3,672,789
Investment properties	16	83,904	78,586
Property, plant and equipment	13	42,919,558	36,792,761
Right-of-use assets	15	894,989	622,075
Intangible assets		19,119,248	18,049,857
<i>Goodwill</i>	17	5,465,680	5,596,002
<i>Other intangible assets</i>	14	13,653,568	12,453,855
Prepaid expenses	12	178,788	1,218,068
Deferred tax assets	29	1,757,643	2,764,310
Other non-current assets	21	29,290	32,025
<b>Non-Current Assets</b>		<b>67,604,672</b>	<b>63,249,710</b>
<b>TOTAL ASSETS</b>		<b>92,600,868</b>	<b>88,488,394</b>

The accompanying notes from an integral part of these consolidated financial statements.

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS OF 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

	Notes	(Audited) Current Period 31 December 2025	(Audited) Prior Period 31 December 2024
<b>LIABILITIES AND EQUITY</b>			
Short-term borrowings	9	3,882,887	9,185,309
Short-term portions of long-term borrowings	9	3,378,511	8,843,894
Short-term lease liabilities	9	209,644	127,060
Trade payables	8	8,551,156	8,699,324
<i>Trade payables to related parties</i>	32	183,081	407,426
<i>Trade payables to third parties</i>		8,368,075	8,291,898
Employee benefit liabilities	20	99,366	177,309
Other payables	10	529,103	468,596
<i>Other payables to related parties</i>	32	33,253	29,689
<i>Other payables to third parties</i>		495,850	438,907
Derivative financial liabilities	23	40,409	87,070
Deferred income	12	154,400	232,088
Current income tax liability	29	93,016	115,379
Short-term provisions	18	4,802,320	3,730,466
<i>Short-term provisions for employee benefits</i>		481,370	241,358
<i>Other short-term provisions</i>		4,320,950	3,489,108
Other current liabilities	21	912,510	712,207
<b>Current liabilities</b>		<b>22,653,322</b>	<b>32,378,702</b>
Long-term borrowings	9	20,706,402	9,340,811
Long-term lease liabilities	9	1,040,839	631,898
Long-term provisions	18,20	608,980	568,936
<i>Long-term provisions for employee benefits</i>	20	319,591	280,679
<i>Other long-term provisions</i>		289,389	288,257
Deferred tax liability	29	2,493,972	3,634,084
Other non-current liabilities	21	1,643,384	-
<i>Other non-current liabilities to related parties</i>	32	1,643,384	-
<b>Non-current liabilities</b>		<b>26,493,577</b>	<b>14,175,729</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	22	945,591	945,591
Adjustments to share capital	22	3,355,000	3,355,000
Share premiums		8,277	8,277
Effect of mergers involving undertakings or businesses under common control		(496,791)	(496,791)
Other comprehensive income and expenses to be reclassified to profit or loss		(5,075,155)	(3,491,565)
<i>Foreign currency translation reserve</i>		(2,980,788)	(3,214,589)
<i>Cash flow hedge gain/loss fund</i>		(2,094,367)	(276,976)
Other comprehensive income (expenses) not to be reclassified to profit or loss		(87,396)	(115,783)
<i>Actuarial losses/gains on defined benefit plans</i>		(87,396)	(115,783)
Restricted reserves		4,493,759	4,388,960
Retained earnings		26,977,583	24,277,760
Net profit for the year		3,102,162	3,518,172
<b>Equity attributable to equity holders of the parent</b>		<b>33,223,030</b>	<b>32,389,621</b>
Non-controlling interests		10,230,939	9,544,342
<b>Total shareholders' equity</b>		<b>43,453,969</b>	<b>41,933,963</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>92,600,868</b>	<b>88,488,394</b>

The accompanying notes from an integral part of these consolidated financial statements.

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

		(Audited)	(Audited)
		Current Period	Prior Period
		1 January-	1 January-
	Notes	31 December 2025	31 December 2024
<b>OPERATING INCOME</b>			
Revenue	24	45,906,819	36,846,776
Cost of sales (-)	25	(36,915,465)	(28,935,475)
<b>GROSS PROFIT</b>		<b>8,991,354</b>	<b>7,911,301</b>
General administrative expenses (-)	25	(4,363,781)	(3,528,541)
Marketing, sales and distribution expenses (-)	25	(515,539)	(236,557)
Research and development expenses (-)	25	(47,485)	(52,891)
Other operating income	26	1,975,819	1,547,998
Other operating expenses (-)	26	(1,113,344)	(998,923)
<b>OPERATING PROFIT</b>		<b>4,927,024</b>	<b>4,642,387</b>
Income from investment activities	27	123,951	244,140
Expenses from investment activities (-)	27	(1,146,580)	-
<b>OPERATING PROFIT BEFORE FINANCIAL INCOME/EXPENSE</b>		<b>3,904,395</b>	<b>4,886,527</b>
Financial income	28	689,894	1,751,838
Financial expenses (-)	28	(2,284,557)	(3,167,866)
Net monetary position profit	31	2,242,667	1,640,191
<b>PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS</b>		<b>4,552,399</b>	<b>5,110,690</b>
<b>Tax (expense)/income from continuing operations</b>		<b>(746,270)</b>	<b>(1,112,808)</b>
- Current tax expense (-)	29	(484,409)	(319,773)
- Deferred tax income/(expense)	29	(261,861)	(793,035)
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>		<b>3,806,129</b>	<b>3,997,882</b>
<b>NET PROFIT</b>		<b>3,806,129</b>	<b>3,997,882</b>
<b>Profit/loss for the period attributable to</b>			
- Non-controlling interests		703,967	479,710
- Equity holders of the parent		3,102,162	3,518,172
<b>Earnings Per Share</b>			
Earnings per share from continuing operations (Nominal amount of 1 Kr)	30	3.28	3.72

The accompanying notes from an integral part of these consolidated financial statements.

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

		(Audited) Current Period 1 January- 31 December 2025	(Audited) Prior Period 1 January- 31 December 2024
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>Notes</b>	<b>3,806,129</b>	<b>3,997,882</b>
<b>Items to be reclassified to profit or loss</b>		<b>(1,367,867)</b>	<b>(4,968,857)</b>
<i>Cash flow hedge gain/(loss) fund</i>		(2,423,188)	375,003
<i>Share of other comprehensive income of investments in associates accounted for using equity method that will be reclassified to profit/loss</i>		-	(12,870)
<i>Foreign currency translation reserve</i>		449,524	(5,237,239)
<i>Tax (income)/ expense</i>		605,797	(93,751)
<b>Items not to be reclassified to profit or loss</b>		<b>28,387</b>	<b>(301,020)</b>
<i>Share of other comprehensive income of investments in associates accounted for using equity method that will not be reclassified to profit/(loss)</i>		-	(406,294)
<i>Actuarial losses/gains on defined benefit plans tax (income)/ expense</i>	20	37,850 (9,463)	4,934 100,340
<b>OTHER COMPREHENSIVE INCOME/EXPENSE (AFTER TAX)</b>		<b>(1,339,480)</b>	<b>(5,269,877)</b>
<b>TOTAL COMPREHENSIVE (EXPENSE)/INCOME</b>		<b>2,466,649</b>	<b>(1,271,995)</b>
<b>Total comprehensive income/(expense) attributable to</b>			
- Non-controlling interests		919,690	(169,827)
- Equity holders of the parent		1,546,959	(1,102,168)

The accompanying notes from an integral part of these consolidated financial statements.

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

	To be Reclassified to Profit or Loss						Effects of Combinations of Entities or Businesses Under Common Control on Investments in Associates Accounted	Not To be Reclassified to Profit or Loss			Retained Earnings			Equity attributable to equity holders of the parent	Non-controlling interests	Total equity
	Share capital	Adjustments to share capital	Share premiums / discounts	Foreign currency translation reserve	Cash flow hedge gains/ (losses)	Share of Other Comprehensive Income in Associates Accounted for Using Equity Method		Share of Other Comprehensive Income of Investments in Associates Accounted For Using Equity Method	Actuarial losses/gains on defined benefit plans	Restricted reserves	Retained Earnings	Net profit for the period				
<b>1 January 2024</b>	<b>945,591</b>	<b>3,355,000</b>	<b>8,277</b>	<b>1,373,113</b>	<b>(558,228)</b>	<b>12,870</b>	<b>(496,791)</b>	<b>304,721</b>	<b>(119,484)</b>	<b>4,237,308</b>	<b>21,313,892</b>	<b>4,707,303</b>	<b>35,083,572</b>	<b>9,202,614</b>	<b>44,286,186</b>	
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-	4,707,303	(4,707,303)	-	-	-	
Net profit for the period	-	-	-	-	-	-	-	-	-	-	3,518,172	-	3,518,172	479,710	<b>3,997,882</b>	
Other comprehensive income/(expense)	-	-	-	(4,587,702)	281,252	(12,870)	-	(304,721)	3,701	-	-	-	(4,620,340)	(649,537)	<b>(5,269,877)</b>	
<b>Total comprehensive income/(expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,587,702)</b>	<b>281,252</b>	<b>(12,870)</b>	<b>-</b>	<b>(304,721)</b>	<b>3,701</b>	<b>-</b>	<b>-</b>	<b>3,518,172</b>	<b>(1,102,168)</b>	<b>(169,827)</b>	<b>(1,271,995)</b>	
Dividends	-	-	-	-	-	-	-	-	-	-	(1,591,783)	-	(1,591,783)	(124,796)	<b>(1,716,579)</b>	
Increases due to subsidiary acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-	636,351	636,351	
Transfers to legal reserves	-	-	-	-	-	-	-	-	-	151,652	(151,652)	-	-	-	-	
<b>31 December 2024</b>	<b>945,591</b>	<b>3,355,000</b>	<b>8,277</b>	<b>(3,214,589)</b>	<b>(276,976)</b>	<b>-</b>	<b>(496,791)</b>	<b>-</b>	<b>(115,783)</b>	<b>4,388,960</b>	<b>24,277,760</b>	<b>3,518,172</b>	<b>32,389,621</b>	<b>9,544,342</b>	<b>41,933,963</b>	
<b>1 January 2025</b>	<b>945,591</b>	<b>3,355,000</b>	<b>8,277</b>	<b>(3,214,589)</b>	<b>(276,976)</b>	<b>-</b>	<b>(496,791)</b>	<b>-</b>	<b>(115,783)</b>	<b>4,388,960</b>	<b>24,277,760</b>	<b>3,518,172</b>	<b>32,389,621</b>	<b>9,544,342</b>	<b>41,933,963</b>	
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-	3,518,172	(3,518,172)	-	-	-	
Net profit for the period	-	-	-	-	-	-	-	-	-	-	3,102,162	-	3,102,162	703,967	<b>3,806,129</b>	
Other comprehensive income/(expense)	-	-	-	233,801	(1,817,391)	-	-	-	28,387	-	-	-	(1,555,203)	215,723	<b>(1,339,480)</b>	
<b>Total comprehensive income/(expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>233,801</b>	<b>(1,817,391)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,387</b>	<b>-</b>	<b>-</b>	<b>3,102,162</b>	<b>1,546,959</b>	<b>919,690</b>	<b>2,466,649</b>	
Dividends (*)	-	-	-	-	-	-	-	-	-	-	(713,550)	-	(713,550)	(233,093)	<b>(946,643)</b>	
Transfers to legal reserves	-	-	-	-	-	-	-	-	-	104,799	(104,799)	-	-	-	-	
<b>31 December 2025</b>	<b>945,591</b>	<b>3,355,000</b>	<b>8,277</b>	<b>(2,980,788)</b>	<b>(2,094,367)</b>	<b>-</b>	<b>(496,791)</b>	<b>-</b>	<b>(87,396)</b>	<b>4,493,759</b>	<b>26,977,583</b>	<b>3,102,162</b>	<b>33,223,030</b>	<b>10,230,939</b>	<b>43,453,969</b>	

(\*) At the Ordinary General Assembly held on 27 March 2025, the decision to distribute a gross cash dividend of Full TL 600,000,000 (TL 713,550 after inflation) from the profit of 2024 was unanimously approved and the dividend payment was made on 2 and 4 April 2025.

The accompanying notes from an integral part of these consolidated financial statements.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

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

	<b>(Audited)</b>	<b>(Audited)</b>
	<b>Current Period</b>	<b>Prior Period</b>
	<b>1 January-</b>	<b>1 January-</b>
<b>Notes</b>	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>8,404,187</b>	<b>8,341,462</b>
Profit from continuing operations before tax	4,552,399	5,110,690
<b>Adjustments to reconcile net profit/loss for the period</b>	<b>3,323,353</b>	<b>7,377,279</b>
Adjustment related to depreciation and amortization expense	4,173,642	2,564,317
Adjustments for gains from the disposal of PPE classified for sale	13,14,15 27	(42,620)
Adjustments related to allowance of doubtful receivables	8	35,009
Adjustments related to provision for inventory impairment	11	5,009
Adjustments related to provision for litigations	18.a	(431)
Adjustments related to recultivation provision	18.b	6,812
Provision for expected credit losses	4,508	9,776
Adjustments related to retirement pay provision	20	75,626
Adjustments related to seniority provision	20	9,241
Adjustments related to unpaid vacation liability	20	41,256
Adjustments related to interest expense	28	2,055,964
Adjustments related to interest income	28	(689,894)
Dividend income	27	(98,768)
Adjustments related to fair value gains on investment properties	27	(3,346)
Unrealized foreign exchange (gains)/losses on financial borrowings	43,872	359,103
Adjustments related to fair value losses/(gains) on derivative financial instruments	(48,958)	(20,973)
Income from financial investments	27	1,137,495
Monetary (gains)/losses	(3,354,499)	3,603,843
<b>Changes in working capital</b>	<b>1,083,189</b>	<b>(3,771,161)</b>
Short-term trade receivables	(2,608,768)	(1,809,045)
Inventories	(27,153)	1,008,502
Other receivables/current assets/prepaid expenses	129,977	(49,142)
Short-term and long-term trade payables	1,889,928	(1,640,310)
Other short-term payables/liabilities/payables related to employee benefits	1,699,205	(1,281,166)
<b>Cash flow from operations</b>	<b>8,958,941</b>	<b>8,716,808</b>
Premiums and bonuses paid	(133,643)	(78,965)
Retirement pay provision paid	20	(15,607)
Seniority provision paid	20	(3,055)
Vacation provision paid	20	(8,913)
Taxes paid	(393,536)	(229,016)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(8,577,795)</b>	<b>(19,085,820)</b>
Cash outflows related to share purchases in subsidiaries	3	-
Cash outflows related to purchases of property, plant and equipment	13	(7,066,254)
Dividends received	27	98,768
Other cash inflows (outflows)	(1,137,495)	(2,594,164)
Cash received from sale of non-current assets	31,153	152,500
Cash outflows related to purchases of intangible assets	14	(1,255,769)
Change in advances given for the purchase of property, plant and equipment	751,802	318,764
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>947,473</b>	<b>14,063,161</b>
Proceeds from borrowings	9	21,624,296
Repayment of borrowings	9	(19,075,469)
Interest paid	(1,344,605)	(1,569,158)
Interest received	689,894	1,751,838
Dividends paid	(713,550)	(1,591,783)
Dividends paid to minority shares	4	(233,093)
<b>NET INCREASE/(DECREASE) IN CASH AND EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A + B + C)</b>	<b>773,865</b>	<b>3,318,803</b>
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents	1,655,005	531,957
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,428,870</b>	<b>3,850,760</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>10,027,942</b>	<b>11,917,736</b>
Effect of monetary loss/gain on cash and cash equivalents	(2,752,827)	(5,740,554)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>9,703,985</b>	<b>10,027,942</b>

The accompanying notes from an integral part of these consolidated financial statements.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## 1. ORGANIZATION AND NATURE OF OPERATIONS OF THE GROUP

### General

Çimsa Çimento Sanayi ve Ticaret A.Ş. (‘Çimsa’ or the ‘Company’) was founded with a declaration of the trade registry on 16 December 1972 which was announced at Turkish Trade Registry Gazette numbered 4729 and dated 21 December 1972. Operations of the Group consist of production and sales of cement, clinker and ready-mix concrete. The ultimate shareholder of the Group is Hacı Ömer Sabancı Holding A.Ş. (‘Sabancı Holding’).

The registered office address of the Group is Allianz Tower Küçükbakkalköy Mah. Kayışdağı Cad. No:1 Kat: 23-24 34750 Ataşehir/İstanbul.

A certain amount of the shares of the Company is traded on Borsa İstanbul A.Ş. (BIST). In accordance with Article 82 of the BIST Basic Principles of Share Indexes, the shares of Çimsa are included in the BIST 100 index by the Directorate General of the Stock Exchange.

The upper limit of registered share capital of the Company is TL 10,000,000 (31 December 2024: TL 350,000).

As of 31 December 2025 and 31 December 2024 the information related to the Company’s subsidiaries and joint venture is as follows:

Company	Date of acquisition	Location of the operation	Principal Activities	Effective shareholding of the Company	
				31 December 2025	31 December 2024
Çimsa Cement Free-Zone Limited (Çimsa Cement) (*)	12.10.2005	NCTR	Cement sales and marketing	99.99%	99.99%
Çimsa Mersin Free-Zone Branch (Çimsa Mersin) (*)	12.12.2007	Mersin	Cement export	100%	100%
Çimsa Building Solutions B.V. (*)	16.11.2020	Holland	Cement production and sales	68.31%	68.31%
Afyon Çimento Sanayi Türk Anonim Şirketi (*)	31.05.2012	Türkiye	Cement production and sales	51%	51%

(\*) Recognised using the full consolidation method. The name of Sabancı Building Solutions B.V. has been changed to Çimsa Building Solutions B.V. effective from 6 September 2024.

The Company’s associate, Exsa Export Sanayi Mamülleri Satış ve Araştırma A.Ş. (‘Exsa’) (effective ownership: 32.875% is consolidated by the equity method. Our main partner Hacı Ömer Sabancı Holding A.Ş. (Sabancı Holding), its subsidiary Exsa Export Sanayi Mamulleri Satış ve Araştırma A.Ş. The Board of Directors has taken a decision to carry out the merger transaction by taking over (Exsa), and in this context, Sabancı Holding applied to the Capital Markets Board on 21 June 2023 to obtain the necessary permissions and approvals for the merger transaction. In line with the Sabancı Holding PDP (Public Disclosure Platform) statement dated 30 October 2023, the application made to the Capital Markets Board to ensure that the necessary permissions and approvals for the merger are obtained has been updated in line with the revised documents. As a result of the merger, the payment process to Exsa partners was given to Exsa shareholders other than Sabancı Holding, with Sabancı Holding shares in exchange for the Exsa shares they held, and the process was completed with the registration process dated 15 January 2024. In this context, the Capital Markets Board approved the issuance of shares by Sabancı Holding due to a capital increase, which were allocated to Exsa's shareholders other than Sabancı Holding. The approval document was received on 2 February 2024, and with the completion of share trading on 5 February 2024, the merger transactions were finalized. As a result of the capital increase by Sabancı Holding due to the merger, our company was allocated shares with a nominal value of TL 27,690,740.94, representing 1.32% of Sabancı Holding's post-merger capital, in exchange for the existing TL 76,927,500 Full nominal value shares in Exsa's capital. The impact of this transaction has been recorded in the consolidated income statement under the account of Income from Investment Activities.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

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

**1. ORGANIZATION AND NATURE OF OPERATIONS OF THE GROUP (Continued)**

The General Assembly of the Company's Netherlands-based subsidiary Çimsa Building Solutions B.V. ("CBS B.V.") (formerly Sabancı Building Solutions B.V.) has decided to increase its capital in order to be used in current and ongoing investments, primarily the purchase of Mannok Holding DAC shares, as announced on 28 August 2024. At the meeting of the Company's Board of Directors held on 26 September 2024, it was unanimously accepted to participate in the entire capital increase to be made in CBS B.V.

