

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

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

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS FOR THE PERIOD
OF 1 JANUARY- 31 MARCH 2026**

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

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

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ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2026

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 March 2026. Currencies other than TL are stated as thousand unless otherwise stated.)

		(Not Audited) Current Period 31 March 2026	(Audited) Prior Period 31 December 2025
	Notes		
ASSETS			
Cash and cash equivalents	5	5,135,651	10,714,230
Trade receivables	7	8,742,966	8,607,075
<i>Trade receivables from related parties</i>	31	3,605	7,039
<i>Trade receivables from third parties</i>		8,739,361	8,600,036
Other receivables		96,040	135,272
<i>Other receivables from related parties</i>		39,132	-
<i>Other receivables from third parties</i>	9	56,908	135,272
Derivative financial assets	22	46,341	29,082
Inventories	10	7,319,332	7,468,114
Prepaid expenses	11	674,215	275,131
Other current assets	20	456,801	276,892
Non-current assets held for sale		2	2
		22,471,348	27,505,798
Current Assets			
Other receivables	9	20,827	14,979
<i>Other receivables from third parties</i>		20,827	14,979
Financial investments	6	2,722,657	2,869,447
Investment properties	15	84,852	92,328
Property, plant and equipment	12	45,683,876	47,228,686
Right of use assets	14	906,490	984,864
Intangible assets		19,096,361	21,038,815
<i>Goodwill</i>	16	5,891,464	6,014,435
<i>Other intangible assets</i>	13	13,204,897	15,024,380
Prepaid expenses	11	160,786	196,738
Deferred tax assets	28	1,799,065	1,934,111
Other non-current assets	20	20,576	32,231
Non-Current Assets		70,495,490	74,392,199
TOTAL ASSETS		92,966,838	101,897,997

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

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2026

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 March 2026. Currencies other than TL are stated as thousand unless otherwise stated.)

	Notes	(Not Audited) Current Period 31 March 2026	(Audited) Prior Period 31 December 2025
LIABILITIES AND EQUITY			
Short-term borrowings	8	3,676,395	4,272,729
Short-term portions of long-term borrowings	8	5,329,647	3,717,714
Short-term lease liabilities	8	284,213	230,692
Trade payables	7	7,266,181	9,409,692
<i>Trade payables to related parties</i>	31	101,642	201,462
<i>Trade payables to third parties</i>		7,164,539	9,208,230
Employee benefit liabilities	19	401,395	109,342
Other payables		1,578,681	582,226
<i>Other payables to related parties</i>	31	1,006,774	36,592
<i>Other payables to third parties</i>	9	571,907	545,634
Derivative financial liabilities	22	28,542	44,466
Deferred income	11	83,666	169,902
Current income tax liability	28	99,047	102,355
Short-term provisions	17	4,021,224	5,284,473
<i>Short-term provisions for employee benefits</i>		144,887	529,700
<i>Other short-term provisions</i>		3,876,337	4,754,773
Other current liabilities	20	521,750	1,004,127
Current liabilities		23,290,741	24,927,718
Long-term borrowings	8	18,163,505	22,785,325
Long-term lease liabilities	8	1,057,993	1,145,339
Long-term provisions	17	667,283	670,121
<i>Long-term provisions for employee benefits</i>	19	373,388	351,678
<i>Other long-term provisions</i>		293,895	318,443
Deferred tax liability	28	2,958,805	2,744,367
Other non-current liabilities	20	1,643,384	1,808,380
<i>Other non-current liabilities to related parties</i>	31	1,643,384	1,808,380
Non-current liabilities		24,490,970	29,153,532
SHAREHOLDERS' EQUITY			
Share capital	21	945,591	945,591
Adjustments to share capital	21	3,786,779	3,786,779
Share premiums		9,108	9,108
Effect of mergers involving undertakings or businesses under common control		(546,669)	(546,669)
Other comprehensive income and expenses to be reclassified to profit or loss		(7,334,415)	(5,584,700)
<i>Foreign currency translation reserve</i>		(4,571,569)	(3,280,059)
<i>Cash flow hedge gain/loss fund</i>		(2,762,846)	(2,304,641)
Other comprehensive income (expenses) not to be reclassified to profit or loss		(84,980)	(96,170)
<i>Actuarial losses/gains on defined benefit plans</i>		(84,980)	(96,170)
Restricted reserves		5,014,049	4,944,932
Retained earnings		32,330,635	29,686,133
Net profit for the year		640,668	3,413,619
Equity attributable to equity holders of the parent		34,760,766	36,558,623
Non-controlling interests		10,424,361	11,258,124
Total shareholders' equity		45,185,127	47,816,747
TOTAL LIABILITIES AND EQUITY		92,966,838	101,897,997

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

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ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 MARCH 2026

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 March 2026. Currencies other than TL are stated as thousand unless otherwise stated.)

	Notes	(Not Audited)	(Not Audited)
		Current Period	Prior Period
		1 January - 31 March 2026	1 January - 31 March 2025
OPERATING INCOME			
Revenue	23	11,631,880	11,653,243
Cost of sales (-)	24	(9,962,046)	(9,854,621)
GROSS PROFIT		1,669,834	1,798,622
General administrative expenses (-)	24	(1,190,642)	(1,206,672)
Marketing, sales and distribution expenses (-)	24	(145,158)	(122,449)
Research and development expenses (-)	24	(19,174)	(19,870)
Other operating income	25	367,144	670,649
Other operating expenses (-)	25	(295,720)	(235,554)
OPERATING PROFIT		386,284	884,726
Income from investment activities	26	40,745	130,966
Expenses from investment activities (-)	26	(130,668)	(891,814)
OPERATING PROFIT BEFORE FINANCIAL INCOME/EXPENSE		296,361	123,878
Financial income	27	253,398	280,667
Financial expenses (-)	27	(533,286)	(689,917)
Net monetary position gain	30	1,239,652	945,031
PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS		1,256,125	659,659
Tax (expense)/income from continuing operations		(551,363)	(207,557)
- Current tax expense (-)	28	(113,728)	(66,647)
- Deferred tax income/(expense)	28	(437,635)	(140,910)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		704,762	452,102
NET PROFIT		704,762	452,102
Profit/loss for the period attributable to			
- Non-controlling interests		64,094	96,975
- Equity holders of the parent		640,668	355,127
Earnings Per Share			
Earnings per share from continuing operations (Nominal amount of 1 Kr)	29	0.68	0.38

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ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE
INCOME FOR THE PERIOD ENDED 31 MARCH 2026

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 March 2026. Currencies other than TL are stated as thousand unless otherwise stated.)

		(Not Audited) Current Period 1 January - 31 March 2026	(Not Audited) Prior Period 1 January- 31 March 2025
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	Notes	704,762	452,102
Items to be reclassified to profit or loss		(2,353,572)	(3,546,099)
<i>Cash flow hedge gain/(loss) fund</i>		(610,939)	(938,492)
<i>Foreign currency translation reserve</i>		(1,895,368)	(2,842,230)
<i>Tax (income)/ expense</i>		152,735	234,623
Items not to be reclassified to profit or loss		11,190	10,647
<i>Actuarial gains/(losses) on defined benefit plans</i>	19	14,920	14,196
<i>Tax (income)/ expense</i>		(3,730)	(3,549)
OTHER COMPREHENSIVE INCOME/EXPENSE (AFTER TAX)		(2,342,382)	(3,535,452)
TOTAL COMPREHENSIVE (EXPENSE)/INCOME		(1,637,620)	(3,083,350)
Total comprehensive income/(expense) attributable to			
- Non-controlling interests		(539,763)	(890,123)
- Equity holders of the parent		(1,097,857)	(2,193,227)

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

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ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2026

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 March 2026. 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	Foreign currency translation reserve	Cash flow hedge gains/(losses)		Actuarial gains/(losses) on defined benefit plan	Restricted reserves	Retained earnings	Net profit for the period			
1 January 2025	945,591	3,786,779	9,108	(3,537,344)	(304,676)	(546,669)	(127,407)	4,828,160	26,716,688	3,871,407	35,641,637	10,502,621	46,144,258
Transfer from retained earnings	-	-	-	-	-	-	-	-	3,871,407	(3,871,407)	-	-	-
Net profit for the period	-	-	-	-	-	-	-	-	-	355,127	355,127	96,975	452,102
Other comprehensive income/(expense)	-	-	-	(1,855,132)	(703,869)	-	10,647	-	-	-	(2,548,354)	(987,098)	(3,535,452)
Total comprehensive income/(expense)	-	-	-	(1,855,132)	(703,869)	-	10,647	-	-	355,127	(2,193,227)	(890,123)	(3,083,350)
Dividends	-	-	-	-	-	-	-	-	(785,190)	-	(785,190)	(256,495)	(1,041,685)
Transfers to legal reserves	-	-	-	-	-	-	-	116,772	(116,772)	-	-	-	-
31 March 2025	945,591	3,786,779	9,108	(5,392,476)	(1,008,545)	(546,669)	(116,760)	4,944,932	29,686,133	355,127	32,663,220	9,356,003	42,019,223
1 January 2026	945,591	3,786,779	9,108	(3,280,059)	(2,304,641)	(546,669)	(96,170)	4,944,932	29,686,133	3,413,619	36,558,623	11,258,124	47,816,747
Transfer from retained earnings	-	-	-	-	-	-	-	-	3,413,619	(3,413,619)	-	-	-
Net profit for the period	-	-	-	-	-	-	-	-	-	640,668	640,668	64,094	704,762
Other comprehensive income/(expense)	-	-	-	(1,291,510)	(458,205)	-	11,190	-	-	-	(1,738,525)	(603,857)	(2,342,382)
Total comprehensive income/(expense)	-	-	-	(1,291,510)	(458,205)	-	11,190	-	-	640,668	(1,097,857)	(539,763)	(1,637,620)
Dividends (*)	-	-	-	-	-	-	-	-	(700,000)	-	(700,000)	(294,000)	(994,000)
Transfers to legal reserves	-	-	-	-	-	-	-	69,117	(69,117)	-	-	-	-
31 March 2026	945,591	3,786,779	9,108	(4,571,569)	(2,762,846)	(546,669)	(84,980)	5,014,049	32,330,635	640,668	34,760,766	10,424,361	45,185,127

(*) At the Ordinary General Assembly held on March 30, 2026, the decision to distribute gross cash dividends of Full TL 700,000,000 from the 2025 profit was unanimously approved and the dividend payment was made on April 1, 2026.