CBS B.V.'s other partner, H.Ö. Sabancı Holding A.Ş., did not participate in the said capital increase.

- CBS B.V.'s current capital of 187,000,000 Full Euros has been increased by Full EUR 107,486,502 with a premium, to Full EUR 294,486,502 and

- The Company completed the capital increase transaction by paying a total of Full EUR 150,000,000, including 107,486,502 Full Euros of capital and Full EUR 42,513,498 of issue premium to CBS B.V.

Following the capital increase, the Company's current share in CBS B.V. capital increased from 50.1% to 68.31%.

The regulatory approvals and other closing conditions for the acquisition of 94.7% of the shares of Mannok Holdings DAC ("Mannok") by Cimsa Ireland Ltd., a 100% subsidiary of the Company's subsidiary Cimsa Building Solutions B.V., have been completed as of 2 October 2024.

According to the contract, the total company value of Mannok is EUR 330 million and after deducting the financial debts on the closing date and making other adjustments, the share purchase price corresponding to 94.7% of the capital was determined as Full EUR 253,481,140 and the transfer process was completed by making the payment.

For the purpose of presentation of the consolidated financial statements, Çimsa, its subsidiaries and its associate will be together referred as ('the Group').

The consolidated financial statements were authorized for issue by the Board of Directors of Çimsa on 26 February 2026. The General Assembly and certain regulatory bodies have the power to amend the statutory financial statements after issuance.

The average number of blue-collar employees (a union member/not a union member) of the Group for the year ended 31 December 2025 is 1,243 (2024: 1,238) and white-collar employees (not a union member) is 787 (2024: 760).

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**

### **2.1 Basis of presentation**

#### **Preparation principles of financial statements**

The accompanying interim condensed consolidated financial statements have been prepared in accordance with the communiqué numbered II-14,1 ‘Communiqué on the Principles of Financial Reporting In Capital Markets’ (‘the Communiqué’) announced by the Capital Markets Board (‘CMB’) (hereinafter will be referred to as ‘the CMB Reporting Standards’) on 13 June 2013 which is published on Official Gazette numbered 28676. In accordance with article 5th of the CMB Reporting Standards, companies should apply Turkish Accounting Standards/Turkish Financial Reporting Standards and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority of Türkiye (‘TFRIC’). TFRS is updated through communiqués to be in line with the changes in International Financial Reporting Standards (‘IFRS’).

The consolidated financial statements are presented in accordance with the “IFRS Taxonomy” published by POA and the formats specified in the Financial Statement Examples and User Guide published by CMB, based on the CMB's financial statement and note formats.

The Company's functional and presentation currency is accepted as Turkish Lira (“TL”).

The functional currency of Cimsa Building Solutions B.V. is Euro (“EUR”). Based on TAS 21, the exchange rate used for translating the financial position items is the exchange rate at the balance sheet date; for income statement balances, the average exchange rate of the related period and the consolidated financial statements are presented in TL. The resulting foreign currency gain/loss are recorded under the ‘Foreign Currency Translation Reserve’ account in equity. Non-monetary items denominated in foreign currencies and measured at cost are translated into the functional currency at exchange rates on the date of the initial transaction.

The Group and the Group companies established in Türkiye maintain their books of account and prepare their statutory financial statements (‘Statutory Financial Statements’) in accordance with rules and principles published by POA, the Turkish Commercial Code (‘TCC’), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. Subsidiaries that are registered in foreign countries maintain their books of account and prepare their statutory statements in accordance with the prevailing accounting principles in their registered countries. These consolidated financial statements have been prepared in Turkish Lira under the historical cost convention except for available for sale financial assets, assets acquired through business combination, carbon emission rights and obligations derivative instruments and cash flow hedge reserve that are carried at fair value.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.1 Basis of presentation (Continued)**

#### **Financial reporting in high inflation economies**

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 December 2024. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 31 December 2025 and 2024, on the purchasing power basis as of 31 December 2025.

Pursuant to the decision of the Capital Markets Board (“CMB”) dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the periods ending on 31 December 2023.

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

<b>Date</b>	<b>Index</b>	<b>Adjustment coefficient</b>	<b>Three Years Compound Inflation Rate</b>
31 December 2025	3,513.87	1.00000	211%
31 December 2024	2,684.55	1.30892	291%
31 December 2023	1,859.38	1.88981	268%

The main elements of the Group’s adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period separated financial statements prepared in TL are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 “Impairment of Assets” and TAS 2 “Inventories” are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.1 Basis of presentation (Continued)**

#### **Financial reporting in high inflation economies (Continued)**

- The effect of inflation on the Group's net monetary asset position in the current period is recorded in the monetary loss account in the consolidated income statement.

### **2.2 Going concern**

The Group has prepared its consolidated financial statements in accordance with going concern principle.

### **2.3 Offsetting**

Financial assets and liabilities are offset and reported in the net amount when there is a legally enforceable right or when there is an intention to settle the assets and liabilities on a net basis or realize the assets and settle the liabilities simultaneously.

### **2.4 Changes in accounting policies, estimates and errors**

Any change in accounting policies resulting from the first-time adoption of a new standard is made either retrospectively or prospectively in accordance with the transition requirements. Changes without any transition requirement, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements. If changes in accounting estimates are related to only one period, they are recognized in the period when the changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and in future periods prospectively.

### **2.5 Summary of significant accounting policies**

#### **Subsidiaries**

As at 31 December 2025, the consolidated financial statements include the financial statements of Çimsa’s subsidiaries. The consolidated financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements with adjustments and reclassifications for the purpose of fair presentation in accordance with Turkish Financial Reporting Standards and the application of uniform accounting policies and presentation. Subsidiaries are all companies over which the Group has directly or indirectly control. The Group controls a company when the Group is exposed to, or has rights to, variable returns from its involvement with the company and has the ability to affect those returns through its power over the company. The results of operations of the subsidiaries are included or excluded from the effective dates of the said transactions in accordance with the acquisition or disposal transactions.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group. The consolidated financial statements are prepared using common accounting policies for similar transactions and events and are prepared for the same accounting system with the Company.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5 Summary of significant accounting policies (Continued)**

**Subsidiaries (Continued)**

The financial statements of the companies included in the scope of consolidation have been consolidated through full consolidation method and the book value of the shares of the Group and its subsidiaries is deducted from the related equity. Transactions and balances between the Group and its subsidiaries are mutually eliminated within the scope of consolidation.

Subsidiaries are consolidated from the date on which control is transferred to the Group until the date on which the control is transferred out of the Group. The shares of non-controlling shareholders in the net assets and operating results of subsidiaries are presented as non-controlling interest and non-controlling profit/loss, respectively, in the consolidated balance sheet and profit or loss statement.

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

If the Group loses control of a subsidiary, profit/loss after sale transaction is calculated as i) the sum of the sales price received and the fair value of the remaining interest and ii) the difference between the previous book values of the assets (including goodwill) and liabilities of the subsidiary and the non-controlling interests. The amounts previously accounted for in other comprehensive income related to the subsidiary and collected in equity are recorded according to the accounting method to be used on the assumption that the Company has sold the relevant assets (for example, in accordance with the relevant TFRS standards, transfer to profit/loss or directly transfer to retained earnings). If the subsidiary has an investment remaining after the sale, its fair value at the date of loss of control is accepted as fair value in the initial recognition under TFRS 9 Financial Instruments or, where applicable, as the cost in the initial recognition of an investment in an associate or jointly controlled entity.

**Associates**

Investments in associates are accounted by equity method. These are entities in which the Group has significant influence, but not control, over company activities. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, and unrealized losses are also eliminated if the transaction does not indicate that the transferred asset is impaired. The Group has not taken any obligation or made any commitment regarding its Associates.

Investments accounted by equity method are presented in consolidated statement of financial position with additions or deductions of changes on share of the Group on net assets of the affiliate and with deduction of provisions for the decline in the value. The other comprehensive income statement presents shares of financial results of the Group's affiliates. The changes of the amount, not reflected on income or loss of the affiliate, on the equity of the affiliate can requisite an adjustment on the net book value of the affiliate in proportion of the Group's share. The share of the group from these changes is directly accounted under the Group's equity. Exsa's financial statements are prepared for the same period and with respect to the same accounting policies.

The Group considers at each balance sheet date whether there is impairment on the investments accounted by equity method.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.5 Summary of significant accounting policies (Continued)**

#### **Cash and cash equivalents**

Cash and cash equivalents include cash and bank deposits, short-term and highly liquid investments that are easily convertible into cash, with an insignificant risk of change in value and with a maturity of three months or less.

#### **Trade receivables**

Trade receivables that are created by the way of providing goods or services directly to a debtor are measured at amortized cost, using the effective interest rate method.

The provision for doubtful receivables is reflected in the records as an expense. If there is a concrete indication that the outstanding receivables cannot be collected, provision for doubtful receivables is set for the company. The Company has preferred to apply ‘simplified approach’ defined in TFRS 9 for the expected credit losses. This method requires the recognition of expected lifetime losses for all trade receivables.

#### **Inventories**

Inventories are valued at the lower cost or net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials - purchase cost on a monthly average basis.

Finished goods and work-in-process - cost includes direct material and labor cost, the applicable allocation of fixed and variable overhead costs (considering normal operating capacity) on the basis of monthly average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### **Property, plant and equipment**

Property, plant, and equipment are stated at cost less accumulated depreciation and any impairment in value. The initial cost of property, plant and equipment comprises its purchase price and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenses for the repair of property, plant and equipment are normally charged against income. They are, however, capitalized in exceptional cases if they result in an enlargement or substantial improvement of the respective assets. Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their carrying amounts and are included in the related income and expense accounts, as appropriate.

Land is not subject to depreciation. Depreciation is calculated on all property, plant and equipment on a straight-line basis over the estimated useful life of the asset as below. The economic useful lives of property, plant and equipments are as follows:

	Useful Lives
Land improvements	8–50 years
Buildings	4–50 years
Machinery and equipment	2–50 years
Furniture and fixtures	2–50 years
Motor vehicles	4-14 years
Leasehold improvements	Leasing period

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5 Summary of significant accounting policies (Continued)**

**Intangible assets**

Intangible assets consist of mineral rights, rights, customer contracts and computer software and are initially valued at the purchase price. Intangible assets are capitalized if future economic benefits can be obtained and the cost can be determined accurately. After initial recording, intangible assets are stated at their cost minus accumulated amortization and accumulated impairment losses. Intangible assets, except for mining rights, are amortized using the straight-line method over the estimated economic life of the asset (5 years).

Where no internally generated intangible asset can be recognized, development expenditure is charged to the consolidated statement of profit or loss in the period in which it is incurred. The estimated useful lives of the intangible assets are determined as either a specific time or perpetual. Amortization is calculated using the straight-line method over the estimated useful life. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The amortization expenses of the intangible assets with certain estimated useful lives are reflected in the consolidated statement of profit or loss in accordance with the function of the intangible asset.

Mining rights are depreciated based on the ratio of the reserve consumed during the year to the total reserve. The remaining amortization period depends on the time the reserves are depleted.

The Group does not have any intangible assets with indefinite useful life.

The carrying values of intangible assets are reviewed for impairment when there is any event or changes in circumstances indicate that the carrying value may not be recoverable.

**Carbon Accounting (Green House Gas Emissions)**

Emission permits are included in the consolidated financial statements in accordance with “TAS 38 Intangible Assets Standard”. Emission permits issued by the government are recorded at nominal value. If the emission permit is granted free of charge, it is recorded as zero. Purchased emission permits are accounted for as intangible assets. If actual emissions exceed the issued emission permits and are already retained, they are included in the consolidated financial statements as a liability. Since the Group produces emissions, it allocates provisions in accordance with “TAS 37 Provisions, Contingent Liabilities and Contingent Assets” and the provision in question will be the market value of the permits required to cover the emissions until the date of the statement of financial position.

**Customer Relations**

Customer relationships acquired as part of business combinations are reflected in the consolidated financial statements at their fair value at the date of acquisition. Customer relationships have limited useful lives and are measured at cost less accumulated amortization. Amortization of customer relationships is calculated using the straight-line method over their estimated useful lives (between 5 and 15 years).

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

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

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.5 Summary of significant accounting policies (Continued)**

#### Derecognition of tangible and intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal.

Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

#### **Goodwill**

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

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

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

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

#### **Impairment on non-financial assets**

At each balance sheet date, the Group assesses whether there is any indication that book value of tangible and intangible assets, calculated by acquisition cost less accumulative amortization, is impaired. When an indication of impairment exists, the Group estimates the recoverable amount of such assets. When individual recoverable value of assets cannot be measured, recoverable value of cash generating unit of that asset is measured.

Recoverable amount is the higher of value in use or fair value less costs to sell. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit by using discount rates before taxes that reflect risks related to that asset. The main estimates that are used during these analyses comprise expected inflation rates, expected increase in sales and cost of sales, expected changes in export-domestic market composition and expected growth rate of the country.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in previous years. Impairment loss on goodwill cannot be reversed in the consolidated statement of profit or loss in future periods.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5 Summary of significant accounting policies (Continued)**

**Foreign currency transactions**

The Company and its subsidiaries translate the transactions in foreign currencies during the period at the ex-change rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated at the exchange rates prevailing at period-end and exchange gains or losses arising on the settlement and translation of foreign currency items have been included in the consolidated statement of profit or loss. Non-monetary items carried at cost that are denominated in foreign currencies are translated at the rates on the initial transaction date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined.

Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity. On the disposal of the foreign entity, the accumulated foreign exchange differences of that entity, recognized in other comprehensive income and accumulated in a separate component of equity, are reclassified from equity to profit or loss (as an adjustment for reclassification) when the gain or loss on the disposal is recognized.

Transactions in foreign currencies are translated into TL at the exchange rates on the date of the transaction. Assets and liabilities denominated in foreign currencies as of 31 December 2025, 2024 are valued with the buying rate of the Central Bank of the Republic of Türkiye on the balance sheet date, and the resulting foreign exchange differences are reflected in the relevant income and expense accounts.

Foreign currency translation rates used as of respective period-ends are as follows:

<b>Date</b>	<b>31 December 2025 buy</b>	<b>31 December 2025 sell</b>	<b>31 December 2024 buy</b>	<b>31 December 2024 sell</b>
USD /TL	42.8623	42.9395	35.2803	35.3438
EUR/TL	50.4532	50.5441	36.7362	36.8024
GBP/TL	57.8159	57.8122	44.2073	44.4378

Foreign currency average rates used in the consolidated financial statements are as follows:

<b>Date</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
USD/TL	42.5854	32.7414
EUR/TL	49.8645	35.4110
GBP/TL	51.9557	41.8337

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5 Summary of significant accounting policies (Continued)**

**Borrowing costs**

The borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs include interests and other costs related to the borrowing activity.

General borrowings of the Group are capitalized to the applicable qualifying assets based on a capitalization rate. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other all borrowing costs are booked in the consolidated statement of profit or loss, when incurred.

**Provisions, contingent assets and liabilities**

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

**Income taxes**

Tax provisions are all current period and deferred tax provisions taken into account in the calculation of profit or loss for the period.

Deferred tax is reflected by considering the balance-sheet liability method, taking into account the tax effects of temporary differences between the values of assets and liabilities reflected in the financial reporting and tax base in the legal tax account. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The Group’s deferred tax assets are reviewed at the each balance-sheet period and are recognized by considering the possibility that it will be deductible in the future.

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

Deferred tax can be directly related to equity accounts if it’s related to the transactions in connection with the share capital in the same or different period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5 Summary of significant accounting policies (Continued)**

**Provisions for employee benefits/retirement pay provision**

**a. Defined benefit plan**

In accordance with existing social legislation in Türkiye, the Group is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

The Group has reflected a liability using the ‘Projected Unit Credit Method’ based on the actuarial valuation performed by independent actuaries. The employee termination benefits are discounted to the present value of the estimated future cash outflows using the interest rate estimate of qualified actuaries.

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group.

The retirement benefit obligation recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation. All actuarial gains and losses are recognized in equity.

**b. Seniority provision**

The Group has a liability to pay seniority incentive premium to the blue-collar workers for five years period in accordance with the collective labor agreement. The Group discounts each first future payment and records the amounts to its consolidated statement of profit or loss.

**c. Vacation rights**

Liabilities arising from unused vacation rights are accrued in the periods when they are deserved.

**Leases**

**The Group – as lessee**

The Group evaluates a contract whether the contract is a lease or whether it is a lease. In the case that the contract assigns the right to control the use of the identified asset for a period of time for a certain amount of time, this contract is a lease or includes a lease. The Group considers the following conditions when assessing whether a contract transfers the right to control the use of a defined asset for a specified period:

- a) The contract contains the defined asset; an asset is generally defined by specifying it explicitly or implicitly in the contract.
- b) A functional part of the entity is physically separate or represents almost all of the entity's capacity. An asset is not identified if the supplier has a principal right to replace the asset and provides economic benefit therefrom.
- c) Having the right to obtain almost all of the economic benefits to be obtained from the use of the defined asset.
- d) Have the right to manage the use of the identified asset. The Group considers that the asset has the right to use if the decisions about how and for what purpose the asset is used are determined in advance. The Group has the right to manage the use of the asset when:
  - i. The Group has the right to operate the asset during its useful life (or to direct others to operate the asset in its designated manner) and the supplier does not have the right to change these operating instructions or
  - ii. The Group has designed the asset (or certain characteristics of the asset) in advance to determine how and for what purpose the asset will be used during its useful life.

The Group recognizes a right of use and a lease obligation on the financial statements at the date of the lease.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.5 Summary of significant accounting policies (Continued)**

#### **Leases (Continued)**

##### **The Group – as lessee (Continued)**

Lease liability

##### Extension and early termination options

The lease obligation is determined by considering the extension and early termination options in the contracts. Most of the extension and early termination options included in the contracts consist of options that are jointly applicable by the Group and the lessor. The Group determines the rental period by including the extension and early termination options in the Group’s initiative according to the relevant contract and if the options are reasonably accurate, it is included in the rental period. If the conditions change significantly, the assessment is reviewed by the Group. There is no extension or early termination option used by the Group as of 31 December 2025.

##### Exemptions and simplifications

Short-term lease payments and payments for leases of low-value assets are not included in the measurement of the lease liabilities in the scope of TFRS 16. Lease payments of these contracts are continued to be recognised in the profit or loss in the related period.

#### **Related parties**

A party is related to the Company if:

- (a) Directly, or indirectly through one or more intermediaries, the party,
  - (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries),
  - (ii) has an interest in the entity that gives it significant influence over the entity or
  - (iii) has joint control over the entity,
- (b) The party is an associate of the entity,
- (c) The party is a joint venture in which the entity is a venture,
- (d) The party is a member of the key management personnel of the entity or its parent,
- (e) The party is a close member of the family of any individual referred to in (a) or (d),
- (f) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e) or
- (g) The party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.5 Summary of significant accounting policies (Continued)**

#### **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates, and other similar allowances.

#### *Sale of goods*

In accordance with TFRS 15 “Customer Contract Revenue Standard”, the Company recognizes revenue in the financial statements in the five-step model below.

- Identification of contracts with customers,
- Identification of performance obligations in contracts,
- Determining the transaction price in contracts,
- Distribution of transaction fee to performance obligations,
- Revenue recognition.

According to this model, the goods or services undertaken in each contract made primarily with the customers are evaluated and each commitment given to transfer the goods or services is determined as a separate act of obligation. Afterwards, it is determined that the fulfillment obligations will be fulfilled in time or in a certain way. Whether the control of a good or service is over time and the community fulfills its performance obligations in relation to the sale in time, the community measures the progress of the revenue and accounts in their consolidated financial statements. The Company has a performance obligation defined as delivering goods to its customers. According to the Customer's request, shipping and related costs are included exactly and he has no control over the service in question. The Group has a performance obligation defined as delivering goods to its customers. According to the customer's request, transportation and related costs are included directly in the price and he has no control over the service in question.

- It is probable that the economic benefits associated with the transaction will flow to the entity and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Earnings per share**

Basic earnings per share in the consolidated statement of profit or loss are calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period.

In Türkiye, companies can increase their share capital by making distribution of free shares to existing shareholders from various internal resources. For the purpose of the earnings per share calculation such share issues are regarded as issued stock. Accordingly, the weighted average number of shares used in earnings per share calculation is derived by giving retroactive effect to the issue of such shares.

#### **Dividend**

Dividend receivables are recorded as income in the period in which they are declared. Dividend payables are reflected in the consolidated financial statements as liabilities in the period in which they are declared as an element of profit distribution.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.5 Summary of significant accounting policies (Continued)**

#### **Subsequent events**

Subsequent events occurring after the balance sheet date, and which may affect the Group's position at the balance sheet date are reflected in the consolidated financial statements. The issues that occur after the balance sheet date are disclosed in the notes according to their importance.

#### **Trade and settlement date accounting**

All financial asset purchases and sales are recognized at the transaction date, in other words, on the date when the Group commits to purchase or sell. Ordinary purchases and sales are purchases and sales where the delivery period of the asset is generally determined in accordance with legislation or regulations in the markets.

#### **Financial instruments**

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

A financial asset is any asset that is:

- Cash,
- A contractual right to receive cash or another financial asset from another enterprise,
- A contractual right to exchange financial instruments from another enterprise under conditions that are potentially favorable or
- An equity instrument of another enterprise.

A financial liability that is a contractual obligation:

- To deliver cash or another financial asset to another enterprise or
- To exchange financial instruments with another enterprise under conditions that are potentially unfavorable.

When a financial asset or financial liability is recognized initially, it is measured at its cost, which is the fair value of the consideration given (in the case of an asset) or received (in case of a liability) for it. Transaction costs are included (deducted for financial liabilities) in the initial measurement of all financial assets and liabilities.

The fair value is the amount for which a financial instrument could be exchanged in a current transaction between ceiling parties, other than in a forced sale or liquidation, and this best evidenced by a quoted market price, if one exists.

#### *Fair value of financial instruments*

The methods and assumptions in fair value estimation of the financial instruments of the Group are explained in Note 35.

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

Trade receivables included in the category of loans and receivables are recorded in the accounts with their invoiced amounts and are carried at net values discounted by the effective interest rate method in the following periods and if there is provision for doubtful receivables, it should be deducted.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5 Summary of significant accounting policies (Continued)**

**Financial assets**

*Classification and measurement*

The Group classified its financial assets in three categories; financial assets carried at amortized cost, financial assets carried at fair value through profit or loss, financial assets carried at fair value through other comprehensive income. Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date.

(a) Financial assets carried at amortized cost

Financial assets that are not quoted in an active market and are not derivative instruments that have fixed or fixed payments, in which management has adopted the contractual cash flow collection business model and the terms of the contract include only the principal and interest payments arising from the principal balance on certain dates, are classified as assets accounted for at amortized cost. If their maturities are shorter than 12 months from the balance sheet date, they are classified as current assets, and if they are longer than 12 months, they are classified as non-current assets. Assets accounted for at amortized cost include “trade receivables”, “cash and cash equivalents” Eurobonds classified as financial investments and “other receivables” items in the statement of financial position.

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

Assets in which the management adopts the business model of collecting contractual cash flows and/or selling, are classified as assets accounted for at fair value. If management does not intend to dispose of the related assets within 12 months from the balance sheet date, the said assets are classified as non-current assets. For the investments made in equity-based financial assets, the company makes an unchangeable choice as an equity investment reflected in other comprehensive income or in the statement of profit or loss of the fair value difference of the investment during the initial recognition.

Financial assets, whose fair value is reflected in other comprehensive income, include ‘financial investments’ items in the consolidated statement of financial position. In the event that assets of which fair value difference is recorded in other comprehensive income are sold, valuation difference classified into other comprehensive income is classified into previous years profits.

The generally accepted valuation methods used in the calculation of fair value in cases where the assets of which the fair value difference is recorded in other comprehensive income do not have any market value, include some assumptions based on the best estimates of the management, and the values that may occur in the event of purchase/sale transactions may differ from these values.

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

Financial assets at fair value through profit or loss include currency protected deposit items classified under “financial investments” in the consolidated statement of financial position.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.5 Summary of significant accounting policies (Continued)**

#### *Impairment on financial assets*

The Group chooses the simplified application for the impairment calculations and uses the provision matrix, since the trade receivables accounted from the amortized cost in the consolidated financial statements do not contain a significant financing component. With this application, the Group measures the expected credit loss allowance at an amount equal to lifetime expected credit losses when trade receivables are not impaired for certain reasons. In the calculation of expected credit losses, past experience of credit losses is taken into consideration, as well as the Group's forecast for the future.

#### **Financial liabilities**

Financial liabilities are recognized initially at fair value and at directly attributable transaction costs and after initial recognition, financial liabilities are subsequently measured at amortized cost by using the effective interest rate method.

Effective interest rate method is the amortized cost method and allocation of the related interest expenses to the related periods. Effective interest rate is the rate reducing the future expected cash payments to present value of the financial liability within an expected life of the asset or in a shorter period.

#### *Bank borrowings*

All borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in the consolidated statement of profit or loss when the liabilities are derecognized, as well as through the amortization process.

#### *Trade payables*

Trade and other payables are carried at amortized cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

#### *Derivative financial instruments and hedge accounting*

The operations of the Group expose the entity to financial risks mainly due to the change in foreign currency exchange rates and interest rates. The Group mainly utilizes derivative instruments mainly foreign currency forward contracts to hedge its foreign currency risk associated with certain binding commitments and forecasted future transactions. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.5 Summary of significant accounting policies (Continued)**

#### **Financial liabilities (Continued)**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is directly recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in the consolidated statement of profit or loss. The Group’s policy to hedge foreign currency risk associated with a binding commitment classifies the related risk as cash flow hedge. When the hedge transaction does not result in the recognition of an asset or a liability, the amounts in equity are recognized in the consolidated statement of profit or loss when the hedged item affects the statement of profit or loss. The changes in the fair value of derivatives that do not qualify as cash flow hedge are recognized in the statement of profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, or when it no longer qualifies for hedge accounting. The cumulative gain or loss related with hedge instrument accounted under equity as of such date is continued to be recognized under equity until the expected realization date of the transaction.

When the hedge transaction is no longer expected to occur, the net accumulated gain or loss in equity is recognized in profit or loss of the period.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are accounted directly in equity as ‘Hedges funds’. Furthermore, the Group is protected from foreign net investment risk arising from changes in foreign currency financial liabilities and foreign exchange rates. The effective portion of changes in the foreign exchange rates of the foreign currency financial liabilities is accounted under equity as “Hedge funds”.

#### **Recognition and derecognition of financial instruments**

The Group recognizes a financial asset or financial liability in its consolidated statement of financial position when it becomes a party to the contractual provisions of the instrument. The Group derecognizes a financial asset or a portion of financial asset when and only when it loses control of the contractual rights that comprise the financial asset or a portion of financial asset and when risk and benefit related to property. The Group derecognizes a financial liability when a liability is extinguished that is when the obligation specified in the contract is discharged, cancelled and expired.

#### **Research expenses and development costs**

When research expenses realized, they are recorded as an expense. Project costs which are related to research of the product or design of the product are considered as an intangible asset if the project successfully applied from commercial and technological aspects. Other development expenses are recorded as an expense when realized. Development costs recorded in the prior period cannot be capitalized in the following period.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.6 Comparative Information and Restated Consolidated Financial Statements**

The financial statements of the Group have been prepared comparatively with the previous period in order to enable information about financial position and performance trends. If the presentation or classification of the financial statements is changed, in order to be comparative, financial statements of the previous periods are also reclassified and significant changes are disclosed.

#### **New and amended standards and interpretations**

### **2.7 New and Amended Turkish Financial Reporting Standards**

#### **a) Amendments that are mandatorily effective from 2025**

##### **Amendments to TAS 21 *Lack of Exchangeability***

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

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

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

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

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information</i>
TFRS 18	<i>Presentation and Disclosures in Financial Statements</i>
TFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to TFRS 9 and TFRS 7	<i>Classification and Measurement of Financial Instruments</i>
Amendments to TFRS 9 and TFRS 7	<i>Power Purchase Arrangements</i>
Annual Improvements	<i>Annual Improvements to TFRSs – Volume 11</i>
Amendments to TFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>

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

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2027.

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

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

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.7 New and Amended Turkish Financial Reporting Standards (Continued)**

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

Amendments are effective with the first application of TFRS 17.

***TFRS 18 Presentation and Disclosures in Financial Statements***

TFRS 18 includes requirements for all entities applying TFRS for the presentation and disclosure of information in financial statements. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

***TFRS 19 Subsidiaries without Public Accountability: Disclosures***

TFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

***Amendments to TFRS 9 and TFRS 7 Classification and Measurement of Financial Instruments***

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of TFRS 9 *Financial Instruments*. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

***Amendments to TFRS 9 and TFRS 7 Power Purchase Arrangements***

The amendments aim at enabling entities to include information in their financial statements that in the IASB’s view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

### **2.7 New and Amended Turkish Financial Reporting Standards (Continued)**

#### **Annual Improvements to TFRSs – Volume 11**

The pronouncement comprises the following amendments:

- TFRS 1: Hedge accounting by a first-time adopter
- TFRS 7: Gain or loss on derecognition
- TFRS 7: Disclosure of deferred difference between fair value and transaction price
- TFRS 7: Introduction and credit risk disclosures
- TFRS 9: Lessee derecognition of lease liabilities
- TFRS 9: Transaction price
- TFRS 10: Determination of a ‘de facto agent’
- TAS 7: Cost method

Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

#### **Amendments to TFRS 19 *Subsidiaries without Public Accountability: Disclosures***

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when TFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

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

### **2.8 Significant accounting judgments, estimates and assumptions**

a) Provision for doubtful receivables is an estimated amount that management believes to reflect possible future losses on existing receivables that have collection risk due to current economic conditions. During the impairment test for the receivables, the debtors, other than the key accounts and related parties, are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements and also, the renegotiation conditions with these debtors are considered. As of balance sheet date, provisions for doubtful receivables are reflected in Note 8. The Group also uses the simplified approach in TFRS 9 to calculate expected credit losses of trade receivables. This method requires the recognition of expected credit losses for all trade receivables (Note 8).

b) In determining of provision for litigations, the Group considers the probability of legal cases to be resulted against the Group and in case it is resulted against the Group considers its consequences based on the assessments of legal advisor (Note 17).

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**3. BUSINESS COMBINATIONS**

The Group acquired 94.7% of the issued capital of Mannok Holdings Designated Activity Company (Mannok) effective from 1 October 2024 with the closing transaction dated 2 October 2024, thus gaining control of Mannok, which qualifies as a business as defined in TFRS 3 Business Combinations Standard.

As part of the Group's growth strategy in the global building materials market, the acquisition of Mannok, which operates in the production and sale of cement, cement-based products (such as terracotta, precast and aerated concrete) and insulation materials and recycled plastic packaging in the Republic of Ireland, aims to diversify the geography and sectors in which it operates and increase the share of foreign currency-based revenues in the total.

The amounts recognized in relation to the identifiable assets purchased and liabilities assumed are disclosed in the financial statements as at 31 December 2024.

Cash and cash equivalents	451,263
Trade receivables	2,985,382
Inventories	2,351,487
Property, plant and equipment	6,975,384
Intangible assets	8,511,076
Trade payables	(2,450,591)
Other liabilities	(2,986,915)
Financial liabilities	(2,652,351)
Deferred tax assets/(liabilities)	(1,077,703)
<b>Total value of identifiable assets and liabilities</b>	<b>12,107,032</b>
Goodwill (Note 17)	1,073,507
Non-controlling interests	636,351
<b>Total purchase price</b>	<b>12,544,188</b>
<b>Cash and equivalents - acquired</b>	<b>(451,263)</b>
<b>Cash outflow from acquisition (net)</b>	<b>(12,092,925)</b>

As a result of the full consolidation transaction, the portion of the fair value of the acquired identifiable assets and liabilities exceeding the registered value of the Group's share in the amount of TL 1,073,507 (EUR 21.7 million) (31 December 2025: TL 1,094,460) was recorded as goodwill in the financial position statement as of 31 December 2024. The goodwill in question is not deductible for corporate tax purposes.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**4. SHARES IN OTHER ENTITIES**

Information regarding the subsidiaries in which the Group has major non-controlling interests is as follows:

<b>Subsidiary</b>	<b>31 December 2025</b>			
	<b>Non-controlling interests %</b>	<b>Gain/(loss) attributable to non-controlling interests</b>	<b>Accumulated non-controlling interests</b>	<b>Dividend paid to non-controlling interests</b>
Afyon Çimento Sanayi T.A.Ş.	49	118,082	3,688,737	233,093

<b>Subsidiary</b>	<b>31 December 2024</b>			
	<b>Non-controlling interests %</b>	<b>Gain/(loss) attributable to non-controlling interests</b>	<b>Accumulated non-controlling interests</b>	<b>Dividend paid to non-controlling interests</b>
Afyon Çimento Sanayi T.A.Ş.	49	275,222	3,848,166	124,796

Condensed financial information of subsidiary Afyon Çimento T.A.Ş., is as follows:

**Condensed balance sheet information (Before consolidation adjustments)**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash and cash equivalents	1,066,462	1,565,424
Other current assets	1,431,765	1,137,090
Non-current assets	6,184,560	6,132,221
<b>Total assets</b>	<b>8,682,787</b>	<b>8,834,735</b>
Short-term borrowings	2,110	7,637
Short-term trade payables	938,461	910,753
Other current liabilities	119,874	48,073
Long-term borrowings	4,525	16,380
Other non-current liabilities	40,494	41,211
<b>Total liabilities</b>	<b>1,105,464</b>	<b>1,024,054</b>
<b>Total equity</b>	<b>7,577,323</b>	<b>7,810,681</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**4. SHARES IN OTHER ENTITIES (Continued)**

*Condensed profit or loss information*

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Net sales income	3,867,990	4,241,191
Gross profit	741,511	1,076,232
Operating profit/(loss)	549,568	814,394
Net financial income/(expense)	275,832	414,059
Net monetary position	(402,695)	(313,171)
Profit/(loss) before tax	422,705	916,386
<b>Net profit for the period</b>	<b>240,983</b>	<b>561,678</b>

*Condensed cash flow information*

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Cash flows from operating activities	613,644	1,548,271
Cash flows from investing activities	(602,326)	(393,994)
Cash flows from financing activities (excluding dividend)	(187,834)	85,371
Net increase/(decrease) in cash and cash equivalents	<b>(176,516)</b>	<b>1,239,648</b>

Information regarding the subsidiaries in which the Group has major non-controlling interests is as follows:

<b>Subsidiary</b>	<b>31 December 2025</b>			
	<b>Non- controlling interests %</b>	<b>Gain/(loss) attributable to non- controlling interests</b>	<b>Accumulated non-controlling interests</b>	<b>Dividend paid to non-controlling interests</b>
Cimsa Building Solutions B.V.	31.69	521,020	6,542,202	-

  

<b>Subsidiary</b>	<b>31 December 2024</b>			
	<b>Non- controlling interests %</b>	<b>Gain/(loss) attributable to non- controlling interests</b>	<b>Accumulated non-controlling interests</b>	<b>Dividend paid to non-controlling interests</b>
Cimsa Building Solutions B.V.	31.69	170,783	5,696,176	-

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**4. SHARES IN OTHER ENTITIES (Continued)**

Condensed financial information of subsidiary Cimsa Building Solutions B.V.is as follows:

*Condensed balance sheet information (Before consolidation adjustments)*

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash and cash equivalents	4,557,323	5,801,596
Other current assets	8,384,593	8,438,743
Non-current assets	33,399,524	31,035,424
<b>Total assets</b>	<b>46,341,440</b>	<b>45,275,763</b>
Short term borrowings	2,718,926	8,840,260
Short-term trade payables	2,997,527	2,923,064
Other current liabilities	6,538,163	7,900,570
Other non-current liabilities	14,850,857	9,112,891
<b>Total liabilities</b>	<b>27,105,473</b>	<b>28,776,785</b>
<b>Total equity</b>	<b>19,235,967</b>	<b>16,498,978</b>
<b>Total liabilities and equity</b>	<b>46,341,440</b>	<b>45,275,763</b>

*Condensed profit or loss information*

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Net sales income	27,378,675	15,487,244
Gross profit	5,018,133	2,686,405
Operating profit/(loss)	2,597,993	1,094,631
Net financial income/(expense)	(704,212)	(370,886)
Profit/(loss) before tax	2,042,823	744,129
<b>Net profit for the period</b>	<b>1,644,114</b>	<b>538,916</b>

**5. SEGMENT REPORTING**

Since the majority of the export sales of the Group are to the different geographic regions as one-off basis, the distribution of sales to specific locations is not consistent between years. Therefore, the details of sales are disclosed as domestic and export sales.