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ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2026

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 March 2026. Currencies other than TL are stated as thousand unless otherwise stated.)

		(Not Audited)	(Not Audited)
		Current Period	Prior Period
		1 January-	1 January-
	<u>Notes</u>	31 March 2026	31 March 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES		(3,241,204)	(932,450)
Profit from continuing operations before tax		1,256,125	659,659
Adjustments to reconcile net profit/loss for the period		(961,127)	2,824,646
Adjustment related to depreciation and amortization expense	12,13,14	1,155,005	981,989
Adjustments for gains from the disposal of PPE classified for sale	26	(82)	(15,939)
Adjustment related to allowance for doubtful receivable	7	(11,347)	(74,857)
Adjustment related to provision for inventory impairment	10	986	4,753
Adjustment related to provision for litigations	17a	6,446	5,918
Adjustment related to recultivation provision	17b	1,622	32,363
Provision for expected credit losses		(183)	(6,402)
Adjustment related to retirement pay provision	19	25,432	24,653
Adjustment related to seniority provision	19	8,426	3,644
Adjustment related unpaid vacation liability		27,152	33,382
Adjustment related to interest expense		437,622	590,912
Adjustment related to interest income	27	(253,398)	(280,667)
Adjustments related to dividend income	26	(39,132)	(108,683)
Unrealized foreign exchange (gains)/losses on financial borrowings		10,288	20,450
Adjustment related to fair value gain/(losses) of derivative financial instruments		1,335	(13,669)
Income from financial investments	26	129,137	891,814
Monetary (gains)/losses		(2,460,436)	734,985
Changes in working capital		(3,127,833)	(4,138,439)
Short-term trade receivables		(946,808)	(1,125,536)
Inventories		147,796	(913,101)
Other receivables/current assets/prepaid expenses		(578,523)	(224,700)
Short-term and long-term trade payables		(1,284,961)	(2,597,491)
Other short-term payables/liabilities/payables related to employee benefits		(465,337)	722,389
Cash flow from operations		(2,832,835)	(654,134)
Premiums and bonuses paid		(288,265)	(155,894)
Retirement pay provision paid	19	(2,319)	(2,690)
Seniority provision paid	19	(649)	(1,084)
Vacation provision paid	19	(100)	(1,950)
Taxes paid		(117,036)	(116,698)
B. CASH FLOWS FROM INVESTING ACTIVITIES		(685,683)	(2,820,786)
Cash out flow related to purchases of property, plant and equipment	12	(532,688)	(1,378,621)
Other cash inflows (outflows)		(129,137)	(891,814)
Cash received from sale of fixed assets		82	25,958
Cash outflows related to purchases of intangible assets	13	(41,942)	(215,457)
Change in advances given for the purchase of property, plant and equipment		18,002	(360,852)
C. CASH FLOWS FROM FINANCING ACTIVITIES		(693,575)	(440,959)
Proceeds from borrowings		412,299	3,208,839
Repayment of borrowings		(1,101,851)	(3,352,755)
Interest paid		(257,421)	(577,710)
Interest received		253,398	280,667
NET INCREASE/(DECREASE) IN CASH AND EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A + B + C)		(4,620,462)	(4,194,195)
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		51,523	626,158
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(4,568,939)	(3,568,037)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	10,678,266	11,034,776
Effect of Monetary loss/gain on cash and cash equivalents		(977,579)	(1,012,345)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	5,131,748	6,454,394

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2026

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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 2025: TL 10,000,000).

As of 31 March 2026, and 31 December 2025 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 March 2026	31 December 2025
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%
Cimsa 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%

(*) Recognized using the full consolidation method.

The Company’s associate Exsa Export Sanayi Mamülleri Satış ve Araştırma A.Ş. (‘Exsa’) (effective ownership: 32.875% is consolidated by the equity method. The main partner Hacı Ömer Sabancı Holding A.Ş. (Sabancı Holding), its subsidiary Exsa Export Sanayi Mamülleri 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, the 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 and Expenses from Investment Activities.

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FOR THE PERIOD ENDED 31 MARCH 2026

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira (“TL”) in terms of purchasing power of the TL on 31 March 2026. Currencies other than TL are stated as thousand unless otherwise stated.)

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

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 29 April 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 March 2026 is 1,252 (2025: 1,243) and white-collar employees (not a union member) is 786 (2025: 787).

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

Preparation principles of financial statements

The accompanying 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 (‘TFRS’).

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 Differences’ 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.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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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 2024, 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 March 2026. 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 March 2026 and 2025, on the purchasing power basis as of 31 March 2026.

Pursuant to the decision of the Capital Markets Board (“CMB”) dated 28 December 2024 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 2024.

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 March 2026, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Adjustment coefficient	Three Years Compound Inflation Rate
31 March 2026	121.47	1.00000	205%
31 December 2025	110.39	1.10040	211%
31 March 2025	92.82	1.30865	250%

(*) As of 2026, the base year has been updated by TURKSTAT to 2025=100. Therefore, index values reported with a different reference year and scaling in previous periods have been revised according to the new base year. In order to ensure comparability, past data have also been adjusted to the same base year.

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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (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 gain/loss account in the separated 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 of 31 March 2026, 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.

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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.

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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 March 2026, 2025, 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:

Date	31 March 2026 buy	31 March 2026 sell	31 December 2025 buy	31 December 2025 sell
USD /TL	44.3841	44.4641	42.8623	42.9395
EUR/TL	51.0236	51.1156	50.4532	50.5441
GBP/TL	58.6665	58.9723	57.8159	57.8122

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

Date	31 March 2026	31 March 2025
USD/TL	43.5819	36.2688
EUR/TL	51.0264	38.1833
GBP/TL	58.6508	45.8533

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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 2026

Amendments to TFRS 9 and TFRS 7	<i>Classification and Measurement of Financial Instruments</i>
Amendments to TFRS 9 and TFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i>
Annual Improvements	<i>Annual Improvements to TFRS Accounting Standards – Volume 11</i>

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. These amendments are effective for annual reporting periods beginning on or after 1 January 2026.

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

The amendments aim to enable entities to include information about contracts referencing nature-dependent electricity in their financial statements, based on the view that such contracts are more faithfully represented. These amendments are effective for annual reporting periods beginning on or after 1 January 2026.

Annual Improvements to TFRS Accounting Standards – Volume 11

The announcement includes the following amendments:

- TFRS 1: Hedge accounting for first-time adopters
- TFRS 7: Gain or loss on derecognition
- TFRS 7: Disclosure of deferred difference between transaction price and fair value
- TFRS 7: Input and credit risk disclosures
- TFRS 9: Derecognition of lease liabilities by a lessee
- TFRS 9: Transaction price
- TFRS 10: Determination of a “de facto agent”
- TMS 7: Cost method

These amendments are effective for annual reporting periods beginning on or after 1 January 2026.

The aforementioned standards, amendments and improvements do not have a significant impact on the Group’s financial position and performance.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.7 New and Amended Turkish Financial Reporting Standards (Continued)

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

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

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Insurance Contracts and 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 19	<i>Subsidiaries without Public Accountability: Disclosures</i>

TFRS 17 Insurance Contracts

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

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

Amendments have been made to TFRS 17 to reduce application costs, facilitate transition and improve the explanation of results.

In addition, the amendment regarding comparative information allows entities applying TFRS 7 and TFRS 9 for the first time simultaneously to present comparative information about financial assets as if the classification and measurement requirements of TFRS 9 had always been applied to those financial assets. The amendments will be applied upon the initial application of TFRS 17.

TFRS 18 – Presentation and Disclosures in Financial Statements

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

TFRS 19 – Subsidiaries without Public Accountability: Disclosures

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

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.7 New and Amended Turkish Financial Reporting Standards (Continued)

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

The amendments cover new or revised Turkish Financial Reporting Standards that were not considered at the time TFRS 19 was initially issued. These amendments are effective for annual reporting periods beginning on or after 1 January 2027.

The possible effects of these standards, amendments and improvements on the Group’s financial position and performance are being evaluated.

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, the renegotiation conditions with these debtors are considered. As of balance sheet date, provisions for doubtful receivables are reflected in Note 7. 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 7).

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 has resulted against the Group considers its consequences based on the assessments of legal advisor (Note 16).