The Group manages and organizes its operations depending on the content of the services and goods provided. The Group prepares its segment reporting in accordance with TFRS 8. The transfer prices between segments are prepared on the same basis with third parties. For the years ended 31 December 2025 and 2024, the information about the Group’s segments consists of sales and profits obtained from cement (including clinker and aggregate), building materials and packaging and ready mix concrete; segment assets and liabilities as of 31 December 2025 and 31 December 2024.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

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

**5. SEGMENT REPORTING (Continued)**

<b>1 January – 31 December 2025</b>	<b>Cement</b>	<b>Ready-Mix Concrete</b>	<b>Building Materials and Packaging</b>	<b>Total</b>
Sales	31,479,400	5,351,059	9,076,360	45,906,819
Cost of sales (-)	(24,782,932)	(4,428,668)	(7,703,865)	(36,915,465)
Gross profit/(loss)	6,696,468	922,391	1,372,495	8,991,354
General administrative, marketing, sales distribution expenses (-)	(3,485,418)	(432,476)	(961,426)	(4,879,320)
Other operating income/(expenses) (-), net	885,744	(631)	(22,638)	862,475
Research and development expenses (-)	(47,485)	-	-	(47,485)
Operating profit/(loss)	4,049,309	489,284	388,431	4,927,024
Income (expenses) from investment activities, net	(1,022,629)	-	-	(1,022,629)
Operating profit/(loss) before financial income/expenses	3,026,680	489,284	388,431	3,904,395
Financial income/(expenses), net	(1,366,768)	-	(227,895)	(1,594,663)
Net monetary position gain	2,242,667	-	-	2,242,667
Profit/(loss) from continuing operations before tax	3,902,579	489,284	160,536	4,552,399
Continuing operations tax (expense)/income	(654,256)	-	(92,014)	(746,270)
Profit/(loss) for the period from continuing operations	3,248,323	489,284	68,522	3,806,129

<b>1 January – 31 December 2024</b>	<b>Cement</b>	<b>Ready-Mix Concrete</b>	<b>Building Materials and Packaging</b>	<b>Total</b>
Sales	28,159,926	6,991,622	1,695,228	36,846,776
Cost of sales (-)	(21,663,562)	(5,838,984)	(1,432,929)	(28,935,475)
Gross profit/(loss)	6,496,364	1,152,638	262,299	7,911,301
General administrative, marketing, sales distribution expenses (-)	(2,967,606)	(473,875)	(323,617)	(3,765,098)
Other operating income/(expenses) (-), net	539,686	6,074	3,315	549,075
Research and development expenses (-)	(52,891)	-	-	(52,891)
Operating profit/(loss)	4,015,553	684,837	(58,003)	4,642,387
Income (expenses) from investment activities, net	244,140	-	-	244,140
Operating profit/(loss) before financial income/expenses	4,259,693	684,837	(58,003)	4,886,527
Financial income/(expenses), net	(1,412,869)	-	(3,159)	(1,416,028)
Net monetary position gain	1,640,191	-	-	1,640,191
Profit/(loss) from continuing operations before tax	4,487,015	684,837	(61,162)	5,110,690
Continuing operations tax (expense)/income	(1,114,703)	-	1,895	(1,112,808)
Profit/(loss) for the period from continuing operations	3,372,312	684,837	(59,267)	3,997,882

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**5. SEGMENT REPORTING (Continued)**

<b>31 December 2025</b>	<b>Cement</b>	<b>Ready - mix concrete</b>	<b>Building Materials and Packaging</b>	<b>Undistributed</b>	<b>Total</b>
Segment assets	76,218,986	2,453,639	9,314,840	-	87,987,465
Financial investments	-	-	-	2,607,640	2,607,640
Undistributed assets	-	-	-	2,005,763	2,005,763
<b>Total assets</b>	<b>76,218,986</b>	<b>2,453,639</b>	<b>9,314,840</b>	<b>4,613,403</b>	<b>92,600,868</b>
Segment liabilities	42,431,353	1,036,654	5,678,893	-	49,146,900
Undistributed liabilities	-	-	-	43,453,968	43,453,968
<b>Total liabilities</b>	<b>42,431,353</b>	<b>1,036,654</b>	<b>5,678,893</b>	<b>43,453,968</b>	<b>92,600,868</b>

<b>31 December 2024</b>	<b>Cement</b>	<b>Ready - mix concrete</b>	<b>Building Materials and Packaging</b>	<b>Undistributed</b>	<b>Total</b>
Segment assets	70,094,771	2,824,123	7,834,339	-	80,753,233
Financial investments	-	-	-	3,672,789	3,672,789
Undistributed assets	-	-	-	4,062,372	4,062,372
<b>Total assets</b>	<b>70,094,771</b>	<b>2,824,123</b>	<b>7,834,339</b>	<b>7,735,161</b>	<b>88,488,394</b>
Segment liabilities	40,865,332	1,158,845	4,530,255	-	46,554,432
Undistributed liabilities	-	-	-	41,933,962	41,933,962
<b>Total liabilities</b>	<b>40,865,332</b>	<b>1,158,845</b>	<b>4,530,255</b>	<b>41,933,962</b>	<b>88,488,394</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**5. SEGMENT REPORTING (Continued)**

**1 January - 31 December 2025**

<b>Other segment information</b>	<b>Cement</b>	<b>Ready - mix concrete</b>	<b>Building Materials and Packaging</b>	<b>Total</b>
Property, plant and equipment	8,106,649	358,770	455,988	8,921,407
Intangible assets	1,165,647	-	90,122	1,255,769
<b>Total investment expenses</b>	<b>9,272,296</b>	<b>358,770</b>	<b>546,110</b>	<b>10,177,176</b>
Depreciation expenses	(3,054,535)	(153,945)	(237,037)	(3,445,517)
Amortization	(694,376)	-	(33,749)	(728,125)

**1 January - 31 December 2024**

<b>Other segment information</b>	<b>Cement</b>	<b>Ready - mix concrete</b>	<b>Building Materials and Packaging</b>	<b>Total</b>
Property, plant and equipment	4,640,735	237,938	49,873	4,928,546
Intangible assets	37,359	-	38,855	76,214
<b>Total investment expenses</b>	<b>4,678,094</b>	<b>237,938</b>	<b>88,728</b>	<b>5,004,760</b>
Depreciation expenses	(2,174,666)	(8,975)	(58,511)	(2,242,152)
Amortization	(308,873)	-	(13,292)	(322,165)

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**6. CASH AND CASH EQUIVALENTS**

The detail of cash and cash equivalents as of 31 December 2025 and 31 December 2024 is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash	330	277
Cash at banks	9,736,338	10,062,031
<i>Demand deposits</i>	2,332,156	2,066,859
<i>Time deposits</i>	7,404,182	7,995,172
	<b>9,736,668</b>	<b>10,062,308</b>
Blocked deposits (-) (*)	(32,683)	(34,366)
Cash and cash equivalents in consolidated cash flow statements	<b>9,703,985</b>	<b>10,027,942</b>

(\*) Blocked deposits consist of the 1-day temporary balance of collections made within the scope of the direct debit system.

The detail of bank deposits is stated below:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Turkish Lira	3,870,130	2,605,307
Euro	3,910,289	2,517,995
US Dollar	981,822	4,239,781
British Pound	500,635	683,424
Other	473,462	15,524
	<b>9,736,338</b>	<b>10,062,031</b>

Time deposits as of 31 December 2025 and 31 December 2024 are denominated in TL, EUR, USD and GBP with the maturity of less than three months. As of 31 December 2025, effective weighted average interest rate on time deposits is 49.07% for TL, 4.64% for USD, 2.07% for EUR (31 December 2024 TL: 46.74%, USD: 4.38%, EUR: 3.15%). The blocked deposit amount is TL 32,683 as of 31 December 2025 (The blocked deposit amount is TL 34,366 as of 31 December 2024).

Credit risks of banks with group deposits are evaluated by taking into account independent data. The market values of cash and cash equivalents approximate to their carrying values, including the interest income accrued at the balance sheet date.

**7. FINANCIAL INVESTMENTS**

<b>Financial assets</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Hacı Ömer Sabancı Holding A.Ş.	2,332,945	3,479,517
Other financial assets	274,695	193,272
	<b>2,607,640</b>	<b>3,672,789</b>

The shares of Hacı Ömer Sabancı Holding Anonim Şirketi, which are among the Group’s assets measured at fair value through other comprehensive income and are traded on the stock exchange, have been valued at fair value as of the balance sheet date using the best bid price on BIST. The fair value difference of TL 1,146,580 for the accounting period ended 31 December 2025, has been recognized under expense from investment activities account.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**8. TRADE RECEIVABLES AND PAYABLES**

**a. Trade Receivables**

Short-term trade receivables	31 December 2025	31 December 2024
Trade receivables	7,341,166	7,430,634
Notes receivables	882,604	399,473
Trade receivables from related parties (Note 32)	6,396	569
Allowance for doubtful receivables (-)	(381,353)	(402,490)
Less: Provision for expected credit losses	(27,044)	(22,536)
	<b>7,821,769</b>	<b>7,405,650</b>

Collection terms of trade receivables’, notes receivables’ and checks’ vary based on the type of the product and agreements made with the customers and the average term is 54 days (31 December 2024: 38 days). Effective interest rates used when determining the amortized cost are 37.96% for TL, 3.87% for USD and 1.93% for EUR (31 December 2024: TL: 49.25%, USD: 5.25%, EUR: 5.73%).

The movement of the provision for doubtful receivables for the periods ended 31 December 2025 and 2024 is as follows:

Movements of allowance for doubtful receivables	1 January- 31 December 2025	1 January- 31 December 2024
Opening balance	402,490	20,658
Provisions during the period (Note 26)	44,268	35,768
Reversal of the provision (-) (Note 26)	(65,692)	(759)
Monetary gain/(loss)	(94,992)	(16,349)
Foreign currency translation reserve	95,279	-
Increases due to subsidiary acquisitions	-	363,172
Closing Balance	<b>381,353</b>	<b>402,490</b>

**b. Trade Payables**

Short-term trade payables	31 December 2025	31 December 2024
Trade payables	8,368,075	8,291,898
Trade payables to related parties (Note 32)	183,081	407,426
	<b>8,551,156</b>	<b>8,699,324</b>

The average payment period of trade payables is 75 days (31 December 2024: 53 days). Effective interest rates used when determining the amortized cost are 37.96% for TL, 3.87% for USD and 1.93% for EUR (31 December 2024: TL: 49.25%, USD: 5.25%, EUR: 5.73%).

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**9. FINANCIAL BORROWINGS**

The detail of Group’s financial borrowings as of the balance sheet date is stated below:

Financial Borrowings	31 December 2025	31 December 2024
Short-term borrowings	3,882,887	8,515,013
Short-term portion of long-term borrowings	3,378,511	8,843,894
Short-term financial lease liabilities	209,644	127,060
Short-term issued bonds	-	670,296
	<b>7,471,042</b>	<b>18,156,263</b>
Long-term borrowings	20,706,402	9,340,811
Long-term financial lease liabilities	1,040,839	631,898
	<b>21,747,241</b>	<b>9,972,709</b>
Financial borrowings except TFRS 16	<b>27,967,800</b>	<b>27,370,014</b>
Total financial borrowings	<b>29,218,283</b>	<b>28,128,972</b>

The details of the borrowings as of 31 December 2025 are as follows:

Currency Type	Interest Rate Range	Short-Term	Long-Term	31 December 2025
TL	20.93%-24.12%	3,610,914	-	3,610,914
USD	6M SOFR+2.90%-3.40%	1,095,782	4,329,364	5,425,146
USD	7%	216,303	-	216,303
EUR	6M Euribor+2.60%-3.00%	1,523,814	16,066,727	17,590,541
EUR	3.60%-7%	770,057	252,721	1,022,778
Other	6.50%-7.55%	44,528	57,590	102,118
		<b>7,261,398</b>	<b>20,706,402</b>	<b>27,967,800</b>

The details of the borrowings as of 31 December 2024 are as follows:

Currency Type	Interest Rate Range	Short-Term	Long-Term	31 December 2024
TL	26.95%-32.5%	3,529,681	-	3,529,681
USD	5.25%-6.19%	1,191,759	952,510	2,144,269
USD	6M SOFR+2.90%-3.40%	322,397	2,754,681	3,077,078
EUR	5.75%-6.5%	3,446,149	1,396,436	4,842,585
EUR	6M Euribor+2.90%-3.45%	9,503,759	4,177,390	13,681,149
Other	7.19%	35,458	59,794	95,252
		<b>18,029,203</b>	<b>9,340,811</b>	<b>27,370,014</b>

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**9. FINANCIAL BORROWINGS (Continued)**

The details of the payback plan of credits as of 31 December 2025 and 31 December 2024 are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Will be paid in 1 year (*)	7,261,398	18,029,203
Will be paid in 1 - 2 years	6,844,152	4,759,501
Will be paid in 2 - 3 years	4,913,300	2,232,401
Will be paid in 3 - 4 years	4,753,835	1,208,230
Will be paid in 4 - 5 years	4,116,649	909,710
Will be paid in more than 5 years	78,466	230,969
	<u><b>27,967,800</b></u>	<u><b>27,370,014</b></u>

(\*) Short-term loans were used for the purchase of shares of Mannok Holding DAC. The short-term loans used were closed using a 5-year term loan with a 2-year grace period within the framework of the loan agreement signed with the participation of 3 banks on 12 February 2025.

On 24 June 2024, the Company signed a loan agreement with the European Bank for Reconstruction and Development (EBRD) for the amount of 25 million Euros, with a maturity of 5 years, with a 2-year grace period for the financing of sustainability investments. With this agreement, EBRD has provided long-term financing to a cement company in Türkiye for the first time. On 5 November 2025, the Company signed a loan agreement with the European Bank for Reconstruction and Development (EBRD) for the amount of 50 million Euros, with a total maturity of 5 years with a 2-year grace period for principal repayment. The loan will be available in two equal tranches; the first tranche has been utilized, while the second tranche may be utilized in line with the Company’s cash requirements.

The Company signed a green loan agreement with the International Finance Corporation (IFC) for a total of 5 years with a 2-year grace period for a total of 5 years, in the amount of 70 million USD on 1 November 2024. The loans received from EBRD and IFC will be used in renewable energy, alternative fuels, alternative raw materials, product transformation and other efficiency investments in the factories located in Mersin, Eşkişehir and Afyon in line with the Company's greenhouse gas emission reduction targets.

With respect to the acquisition loan utilized for the purchase of the Bunol white cement plant, the acquisition of which was completed in July 2021, an amount of 29.8 million Euros was repaid on 30 September 2025 through the exercise of the early repayment option. The repaid loan was refinanced with a more favorable 30 million Euro loan with a maturity in 2029, obtained on 24 December 2025.

The movements of financial liabilities during the year are as follows.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Borrowings at the beginning of the period	27,370,014	15,570,097
Borrowings received	21,624,296	24,322,766
Borrowings paid	(19,075,469)	(8,725,706)
Change in interest accruals	711,358	1,078,530
Foreign exchange	43,872	763,299
Monetary gain/(loss)	(6,354,815)	(6,465,577)
Foreign currency translation reserve	3,648,544	826,605
<b>Total borrowings</b>	<u><b>27,967,800</b></u>	<u><b>27,370,014</b></u>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**10. OTHER RECEIVABLES AND PAYABLES**

**a. Other Receivables**

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Short-Term Other Receivables from Third Parties	<b>2025</b>	<b>2024</b>
Other miscellaneous receivables	80,475	42,897
Due from personnel	1,907	1,976
Receivables from insurance claims	40,548	-
	<b>122,930</b>	<b>44,873</b>
	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Long-Term Other Receivables	<b>2025</b>	<b>2024</b>
Deposits and guarantees given	13,612	19,239
	<b>13,612</b>	<b>19,239</b>

**b. Other Payables**

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Short-Term Other Payables	<b>2025</b>	<b>2024</b>
Taxes and funds payable	464,061	413,372
Deposits and guarantees received	31,789	25,535
Other payables due to related parties (Note 32)	33,253	29,689
	<b>529,103</b>	<b>468,596</b>

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**11. INVENTORIES**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Inventories		
Raw materials	2,467,092	3,297,246
Work-in progress	1,812,034	1,943,711
Finished goods	1,823,851	1,665,391
Goods in transit	639,651	311,990
Other inventories	183,094	229,033
Inventory impairment provision (-)	(138,994)	(682,787)
	<b>6,786,728</b>	<b>6,764,584</b>

**Inventory impairment provision movement**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Inventory impairment provision movement		
Opening balance	682,787	46,421
Provisions during the period (Note 25)	38,622	1,387
Reversal of the provision (-) (Note 25)	(33,613)	(15,902)
Foreign currency translation reserve	(32,886)	-
Classifications (Note 13)	(515,916)	-
Increases due to subsidiary acquisitions	-	650,881
Closing balance	<b>138,994</b>	<b>682,787</b>

The Group allocates an allowance for the impairment on the inventories of finished goods, work in progress and raw materials in the cases when their net realizable values are lower than their costs or when they are classified as slow moving inventories. The provision has been recognized under cost of sales.

**12. PREPAID EXPENSES AND DEFERRED INCOME**

**a. Prepaid Expenses**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Short-Term Prepaid Expenses		
Prepaid expenses	216,524	309,101
Advances given	33,504	250,520
	<b>250,028</b>	<b>559,621</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
Long-Term Prepaid Expenses		
Advances given for the purchase of fixed assets (*)	178,788	1,218,068
	<b>178,788</b>	<b>1,218,068</b>

(\*) Mainly consists of the advance payment for the investment in the grey cement grinding plant at our factory in America.

**b. Deferred Income**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Short-Term Deferred Income		
Advances received	154,400	232,088
	<b>154,400</b>	<b>232,088</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**13. PROPERTY, PLANT AND EQUIPMENT**

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
<b>Cost value</b>									
<b>Opening balance as of 1 January 2025</b>	<b>1,203,486</b>	<b>3,114,224</b>	<b>12,837,525</b>	<b>46,840,028</b>	<b>1,670,622</b>	<b>1,067,530</b>	<b>1,473,625</b>	<b>2,487,869</b>	<b>70,694,909</b>
Foreign currency translation reserve	-	37,146	7,485	379,614	25,008	365,183	104,895	121,495	1,040,826
Additions	11,699	64,923	22,994	1,549,466	56,000	290,363	12,845	6,701,348	8,709,638
Disposals	(358)	-	-	(55,722)	(15,565)	(74,864)	-	-	(146,509)
Transfers from construction in progress	-	398,027	1,381,965	3,248,826	134,575	74,031	-	(5,315,913)	(78,489)
Classifications (*) (Note 11)	-	-	-	211,769	-	-	-	-	211,769
<b>Closing balance as of 31 December 2025</b>	<b>1,214,827</b>	<b>3,614,320</b>	<b>14,249,969</b>	<b>52,173,981</b>	<b>1,870,640</b>	<b>1,722,243</b>	<b>1,591,365</b>	<b>3,994,799</b>	<b>80,432,144</b>
<b>Accumulated depreciation</b>									
<b>Opening balance as of 1 January 2025</b>	<b>-</b>	<b>(1,576,416)</b>	<b>(5,237,091)</b>	<b>(24,181,965)</b>	<b>(1,271,183)</b>	<b>(473,809)</b>	<b>(1,161,684)</b>	<b>-</b>	<b>(33,902,148)</b>
Foreign currency translation reserve	-	(62,330)	(89,958)	(118,020)	(15,273)	(253,747)	(3,896)	-	(543,224)
Charge for the period	-	(104,822)	(384,515)	(2,377,832)	(89,634)	(231,117)	(7,402)	-	(3,195,322)
Disposals	-	-	-	38,764	15,454	73,890	-	-	128,108
<b>Closing balance as of 31 December 2025</b>	<b>-</b>	<b>(1,743,568)</b>	<b>(5,711,564)</b>	<b>(26,639,053)</b>	<b>(1,360,636)</b>	<b>(884,783)</b>	<b>(1,172,982)</b>	<b>-</b>	<b>(37,512,586)</b>
<b>Net book value as of 31 December 2025</b>	<b>1,214,827</b>	<b>1,870,752</b>	<b>8,538,405</b>	<b>25,534,928</b>	<b>510,004</b>	<b>837,460</b>	<b>418,383</b>	<b>3,994,799</b>	<b>42,919,558</b>

At the meeting of the Board of Directors of the Group’s subsidiary, Afyon Çimento, held on 1 October 2025, it was resolved to acquire the construction solutions (Kratos) business line of Kordsa Teknik Tekstil A.Ş., in order to expand its field of activity and product portfolio with sustainability and technology focused, innovative and value-added products. The acquisition was structured as a transfer of the assets included in the relevant business line (comprising certain machinery, fixtures and equipment, other intellectual property rights, inventories, spare parts and other related tangible and intangible assets) for a total consideration of USD 10,000,000, excluding VAT, based on the conclusions set out in the valuation report prepared by Ernst & Young Kurumsal Finansman Danışmanlık A.Ş. Following the payment made in accordance with the terms of the relevant agreement, the transfer of the assets was completed as of 3 November 2025.

(\*) Classification has been made for plant, property and equipment based on the net values of the classified stocks.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**13. PROPERTY, PLANT AND EQUIPMENT (Continued)**

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
<b>Cost value</b>									
<b>Opening balance as of 1 January 2024</b>	<b>1,216,238</b>	<b>3,100,079</b>	<b>12,178,350</b>	<b>38,042,781</b>	<b>1,310,127</b>	<b>744,753</b>	<b>109,002</b>	<b>278,243</b>	<b>56,979,573</b>
Foreign currency translation reserve	-	(157,137)	(565,523)	(1,955,236)	(67,777)	(40,948)	(5,907)	(40,655)	(2,833,183)
Increases due to subsidiary acquisitions	-	52,706	1,037,116	8,957,404	379,108	19,452	1,354,552	148,411	11,948,749
Additions	564	21,695	70,409	880,805	53,668	333,148	15,978	3,552,279	4,928,546
Disposals	(13,316)	-	(335)	(211,196)	(4,504)	(10,867)	-	-	(240,218)
Transfers from construction in progress	-	96,881	117,508	1,125,470	-	21,992	-	(1,450,409)	(88,558)
<b>Closing balance as of 31 December 2024</b>	<b>1,203,486</b>	<b>3,114,224</b>	<b>12,837,525</b>	<b>46,840,028</b>	<b>1,670,622</b>	<b>1,067,530</b>	<b>1,473,625</b>	<b>2,487,869</b>	<b>70,694,909</b>
<b>Accumulated depreciation</b>									
<b>Opening balance as of 1 January 2024</b>	<b>-</b>	<b>(1,504,674)</b>	<b>(4,396,916)</b>	<b>(20,374,255)</b>	<b>(913,947)</b>	<b>(341,675)</b>	<b>(100,559)</b>	<b>-</b>	<b>(27,632,026)</b>
Foreign currency translation reserve	-	42,236	93,910	525,219	24,339	2,807	2,978	-	691,489
Increases due to subsidiary acquisitions	-	(20,935)	(643,116)	(2,927,419)	(319,681)	(11,157)	(1,051,056)	-	(4,973,364)
Charge for the period	-	(93,043)	(290,970)	(1,525,139)	(64,946)	(131,440)	(13,047)	-	(2,118,585)
Disposals	-	-	1	119,629	3,052	7,656	-	-	130,338
<b>Closing balance as of 31 December 2024</b>	<b>-</b>	<b>(1,576,416)</b>	<b>(5,237,091)</b>	<b>(24,181,965)</b>	<b>(1,271,183)</b>	<b>(473,809)</b>	<b>(1,161,684)</b>	<b>-</b>	<b>(33,902,148)</b>
<b>Net book value as of 31 December 2024</b>	<b>1,203,486</b>	<b>1,537,808</b>	<b>7,600,434</b>	<b>22,658,063</b>	<b>399,439</b>	<b>593,721</b>	<b>311,941</b>	<b>2,487,869</b>	<b>36,792,761</b>

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**13. PROPERTY, PLANT AND EQUIPMENT (Continued)**

The distribution of depreciation charge for the property, plant and equipment is as follows:

	<b>1 January – 31 December 2025</b>	<b>1 January – 31 December 2024</b>
Cost of sales	(2,921,781)	(1,845,914)
General administrative expenses	(180,524)	(258,075)
Marketing, sales, and distribution expenses	(91,934)	(13,594)
Research and development expenses	(1,083)	(1,002)
	<b>(3,195,322)</b>	<b>(2,118,585)</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**14. INTANGIBLE ASSETS**

	<u>Mining Rights</u>	<u>Other Intangible Assets</u>	<u>Customer contract and relations</u>	<u>Rights</u>	<u>Brand</u>	<u>Total</u>
<b>Cost value</b>						
<b>Opening balance as of 1 January 2025</b>	<b>3,344,910</b>	<b>788,115</b>	<b>5,031,407</b>	<b>5,390,672</b>	<b>548,601</b>	<b>15,103,705</b>
Foreign currency translation reserve	456,562	35,516	(205,268)	259,382	140,180	686,372
Additions	42,490	71,319	-	1,141,960	-	1,255,769
Transfers from constructions in progress	-	78,489	-	-	-	78,489
<b>Closing balance as of 31 December 2025</b>	<b>3,843,962</b>	<b>973,439</b>	<b>4,826,139</b>	<b>6,792,014</b>	<b>688,781</b>	<b>17,124,335</b>
<b>Accumulated depreciation</b>						
<b>Opening balance as of 1 January 2025</b>	<b>(1,583,069)</b>	<b>(534,418)</b>	<b>(492,086)</b>	<b>(27,125)</b>	<b>(13,152)</b>	<b>(2,649,850)</b>
Foreign currency translation reserve	(176,823)	(24,208)	104,025	1,622	2,592	(92,792)
Amortization for the period	(66,120)	(108,519)	(503,289)	(50,197)	-	(728,125)
<b>Closing balance as of 31 December 2025</b>	<b>(1,826,012)</b>	<b>(667,145)</b>	<b>(891,350)</b>	<b>(75,700)</b>	<b>(10,560)</b>	<b>(3,470,767)</b>
<b>Net book value as of 31 December 2025</b>	<b>2,017,950</b>	<b>306,294</b>	<b>3,934,789</b>	<b>6,716,314</b>	<b>678,221</b>	<b>13,653,568</b>

	<u>Mining Rights</u>	<u>Other Intangible Assets</u>	<u>Customer contract and relations</u>	<u>Rights</u>	<u>Brand</u>	<u>Total</u>
<b>Cost value</b>						
<b>Opening balance as of 1 January 2024</b>	<b>1,094,439</b>	<b>475,655</b>	<b>1,582,611</b>	<b>3,753,133</b>	<b>-</b>	<b>6,905,838</b>
Foreign currency translation reserve	(45,144)	(21,067)	(939,654)	(526,597)	-	(1,532,462)
Increases due to subsidiary acquisitions	2,295,615	201,651	4,388,450	2,131,240	548,601	9,565,557
Additions	-	43,318	-	32,896	-	76,214
Transfers from constructions in progress	-	88,558	-	-	-	88,558
<b>Closing balance as of 31 December 2024</b>	<b>3,344,910</b>	<b>788,115</b>	<b>5,031,407</b>	<b>5,390,672</b>	<b>548,601</b>	<b>15,103,705</b>
<b>Opening balance as of 1 January 2024</b>	<b>(662,431)</b>	<b>(305,027)</b>	<b>(323,874)</b>	<b>-</b>	<b>-</b>	<b>(1,291,332)</b>
Foreign currency translation reserve	3,852	2,127	39,274	(27,125)	-	18,128
Increases due to subsidiary acquisitions	(891,903)	(162,578)	-	-	-	(1,054,481)
Amortization for the period	(32,587)	(68,940)	(207,486)	-	(13,152)	(322,165)
<b>Closing balance as of 31 December 2024</b>	<b>(1,583,069)</b>	<b>(534,418)</b>	<b>(492,086)</b>	<b>(27,125)</b>	<b>(13,152)</b>	<b>(2,649,850)</b>
<b>Net book value as of 31 December 2024</b>	<b>1,761,841</b>	<b>253,697</b>	<b>4,539,321</b>	<b>5,363,547</b>	<b>535,449</b>	<b>12,453,855</b>

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**14. INTANGIBLE ASSETS (Continued)**

The mining rights are amortized in proportion to the reserves consumed in the current year to the total reserves. The remaining amortization period depends on the duration of the depletion of the remaining reserves.

The distribution of amortization charge for intangible assets is as follows:

	<b>1 January – 31 December 2025</b>	<b>1 January – 31 December 2024</b>
Cost of sales	(635,629)	(281,238)
General administrative expenses	(62,032)	(27,447)
Marketing, sales and distribution expenses	(29,574)	(13,086)
Research and development expenses	(890)	(394)
	<b>(728,125)</b>	<b>(322,165)</b>

**15. RIGHT-OF-USE ASSETS**

Details regarding the right-of-use assets recognized on asset basis are as follows were as follows:

<b>Right-of-Use Assets</b>	<b>1 January 2025</b>	<b>Additions</b>	<b>Depreciation Expense for the Period</b>	<b>Foreign Currency Translation Reserve</b>	<b>31 December 2025</b>
Buildings	364,370	229,468	(160,629)	26,953	460,162
Vehicles	257,705	245,590	(89,566)	21,098	434,827
	<b>622,075</b>	<b>475,058</b>	<b>(250,195)</b>	<b>48,051</b>	<b>894,989</b>

The depreciation expense of TL 67,327 for the period ending on 31 December 2025 of the right-of-use assets has been included in the cost of the goods sold and the part of TL 182,868 has been included in the general administrative expense.

<b>Right-of-Use Assets</b>	<b>1 January 2024</b>	<b>Additions</b>	<b>Depreciation Expense for the Period</b>	<b>Foreign Currency Translation Reserve</b>	<b>31 December 2024</b>
Buildings	359,096	94,318	(51,918)	(37,126)	364,370
Vehicles	314,585	47,130	(71,649)	(32,361)	257,705
	<b>673,681</b>	<b>141,448</b>	<b>(123,567)</b>	<b>(69,487)</b>	<b>622,075</b>

The depreciation expense of TL 33,252 for the period ending on 31 December 2024 of the right-of-use assets has been included in the cost of the goods sold and the part of TL 90,315 has been included in the general administrative expense.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**16. INVESTMENT PROPERTIES**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Opening balance	78,586	-
Fair value gains (Note 27)	3,346	5,780
Foreign currency translation reserve and inflation adjustment effect	1,972	-
Increases due to subsidiary acquisitions	-	72,806
	<u><b>83,904</b></u>	<u><b>78,586</b></u>

The fair value of Mannok Holdings DAC's investment properties in the Republic of Ireland as of 31 December 2025 was determined by a valuation firm independent of the Group. The independent appraisal company has sufficient experience and qualifications in measuring the fair value of real estate in the relevant regions. The fair value of the lands owned was determined according to the market comparative approach method, which reflects the current transaction prices for similar real estate. In determining the fair value of the lands, the highest and best of the current use value was used. No different valuation technique was used in the current period. In the current period, the fair value hierarchy level of investment properties measured with a different valuation technique as of 31 December 2025 is 2.

**17. GOODWILL**

The goodwill amount presented in the Group’s financial statements as of 31 December 2025 is related to Eskişehir Cement Factory (‘Standart Çimento’) acquired in 2005, Çimsa Cement located in TRNC, Bilecik Ready Mixed Concrete Facilities acquired in 2008, Afyon Çimento Sanayi Türk Anonim Şirketi acquired in 2012, Bunol Factory acquired in 2021 and Mannok Holdings DAC acquired in 2024. The movement of goodwill for the periods ending 31 December 2025 and 31 December 2024 is stated below.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Eskişehir	3,785,771	3,785,771
Afyon Çimento Sanayi T.A.Ş.	193,175	193,175
Bilecik Hazır Beton	97,094	97,094
Çimsa Cement Free Zone Ltd.	9,513	9,513
Bunol	285,667	436,942
Mannok Holdings DAC	1,094,460	1,073,507
	<u><b>5,465,680</b></u>	<u><b>5,596,002</b></u>

Goodwill amounts associated with cash generating units are subjected to an impairment determination study once a year or more frequently in December when the circumstances indicate impairment. The recoverable value of the cash-generating units has been determined on the basis of value in use or fair value less cost to sell. The recoverable value was determined according to the fair value calculations made according to the discounted cash flow analysis. These calculations include cash flow projections on a TL basis and are based on ten-year plans between 1 January 2026 and 31 December 2035. For the cash flow estimation, 24.4% weighted average cost of capital and cost and sales price increases in line with macroeconomic and market assumptions were taken into account. As a result of these impairment tests, the recoverable value of the goodwill was determined on the registered value as a result of the examination as of 31 December 2025, and no impairment was found.

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

These generally accepted valuation techniques are based on the changing EBITDA/net sales ratio on the basis of cash generating unit with a growth rate of 10% - 15% on the basis of each cash-generating unit and it is extremely sensitive to changes in the Weighted Average Cost of Capital values accepted as 24.4%.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**17. GOODWILL (Continued)**

While the EBITDA/Net Sales ratio is in line with the budgets prepared by the Group management on a cash-generating unit basis for 2025 and beyond, the Weighted Average Cost of Capital ratio depends on some macroeconomic and cement sector-specific variables.

When calculating the estimated recoverable amount, when the discount rate is increased by 1 point from the values used in the assumptions by keeping the other variables constant, or in the same way, when the growth rate is reduced by 1 point from the values used in the assumptions by keeping the other variables constant, the recoverable amount of the cash generating unit does not fall below the book value.

The fair value calculations of the cash-generating unit in question include after-tax cash flow projections, and these projections determined in Turkish Lira are based on ten-year plans approved by Çimsa management. The Group foresees that an analysis for a period longer than five years is more appropriate in evaluating operational results and forward-looking forecasts in the sector it operates in, and therefore bases the impairment test on ten-year projections.

**18. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

**a. Short-Term Provisions**

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Short-term provisions		
Carbon liabilities (*)	3,951,800	3,233,335
Provision for litigations	54,658	72,054
Short-term employee benefits	481,370	241,358
Other provisions	314,492	183,719
	<b>4,802,320</b>	<b>3,730,466</b>

(\*) Mainly consists of the carbon obligations of CBS B.V.

The movement of “Provision for the litigations” as of 31 December 2025 and 2024 is stated below:

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Provision for the litigation movements		
Opening balance	72,054	86,266
Additional provision (Note 26)	3,821	16,382
Reversal of provision (-) (Note 26)	(4,252)	(2,386)
Monetary gain/(loss)	(16,965)	(28,208)
Closing balance	<b>54,658</b>	<b>72,054</b>

As of 31 December 2025, the Group has provided a provision amounting to TL 54,658 for the risky cases against the Company with the opinion obtained from the Company’s legal counsels (31 December 2024: TL 72,054).

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**18. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**b. Long-term provisions**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Long-term provisions		
Long-term employee benefits	319,591	280,679
Other long-term provisions	289,389	288,257
	<b>608,980</b>	<b>568,936</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
Other long-term provisions		
Recultivation provision	289,389	288,257
	<b>289,389</b>	<b>288,257</b>

The operations of the Group such as mining, cement production are subject to the Environment Law, and to the Land Protection and Utilization Law. All liabilities such as taxes, duties and emission fees resulting from this legislation have been fulfilled by the Group. This legislation addresses the costs that could arise from recovering the damage and pollution in the land while vacating the mines. Accordingly, the management calculated the estimated cost of plans that are deemed to meet the requirements of legislation related to the mining areas in which the Group operates. The Group has accounted and disclosed the recultivation provision amounting to TL 289,389 under “Other Long-Term Provisions” as of 31 December 2025 (31 December 2024: TL 288,257).

Movement of recultivation provision as of 31 December 2025 and 31 December 2024 is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Recultivation provision movement		
Opening balance	288,257	39,620
Additional provision (Note 26)	6,812	10,332
Foreign currency translation reserve and inflation adjustment effect	(5,680)	(13,176)
Increases due to subsidiary acquisitions	-	251,481
Closing balance	<b>289,389</b>	<b>288,257</b>

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**19. COMMITMENTS**

The collaterals, pledges and mortgages (CPM) received by the Group as of 31 December 2025 and 31 December 2024 are as follows:

	Currency	31 December 2025		31 December 2024	
		Original Amount	TL Amount	Original Amount	TL Amount
Guarantee letter received	TL	4,389,443	4,389,443	3,181,416	4,164,220
Guarantee letter received	USD	51,572	2,210,484	31,997	1,475,210
Guarantee letter received	EUR	11,232	566,690	11,252	541,144
Guarantee letter received	Other	276	4,555	276	14,075
Mortgages received	TL	73,070	73,070	72,516	94,918
Mortgages received	Other	14,877	187,124	-	-
Checks and notes received	TL	56,530	56,530	66,530	87,082
Checks and notes received	USD	47	2,027	41,859	1,929,889
Pledge	TL	763,165	763,165	1,059,653	1,387,000
Total CPMs received			<b>8,253,088</b>		<b>9,693,538</b>

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**19. COMMITMENTS (Continued)**

As of 31 December 2025 and 31 December 2024, the details of the collaterals, pledges and mortgages (CPM) given are as follows:

	Currency	31 December 2025		31 December 2024	
		Original Amount	TL Amount	Original Amount	TL Amount
A. Total CPM given for the Company’s own legal entity (*)	TL	3,709,170	3,709,170	6,970,410	9,123,709
	USD	3,500	150,018	3,400	156,755
	EUR	84,630	4,269,870	152,685	7,343,133
	Other	11,700	147,159	11,700	127,279
B. Total CPM given in favor of subsidiaries consolidated online-by-line basis (**)	EUR	167,420	8,446,875	191,500	9,209,908
	USD	38,360	1,644,198	45,500	2,097,755
C. Total CPM given in favor of other 3rd parties for ordinal trading operations	-	-	-	-	-
D. Other CPM given					
i. Total CPM given in favor of parent entity	-	-	-	-	-
ii. Total CPM given in favor of other Group companies not of scope of clause B and C	-	-	-	-	-
iii. Total CPM given in favor of other 3rd parties out of scope of clause C	-	-	-	-	-
			<b>18,367,290</b>		<b>28,058,539</b>

(\*) It mainly consists of guarantees given for Exim loans.

(\*\*) Consists of the guarantees given by our Company for the loans utilized by the associates of our subsidiary SBS B.V.

The ratio of other GPMs given by the Group to the Group's equity is 0% as of 31 December 2025 (31 December 2024: 0%).