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3. SHARES IN OTHER ENTITIES

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

Subsidiary	31 March 2026			
	Non-controlling interests %	Gain/(loss) attributable to non-controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Afyon Çimento Sanayi T.A.Ş.	49	(35,949)	3,705,378	294,000

Subsidiary	31 December 2025			
	Non-controlling interests %	Gain/(loss) attributable to non-controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Afyon Çimento Sanayi T.A.Ş.	49	129,937	4,059,085	305,037

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

Condensed balance sheet information (Before consolidation adjustments)

	31 March 2026	31 December 2025
Cash and cash equivalents	891,619	1,173,535
Other current assets	1,833,450	1,666,264
Non-current assets	6,500,284	6,714,740
Total assets	9,225,353	9,554,539
Short-term borrowings	2,157	2,322
Short-term trade payables	765,445	1,032,682
Other current liabilities	740,704	131,909
Long-term borrowings	4,627	4,980
Other non-current liabilities	47,201	44,560
Total liabilities	1,560,134	1,216,452
Total equity	7,665,219	8,338,087

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3. SHARES IN OTHER ENTITIES (Continued)

Condensed profit or loss information

	1 January - 31 March 2026	1 January - 31 March 2025
Net sales income	926,106	897,975
Gross profit	186,354	247,138
Operating profit/(loss)	127,273	181,986
Net financial income/(expense)	72,764	146,571
Net monetary position	(129,218)	(128,963)
Profit/(loss) before tax	70,820	199,594
Net profit for the period	(73,366)	115,381

Condensed cash flow information

	1 January - 31 March 2026	1 January - 31 March 2025
Cash flows from operating activities	(222,952)	(260,300)
Cash flows from investing activities	(29,830)	(222,666)
Cash flows from financing activities (excluding dividend)	77,940	148,898
Net increase/(decrease) in cash and cash equivalents	(174,842)	(334,068)

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

Subsidiary	31 March 2026			
	Non- controlling interests %	Gain/(loss) attributable to non- controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Cimsa Building Solutions B.V.	31.69	72,632	6,718,983	-

Subsidiary	31 December 2025			
	Non- controlling interests %	Gain/(loss) attributable to non- controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Cimsa Building Solutions B.V.	31.69	573,330	7,199,039	-

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3. 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)

	31 March 2026	31 December 2025
Cash and cash equivalents	3,058,922	5,014,878
Other current assets	9,638,034	9,226,406
Non-current assets	33,403,377	36,752,836
Total assets	46,100,333	50,994,120
Short term borrowings	3,245,679	2,991,906
Short-term trade payables	3,427,727	3,298,479
Other current liabilities	5,713,407	7,194,595
Other non-current liabilities	13,935,630	16,341,882
Total liabilities	26,322,443	29,826,862
Total equity	19,777,890	21,167,258
Total liabilities and equity	46,100,333	50,994,120

Condensed profit or loss information

	1 January - 31 March 2026	1 January - 31 March 2025
Net sales income	7,394,279	6,976,489
Gross profit	1,186,688	987,424
Operating profit/(loss)	460,293	353,305
Net financial income/(expense)	(182,742)	(184,075)
Profit/(loss) before tax	305,454	205,535
Net profit for the period	229,195	117,777

4. 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 “Operating Segments”. The transfer prices between segments are prepared on the same basis with third parties. For the years ended 31 March 2026 and 2025, 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 March 2026 and 31 December 2025.

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4. SEGMENT REPORTING (Continued)

1 January – 31 March 2026				Building	Total
	Cement	Ready-Mix Concrete	Materials and Packaging		
Sales	8,226,079	1,468,607	1,937,194	11,631,880	
Cost of sales (-)	(7,011,141)	(1,329,970)	(1,620,935)	(9,962,046)	
Gross profit/(loss)	1,214,938	138,637	316,259	1,669,834	
General administrative, marketing, sales distribution expenses (-)	(992,314)	(172,535)	(170,951)	(1,335,800)	
Other operating income/(expenses) (-), net	70,488	(1,891)	2,827	71,424	
Research and development expenses (-)	(19,174)	-	-	(19,174)	
Operating profit/(loss)	273,938	(35,789)	148,135	386,284	
Income(expenses) from investment activities, net	(89,923)	-	-	(89,923)	
Operating profit/(loss) before financial income/expenses	184,015	(35,789)	148,135	296,361	
Financial income/(expenses), net	(232,554)	-	(47,334)	(279,888)	
Net monetary position gain	1,239,652	-	-	1,239,652	
Profit/(loss) from continuing operations before tax	1,191,113	(35,789)	100,801	1,256,125	
Continuing operations tax (expense)/income	(545,042)	-	(6,321)	(551,363)	
Profit/(loss) for the period from continuing operations	646,071	(35,789)	94,480	704,762	

1 January – 31 March 2025				Building	Total
	Cement	Ready-Mix Concrete	Materials and Packaging		
Sales	7,457,185	2,132,629	2,063,429	11,653,243	
Cost of sales (-)	(6,244,198)	(1,789,438)	(1,820,985)	(9,854,621)	
Gross profit/(loss)	1,212,987	343,191	242,444	1,798,622	
General administrative, marketing, sales distribution expenses (-)	(938,663)	(174,370)	(216,088)	(1,329,121)	
Other operating income/(expenses) (-), net	418,730	(90)	16,455	435,095	
Research and development expenses (-)	(19,870)	-	-	(19,870)	
Operating profit/(loss)	673,184	168,731	42,811	884,726	
Income(expenses) from investment activities, net	(760,848)	-	-	(760,848)	
Operating profit/(loss) before financial income/expenses	(87,664)	168,731	42,811	123,878	
Financial income/(expenses), net	(358,149)	-	(51,101)	(409,250)	
Net monetary position gain	945,031	-	-	945,031	
Profit/(loss) from continuing operations before tax	499,218	168,731	(8,290)	659,659	
Continuing operations tax (expense)/income	(207,557)	-	-	(207,557)	
Profit/(loss) for the period from continuing operations	291,661	168,731	(8,290)	452,102	

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4. SEGMENT REPORTING (Continued)

31 March 2026	Cement	Ready - mix concrete	Building Materials and Packaging	Undistributed	Total
Segment assets	76,962,642	1,956,263	9,277,683	-	88,196,588
Financial investments	-	-	-	2,722,657	2,722,657
Undistributed assets	-	-	-	2,047,593	2,047,593
Total assets	76,962,642	1,956,263	9,277,683	4,770,250	92,966,838
Segment liabilities	41,125,441	623,855	6,032,415	-	47,781,711
Undistributed liabilities	-	-	-	45,185,127	45,185,127
Total liabilities	41,125,441	623,855	6,032,415	45,185,127	92,966,838

31 December 2025	Cement	Ready - mix concrete	Building Materials and Packaging	Undistributed	Total
Segment assets	83,871,372	2,699,984	10,250,050	-	96,821,406
Financial investments	-	-	-	2,869,447	2,869,447
Undistributed assets	-	-	-	2,207,144	2,207,144
Total assets	83,871,372	2,699,984	10,250,050	5,076,591	101,897,997
Segment liabilities	46,691,461	1,140,734	6,249,054	-	54,081,249
Undistributed liabilities	-	-	-	47,816,748	47,816,748
Total liabilities	46,691,461	1,140,734	6,249,054	47,816,748	101,897,997

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5. CASH AND CASH EQUIVALENTS

The detail of cash and cash equivalents as of 31 March 2026 and 31 December 2025 is as follows:

	31 March 2026	31 December 2025
Cash	324	363
Cash at banks	5,135,327	10,713,867
<i>Demand deposits</i>	1,162,536	2,566,305
<i>Time deposits</i>	3,972,791	8,147,562
	5,135,651	10,714,230
Blocked deposits (-) (*)	(3,903)	(35,964)
Cash and cash equivalents in consolidated cash flow statements	5,131,748	10,678,266

(*) 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:

	31 March 2026	31 December 2025
Turkish Lira	1,543,252	4,258,691
Euro	2,095,618	4,302,882
US Dollar	731,415	1,080,397
British Pound	190,796	550,899
Other	574,246	520,998
	5,135,327	10,713,867

Time deposits as of 31 March 2026 and 31 December 2025 are denominated in TL, EUR, USD and GBP with the maturity of less than three months. As of 31 March 2026, effective weighted average interest rate on time deposits is 45.17% for TL, 3.92% for USD, 1.95% for EUR (31 December 2025 TL: 49.07%, USD: 4.64%, EUR: 2.07%). The blocked deposit amount is TL 3,903 as of 31 March 2026 (The blocked deposit amount is TL 35,964 as of 31 December 2025).

Credit risks of banks with group deposits are evaluated by considering 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.

6. FINANCIAL INVESTMENTS

Financial assets	31 March 2026	31 December 2025
Hacı Ömer Sabancı Holding A.Ş.	2,436,508	2,567,173
Other financial assets	286,149	302,274
	2,722,657	2,869,447

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 130,668 for the accounting period ended 31 March 2026, has been recognized under income and expense from investment activities account.

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7. TRADE RECEIVABLES AND PAYABLES

a. Trade Receivables

	31 March	31 December
	2026	2025
Short-term trade receivables		
Trade receivables	7,710,273	8,078,219
Notes receivable	1,433,968	971,217
Trade receivables from related parties (Note 31)	3,605	7,039
Allowance for doubtful receivables (-)	(375,304)	(419,641)
Less: Provision for expected credit losses	(29,576)	(29,759)
	8,742,966	8,607,075

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 56 days (31 December 2025 - 54 days). Effective interest rates used when determining the amortized cost are 40.00% for TL, 3.68% for USD and 1.89% for EUR (31 December 2025 - TL: 37.96%, USD: 3.87%, EUR: 1.93%).