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**20. EMPLOYEE BENEFITS**

**a. Employee Benefit Obligations**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Social security premium payables	66,209	152,635
Wage accrual and income tax withholding payable to personnel	33,157	24,674
	<b>99,366</b>	<b>177,309</b>

**b. Long-Term Employee Benefits**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Retirement pay provision	226,412	208,008
Provision for unpaid vacation liability	74,821	55,601
Seniority provision	18,358	17,070
	<b>319,591</b>	<b>280,679</b>

In accordance with the existing social legislation in Türkiye, the Group is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

Such payments are calculated on the basis of one month’s pay limited to a maximum of TL 53,919.68 full as of 31 December 2025 (31 December 2024: TL 41,828.42 full).

In the consolidated financial statements dated 31 December 2025 and 31 December 2024, the actuarial assumptions used in calculating the severance pay liability are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Net discount rate (%)	4	3

As at 31 December 2025 and 31 December 2024, the movement of “Provision for Employment Termination Benefits” is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Opening balance	208,008	233,738
Service cost	32,577	33,734
Interest cost	43,049	43,148
Actuarial gain	(37,850)	(4,934)
Payments	(15,607)	(51,410)
Monetary (gain)/loss	(49,092)	(46,947)
Foreign currency translation reserve	45,327	679
Closing balance	<b>226,412</b>	<b>208,008</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**20. EMPLOYEE BENEFITS (Continued)**

**b. Long-Term Employee Benefits (Continued)**

The movement of provision for unpaid vacation liability in the period is stated below:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Opening balance	55,601	52,726
Additional provision	41,256	28,711
Provision paid during the period	(8,913)	(11,309)
Monetary (gain)/loss	(13,123)	(14,527)
Closing balance	<b>74,821</b>	<b>55,601</b>

The movement of ‘seniority provision’ in the period is stated below:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Opening balance	17,070	11,120
Additional provision	9,241	15,941
Premium paid during the period	(3,055)	(4,646)
Monetary (gain)/loss	(4,898)	(5,345)
Closing balance	<b>18,358</b>	<b>17,070</b>

**21. OTHER ASSETS AND LIABILITIES**

**a. Other Assets**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Other current assets	233,059	207,914
Deferred VAT (*)	18,584	51,771
Other current assets	<b>251,643</b>	<b>259,685</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
Other non-current assets	28,340	29,111
Export VAT (**)	950	2,914
Other non-current assets	<b>29,290</b>	<b>32,025</b>

(\*) According to the estimates of the Group, the portion to be deducted from the VAT payables to be paid within one year is reclassified to other current assets.

(\*\*) According to VAT Law no 11/c, the VAT amount regarding to the goods which are rendered to export dealers by manufacturers is not collected, and are recorded to export VAT and deferred VAT accounts. Uncollected VAT is declared on related VAT declaration; accrued VAT is deferred and recorded to deferred VAT accounts. After verification of the realization of export, tax administration makes cancellation for the deferred VAT.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**21. OTHER ASSETS AND LIABILITIES (Continued)**

**b. Other Liabilities**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Other short-term liabilities (*)	912,510	712,207
	<b>912,510</b>	<b>712,207</b>

(\*) Liabilities related to the purchase of petcoke are followed among other short-term liabilities.

	<b>31 December 2025</b>	<b>31 December 2024</b>
Other long-term liabilities (**)	1,643,384	-
	<b>1,643,384</b>	<b>-</b>

(\*\*) Liabilities related to waste heat to electricity investment are followed among other long-term liabilities.

**22. EQUITY, RESERVES AND OTHER EQUITY ITEMS**

As of 31 December 2025 and 31 December 2024, the composition of shareholders is as follows:

	<b>31 December 2025</b>		<b>31 December 2024</b>	
	(%)	Amount	(%)	Amount
<b>Shareholders (*)</b>				
Hacı Ömer Sabancı Holding A.Ş.	54.54	515,719	54.54	515,719
Akçansa Çimento San. ve Tic. A.Ş.	8.98	84,914	8.98	84,914
Other shareholders	36.48	344,958	36.48	344,958
Nominal share capital	100	945,591	100	945,591
Inflation adjustment		3,355,000		3,355,000
Adjusted share capital		<b>4,300,591</b>		<b>4,300,591</b>

(\*) Public quotation of the Group is 45.06% as of 31 December 2025 (31 December 2024: 45.03%).

As of 31 December 2025, the Company's capital is composed of 945,591 units (31 December 2024: 945,591). The nominal value of the shares is TL 1 per share (31 December 2024: TL 1 per share).

In accordance with the Board of Directors decision dated 6 January 2025, the amendments planned to be made to Article 6 of the Company's Articles of Association in order to extend the validity period of the Company's registered capital ceiling to cover the years 2025-2029 and to increase the registered capital ceiling from TL 350,000 to TL 10,000,000 were approved at the Ordinary General Assembly meeting dated 27 March 2025. The decision of the General Assembly was registered on 2 April 2025 and published in the Trade Registry Gazette dated 3 April 2025 and numbered 11304.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

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

## **22. EQUITY, RESERVES AND OTHER EQUITY ITEMS (Continued)**

### **Legal reserves**

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's share capital. The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves cannot be used.

### **Profit Distribution**

Listed companies distribute dividend in accordance with the Communiqué No. II-19.1 issued by the CMB which is effective from 1 February 2014:

Subsidiaries distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communiqué does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be distributed by fixed or variable instalments and advance dividend can be paid in accordance with profit on interim financial statements of the Company.

Subsidiaries should include at least the following in their profit distribution policies:

- a) Whether dividends will be distributed, and if distributed, the dividend distribution rate for shareholders and for others participating in the distribution.
- b) Payment type of dividend distribution.
- c) Time of dividend distribution; on condition that the distribution procedures to be started at the latest of the end of the annual period in which general assembly meeting was held in which the distribution was agreed upon.
- d) Whether dividend advances will be distributed, and if distributed, the related principles.

In accordance with the Turkish Commercial Code (TCC), unless the required reserves and the dividend for shareholders as determined in the article of association or in the dividend distribution policy of the company are set aside, no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of usufruct right certificates, to the members of the board of directors or to the employees; and no dividend can be distributed to these persons unless the determined dividend for shareholders is paid in cash.

In accordance with Article 26 of the Articles of Association and in accordance with the CMB Communiqués, the Net Distributable Profit for the Period amounting to TL 2,653,880,881,69 remaining after deducting Legal Liabilities and Non-Controlling Interests from the said consolidated net profit for the year 2024 calculated in accordance with the CMB Legislation shall be distributed as follows,

First Dividend	TL 47,280
Second Dividend	TL 552,720
<b>Total Gross Dividend</b>	<b>TL 600,000</b>
General Legal Reserves (2nd Order)	TL 55,272
Extraordinary Reserve	TL 1,998,609

As a result of making the dividend distribution according to the above principles, from the Net Distributable Period Profit in our legal records prepared in accordance with the provisions of the Tax Procedure Law; After the Legal Liabilities are set aside, the gross dividend of TL 600,000,000 Full to be distributed shall be covered from the net profit of the period, and the remaining amount shall be transferred to extraordinary reserves,

Thus, it was decided at the Ordinary General Assembly meeting of 2024 held on 27 March 2025 to distribute TL 600,000,000 Full (TL 636,042 after inflation) (Gross) Dividend in cash to the shareholders representing TL 945,591,094.00 Full capital from the Profit of 2024, depending on their legal status, as of 2 April 2025.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**22. EQUITY, RESERVES AND OTHER EQUITY ITEMS (Continued)**

**Foreign currency translation reserve**

According to TAS 21 ‘Effects of Changes in Foreign Exchange Rates’, during the consolidation, the assets and liabilities of Group’s subsidiaries and joint ventures in foreign countries are translated to Turkish Lira with respect to the exchange rates on the balance sheet date. Income and expense items are translated via the average exchange rates. The differences emerged as a result of using the closing and average exchange rates are accounted for as foreign currency translation reserves in the comprehensive statement of income.

**Non-controlling interests**

All non-controlling shares are eliminated from the equity accounts, including paid-in capital, of the consolidated subsidiaries and presented as a non-controlling interest in shareholders’ equity in the consolidated balance sheet.

**Value increase/(decrease) funds of financial investments**

The subsidiary Exsa Export Sanayi Mamülleri Satış ve Araştırma A.Ş. (“Exsa”) has been consolidated using the equity method with a share of 32.875%. The main shareholder, Hacı Ömer Sabancı Holding A.Ş. (Sabancı Holding), has made a Board of Directors decision to merge by taking over its subsidiary Exsa. In this context, Sabancı Holding applied to the Capital Markets Board on 21 June 2023, to obtain the necessary permits and approvals for the merger. According to Sabancı Holding's announcement on the Public Disclosure Platform dated 30 October 2023, the application to the Capital Markets Board for the merger has been updated in line with revised documents to obtain the necessary permits and approvals. As a result of the merger, Exsa shareholders were compensated by giving them Sabancı Holding shares in exchange for their Exsa shares, and the process was completed with the registration on 15 January 2024. In this context, the issuance document approved by the Capital Markets Board for the shares issued by Sabancı Holding due to the capital increase and allocated to Exsa's other shareholders was received on 2 February 2024, and the share exchange transactions were completed on 5 February 2024, finalizing the merger. In exchange for TL 76,927,500 full nominal value shares held in Exsa's capital, Sabancı Holding, as a result of the capital increase due to the merger, allocated TL 27,690,740.94 full nominal value shares representing 1.32% of Sabancı Holding's post-merger capital to our Company. The impact of this transaction has been recognized under Expenses from Investment Activities Account.

As of 31 December 2025, the historical amounts and the effects of inflation adjustment of the following equity accounts of Çimsa Çimento San. ve Tic. A.Ş., as presented under shareholders’ equity in accordance with the TFRS and Tax Procedure Law financial statements, are as follows:

<b>31 December 2025 (TFRS)</b>	<b>Historical Value</b>	<b>Inflation adjustment effect</b>	<b>Indexed value</b>
Adjustments to share capital	41,742	3,313,258	3,355,000
Share Premiums	575	7,702	8,277
Restricted Reserves	416,933	4,076,826	4,493,759

<b>31 December 2025 (TPL)</b>	<b>Historical Value</b>	<b>Inflation adjustment effect</b>	<b>Indexed value</b>
Adjustments to share capital	54,800	6,193,352	6,248,152
Share Premiums	4,271	97,696	101,967
Restricted Reserves	460,492	5,267,764	5,728,256

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**23. DERIVATIVE FINANCIAL INSTRUMENTS**

	31 December 2025				31 December 2024			
	Fair Value				Fair Value			
	Contract amount	Currency	Assets	Liabilities	Contract amount	Currency	Assets	Liabilities
<b>Short-term derivative instruments</b>								
Interest rate swap	16,700	USD	9,132	-	20,750	USD	28,725	-
Interest rate swap	100,000	EUR	17,296	-	-	-	-	-
Interest rate swap	37,510	EUR	-	13,352	19,400	EUR	-	14,470
Forward foreign exchange transactions	9,600	USD	-	22,288	-	-	-	-
Forward foreign exchange transactions	22,500	GBP	-	4,769	18,750	GBP	-	23,376
Option	-	-	-	-	-	-	-	49,224
<b>Total short-term derivative instruments</b>			<b>26,428</b>	<b>40,409</b>			<b>28,725</b>	<b>87,070</b>

In order to hedge interest rate risk, the Group has signed an interest rate swap agreement amounting to EUR 45,750 on 6 December 2023 and 11 April 2025 in order to fix the floating rate (Euribor) portion of the loans used within the scope of Bunol Project financing. The contract maturity is 9 July 2029. The fair value increase/decrease of the contract is recognized under equity.

In order to hedge interest rate risk, the Group has signed an interest rate swap agreement amounting to USD 16,700 in order to fix the floating rate (SOFR) portion of the loans used for the financing of the White Grinding Plant in America project. The contract maturity is 20 February 2027. The fair value increase/decrease of the contract is recognized under equity.

In order to hedge interest rate risk, the Group has signed an interest rate swap agreement with a total value of EUR 150,000 on 3 April 2025, 13 April 2025 and 22 April 2025 in order to fix the floating rate (Euribor) portion of the loans used within the scope of Mannok project financing. The contract maturity is 13 February 2030. The fair value increase/decrease of the contract is recognized under equity.

The Group regularly enters into GBP/EUR forward foreign currency transactions with maturities of less than one year in order to hedge its exposure to foreign currency risk arising from trading outside its functional currency. As of 31 December 2025, the Group is a party to 18 forward contracts with a total contract value of GBP 22,500 equivalent to EUR 25,572. During the 2025 accounting period, income/expenses arising from forward contracts and fair value increases/decreases of the contracts are recognized under Profit/Loss statement.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**24. REVENUE**

Revenue	1 January- 31 December 2025	1 January- 31 December 2024
Domestic sales	18,386,120	18,376,954
Export sales	32,417,842	22,012,853
Sales discounts (-)	(2,022,365)	(481,250)
Cost of sales and other discounts (-)	(2,874,778)	(3,061,781)
	<b>45,906,819</b>	<b>36,846,776</b>
<u>Cost of sales (-)</u>	<b>(36,915,465)</b>	<b>(28,935,475)</b>
Gross profit	<b>8,991,354</b>	<b>7,911,301</b>

**25. EXPENSES BY NATURE**

The detail of costs of sales for the periods between 1 January – 31 December 2025 and 2024 is as follows:

<u>Cost of sales (-)</u>	1 January- 31 December 2025	1 January- 31 December 2024
Direct material and supplies expenses	(11,650,239)	(10,216,219)
Labor expenses	(2,956,549)	(1,895,127)
Energy costs	(7,207,512)	(7,096,595)
Depreciation and amortization expenses	(3,624,737)	(2,160,404)
Other production expenses	(8,810,941)	(6,086,942)
Total production cost	<b>(34,249,978)</b>	<b>(27,455,287)</b>
Change in provision for inventory impairment (Note 11)	(5,009)	14,515
Change in work-in process	(131,677)	538,013
Change in finished and trade goods	158,460	729,407
Cost of trade goods sold and other	(2,687,261)	(2,762,123)
	<b>(36,915,465)</b>	<b>(28,935,475)</b>

The details of general administration expenses for the periods between 1 January - 31 December 2025 and 2024 are as follows:

<u>General administrative expenses</u>	1 January- 31 December 2025	1 January- 31 December 2024
Personnel expenses	(2,262,358)	(1,425,038)
Consultancy expenses	(494,199)	(742,319)
Depreciation and amortization expenses	(425,424)	(375,837)
Insurance expenses	(214,542)	(159,561)
IT expenses	(153,936)	(77,171)
Communication and publicity expenses	(122,734)	(100,560)
Travel expenses	(120,797)	(112,724)
Rent expenses	(116,222)	(175,319)
Tax, duty and charges	(115,498)	(127,957)
Representation expenses	(85,767)	(86,378)
Maintenance and repair expenses	(16,669)	(32,696)
Other miscellaneous expenses	(235,635)	(112,981)
	<b>(4,363,781)</b>	<b>(3,528,541)</b>

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**25. EXPENSES BY NATURE (Continued)**

The detail of marketing, selling and distribution expense for the periods between 1 January – 31 December 2025 and 2024 is as follows:

<b>Marketing, sales and distribution expenses</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Personnel expenses	(253,739)	(116,627)
Depreciation and amortization expenses	(121,508)	(26,680)
Representation expenses	(105,407)	(56,251)
Consultancy expenses	(14,869)	(8,110)
Travel expenses	(5,485)	(10,758)
Rent expenses	(2,664)	(3,035)
Insurance expenses	(918)	(1,023)
Other miscellaneous expenses	(10,949)	(14,073)
	<b>(515,539)</b>	<b>(236,557)</b>

The detail of research and development expense for the periods between 1 January - 31 December 2025 and 2024 is as follows:

<b>Research and development expenses</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Personnel expenses	(31,476)	(43,591)
Depreciation and amortization expenses	(1,973)	(1,396)
Travel expenses	(923)	(1,034)
Other miscellaneous expenses	(13,113)	(6,870)
	<b>(47,485)</b>	<b>(52,891)</b>

**26. OTHER OPERATING INCOME AND EXPENSES**

<b>Other operating income</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign exchange gains from operating activities	1,358,499	1,183,793
Reversal of the provision	69,944	3,145
Sales of scrap and miscellaneous material	34,445	35,145
Other income and profit	512,931	325,915
	<b>1,975,819</b>	<b>1,547,998</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**26. OTHER OPERATING INCOME AND EXPENSES (Continued)**

<b>Other operating expenses</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign exchange losses from operating activities	(868,282)	(679,127)
Litigation, levy, and court paid expenses	(12,658)	(10,927)
Provision expenses	(54,901)	(62,482)
Donations and grants	(26,506)	(126,527)
Other expenses and losses	(150,997)	(119,860)
	<b>(1,113,344)</b>	<b>(998,923)</b>

**27. INCOME AND EXPENSE FROM INVESTMENT ACTIVITIES**

<b>Income from investment activities</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Dividend income	98,768	134,765
Fixed assets sales income	12,752	42,620
Income from financial investments	9,085	60,975
Gain on fair value of investment property	3,346	5,780
	<b>123,951</b>	<b>244,140</b>

<b>Expenses from investment activities</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Expenses from financial investments	(1,146,580)	-
	<b>(1,146,580)</b>	<b>-</b>

**28. FINANCIAL INCOME/EXPENSES**

<b>Financial income</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Interest income	689,894	1,751,838
Total financial income	<b>689,894</b>	<b>1,751,838</b>

<b>Financial expenses</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Interest expenses of bank borrowings	(2,055,964)	(2,690,835)
Foreign exchange loss on bank borrowings	(43,872)	(359,103)
Other financial expenses (*)	(184,721)	(117,928)
Total financial expenses	<b>(2,284,557)</b>	<b>(3,167,866)</b>

(\*) Other financial expenses consist of credit card and POS commissions and letter of credit expenses.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

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

## **29. INCOME TAXES**

With the "Law on the Creation of Additional Motor Vehicle Tax and Amendments to Certain Laws and Decree Law No. 375 (Law No. 7456) for the Compensation of Economic Losses Caused by the Earthquakes that Occurred on 6 February 2023", published in the official newspaper dated 15 July 2023, corporate tax rate has been increased from 20% to 25% and the new rate has entered into force as of the 3rd provisional tax period of 2023 (applied as 23% in 2022 and 25% in 2021). With this; With the same Law, the corporate tax reduction, which was previously applied as 1 point for the earnings of exporting institutions exclusively from exports, was increased to 5 points. For institutions that have an industrial registry certificate and are actually engaged in production activities, the corporate tax rate is applied at a 1-point discount for the profits they obtain exclusively from production activities.

This rate is applicable to the tax base derived upon exemptions and deductions stated in the tax legislation and by addition of disallowable expenses to the commercial revenues of the companies with respect to the tax legislation.

Companies calculate provisional tax based on their quarterly financial profits with the current corporate tax rate and declare and pay it until the evening of the 17th day of the second month following the relevant period. The provisional tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year. If there is any provisional tax amount left after the deduction, this amount can be refunded in cash or offset against other tax debts.