The movement of the provision for doubtful receivables for the periods ended 31 March 2026 and 2025 is as follows:

	1 January -	1 January -
	31 March 2026	31 March 2025
Movements of allowance for doubtful receivables		
Opening balance	419,641	442,900
Reversal of the provision (-)	(11,347)	(76,548)
Provisions during the period	-	1,691
Monetary gain/(loss)	(37,129)	(40,494)
Foreign currency translation reserve	4,139	34,519
Closing Balance	375,304	362,068

b. Trade Payables

	31 March	31 December
	2026	2025
Short-term trade payables		
Trade payables	7,164,539	9,208,230
Trade payables to related parties (Note 31)	101,642	201,462
	7,266,181	9,409,692

The average payment period of trade payables is 81 days (31 December 2025: 75 days). Effective interest rates used when determining the amortized cost are 40.00% for TL, 3.68% for USD and 1.89% for EUR (31 December 2025 - TL: 37.96%, USD: 3.87%, EUR 1.93%).

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8. FINANCIAL BORROWINGS

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

Financial Borrowings	31 March 2026	31 December 2025
Short-term borrowings	3,676,395	4,272,729
Short-term portion of long-term borrowings	5,329,647	3,717,714
Short-term financial lease liabilities	284,213	230,692
	9,290,255	8,221,135
Long-term borrowings	18,163,505	22,785,325
Long-term financial lease liabilities	1,057,993	1,145,339
	19,221,498	23,930,664
Financial borrowings except TFRS 16	27,169,547	30,775,768
Total financial borrowings	28,511,753	32,151,799

The details of the borrowings as of 31 March 2026 are as follows:

Currency Type	Interest Rate Range	Short-Term	Long-Term	31 March 2026
TL	20.32%-23.47%	3,676,395	-	3,676,395
USD	6M SOFR+2.90%-3.40%	1,747,734	3,661,083	5,408,817
USD	7%	227,869	-	227,869
EUR	6M Euribor+2.60%-3,00%	3,309,159	14,196,440	17,505,599
EUR	3.60%	-	255,578	255,578
Other	6.50%-7.55%	44,885	50,404	95,289
		9,006,042	18,163,505	27,169,547

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%	3,973,449	-	3,973,449
USD	6M SOFR+2.90%-3.40%	1,205,799	4,764,032	5,969,831
USD	7,00%	238,020	-	238,020
EUR	6M Euribor+2.60%-3,00%	1,676,804	17,679,827	19,356,631
EUR	3.60%-7,00%	847,372	278,094	1,125,466
Other	6.50%-7.55%	48,999	63,372	112,371
		7,990,443	22,785,325	30,775,768

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8. FINANCIAL BORROWINGS (Continued)

The details of the payback plan of credits as of 31 March 2026 and 31 December 2025 are as follows:

	<u>31 March 2026</u>	<u>31 December 2025</u>
Will be paid in 1 year (*)	9,006,042	7,990,443
Will be paid in 1 - 2 years	5,971,248	7,531,305
Will be paid in 2 - 3 years	5,013,978	5,406,595
Will be paid in 3 - 4 years	6,732,958	5,231,120
Will be paid in 4 - 5 years	366,192	4,529,960
Will be paid in more than 5 years	79,129	86,345
	<u>27,169,547</u>	<u>30,775,768</u>

(*) The short-term loans utilized on 12 February 2025 for the acquisition of shares of Mannok Holding DAC were refinanced through a loan agreement signed with the participation of three banks, with a maturity of five years, including a two-year grace period on principal repayments.

On 5 November 2025, the Company signed a loan agreement with European Bank for Reconstruction and Development (EBRD) for an amount of EUR 50 million, with a total maturity of five years, including a two-year grace period on principal repayments. The loan will be utilized in two equal tranches; the first tranche has been drawn down, while the second tranche will be utilized depending on the Company’s liquidity needs.

The loans currently utilized and those planned to be utilized in the future aim to finance the Company’s decarbonization projects in line with its 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.

Within the framework of the Board of Directors’ resolution dated 10 March 2026, an application was submitted to the Capital Markets Board on 17 March 2026 for the approval of an issuance ceiling for bonds and/or bills, to be issued domestically in Turkish Lira, up to a total nominal amount of TRY 10,000,000,000, through private placement and/or sale to qualified investors without a public offering. The application was approved by the Capital Markets Board with its decision dated 8 April 2026 and numbered 22/701.

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9. OTHER RECEIVABLES AND PAYABLES

a. Other Receivables

	31 March	31 December
	2026	2025
Short-Term Other Receivables from Third Parties		
Other miscellaneous receivables	54,879	88,555
Due from personnel	2,029	2,099
Receivables from insurance claims	-	44,618
	56,908	135,272
	31 March	31 December
	2026	2025
Other Short-Term Receivables from Related Parties		
Dividend receivables (Note 31) (*)	39,132	-
	39,132	-

(*)The dividend corresponding to the shares of Hacı Ömer Sabancı Holding A.Ş. was collected on 3 April 2026.

	31 March	31 December
	2026	2025
Long-Term Other Receivables		
Deposits and guarantees given	20,827	14,979
	20,827	14,979

b. Other Payables

	31 March	31 December
	2026	2025
Short-Term Other Payables		
Taxes and funds payable	548,036	510,653
Deposits and guarantees received	23,871	34,981
Other payables due to related parties (Note 31)	1,006,774	36,592
	1,578,681	582,226

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10. INVENTORIES

	31 March 2026	31 December 2025
Inventories		
Raw materials	3,101,438	2,714,788
Work-in progress	2,127,719	1,993,962
Finished goods	1,403,665	2,006,965
Goods in transit	330,899	703,872
Other inventories	497,607	201,476
Inventory impairment provision (-)	(141,996)	(152,949)
	7,319,332	7,468,114

Inventory impairment provision movement

	1 January - 31 March 2026	1 January - 31 March 2025
Inventory impairment provision movement		
Opening balance	152,949	751,341
Provisions during the period (Note 24)	16,002	8,981
Reversal of the provision (-) (Note 24)	(15,016)	(4,228)
Foreign currency translation reserve	(11,939)	5,286
Closing balance	141,996	761,380

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.

11. PREPAID EXPENSES AND DEFERRED INCOME

a. Prepaid Expenses

	31 March 2026	31 December 2025
Short-Term Prepaid Expenses		
Prepaid expenses	520,315	238,263
Advances given	153,900	36,868
	674,215	275,131

	31 March 2026	31 December 2025
Long-Term Prepaid Expenses		
Advances given for the purchase of fixed assets	143,045	196,738
Prepaid expenses	17,741	-
	160,786	196,738

b. Deferred Income

	31 March 2026	31 December 2025
Short-Term Deferred Income		
Advances received	83,666	169,902
	83,666	169,902

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12. PROPERTY, PLANT AND EQUIPMENT

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Cost value									
Opening balance as of 1 January 2026	1,336,798	3,977,197	15,680,666	57,412,250	2,058,452	1,895,158	1,751,138	4,395,879	88,507,538
Foreign currency translation reserve	-	(74,507)	(276,841)	(1,174,325)	(45,475)	(18,490)	(45,214)	(136,646)	(1,771,498)
Additions	7,051	38,457	-	309,436	9,922	43,526	-	309,400	717,792
Disposals	-	-	-	(360)	(12,972)	(27,045)	-	-	(40,377)
Transfers from construction in progress	-	-	-	27,152	-	-	-	(27,152)	-
Closing balance as of 31 March 2026	1,343,849	3,941,147	15,403,825	56,574,153	2,009,927	1,893,149	1,705,924	4,541,481	87,413,455
Accumulated depreciation									
Opening balance as of 1 January 2026	-	(1,918,622)	(6,285,005)	(29,313,615)	(1,497,244)	(973,616)	(1,290,750)	-	(41,278,852)
Foreign currency translation reserve	-	23,351	51,536	286,222	14,106	(7,049)	17,074	-	385,240
Charge for the period	-	(34,477)	(115,517)	(622,622)	(26,679)	(74,705)	(2,344)	-	(876,344)
Disposals	-	-	-	360	12,972	27,045	-	-	40,377
Closing balance as of 31 March 2026	-	(1,929,748)	(6,348,986)	(29,649,655)	(1,496,845)	(1,028,325)	(1,276,020)	-	(41,729,579)
Net book value as of 31 March 2026	1,343,849	2,011,399	9,054,839	26,924,498	513,082	864,824	429,904	4,541,481	45,683,876

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12. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Cost value									
Opening balance as of 1 January 2025	1,324,321	3,426,902	14,126,448	51,542,904	1,838,356	1,174,714	1,621,582	2,737,655	77,792,882
Foreign currency translation reserve	-	(99,226)	(441,917)	(1,458,829)	(52,701)	(2,884)	(43,412)	(263,467)	(2,362,436)
Additions	-	8,009	13,541	671,963	3,018	73,383	8,039	600,668	1,378,621
Disposals	-	-	-	(19,768)	(25)	(817)	-	-	(20,610)
Transfers from construction in progress	-	-	-	339,754	-	3,294	-	(343,048)	-
Closing balance as of 31 March 2025	1,324,321	3,335,685	13,698,072	51,076,024	1,788,648	1,247,690	1,586,209	2,731,808	76,788,457
Accumulated depreciation									
Opening balance as of 1 January 2025	-	(1,734,690)	(5,762,910)	(26,609,906)	(1,398,815)	(521,383)	(1,278,319)	-	(37,306,023)
Foreign currency translation reserve	-	36,651	125,681	558,305	30,222	18,845	23,204	-	792,908
Charge for the period	-	(26,617)	(100,012)	(517,834)	(19,096)	(62,832)	(1,488)	-	(727,879)
Disposals	-	-	-	9,899	-	692	-	-	10,591
Closing balance as of 31 March 2025	-	(1,724,656)	(5,737,241)	(26,559,536)	(1,387,689)	(564,678)	(1,256,603)	-	(37,230,403)
Net book value as of 31 March 2025	1,324,321	1,611,029	7,960,831	24,516,488	400,959	683,012	329,606	2,731,808	39,558,054

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12. PROPERTY, PLANT AND EQUIPMENT (Continued)

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

	1 January – 31 March 2026	1 January – 31 March 2025
Cost of sales	(802,713)	(675,160)
General administrative expenses	(43,430)	(47,703)
Marketing, sales, and distribution expenses	(29,985)	(4,671)
Research and development expenses	(216)	(345)
	(876,344)	(727,879)

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13. 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>
<u>Cost value</u>						
Opening balance as of 1 January 2026	4,229,896	1,071,172	5,310,684	7,473,932	757,934	18,843,618
Foreign currency translation reserve	(10,310)	(16,199)	(838,244)	(640,195)	140,180	(1,364,768)
Additions	6,104	35,838	-	-	-	41,942
Disposals	-	-	-	(492,736)	-	(492,736)
Closing balance as of 31 March 2026	4,225,690	1,090,811	4,472,440	6,341,001	898,114	17,028,056
<u>Accumulated depreciation</u>						
Opening balance as of 1 January 2026	(2,009,345)	(734,127)	(980,846)	(83,301)	(11,619)	(3,819,238)
Foreign currency translation reserve	4,571	12,871	190,773	(3,571)	2,592	207,236
Charge for the period	(19,024)	(34,468)	(143,524)	(14,141)	-	(211,157)
Closing balance as of 31 March 2026	(2,023,798)	(755,724)	(933,597)	(101,013)	(9,027)	(3,823,159)
Net book value as of 31 March 2026	2,201,892	335,087	3,538,843	6,239,988	889,087	13,204,897
	<u>Mining Rights</u>	<u>Other Intangible Assets</u>	<u>Customer contract and relations</u>	<u>Rights</u>	<u>Brand</u>	<u>Total</u>
<u>Cost value</u>						
Opening balance as of 1 January 2025	3,680,748	867,250	5,536,575	5,931,912	603,682	16,620,167
Foreign currency translation reserve	(43,099)	(25,380)	(811,193)	(525,444)	(54,511)	(1,459,627)
Additions	-	4,796	-	210,661	-	215,457
Closing balance as of 31 March 2025	3,637,649	846,666	4,725,382	5,617,129	549,171	15,375,997
<u>Accumulated depreciation</u>						
Opening balance as of 1 January 2025	(1,742,015)	(588,077)	(541,498)	(29,846)	(14,472)	(2,915,908)
Foreign currency translation reserve	18,617	15,569	186,412	8,638	-	229,236
Charge for the period	(11,303)	(25,290)	(140,002)	(21,493)	-	(198,088)
Closing balance as of 31 March 2025	(1,734,701)	(597,798)	(495,088)	(42,701)	(14,472)	(2,884,760)
Net book value as of 31 March 2025	1,902,948	248,868	4,230,294	5,574,428	534,699	12,491,237

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13. 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:

	1 January – 31 March 2026	1 January – 31 March 2025
Cost of sales	(184,334)	(178,785)
General administrative expenses	(17,989)	(16,877)
Marketing, sales and distribution expenses	(8,576)	(2,401)
Research and development expenses	(258)	(25)
	(211,157)	(198,088)

14. RIGHT-OF-USE ASSETS

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

Right-of-Use Assets			Depreciation Expense for the Period	Foreign Currency Translation Reserve	31 March 2026
	1 January 2026	Additions			
Buildings	489,364	53,959	(38,674)	(68,759)	435,890
Vehicles	495,500	57,753	(28,830)	(53,823)	470,600
	984,864	111,712	(67,504)	(122,582)	906,490

The depreciation expense of TL 18,165 for the period ending on 31 March 2026 of the right of use assets has been included in the cost of the goods sold and the part of TL 49,339 has been included in the general administrative expense.

Right-of-Use Assets			Depreciation Expense for the Period	Foreign Currency Translation Reserve	31 March 2025
	1 January 2025	Additions			
Buildings	383,955	234,823	(32,317)	9,511	595,972
Vehicles	300,541	11,945	(23,705)	8,356	297,137
	684,496	246,768	(56,022)	17,867	893,109

The depreciation expense of TL 15,075 for the period ending on 31 March 2025 of the right of use assets has been included in the cost of the goods sold and the part of TL 40,947 has been included in the general administrative expense.

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15. INVESTMENT PROPERTIES

	<u>31 March 2026</u>	<u>31 December 2025</u>
Opening balance	92,328	86,476
Foreign currency translation reserve	(7,476)	2,170
Fair value gains	-	3,682
	<u>84,852</u>	<u>92,328</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.

16. GOODWILL

The goodwill amount presented in the Group’s financial statements as of 31 March 2026 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 (“Sabanci Building Solutions B.V.”) acquired in 2021, Mannok Holding DAC acquired in 2024. The movement of goodwill for the periods ending 31 March 2026 and 31 December 2025 is stated below.

	<u>31 March 2026</u>	<u>31 December 2025</u>
Eskişehir	4,165,862	4,165,862
Afyon Çimento Sanayi T.A.Ş.	212,570	212,570
Bilecik Hazır Beton	106,842	106,842
Çimsa Cement Free Zone Ltd.	10,468	10,468
Bunol (*)	288,896	314,347
Mannok Holdings DAC (*)	1,106,826	1,204,346
	<u>5,891,464</u>	<u>6,014,435</u>

(*) The Turkish Lira equivalent of the goodwill amount related to assets abroad has been converted from the end-of-period exchange rate of the relevant currency.

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 considered. 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%.

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16. 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.

17. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a. Short-Term Provisions

	31 March	31 December
	2026	2025
Short-term provisions		
Carbon obligations (*)	3,319,603	4,348,561
Provision for litigations	60,962	60,146
Short-term employee benefits	144,887	529,700
Other provisions	495,772	346,066
	4,021,224	5,284,473

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

The movement of “Provision for the litigations” as of 31 March 2026 and 2025 is stated below:

	31 March	31 March
	2026	2025
Provision for the litigation movements		
Opening balance	60,146	79,288
Additional provision (Note 25)	7,106	5,918
Reversal of provision (-) (Note 25)	(660)	-
Monetary gain/(loss)	(5,630)	(7,387)
Closing balance	60,962	77,819

As of 31 March 2026, the Group has provided a provision amounting to TL 60,692 for the risky cases against the Company with the opinion obtained from the Company’s legal counsels (31 December 2025: TL 60,146).

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17. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

b. Long-term provisions

	31 March	31 December
	2026	2025
Long-term provisions		
Long-term employee benefits	373,388	351,678
Other long-term provisions	293,895	318,443
	667,283	670,121
	31 March	31 December
	2026	2025
Other long-term provisions		
Recultivation provision	293,895	318,443
	293,895	318,443

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 293,895 under “Other Long-Term Provisions” as of 31 March 2026 (31 December 2025: TL 318,443).

Movement of recultivation provision as of 31 March 2026 and 2025 is as follows:

	1 January -	1 January -
	31 March 2026	31 March 2025
Recultivation provision movement		
Opening balance	318,443	317,198
Additional provision (Note 25)	1,622	32,363
Foreign currency translation reserve and inflation adjustment effect	(26,170)	(30,143)
Closing balance	293,895	319,418

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18. COMMITMENTS

The collaterals, pledges and mortgages (CPM) received by the Group as of 31 March 2026 and 31 December 2025 are as follows:

	Currency	31 March 2026		31 December 2025	
		Original Amount	TL Amount	Original Amount	TL Amount
Guarantee letter received	TL	4,721,863	4,721,863	4,389,443	4,830,144
Guarantee letter received	USD	36,197	1,606,566	51,572	2,432,417
Guarantee letter received	EUR	8,679	442,820	11,232	623,586
Guarantee letter received	Other	250	13,844	276	5,013
Mortgages received	TL	73,528	73,528	73,070	80,406
Mortgages received	Other	14,877	148,846	14,877	205,911
Checks and notes received	TL	26,030	26,030	56,530	62,205
Checks and notes received	USD	47	2,099	47	2,231
Pledge	TL	607,873	607,873	763,165	839,787
Total CPMs received			7,643,469		9,081,700

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18. COMMITMENTS (Continued)

As of 31 March 2026 and, 31 December 2025 the details of the collaterals, pledges and mortgages (CPM) given are as follows:

	Currency	31 March 2026		31 December 2025	
		Original Amount	TL Amount	Original Amount	TL Amount
A. Total CPM given for the Company’s own legal entity (*)	TL	5,182,261	5,182,261	3,709,170	4,081,570
	USD	1,200	53,261	3,500	165,080
	EUR	80,785	4,121,932	84,630	4,698,565
	Other	15,000	150,072	11,700	161,934
B. Total CPM given in favor of subsidiaries consolidated on line-by-line basis (**)	EUR	150,000	7,653,540	167,420	9,294,941
	USD	36,350	1,613,362	38,360	1,809,275
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	-	-	-	-	-
			18,774,428		20,211,365

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

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

The ratio of other GPMs given by the Group to the Group's equity is 0% as of 31 March 2026 (31 December 2025: 0%).