Dividend payments made to resident companies in Türkiye, to those who are not liable for corporate and income tax and exempt from corporate and income tax, and dividend payments made to resident and non-resident real persons and non-resident legal entities in Türkiye are subject to a 15% tax deduction.

The law on amending the Tax Procedure Law and the Corporate Tax Law was published on 20 January 2022, Law No. It has become law with number 7352, and it has been decided that financial statements will not be subject to inflation correction, regardless of whether the conditions for inflation adjustment within the scope of Article 298 are met for the 2021 and 2022 accounting periods, including the provisional accounting periods, and the 2023 accounting period provisional tax periods. In line with Law No. 7352, inflation adjustment has been applied to the financial statements dated 31 December 2023, and the profit/loss difference resulting from the inflation adjustment has been shown in the previous years' profit/loss account and has not been subject to tax. Profit/loss differences arising from the inflation adjustment made as of the 2024 accounting period are subject to tax.

Within the scope of the Law No. 6637 on the Amendment of Certain Laws and Statutory Decrees published in the Official Gazette dated 7 April 2015, as of 1 July 2015, the cash capital increases in capital companies and the portion of the paid-in capital in newly established companies are announced by the CBRT. Taking into account the weighted annual average interest rate applied to commercial loans, 50% of the amount calculated until the end of the relevant accounting period can be deducted from the corporate tax base. With the decision numbered 2015/7910 published in the Official Gazette dated 31 December 2021, to 50%;

a) For public companies whose shares are traded on the stock exchange, whose paid or issued capital ratio is 50% or less, registered in the trade registry of the nominal amount of shares tracked as tradable shares in the Central Registry Agency, as of the last day of the year in which the discount is benefited. 25 points, 50 points for those above 50%.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

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

**29. INCOME TAXES (Continued)**

b) In case the capital increased in cash is used for investments in production and industrial facilities with investment incentive certificates and machinery and equipment of these facilities and/or investments in land and land allocated for the construction of these facilities, an additional 25 points shall be limited to the fixed investment amount included in the investment incentive certificate. The discount in question is applied.

c) With Article 49 of Law No. 7417, effective as of 5 July 2022, this discount cannot be benefited separately for the accounting period in which the decision on capital increase or the articles of association at the initial establishment stage are registered and the four accounting periods following this period, and this amendment provision will be effective as of 5 July 2022. It has been stipulated that it will be applied for 5 accounting periods, including the 2022 accounting period, for companies that increased their capital before 2022 or were established for the first time.

In addition, Pursuant to the Decree on State Aids in Investments dated 15 June 2012 and numbered 2012/3305, the income obtained from the investments granted with the incentive certificate is subject to corporate tax at reduced rates, starting from the accounting period in which the investment started to be operated partially or completely, until the amount of contribution to a certain investment is reached. In addition, for incentive certificates applied and received before 16 May 2025, reduced corporate tax may be applied to the income of the investor from other activities during the investment period, as a deduction from the investment contribution amount, not to exceed the amount of investment expenditure realized and not to exceed 80% of the total amount of contribution to the investment. For incentive certificates obtained by applying after the aforementioned date, discounted corporate tax may also be applied to the earnings of the investor from other activities of the investor during the investment period up to a maximum of 50% of the total investment contribution amount, provided that it does not exceed the investment contribution amount earned due to the investment expenditure realized, as an offset to the investment contribution amount.

The tax expense for the year comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity. In such case, the tax is also recognized in shareholders' equity.

As of 2025, a domestic minimum corporate tax to be applied at a rate of 10% has been enacted. In brief, the domestic minimum corporate tax is based on the principle that the corporate income tax calculated by corporations under the general tax rules on the basis of their tax-based financial statements (while the global minimum corporate tax has been sought at a minimum rate of 15% as of 2024 on financial statements prepared in accordance with international accounting standards, the domestic minimum corporate tax is sought at a minimum rate of 10% as of 2025 on tax-based statutory financial statements) must not be less than 10% of the corporate profit before the deductions and exemptions specified in the law; if it is less, it is required to be increased to 10%.

Due to the utilization of investment contribution amounts under investment incentive certificates obtained prior to 2 August 2024, the effective date of the Law (excluding investments made under revisions to such certificates after this date), the tax not accrued in the relevant accounting period will be deducted in the calculation, and the payable domestic minimum corporate tax will be determined accordingly.

Within the scope of the conditions set out in Provisional Article 32 and Repeated Article 298/Ç of the Tax Procedure Law, revaluation increases of real estate and depreciable assets recognized in the statutory financial statements prepared in accordance with the TPL have been taken into account in the calculation of deferred tax in the TFRS financial statements. Since the fund recognized under equity in the TPL statutory financial statements as of 31 December 2025 due to the revaluation increase under Article 298/Ç is not expected to reverse in subsequent periods, no deferred tax liability has been recognized in the TFRS financial statements.

The Group will not derecognize buildings, machinery and equipment, vehicles, fixtures, intangible rights, and leasehold improvements from the statutory books prepared in accordance with the Tax Procedure Law, even after they have been fully depreciated/amortized. The deferred tax effects of Article 298/Ç in the TFRS financial statements have been recognized through the deferred tax income/expense account.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**29. INCOME TAXES (Continued)**

As of 31 December 2025 and 31 December 2024, income tax provisions have been accrued in accordance with the prevailing tax legislation.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements. Currently enacted tax rates are used to determine deferred income tax at the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

As of 31 December 2025 and 31 December 2024 corporate tax payables are summarized as follows:

Distribution of tax expenses are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Assets related to the current period taxes</b>		
Assets related to the current period taxes	-	113,236
	<b>-</b>	<b>113,236</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Corporate tax liability</b>		
Current period corporate tax provision	(484,409)	(319,773)
Less: Prepaid taxes and funds	391,393	204,394
	<b>(93,016)</b>	<b>(115,379)</b>
	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Tax (expense)/income</b>		
Current tax (expense)/income	(484,409)	(319,773)
Deferred tax (expense)/income	(261,861)	(793,035)
	<b>(746,270)</b>	<b>(1,112,808)</b>

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**29. INCOME TAXES (Continued)**

The details of the deferred tax assets and liabilities 31 December 2025 and 2024 are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Deferred tax assets</b>		
Property, plant and equipment and intangible assets	668,231	1,714,874
Tax losses carried forward	184,573	342,097
Available-for-sale financial assets	199,327	154,513
Investment incentives (*)	560,414	276,105
Provisions for employee benefits	64,926	57,119
Recultivation provision	283	10,672
Other	79,889	208,930
	<b>1,757,643</b>	<b>2,764,310</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment and intangible assets	(2,334,609)	(3,185,660)
Fair values of derivative products	(41,003)	(53,490)
Inventories	(22,692)	(29,702)
Other	(95,668)	(365,232)
	<b>(2,493,972)</b>	<b>(3,634,084)</b>
<b>Net deferred tax asset/(liability)</b>	<b>(736,329)</b>	<b>(869,774)</b>

(\*) Pursuant to the Decree on State Aids in Investments dated 15 June 2012 and numbered 2012/3305, earnings from investments subject to an incentive certificate are subject to corporate tax at reduced rates starting from the accounting period in which the investment starts to be operated partially or completely, until they reach a certain investment contribution amount. In addition, discounted corporate tax may also be applied to the earnings from other activities of the investor during the investment period, not exceeding the amount of investment expenditure incurred and not exceeding 80% of the total investment contribution amount. As of 31 December 2025, the deferred tax asset created within the scope of investment incentives is TL 560,414.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**29. INCOME TAXES (Continued)**

<b>Deferred tax asset / (liability) presentation at balance sheet</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Deferred tax assets	1,757,643	2,764,310
Deferred tax liabilities	(2,493,972)	(3,634,084)
	<b>(736,329)</b>	<b>(869,774)</b>

The movement of the net deferred tax liabilities is as follows:

<b>Deferred tax asset/(liability) movements:</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Opening balance	869,774	(842,534)
Deferred tax (income)/expense	261,861	793,035
Accounted under comprehensive income	(596,334)	(6,589)
Increase due to acquisition of subsidiary	-	1,077,703
Other	201,028	(151,841)
Closing balance	<b>736,329</b>	<b>869,774</b>

<b>Tax reconciliation:</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Profit before taxation	4,552,399	5,110,690
Effective statutory income tax rate	25%	25%
Tax expense at the effective statutory income tax rate	(1,138,100)	(1,277,673)
Reconciliation of tax provision calculated with deductible:		
- Effect of assets from investment incentives	284,309	276,105
- Non-deductible expenses	(15,759)	(44,562)
- Other income exempt from tax	130,817	64,716
- Inflation effect and other	(7,537)	(131,394)
Tax expense in the income statement	<b>(746,270)</b>	<b>(1,112,808)</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

### 30. EARNINGS PER SHARE

Earnings per share (EPS) is calculated by dividing the net profit for the period attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

#### Earnings/(loss) per share from continuing operations

	<u>1 January- 31 December 2025</u>	<u>1 January- 31 December 2024</u>
Number of shares	945,591	945,591
Profit attributable to equity holders of the parent - TL	3,102,162	3,518,172
Dividend per share with nominal value of 1 Kr - TL	3.28	3.72

### 31. NET MONETARY POSITION GAINS/(LOSSES)

The details of the Company's net monetary position gains/(losses) in accordance with TAS 29 as of 31 December 2025 and 2024 are as follows:

<b>Non-Monetary Items</b>	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Statement of Financial Position Items</b>	<b>634,364</b>	<b>560,842</b>
Inventories	82,851	159,098
Prepaid Expenses	(12,182)	12,385
Investments in Subsidiaries	3,963,004	4,169,595
Financial Investments	38,152	864,734
Property, Plant and Equipment	3,863,475	6,125,376
Goodwill	916,409	1,193,504
Right-of-Use Assets	11,447	90,325
Deferred Tax Asset/Liability	52,431	261,717
Paid-in Capital	(1,876,873)	(2,444,402)
Share Premium	(7,468)	(9,725)
Gains/(Losses) on Remeasurement of Defined Benefit Plans	(820)	14,655
Hedging Gains/Losses	263,131	(3,274)
Restricted Reserves	(1,051,413)	(1,329,406)
Prior Years' Profit/Losses	(5,607,780)	(8,543,740)
<b>Statement of Profit or Loss Items</b>	<b>1,608,303</b>	<b>1,079,349</b>
Revenue	(2,420,483)	(3,357,726)
Cost of Sales	3,677,359	4,075,452
General Administrative Expenses	329,356	315,903
Marketing, Sales and Distribution Expenses	47,052	31,007
Research and Development Expenses	4,934	7,085
Other Operating Income/Expenses	(137,440)	(231,876)
Income/Expenses from Investing Activities	(50,403)	(40,882)
Finance Income/Expenses	157,928	280,386
<b>NET MONETARY POSITION GAINS (LOSSES)</b>	<b>2,242,667</b>	<b>1,640,191</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

## 32. RELATED PARTY DISCLOSURES

Entities are defined as related if one of the entities has control over the other entity or has a significant influence over the other entity’s financial and administrative decisions. The Group is controlled by H.Ö. Sabancı Holding A.Ş. For the consolidated financial statements, shareholder companies and financial assets of H.Ö. Sabancı Holding A.Ş. and their associates and subsidiaries and also other companies of Sabancı Group are presented separately, and these companies and top management of the Group are referred to as related parties. The Group has various transactions with related parties. The related party balances as of 31 December 2025 and 31 December 2024 and the related party transactions for the periods ended 31 December 2025 and 31 December 2024 are mainly as follows:

### Trade receivables from related parties

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. <sup>(2)</sup>	6,396	569
	<b>6,396</b>	<b>569</b>

### Short-term trade payables to related parties

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. <sup>(2)</sup>	61,933	61,679
Enerjisa Müşteri Çözümleri A.Ş. <sup>(2)*</sup>	115,177	256,493
Akçansa Çimento Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	-	86,817
Other	5,971	2,437
	<b>183,081</b>	<b>407,426</b>

(\* ) Within the framework of the contract signed with Enerjisa Müşteri Çözümleri A.Ş. (Enerjisa), the Solar Power Plant (SPP) project built in the Afyon factory was commissioned and activated on 13 September 2023. Within the framework of the contract, maintenance and operation services of the facility will be provided by Enerjisa Customer Solutions for 9 years from the date of commissioning, and a monthly service fee will be paid to Enerjisa Müşteri Çözümleri accordingly. In order to benefit from regional incentives related to investment, an Investment Incentive Certificate was obtained and the incentive elements began to benefit.

(1) Subsidiary of the parent company; H.Ö. Sabancı Holding A.Ş.  
(2) Joint venture of the parent company H.Ö. Sabancı Holding A.Ş.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**32. RELATED PARTY DISCLOSURES (Continued)**

**Other long-term liabilities to related parties**

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Enerjisa Müşteri Çözümleri A.Ş. <sup>(2)</sup>	1,643,384	-
	<b>1,643,384</b>	<b>-</b>

Within the framework of the contract signed with Enerjisa Müşteri Çözümleri A.Ş. dated 26 September 2023, waste heat to power generation (WHR) investment continues at the Eskişehir Plant.

**Other short-term payables to related parties**

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Sabancı Dx <sup>(1)</sup>	29,635	25,770
Teknosa İç ve Dış Ticaret A.Ş. <sup>(1)</sup>	2,823	2,055
Aksigorta A.Ş. <sup>(2)</sup>	331	1,814
Other	464	50
	<b>33,253</b>	<b>29,689</b>

**Bank balances deposited in related parties**

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Akbank T.A.Ş. <sup>(1)</sup>	2,606,590	215,273
	<b>2,606,590</b>	<b>215,273</b>

**Borrowings from related parties**

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Bank loans from Akbank T.A.Ş. <sup>(1)</sup>	45,000	1,916,285
	<b>45,000</b>	<b>1,916,285</b>

(1) Subsidiary of the parent company; H.Ö. Sabancı Holding A.Ş.

(2) Joint venture of the parent company H.Ö. Sabancı Holding A.Ş.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**32. RELATED PARTY DISCLOSURES (Continued)**

**Sales to related parties**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. <sup>(2)</sup>	27,425	5,285
Sabancı Dx. <sup>(1)</sup>	3,111	2,189
Other	4,308	135
	<b>34,844</b>	<b>7,609</b>

**Purchases and services received from related parties**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. <sup>(2)</sup>	405,277	1,295,329
Akçansa Çimento Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	617,413	558,260
Enerjisa Müşteri Çözümleri A.Ş. <sup>(2)</sup>	1,288,907	224,965
Aksigorta A.Ş. <sup>(2)</sup>	143,346	148,314
Sabancı Dx <sup>(1)</sup>	94,591	73,735
Teknosa İç ve Dış Tic. A.Ş. <sup>(1)</sup>	7,476	13,704
Other	465,773	22,486
	<b>3,022,783</b>	<b>2,336,793</b>

**Interest income from related parties**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Akbank T.A.Ş. <sup>(1)</sup>	170,695	268,433
	<b>170,695</b>	<b>268,433</b>

**Interest expenses from related parties**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Akbank T.A.Ş. <sup>(1)</sup>	(107,923)	(59,028)
	<b>(107,923)</b>	<b>(59,028)</b>

(1) Subsidiary of the parent company; H.Ö. Sabancı Holding A.Ş.

(2) Joint venture of the parent company; H.Ö. Sabancı Holding A.Ş.

**Compensation benefits to the top management**

The total amount of salaries and similar benefits provided to the chairman and members of the Board of Directors and senior executives such as general manager, assistant general managers in the current period is TL 381,064 (31 December 2024 - TL 167,075) and the premiums paid is TL 35,816 (31 December 2024 - TL 8,444).

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**33. EFFECTS OF EXCHANGE RATE CHANGE**

The Group's foreign currency positions in original currency as of 31 December 2025 and 31 December 2024 are as follows:

As the national currencies of the Group's foreign subsidiaries are not considered as exchange rate risk, they are not included in the foreign currency position.

	31 December 2025				31 December 2024			
	TL equivalent (Functional currency)	USD (Original currency)	EUR (Original currency)	GBP (Original currency)	TL equivalent (Functional currency)	USD (Original currency)	EUR (Original currency)	GBP (Original currency)
Trade receivables	2,238,289	41,992	8,343	304	3,039,658	40,971	23,861	5
Monetary financial assets	1,580,149	6,625	24,149	1,353	1,846,516	34,288	5,438	29
Other	173,043	2,785	1,064	-	70,101	312	1,158	-
<b>Current Assets</b>	<b>3,991,481</b>	<b>51,402</b>	<b>33,556</b>	<b>1,657</b>	<b>4,956,275</b>	<b>75,571</b>	<b>30,457</b>	<b>34</b>
<b>TOTAL ASSETS</b>	<b>3,991,481</b>	<b>51,402</b>	<b>33,556</b>	<b>1,657</b>	<b>4,956,275</b>	<b>75,571</b>	<b>30,457</b>	<b>34</b>
Trade payables	(2,955,574)	(52,474)	(13,735)	(141)	(2,594,726)	(44,790)	(10,577)	(307)
Financial liabilities	(9,829,219)	(70,000)	(135,000)	-	(8,550,753)	(45,782)	(133,860)	-
Other non-monetary liabilities	(186,664)	(1,257)	(2,625)	-	(46,735)	(256)	(723)	(3)
<b>Current Liabilities</b>	<b>(12,971,457)</b>	<b>(123,731)</b>	<b>(151,360)</b>	<b>(141)</b>	<b>(11,192,214)</b>	<b>(90,828)</b>	<b>(145,160)</b>	<b>(310)</b>
<b>TOTAL LIABILITIES</b>	<b>(12,971,457)</b>	<b>(123,731)</b>	<b>(151,360)</b>	<b>(141)</b>	<b>(11,192,214)</b>	<b>(90,828)</b>	<b>(145,160)</b>	<b>(310)</b>
<b>Foreign currency asset/(liability) position</b>	<b>(8,979,976)</b>	<b>(72,329)</b>	<b>(117,804)</b>	<b>1,516</b>	<b>(6,235,939)</b>	<b>(15,257)</b>	<b>(114,703)</b>	<b>(276)</b>
<b>Off balance sheet derivative financial instruments asset/(liability) position</b>	<b>9,829,219</b>	<b>70,000</b>	<b>135,000</b>	<b>-</b>	<b>8,377,161</b>	<b>45,000</b>	<b>131,000</b>	<b>-</b>
<b>Net foreign currency asset/(liability) position</b>	<b>849,243</b>	<b>(2,329)</b>	<b>17,196</b>	<b>1,516</b>	<b>2,141,222</b>	<b>29,743</b>	<b>16,297</b>	<b>(276)</b>
Export	10,905,165	94,651	136,856	965	10,788,417	88,818	150,607	25
Import	2,144,723	30,260	17,169	-	3,129,676	59,820	12,212	-

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**33. EFFECTS OF EXCHANGE RATE CHANGE (Continued)**

**Exchange Rate Risk Sensitivity Analysis**

The Group is mainly exposed to currency risk denominated in USD, EUR, and GBP.

The table below shows the Group’s sensitivity to a 10% increase in USD, Euro, and GBP exchange rates. The 10% rate is the rate used in the reporting of the currency risk within the Group to the top management and represents the probable change that the management expects in foreign exchange rates. The sensitivity analysis only covers the monetary items denominated in foreign currency and presents the impact of the 10% change in foreign exchange rates of these monetary items at year-end. This analysis covers, as well as external loans, the loans denominated in a currency other than the functional currency of the parties taking the loan. Positive value represents the increase in other equity items in profit/loss.

	Profit/Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
<b>31 December 2025</b>				
1- USD net asset/liability	(310,975)	310,975	(310,975)	310,975
2- Hedged portion of USD risk (-)	300,577	(300,577)	300,577	(300,577)
3- USD net effect (1+2)	(10,398)	10,398	(10,398)	10,398
4- EUR net asset/liability	(595,738)	595,738	(595,738)	595,738
5- Hedged portion of EUR risk (-)	682,345	(682,345)	682,345	(682,345)
6- EUR net effect (4+5)	86,607	(86,607)	86,607	(86,607)
7- GBP net asset/liability	8,715	(8,715)	8,715	(8,715)
8- Hedged portion of GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	8,715	(8,715)	8,715	(8,715)
<b>TOTAL (3+6+9)</b>	<b>84,924</b>	<b>(84,924)</b>	<b>84,924</b>	<b>(84,924)</b>

	Profit/Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
<b>31 December 2024</b>				
1- USD net asset/liability	769,170	(769,170)	769,170	(769,170)
2- Hedged portion of USD risk (-)	208,180	(208,180)	208,180	(208,180)
3- USD net effect (1+2)	977,350	(977,350)	977,350	(977,350)
4- EUR net asset/liability	845,700	(845,700)	845,700	(845,700)
5- Hedged portion of EUR risk (-)	631,045	(631,045)	631,045	(631,045)
6- EUR net effect (4+5)	1,476,745	(1,476,745)	1,476,745	(1,476,745)
7- GBP net asset/liability	2,000	(2,000)	2,000	(2,000)
8- Hedged portion of GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	2,000	(2,000)	2,000	(2,000)
<b>TOTAL (3+6+9+12)</b>	<b>2,456,095</b>	<b>(2,456,095)</b>	<b>2,456,095</b>	<b>(2,456,095)</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

### 34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

#### a. Interest rate risk management

The Group is exposed to interest rate risk due to the effect of changes in interest rates on the Group’s assets and liabilities having interest returns. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, by the use of interest rate swap contracts and interest rate forward contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring optimal hedging strategies are applied, by either positioning the balance sheet or protecting interest expense through different interest rate cycles.

The distribution of interest rate sensitive financial instruments of the Group is as follows:

#### Interest position table

	<u>31 December 2025</u>	<u>31 December 2024</u>
<b>Fixed rate instruments</b>		
Time Deposits	7,387,413	7,995,172
Borrowings	1,341,199	10,611,787
<b>Floating rates instruments</b>		
Borrowings	26,626,601	16,758,227

#### b. Capital management

The Group manages its capital by maintaining permanence of its operations and on the other hand by reviewing terms of the trade receivables, trade payables and financial liabilities and cash from operations by using the debt and equity ratio in the most efficient way. The Group’s top management evaluates the cost of capital and the risks which are associated with every equity account and presents to Board of Directors those which depend on their decision. The Group’s objective is to maintain the stability of capital structure by taking new debts or repayment of debts and also via dividend payments, depending on the decisions of Board of Directors.

The Company follows the debt-to-equity ratio in the capital management in parallel with other companies in the sector. Net debt is calculated by dividing net debt to total equity. Net debt/equity ratios at 31 December 2025 and 31 December 2024:

	<b>Notes</b>	<u>31 December 2025</u>	<u>31 December 2024</u>
Total financial borrowings	9	29,218,283	28,128,972
Less: Cash and cash equivalents	6	(9,736,668)	(10,062,308)
Net debt		19,481,615	18,066,664
Equity		43,453,969	41,933,963
<b>Total liabilities</b>		<b>62,935,584</b>	<b>60,000,627</b>
Net debt/Equity ratio (%)		45%	43%

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**  
**(Continued)**

**c. Financial risk factors**

The Group’s principal financial instruments are cash, short-term time deposits and bank borrowings. The main purpose of use of these financial instruments is to raise finance for the Group’s operations and to hedge interest rate risk. The Group has various other financial instruments such as trade receivables and trade payables, which arise directly from its operations. The main risks arising from the Group’s financial instruments are liquidity risk, foreign currency risk, interest rate risk and credit risk. As explained below, the Board of Directors is responsible from the procedures necessary to follow and manage these risks.

**d. Credit risk management**

The majority of the trade receivables are guaranteed by the bank letters and/or credit limits. The credit reviews are performed continuously over the accounts receivable balances of the customers. The Group does not have a significant credit risk arising from any customer.

The aging of the assets that are overdue but not subject to any impairment as of 31 December 2025 and 31 December 2024:

31 December 2025	<u>Receivables</u>		<u>Deposits at Banks</u>	<u>Derivative Financial Instruments</u>		<u>Trade Receivables</u>
	<u>Trade Receivables</u>	<u>Other Receivables</u>		<u>Other</u>		
Overdue 1-30 days	165,710	-	-	-	-	165,710
Overdue 1-3 months	480,045	-	-	-	-	480,045
Overdue 3-12 months	10,228	-	-	-	-	10,228
Total overdue receivables	655,983	-	-	-	-	655,983
Secured part via collateral etc.	470,045	-	-	-	-	470,045

31 December 2024	<u>Receivables</u>		<u>Deposits at Banks</u>	<u>Derivative Financial Instruments</u>		<u>Trade Receivables</u>
	<u>Trade Receivables</u>	<u>Other Receivables</u>		<u>Other</u>		
Overdue 1-30 days	451,216	-	-	-	-	451,216
Overdue 1-3 months	79,260	-	-	-	-	79,260
Overdue 3-12 months	8,241	-	-	-	-	8,241
Total overdue receivables	538,717	-	-	-	-	538,717
Secured part via collateral etc.	244,972	-	-	-	-	244,972

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**

**d. Credit risk management (Continued)**

Exposure to credit risks by types of financial instruments

	<u>Receivables</u>				<u>Deposits at banks</u>		<u>Derivative Financial Instruments</u>
	<u>Trade Receivables</u>		<u>Other Receivables</u>		<u>Related Party</u>	<u>Third Party</u>	
	<u>Related Party</u>	<u>Third Party</u>	<u>Related Party</u>	<u>Third Party</u>			
<b>31 December 2025</b>							
Maximum credit exposures as of report date (1) (A+B+C+D+E)	6,396	7,815,373	-	136,542	2,606,590	7,129,748	26,428
- Secured part of maximum credit risk exposure via collateral etc.	-	5,297,063	-	-	-	-	-
A. Net book value for the financial assets that are neither overdue nor impaired (2)	6,396	7,159,390	-	136,542	2,606,590	7,129,748	26,428
B. Carrying amount of financial assets that are renegotiated, otherwise classified as overdue or impaired (3)	-	-	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired		655,983					
- Secured part via collateral etc.	-	470,045	-	-	-	-	-
D. Net book value of impaired financial assets		381,353					
- Overdue (gross carrying amount)		(381,353)					
- Impairment (-)	-	-	-	-	-	-	-
- Secured part via collateral etc.							
- Not Overdue (gross carrying amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- The part of net value under guarantee with collaterals etc.	-	-	-	-	-	-	-
E. Off-Balance sheet financial assets exposed to credit risk							

(1) When determining the amount, the guarantees received and factors increasing the credibility are not considered.

(2) The guarantees consist of letters of guarantees, guarantee cheques and mortgages received from customers. The portion of the guarantee which covers the risk has not been taken into consideration.

(3) The Group did not have any collection problems with these customers in the past.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**

**d. Credit risk management (Continued)**

Exposure to credit risks by types of financial instruments

	<u>Receivables</u>				<u>Deposits at banks</u>		<u>Derivative Financial Instruments</u>
	<u>Trade Receivables</u>		<u>Other Receivables</u>		<u>Related Party</u>	<u>Third Party</u>	
	<u>Related Party</u>	<u>Third Party</u>	<u>Related Party</u>	<u>Third Party</u>			
<b>31 December 2024</b>							
Maximum credit exposures as of report date (1) (A+B+C+D+E)	569	7,405,079	-	64,112	215,273	9,846,758	28,726
- Secured part of maximum credit risk exposure via collateral etc.		4,736,792					
A. Net book value for the financial assets that are neither overdue nor impaired (2)	569	6,866,364	-	64,112	215,273	9,846,758	28,726
B. Carrying amount of financial assets that are renegotiated, otherwise classified as overdue or impaired (3)	-	-	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired	-	538,717	-	-	-	-	-
- Secured part via collateral etc.	-	244,972	-	-	-	-	-
D. Net book value of impaired financial assets	-	402,490	-	-	-	-	-
- Overdue (gross carrying amount)	-	(402,490)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured part via collateral etc.	-	-	-	-	-	-	-
- Not Overdue (gross carrying amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- The part of net value under guarantee with collaterals etc.	-	-	-	-	-	-	-
E. Off-Balance sheet financial assets exposed to credit risk	-	-	-	-	-	-	-

(1) When determining the amount, the guarantees received and factors increasing the credibility are not considered.

(2) The guarantees consist of letters of guarantees, guarantee cheques and mortgages received from customers. The portion of the guarantee which covers the risk has not been taken into consideration.

(3) The Group did not have any collection problems with these customers in the past.

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**  
**(Continued)**

**e. Foreign currency risk management**

When necessary, the Group enters into derivative transactions to manage its exchange rate exposures. In this context, the Group’s main preference is foreign currency forward transactions. The details of unrealized foreign currency purchase/sale forward contracts as of the date of the report are disclosed in Note 23.

**f. Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The current and prospective risk of funding the debts is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions.

The breakdown of derivative and non-derivative financial liabilities according to their maturities is shown by taking into account the period from the balance sheet date to the maturity date and are contractual undiscounted cash flows.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**  
**(Continued)**

**f. Liquidity risk (Continued)**

<b>31 December 2025</b>	<b>Net Book Value</b>	<b>Contractual Total Cash Outflow (I+II+III+IV)</b>	<b>Less Than 3 Months (I)</b>	<b>3-12 Months (II)</b>	<b>1-5 Years (III)</b>	<b>More Than 5 Years (IV)</b>
<b>Contractual maturities</b>						
Bank borrowings	27,967,800	28,069,762	206,287	7,157,073	20,627,935	78,467
Finance lease obligations	1,250,483	1,250,483	-	209,644	1,040,839	-
Trade payables	8,551,156	8,551,156	8,551,156	-	-	-
Other payables, liabilities and deferred income	1,596,014	1,596,014	1,596,014	-	-	-
<b>Total liabilities</b>	<b>39,365,453</b>	<b>39,467,415</b>	<b>10,353,457</b>	<b>7,366,717</b>	<b>21,668,774</b>	<b>78,467</b>
<b>Derivative financial liabilities</b>						
<i>Unrealized purchase/sale commitments (net)</i>	40,409	40,409	-	-	40,409	-
	<b>40,409</b>	<b>40,409</b>	<b>-</b>	<b>-</b>	<b>40,409</b>	<b>-</b>
<b>31 December 2024</b>	<b>Net Book Value</b>	<b>Contractual Total Cash Outflow (I+II+III+IV)</b>	<b>Less Than 3 Months (I)</b>	<b>3-12 Months (II)</b>	<b>1-5 Years (III)</b>	<b>More Than 5 Years (IV)</b>
<b>Contractual maturities</b>						
Bank borrowings	27,370,014	27,909,486	3,984,894	14,147,594	9,087,856	689,142
Finance lease obligations	758,958	758,958	-	127,060	631,898	-
Trade payables	8,699,324	8,699,324	8,699,324	-	-	-
Other payables, liabilities and deferred income	1,412,891	1,412,891	1,412,891	-	-	-
<b>Total liabilities</b>	<b>38,241,187</b>	<b>38,780,659</b>	<b>14,097,109</b>	<b>14,274,654</b>	<b>9,719,754</b>	<b>689,142</b>
<b>Derivative financial liabilities</b>						
<i>Unrealized purchase/sale commitments (net)</i>	87,070	87,070	-	-	87,070	-
	<b>87,070</b>	<b>87,070</b>	<b>-</b>	<b>-</b>	<b>87,070</b>	<b>-</b>

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING)**

	Cash and cash equivalents	Loans and receivables	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Derivative financial instruments accounted under equity	Derivative financial instruments through income statement	Financial assets through income statement	Carrying value	Note
<b>31 December 2025</b>									
<u>Financial assets</u>									
Cash and cash equivalents	9,736,668	-	-	-	-	-	-	9,736,668	6
Trade receivables	-	7,821,769	-	-	-	-	-	7,821,769	8
Financial investments	-	-	2,607,640	-	-	-	-	2,607,640	7
Other financial assets	-	565,358	-	-	-	-	-	565,358	10/12
Derivative financial assets	-	-	-	-	-	26,428	-	26,428	23
<u>Financial liabilities</u>									
Financial liabilities	-	-	-	29,218,283	-	-	-	29,218,283	9
Trade payables	-	-	-	8,551,156	-	-	-	8,551,156	8
Other liabilities	-	-	-	1,596,014	-	-	-	1,596,014	10/12/21
Derivative financial liabilities	-	-	-	-	40,409	-	-	40,409	23

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

**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)**

	Cash and cash equivalents	Loans and receivables	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Derivative financial instruments accounted under equity	Derivative financial instruments through income statement	Financial assets through income statement	Carrying value	Note
<b>31 December 2024</b>									
<u>Financial assets</u>									
Cash and cash equivalents	10,062,308	-	-	-	-	-	-	10,062,308	6
Trade receivables	-	7,405,650	-	-	-	-	-	7,405,650	8
Financial investments	-	-	3,672,789	-	-	-	-	3,672,789	7
Other financial assets	-	1,841,801	-	-	-	-	-	1,841,801	10/12
Derivative financial assets	-	-	-	-	-	28,725	-	28,725	23
<u>Financial liabilities</u>									
Financial liabilities	-	-	-	28,128,972	-	-	-	28,128,972	9
Trade payables	-	-	-	8,699,324	-	-	-	8,699,324	8
Other liabilities	-	-	-	1,412,891	-	-	-	1,412,891	10/12/21
Derivative financial liabilities	-	-	-	-	87,070	-	-	87,070	23

**(Convenience translation of the report and consolidated financial statements originally issued in Turkish)**  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)**

**The classification and fair value of the financial instruments**

The Company estimated the fair value of financial instruments using available market information and appropriate valuation methodologies. However, market data, and judgment is required to estimate the fair values. As a result, the estimates presented here, may not be an indicative of the amounts by which the Company could obtain in a current market transaction.

**Financial assets** - The fair values of certain financial assets carried at cost, including cash and cash equivalents plus the respective accrued interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying value of trade receivables along with the related allowance for doubtful receivables is estimated to be their fair values.

**Financial liabilities** - Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The bank borrowings are stated at their amortized costs and transaction costs are included in the initial measurement of bank borrowings. The fair value of long-term bank borrowings with variable interest rates are considered to state their respective carrying values since the interest rate applied to bank borrowings are updated periodically by the lender to reflect active market price quotations. The fair values of long-term bank borrowings with fixed interest rates considered to approximate their respective carrying values due to the fact that fixed rate is the rate applicable as of balance sheet date. The fair values of short-term bank borrowings are considered to approximate their respective carrying values due to their short-term nature.

**Fair value hierarchy table**

The Company classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows.

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted),

Level 2: Other valuation techniques including direct or indirect observable inputs,

Level 3: Valuation techniques does not contain observable market inputs.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)**

**The classification and fair value of the financial instruments (Continued)**

As of 31 December 2025 and 31 December 2024, the fair value hierarchy table of the Company’s assets and liabilities at fair value are as follows:

<u>Financial assets and liabilities at fair value</u>	The level of fair value at the			
	31 December 2025	reporting date		
		Level 1	Level 2	Level 3
<b>Financial assets and liabilities at fair value through income/loss</b>				
Derivative financial assets	26,428	-	26,428	
Derivative financial liabilities	-	-	-	-
<b>Financial assets and liabilities at fair value through other comprehensive income/loss</b>				
Financial assets available for sale	2,607,640	-	-	2,607,640
Derivative financial liabilities	(40,409)	-	(40,409)	-
<b>Total</b>	<b>2,593,659</b>	<b>-</b>	<b>(13,981)</b>	<b>2,607,640</b>

<u>Financial assets and liabilities at fair value</u>	The level of fair value at the			
	31 December 2024	reporting date		
		Level 1	Level 2	Level 3
<b>Financial assets and liabilities at fair value through income/loss</b>				
Derivative financial assets	28,725	-	28,725	-
Derivative financial liabilities	-	-	-	-
<b>Financial assets and liabilities at fair value through other comprehensive income/loss</b>				
Financial assets available for sale	3,672,789	-	-	3,672,789
Derivative financial liabilities	(87,070)	-	(87,070)	-
<b>Total</b>	<b>3,614,444</b>	<b>-</b>	<b>(58,345)</b>	<b>3,672,789</b>

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)**

**Fair value of financial instruments**

Fair value is defined as the price that collected from the sale of an asset or payable in the ordinary course of business at the measurement date between market participants.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, estimates are necessary to interpret market data to determine fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

*Monetary assets:*

It is foreseen that cash and cash equivalent recording prices are equal to their fair value due to their short-term nature.

It is foreseen that trade receivables recording prices are equal to their fair value due to their short-term nature.

*Monetary liabilities*

The carrying values of trade payables are estimated to reflect their fair value due to their short-term nature.

	Fair value level as of reporting date			
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Derivative financial assets and liabilities at fair value through other comprehensive profit/loss	(40,409)	(87,070)	Level 2	Level 2
<b>Total</b>	<b>(40,409)</b>	<b>(87,070)</b>		
Financial assets and liabilities at fair value through profit or loss			Level 2	Level 2
	26,428	28,725		
<b>Total</b>	<b>26,428</b>	<b>28,725</b>		

*Fair value measurement hierarchy table*

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

- First level: Financial assets and liabilities are measured at quoted market prices on the active market for identical assets and liabilities.
- Second level: Financial assets and liabilities are valued using inputs that are used to determine directly or indirectly the marketable price of the related asset or liability other than the quoted price at the first level.
- Third level: Financial assets and liabilities are valued at inputs that are not based on an observable asset in the market for the fair value of the asset or liability.

(Convenience translation of the report and consolidated financial statements originally issued in Turkish)  
**ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025**

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

**36. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/INDEPENDENT AUDIT FIRM**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Independent audit fee for the reporting period	40,143	30,122
Fee for other assurance services	216	197
Fee for tax consultancy services	-	-
Fee for other services other than independent audit	-	-
<b>Total</b>	<b>40,359</b>	<b>30,319</b>

**37. SUBSEQUENT EVENTS**

At the Board of Directors meeting of Afyon Çimento, a subsidiary of the Group, held on 6 January 2026, it was decided to amend Article 6 of the Articles of Association to extend the validity period of the registered capital ceiling to cover the years 2026–2030 and to increase the registered capital ceiling from TL 800,000,000 Full to TL 3,000,000,000 Full.

.....