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19. EMPLOYEE BENEFITS

a. Employee Benefit Obligations

	31 March 2026	31 December 2025
Social security premium payables	335,035	72,856
Wage accrual and income tax withholding payable to personnel	66,360	36,486
	401,395	109,342

b. Long-Term Employee Benefits

	31 March 2026	31 December 2025
Retirement pay provision	245,553	249,144
Provision for unpaid vacation liability	101,873	82,333
Seniority provision	25,962	20,201
	373,388	351,678

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.

The compensation to be paid is equal to one month's salary for each year of service, and this amount is limited to 64,948.77 TL as of 31 March 2026 (53,919.68 TL as of 31 December 2025).

In the consolidated financial statements dated 31 March 2026 and 31 December 2025, the actuarial assumptions used in calculating the severance pay liability are as follows:

	31 March 2026	31 December 2025
Net discount rate (%)	4	4

As at 31 March 2026 and 2025, the movement of “Provision for Employment Termination Benefits” is as follows:

	1 January - 31 March 2026	1 January - 31 March 2025
Opening balance	249,144	228,893
Service cost	9,398	10,568
Interest cost	16,034	14,085
Actuarial gain	(14,920)	(14,196)
Payments	(2,319)	(2,690)
Monetary gain	(22,732)	(8,154)
Foreign currency translation reserve	10,948	946
Closing balance	245,553	229,452

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19. EMPLOYEE BENEFITS (Continued)

b. Long-Term Employee Benefits (Continued)

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

	1 January - 31 March 2026	1 January - 31 March 2025
Opening balance	82,333	61,183
Additional provision	27,152	33,382
Provision paid during the period	(100)	(1,950)
Monetary gain	(7,512)	(5,593)
Closing balance	101,873	87,022

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

	1 January - 31 March 2026	1 January - 31 March 2025
Opening balance	20,201	18,784
Additional provision	8,426	3,644
Provision paid during the period	(649)	(1,084)
Monetary gain	(2,016)	(1,802)
Closing balance	25,962	19,542

20. OTHER ASSETS AND LIABILITIES

a. Other Assets

	31 March 2026	31 December 2025
Other current assets	393,449	256,458
Deferred VAT (*)	63,352	20,434
Other current assets	456,801	276,892

	31 March 2026	31 December 2025
Other non-current assets	20,576	32,231
Export VAT (**)	20,576	32,231

(*) 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.

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20. OTHER ASSETS AND LIABILITIES (Continued)

b. Other Liabilities

	31 March 2026	31 December 2025
Other short-term liabilities (*)	521,750	1,004,127
	521,750	1,004,127

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

	31 March 2026	31 December 2025
Other long-term liabilities (**)	1,643,384	1,808,380
	1,643,384	1,808,380

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

21. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

As of 31 March 2026, and 31 December 2025, the composition of shareholders is as follows:

	31 March 2026		31 December 2025	
	(%)	Amount	(%)	Amount
<u>Shareholders (*)</u>				
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		3,786,779		3,786,779
Restated share capital		4,732,370		4,732,370

(*) Public quotation of the Group is 45.08% as of 31 March 2026 (31 December 2025: 45.06%).

As of 31 March 2026, the Company’s share capital consists of 945,591 shares (31 December 2025: 945,591). The nominal value of the shares is TL 1 per share (31 December 2025: 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.

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21. SHARE CAPITAL, 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 Group’s share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Group’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:

Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and 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.

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

- Whether dividends will be distributed, and if distributed, the dividend distribution rate for shareholders and for others participating in the distribution.
- Payment type of dividend distribution.
- 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.
- 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 3,098,317,421.08 remaining after deducting Legal Liabilities and Non-Controlling Interests from the said consolidated net profit for the year 2025 calculated in accordance with the CMB Legislation shall be distributed as follows.

First Dividend	TL 47,280
Second Dividend	TL 652,720
Total Gross Dividend	TL 700,000
General Legal Reserves (2nd Order)	TL 65,272
Extraordinary Reserve	TL 2,333,045

As a result of the profit distribution in accordance with the principles set out above, it was resolved at the Ordinary General Assembly meeting for the year 2025, held on 30 March 2026, to distribute a gross dividend of TL 700,000,000.00. This distribution will be made from the Net Distributable Profit for the Period recorded in the statutory books prepared in accordance with the provisions of the Tax Procedure Law, after the deduction of legal reserves and other statutory obligations, and supplemented, where necessary, by extraordinary reserves and other distributable funds.

Accordingly, a gross dividend of TL 700,000,000 will be paid in cash to the shareholders representing a capital of TL 945,591,094.00 for the year 2025, depending on their legal status, starting from 1 April 2026.

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21. SHARE CAPITAL, 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 the Company. The impact of this transaction has been recognized under Income and Expenses from Investment Activities Account.

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22. DERIVATIVE FINANCIAL INSTRUMENTS

	31 March 2026				31 December 2025			
	Fair Value				Fair Value			
	Contract amount	Currency	Assets	Liabilities	Contract amount	Currency	Assets	Liabilities
Short-term derivative instruments								
Interest rate swap	18,000	USD	6,090	-	16,700	USD	10,049	-
Interest rate swap	135,979	EUR	40,167	-	137,510	EUR	19,033	14,693
Forward foreign exchange transactions	10,000	EUR	84	-	-	-	-	-
Forward foreign exchange transactions	7,200	USD	-	20,518	9,600	USD	-	24,526
Forward foreign exchange transactions	22,500	GBP	-	8,024	22,500	GBP	-	5,247
Total short-term derivative instruments			46,341	28,542			29,082	44,466

In order to hedge against interest rate risk, the Group entered into interest rate swap agreements on 6 December 2023 and 15 April 2025, with a total notional amount of EUR 45,750, to fix the interest rate of the floating-rate loan utilized under the Bunol Project financing. As of 31 March 2026, the outstanding principal amount of these agreements is EUR 32,978. The maturity date of the agreements is 9 July 2029. Fair value increases/decreases of these contracts have been recognized under equity.

In order to hedge against interest rate risk, the Group entered into an interest rate swap agreement on 20 April 2022, with a notional amount of USD 25,000, to fix the interest rate of the floating-rate loan utilized under the USA White Grinding Plant Project financing. As of 31 March 2026, the outstanding principal amount of the agreement is USD 14,500. The maturity date of the agreement is 10 February 2027. Fair value increases/decreases of this contract have been recognized under equity.

In order to hedge against interest rate risk, the Group entered into interest rate swap agreements on 4 March 2025, 3 April 2025 and 22 April 2025, with a total notional amount of EUR 100,000, to fix the floating-rate portions of the loans utilized under the Mannok Project financing. The maturity date of the agreements is 13 February 2030. Fair value increases/decreases of these contracts have been recognized under equity.

In order to hedge against foreign exchange risk arising from its trade transactions denominated in currencies other than its functional currency, the Group regularly enters into forward foreign exchange contracts based on the GBP/EUR exchange rate, with maturities of less than one year. As of 31 March 2026, the total contract value of the 18 forward contracts to which the Group is a party amounts to EUR 22,504, corresponding to GBP 22,500. During the 2025 financial year, income/expenses arising from forward contracts and fair value increases/decreases of these contracts have been recognized in the statement of profit or loss.

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23. REVENUE

Revenue	1 January - 31 March 2026	1 January - 31 March 2025
Domestic sales	3,595,485	4,620,020
Export sales	9,206,305	8,384,848
Sales discounts (-)	(559,587)	(542,971)
Other discounts (-)	(610,323)	(808,654)
	11,631,880	11,653,243
<u>Cost of Sales (-)</u>	(9,962,046)	(9,854,621)
Gross profit	1,669,834	1,798,622

24. EXPENSES BY NATURE

The detail of costs of sales for the periods between 1 January - 31 March 2026 and 2025 is as follows:

<u>Cost of sales (-)</u>	1 January - 31 March 2026	1 January - 31 March 2025
Direct material and supplies expenses	(3,464,497)	(3,398,685)
Labor expenses	(949,000)	(899,251)
Energy costs	(1,900,482)	(1,933,557)
Depreciation and amortization expenses	(1,005,212)	(869,020)
Other production expenses	(1,718,724)	(2,043,516)
Total production cost	(9,037,915)	(9,144,029)
Change in provision for inventory impairment (Note: 10)	(986)	(4,753)
Change in work-in process	133,757	(31,202)
Change in finished goods and trade goods	(603,300)	(50,742)
Cost of trade goods sold and other	(453,602)	(623,895)
	(9,962,046)	(9,854,621)

The detail of general administration expenses for the periods between 1 January - 31 March 2026 and 2025 is as follows:

General administrative expenses	1 January - 31 March 2026	1 January - 31 March 2025
Personnel expenses	(607,543)	(571,429)
Consultancy expenses	(144,912)	(158,462)
Depreciation and amortization expenses	(110,758)	(105,527)
Insurance expenses	(78,441)	(61,488)
Tax, duty and charges	(56,393)	(34,365)
Rent expenses	(46,054)	(41,836)
IT Expenses	(45,637)	(46,164)
Travel expenses	(20,981)	(28,422)
Communication and publicity expenses	(13,607)	(18,074)
Representation expenses	(9,217)	(54,700)
Maintenance and repair expenses	(3,144)	(5,845)
Other miscellaneous expenses	(53,955)	(80,360)
	(1,190,642)	(1,206,672)

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24. EXPENSES BY NATURE (Continued)

The detail of marketing, selling and distribution expense for the periods between 1 January - 31 March 2026 and 2025 is as follows:

Marketing, selling and distribution	1 January - 31 March 2026	1 January - 31 March 2025
Personnel expenses	(73,320)	(74,216)
Depreciation and amortization expenses	(38,561)	(7,072)
Advertising and representation expenses	(21,518)	(18,519)
Consultancy expenses	(5,136)	(3,387)
Rent expenses	(1,643)	(637)
Travel expenses	(469)	(674)
Insurance expenses	(291)	(269)
Other miscellaneous expenses	(4,220)	(17,675)
	(145,158)	(122,449)

The detail of research and development expense for the periods between 1 January - 31 March 2026 and 2025 is as follows:

Research and development expenses	1 January - 31 March 2026	1 January - 31 March 2025
Personnel expenses	(15,685)	(18,273)
Depreciation and amortization expenses	(474)	(370)
Travel expenses	(240)	(178)
Other miscellaneous expenses	(2,775)	(1,049)
	(19,174)	(19,870)

25. OTHER OPERATING INCOME AND EXPENSES

Other operating income	1 January - 31 March 2026	1 January - 31 March 2025
Foreign exchange gains from operating activities	257,454	545,124
Reversal of the provision	12,007	76,548
Sales of scrap and miscellaneous material	2,153	8,662
Other income and profit	95,530	40,315
	367,144	670,649

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25. OTHER OPERATING INCOME AND EXPENSES (Continued)

	1 January - 31 March 2026	1 January - 31 March 2025
Other operating expense		
Foreign exchange losses from operating activities	(249,778)	(173,956)
Provision expenses	(8,728)	(39,972)
Litigation, levy, and court paid expenses	(8,160)	(5,921)
Donations and grants	(995)	(1,110)
Other expenses	(28,059)	(14,595)
	(295,720)	(235,554)

26. INCOME AND EXPENSE FROM INVESTMENT ACTIVITIES

	1 January - 31 March 2026	1 January - 31 March 2025
Income from investment activities		
Dividend income	39,132	108,684
Income from financial investments	1,531	6,343
Fixed assets sales income	82	15,939
	40,745	130,966

	1 January - 31 March 2026	1 January - 31 March 2025
Expenses from investment activities		
Expenses from financial investments	(130,668)	(891,814)
	(130,668)	(891,814)

27. FINANCIAL INCOME/EXPENSE

	1 January - 31 March 2026	1 January - 31 March 2025
Financial income		
Interest income	253,398	280,667
Total financial income	253,398	280,667

	1 January - 31 March 2026	1 January - 31 March 2025
Financial expenses		
Interest expenses of bank borrowings	(437,622)	(576,827)
Foreign exchange loss on bank	(10,288)	(20,450)
Other financial expenses (*)	(85,376)	(92,640)
Total financial expense	(533,286)	(689,917)

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

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28. 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 2024", published in the official newspaper dated 15 July 2024, 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 2024 (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 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.

Tax deductions are made on dividend payments made to resident companies in Türkiye, those not responsible for and exempt from corporate and income tax, as well as to real persons and non-resident legal entities in Türkiye by the 15% deduction rate.

The law on amending the Tax Procedure Law and the Corporate Tax Law was published on January 20, 2022, Law No.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 2024 accounting period provisional tax periods. In line with Law No. 7352, inflation adjustment has been applied to the financial statements dated 31 December 2024, 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. Considering 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%.

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28. 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) It has been stipulated by Article 49 of Law No. 7417, effective as of 5 July 2022, that this discount cannot be used separately for the accounting period in which the decision regarding the capital increase or the articles of association at the initial establishment stage is registered and the four accounting periods following this period, and that this amendment provision will be applied for 5 accounting periods, including the 2022 accounting period, for companies that increased their capital before 5 July 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 incomes obtained from the investments granted with the incentive certificate are 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 obtained upon application before May 16, 2025, reduced corporate tax may be applied—during the investment period—to the investor’s income derived from other activities, provided that it is offset against the contribution to investment amount, does not exceed the amount of investment expenditure realized, and is limited to a maximum of 80% of the total contribution to investment amount. For incentive certificates obtained upon application after this date, reduced corporate tax may likewise be applied—during the investment period—to the investor’s income from other activities, provided that it is offset against the contribution to investment amount earned due to the investment expenditure, and does not exceed 50% of the total contribution to investment 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.

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28. INCOME TAXES (Continued)

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.

As of 31 March 2026, and 2025, 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 March 2026, and 31 December 2025 corporate tax payables are summarized as follows:

Distribution of tax expenses are as follows:

	31 March	31 December
	2026	2025
Corporate tax payable	(113,728)	(533,044)
Current period corporate tax provision	14,681	430,689
Less: Prepaid taxes and funds	(99,047)	(102,355)
	1 January -	1 January -
	31 March 2026	31 March 2025
Tax (expense)/income	(113,728)	(66,647)
Current tax (expense)/income	(437,635)	(140,910)
Deferred tax (expense)/income	(551,363)	(207,557)

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28. INCOME TAXES (Continued)

The details of the deferred tax assets and liabilities 31 March 2026 and 31 December 2025 are as follows:

	31 March	31 December
	2026	2025
Deferred tax assets		
Property, plant and equipment and intangible assets	665,751	735,321
Tax losses carried forward	119,552	203,104
Available-for-sale financial assets	173,387	219,340
Investment incentive (*)	598,328	616,680
Provision for employee benefits	110,552	71,445
Recultivation provision	-	311
Other	131,495	87,910
	1,799,065	1,934,111
Deferred tax liabilities		
Property, plant and equipment and intangible assets	(2,758,029)	(2,569,004)
Fair values of derivative products	(41,003)	(45,120)
Inventories	(22,692)	(24,971)
Recultivation provision	(6,137)	-
Other	(130,944)	(105,272)
	(2,958,805)	(2,744,367)
Net deferred tax asset/(liability)	(1,159,740)	(810,256)

(*) Pursuant to the Decree dated 15 June 2012 and numbered 2012/3305 on State Aids in Investments, the earnings from investments subject to an incentive certificate are subject to corporate tax at discounted rates starting from the accounting period in which the investment starts to be operated partially or completely, until the investment reaches a certain investment contribution amount. In addition, discounted corporate tax may 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 March 2026, deferred tax asset created within the scope of investment incentives is TL 598,328.

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28. INCOME TAXES (Continued)

	31 March 2026	31 December 2025
Deferred tax assets/(liabilities) presentation at balance sheet		
Deferred tax assets	1,799,065	1,934,111
Deferred tax liabilities	(2,958,805)	(2,744,367)
	(1,159,740)	(810,256)

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

	1 January - 31 March 2026	1 January - 31 March 2025
Deferred tax assets/(liabilities) movement:		
Opening balance	810,256	957,104
Deferred tax (income)/expense	437,635	140,910
Accounted under other comprehensive income	(149,005)	(231,074)
Other	60,854	(298,259)
Closing balance	1,159,740	568,681

	1 January - 31 March 2026	1 January - 31 March 2025
Tax reconciliation:		
Profit before taxation	1,256,125	659,659
Effective statutory income tax rate	25%	25%
Tax expense at the effective statutory income tax rate	(314,031)	(164,915)
Reconciliation of tax provision calculated with deductible:		
- The effect of assets from investment incentives	37,914	21,834
- Non-deductible expenses	(1,932)	(830)
- Other income exempt from tax	714	4,890
- Inflation effect and other	(274,028)	(68,536)
Tax provision expense in the income statement	(551,363)	(207,557)

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29. 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

	1 January - 31 March 2026	1 January - 31 March 2025
Number of shares	945,591	945,591
Profit attributable to equity holders of the parent - TL	640,668	355,127
Dividend per share with nominal value of 1 Kr - TL	0.68	0.38

30. NET MONETARY POSITION GAINS/(LOSSES)

The details of the Company's net monetary position gains/(losses) in accordance with TAS 29 as of 31 March 2026 and 2025 are as follows:

Non-Monetary Items	1 January- 31 March 2026	1 January- 31 March 2025
Statement of Financial Position Items	847,495	760,867
Inventories	288,924	247,009
Prepaid Expenses	16,183	29,503
Investments in Subsidiaries	1,686,048	1,689,331
Financial Investments	12,400	16,263
Property, Plant and Equipment	1,878,890	2,324,851
Goodwill	389,847	390,643
Right-of-Use Assets	3,568	22,073
Deferred Tax Asset/ Liability	27,431	22,350
Paid-in Capital	(798,431)	(800,079)
Share Premiums	(3,177)	(2,348)
Gain/(Loss) on Remeasurement of Defined Benefit Plans	(10)	(93)
Hedging Gains/Losses	9,005	16,985
Restricted Reserves	(450,571)	(441,570)
Retained Earnings/Losses	(2,212,612)	(2,754,051)
Profit or Loss Statement Items	392,157	184,164
Revenue	(105,853)	(154,991)
Cost of Sales	448,250	284,259
General Administrative Expenses	34,186	51,238
Marketing, Sales and Distribution Expenses	10,271	7,548
Research and Development Expenses	578	747
Other Operating Income/Expenses	(4,968)	(12,319)
Income/Expense from Investing Activities	-	(3,428)
Finance Income/Expenses	9,693	11,110
NET MONETARY POSITION GAINS (LOSSES)	1,239,652	945,031

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31. 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 March 2026 and 31 December 2025 and the related party transactions for the periods ended 31 March 2026 and 2025 are mainly as follows:

Trade receivables from related parties

	31 March	31 December
	2026	2025
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. ⁽²⁾	3,605	7,039
	3,605	7,039

Other receivables from related parties – Dividend Receivables

	31 March	31 December
	2026	2025
Hacı Ömer Sabancı Holding A.Ş.	39,132	-
	39,132	-

Short-term trade payables to related parties

	31 March	31 December
	2026	2025
Enerjisa Müşteri Çözümleri A.Ş. ^{(2)*}	64,900	126,741
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. ⁽²⁾	22,104	68,151
Other	14,638	6,570
	101,642	201,462

(*). 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 are being utilized.

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

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31. RELATED PARTY DISCLOSURES (Continued)

Other long-term liabilities to related parties

	31 March	31 December
	2026	2025
Enerjisa Müşteri Çözümleri A.Ş. ⁽²⁾	1,643,384	1,808,380
	1,643,384	1,808,380

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.

Short-term other payables to related parties

	31 March	31 December
	2026	2025
Sabancı Dx ⁽¹⁾	9,378	32,610
Teknosa İç ve Dış Ticaret A.Ş. ⁽¹⁾	1,833	3,106
Other	1,483	876
	12,694	36,592

Short-term other payables to related parties – Dividend Payables

	31 March	31 December
	2026	2025
Dividend Payables	994,080	-
	994,080	-

Bank balances deposited in related parties

	31 March	31 December
	2026	2025
Akbank T.A.Ş. ⁽¹⁾	64,881	2,868,292
	64,881	2,868,292

Borrowings from related parties

	31 March	31 December
	2026	2025
Banks loans from Akbank T.A.Ş. ⁽¹⁾	45,000	49,518
	45,000	49,518

(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.

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31. RELATED PARTY DISCLOSURES (Continued)

Sales to related parties

	1 January - 31 March 2026	1 January - 31 March 2025
Akçansa Çimento Sanayi ve Ticaret A.Ş. ⁽²⁾	2,084	-
Enerjisa Enerji A.Ş. ⁽²⁾	1,970	-
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. ⁽²⁾	1,610	7,548
Sabancı Dx. ⁽¹⁾	308	2,825
Other	-	13,982
	5,972	24,355

Purchases and services received from related parties

	1 January - 31 March 2026	1 January - 31 March 2025
Aksigorta A.Ş. ⁽²⁾	51,437	37,435
Kordsa Teknik Tekstil A.Ş.	33,745	-
Sabancı Dx. ⁽¹⁾	30,404	19,072
Enerjisa Enerji A.Ş. ⁽²⁾	27,332	131,734
Akçansa Çimento Sanayi ve Ticaret A.Ş. ⁽²⁾	23,723	69,009
Ak Finansal Kiralama A.Ş. ⁽¹⁾	11,657	-
Enerjisa Müşteri Çözümleri A.Ş. ⁽²⁾	-	6,592
Other	4,250	12,448
	182,548	276,290

Interest income from related parties

	1 January - 31 March 2026	1 January - 31 March 2025
Akbank T.A.Ş. ⁽¹⁾	2,796	37,357
	2,796	37,357

Interest expenses from related parties

	1 January - 31 March 2026	1 January - 31 March 2025
Akbank T.A.Ş. ⁽¹⁾	(24,270)	(52,565)
	(24,270)	(52,565)

(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 206,699 (31 March 2025 - TL 234,933) and the premiums paid is TL 17,407 (31 March 2025 - TL 19,292).

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32. FOREIGN CURRENCY RISK

Foreign Currency Risk

The Group's foreign currency positions in original currency as of 31 March 2026 and 31 December 2025 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 March 2026				31 December 2025			
	TL Equivalent	USD	EUR	GBP	TL Equivalent	USD	EUR	GBP
	(Functional Currency)	(Original Currency)	(Original Currency)	(Original Currency)	(Functional Currency)	(Original Currency)	(Original Currency)	(Original Currency)
Trade receivables	2,041,092	36,546	9,408	-	2,463,013	41,992	8,343	304
Monetary financial assets	822,933	11,160	4,813	1,769	1,738,796	6,625	24,149	1,353
Other	126,286	1,009	1,643	3	190,417	2,785	1,064	-
Current Assets	2,990,311	48,715	15,864	1,772	4,392,226	51,402	33,556	1,657
TOTAL ASSETS	2,990,311	48,715	15,864	1,772	4,392,226	51,402	33,556	1,657
Trade payables	(2,646,131)	(51,553)	(8,429)	(112)	(3,252,314)	(52,474)	(13,735)	(141)
Financial liabilities	(9,323,778)	(70,000)	(125,000)	-	(10,816,073)	(70,000)	(135,000)	-
Other non-monetary liabilities	(173,553)	(2,310)	(1,471)	-	(205,405)	(1,257)	(2,625)	-
Current Liabilities	(12,143,462)	(123,863)	(134,900)	(112)	(14,273,791)	(123,731)	(151,360)	(141)
TOTAL LIABILITIES	(12,143,462)	(123,863)	(134,900)	(112)	(14,273,791)	(123,731)	(151,360)	(141)
Net foreign currency asset/(liability) position	(9,153,151)	(75,148)	(119,036)	1,660	(9,881,565)	(72,329)	(117,804)	1,516
Off balance sheet derivative financial instruments asset/(liability) position	9,323,778	70,000	125,000	-	10,816,073	70,000	135,000	-
Net foreign currency asset/(liability) position	170,627	(5,148)	5,964	1,660	934,508	(2,329)	17,196	1,516
Export	2,322,958	18,507	29,717	-	12,000,044	94,651	136,856	965
Import	1,559,807	32,880	2,486	-	2,360,053	30,260	17,169	-

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32. FOREIGN CURRENCY RISK (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
31 March 2026				
1- USD net assets/liabilities	(323,057)	323,057	(323,057)	323,057
2- Hedged portion of USD risk (-)	300,577	(300,577)	300,577	(300,577)
3- USD net effect (1+2)	(22,480)	22,480	(22,480)	22,480
4- Net EUR assets/liabilities	(601,804)	601,804	(601,804)	601,804
5- Hedged portion of EUR risk (-)	631,801	(631,801)	631,801	(631,801)
6- EUR net effect (4+6)	29,997	(29,997)	29,997	(29,997)
7- Net GBP assets/liabilities	9,546	(9,546)	9,546	(9,546)
8- Hedged portion of GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	9,546	(9,546)	9,546	(9,546)
TOTAL (3+6+9)	17,063	(17,063)	17,063	(17,063)

	Profit/Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
31 December 2025				
1- USD net assets/liabilities	(342,197)	342,197	(342,197)	342,197
2- Hedged portion of USD risk (-)	330,755	(330,755)	330,755	(330,755)
3- USD net effect (1+2)	(11,442)	11,442	(11,442)	11,442
4- Net EUR assets/liabilities	(655,550)	655,550	(655,550)	655,550
5- Hedged portion of EUR risk (-)	750,852	(750,852)	750,852	(750,852)
6- EUR net effect (4+6)	95,302	(95,302)	95,302	(95,302)
7- Net GBP assets/liabilities	9,590	(9,590)	9,590	(9,590)
8- Hedged portion of GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	9,590	(9,590)	9,590	(9,590)
TOTAL (3+6+9+12)	93,450	(93,450)	93,450	(93,450)

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33. FINANCIAL INSTRUMENTS FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES

Fair value of financial instruments

			Fair value level as of reporting date	
	31 March 2026	31 December 2025	31 March 2026	31 December 2025
Fair value difference reflects other comprehensive income/loss derivative financial assets and liabilities	(28,542)	(44,466)	Level 2	Level 2
Total	(28,542)	(44,466)		
Financial assets and liabilities at fair value through profit or loss	46,341	29,082	Level 2	Level 2
Total	46,341	29,082		

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.

34. SUBSEQUENT EVENTS

Within the framework of the Board of Directors’ resolution dated March 10, 2026, an application was submitted to the Capital Markets Board of Turkey on March 17, 2026, for the approval of an issuance ceiling for the issuance of bonds and/or commercial papers, to be issued domestically in Turkish Lira, with a total nominal amount not exceeding TRY 10,000,000,000 (ten billion Turkish Lira), through private placement and/or sale to qualified investors without a public offering. The application was approved by the Capital Markets Board’s decision dated April 8, 2026, and numbered 22/701.

At the Ordinary General Assembly held on March 30, 2026, the decision to distribute gross cash dividends of Full TL 700,000,000 from the 2025 profit was unanimously approved and the dividend payment was made on April 1, 2026.

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