**(CONVENIENCE TRANSLATION OF
THE REPORT AND FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH)**

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

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

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of OYAK Çimento Fabrikaları Anonim Şirketi

A) Report on the Audit of the Consolidated Financial Statements

1) Opinion

We have audited the consolidated financial statements of OYAK Çimento Fabrikaları Anonim Şirketi ("the Company") and its subsidiaries (together referred as "the Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards ("TFRS").

2) Basis for Opinion

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards ("InAS") which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Key Audit Matters

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

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Key audit matters	*How our audit addressed the key audit matter*
Revenue recognition	
Revenue is recognized in the consolidated financial statements based on the transaction price in accordance with TFRS 15 "Revenue from Customer Contracts". The transaction price is the amount that the entity expects to be entitled to in exchange for transferring the goods promised to the customer, excluding amounts collected on behalf of third parties. The Group recognized revenue in financial statements when control of the goods or services is transferred to the customers. The Group recognized revenue from selling of cement, ready mixed concrete and clinker. Revenue is the most important indicator in evaluating the performance of the Group. Revenue is significant for evaluating the results of strategies implemented during the year and monitoring performance and has been determined as a key audit matter in the audit due to its importance as the most important financial statement item in terms of consolidated profit or loss and other comprehensive income statement for the period ending on December 31, 2024. Explanations on the Group's accounting policies and amounts related to revenue are disclosed in Note 3.3 and Note 22.	The following procedures have been performed in the audit of revenue: - Understanding the sales processes and evaluating the design of controls related to the processes, - Evaluating the conformity of the accounting policies applied by the Group management for revenue recognition with TAS, - Applying analytical procedures to determine whether the revenue recorded in the consolidated financial statements is at the expected levels, - Testing the accuracy of sales invoices through sampling and matching them with delivery notes, - Testing the transfer of the control of products on selected invoices by sampling to verify that they have been transferred to the customer, - Testing the completeness of revenue by matching the sample selected from shipping documents with accounting records and relevant invoices, - Obtaining confirmation letters from customers for sample selected trade receivables balances and controlling the conformity of the received replies with accounting records.

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Key audit matters	How key matters addressed in the audit
Existence, collectability and valuation of trade receivables	
As of December 31, 2024 the trade receivables constitute 12% of total assets in the consolidated statement of financial position, trade receivables are considered as an important balance sheet item. In addition, the collectability of trade receivables is an important element of the Group's credit risk and working capital management and includes significant judgments and estimates of the management. The impairment provision booked for trade receivables on gross balance of trade receivable amounting to TL 7.045.491.618 in the statement of consolidated financial position as of December 31, 2024 is TL 107.213.668. The determination of the collection risk for trade receivables and the provision to be booked or the determination of whether a particular specific receivable is collectible or not requires a significant judgment of the management. In this respect, the management of the Group assesses the aging of trade receivables, the examination of the risks on ongoing cases based on the letter received from the Group's lawyers, collaterals received within the scope of credit risk management, qualifications of such collaterals, collection performance in the current and subsequent period and all other information. The credit losses for financial assets are accounted in the financial statements as per the relevant standard by the Group. The magnitude of the amounts and the judgement required in the assessment of collectability of trade receivables and due the fact that the application of TFRS 9 is complex and comprehensive, the existence and collectability of trade receivables is determined as key audit matter. Explanations on the Group's accounting policies and amounts related to revenue are disclosed in Note 3.1 and Note 6.	The following procedures have been performed in the audit of trade receivable: - Assessing the collection follow up process of the Company's trade receivables and the operational efficiency of related internal controls, - Examining analytically the aging tables of trade receivables and comparing the collection turnover days to the prior period, - Testing of trade receivable balances by sending confirmation letters on a sample basis, - Testing of subsequent collections on a sample basis, - Testing the collaterals received for trade receivables on a sample basis and evaluating the convertibility into cash, - Evaluating the reasonableness and suitability of the key judgments and estimates used by the management, as well as the methods and data sources used in the calculation of impairment, within the scope of the TFRS 9, - Assessing the appropriateness of the accounting policies applied to TFRS 9, the Group's past performance and local and global practices, - To audit the appropriateness of the specific provisions for trade receivables, inquiring disputes and lawsuits related to receivables, and obtaining written confirmations from Company's legal counsels on ongoing litigations in relation to trade receivables, - Assessing the adequacy and TFRS compliance of disclosures on trade receivables and impairment of trade receivables.

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Key audit matters	***How our audit addressed the key audit matter***
Application of the hyperinflationary accounting	
As stated in Note 2.1 to the consolidated financial statements, the Group has started to apply "TAS 29 Financial Reporting in Hyperinflation Economies" since the functional currency of the Group (Turkish Lira) is the currency of a hyperinflationary economy as per TAS 29 as of December 31, 2024. In accordance with TAS 29, consolidated financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish Lira and, as a result, are expressed in terms of purchasing power of Turkish Lira as of the reporting date. In accordance with the guidance in TAS 29, the Group utilised the Turkey consumer price indices to prepare inflation adjusted financial statements. The principles applied for inflation adjustment is explained in Note 2.1. Given the significance of the impact of TAS 29 on the reported result and financial position of the Group, we have assessed the hyperinflation accounting as a key audit matter.	Our audit procedures included the following; - We inquired management responsible for financial reporting on the principles, which they have considered during the application of TAS 29, identification of non-monetary accounts and tested models designed, - We have tested the inputs and indices used, to ensure completeness and accuracy of the calculations, - We have audited the restatements of consolidated financial statements and corresponding figures as required by TAS 29, - We assessed the adequacy of the disclosures in inflation adjusted financial statements for compliance with TAS 29.

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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B) Report on Other Legal and Regulatory Requirements

1) Auditors' report on Risk Management System and Committee prepared in accordance with paragraph 4 of Article 398 of Turkish Commercial Code ("TCC") 6102 is submitted to the Board of Directors of the Company on March 3, 2025.

2) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2024 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.

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

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

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

Mehmet Can Altıntaş, SMMM
Partner

March 3, 2025
Ankara, Türkiye

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(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

	Notes	**Audited** **Current period** **31 December 2024**	Audited Prior period 31 December 2023
Assets			
Current assets		**22.644.116.122**	21.378.149.561
Cash and cash equivalents	4	**6.352.311.023**	7.651.947.182
Financial investments	30	**2.075.992.838**	773.936.055
Trade receivables	6	**6.938.277.950**	6.269.288.346
Trade receivables from related parties	*5*	***535.028.151***	*349.118.144*
Trade receivables from third parties		***6.403.249.799***	*5.920.170.202*
Other receivables	7	**182.246.080**	92.954.471
Other receivables from related parties	*5*	***105.304.167***	*45.286.861*
Other receivables from third parties		***76.941.913***	*47.667.610*
Inventories	8	**6.411.233.124**	5.907.331.867
Prepaid expenses	9	**547.162.887**	555.341.836
Current tax assets	29	-	100.141.357
Other current assets	20	**136.892.220**	961.003
Assets held for sale	33	-	26.247.444
Non-current assets		**33.792.338.260**	29.697.496.108
Financial investments	30	-	16.300.749
Other receivables	7	**6.388.613**	6.883.337
Other receivables from third parties	*7*	***6.388.613***	*6.883.337*
Investment properties	10	**303.377.672**	304.088.181
Property, plant and equipment	11	**23.246.045.447**	20.360.643.050
Rights of use assets	13	**855.273.522**	284.784.631
Intangible assets		**5.569.320.141**	5.263.286.513
Goodwill	*14*	***4.490.560.715***	*4.490.560.715*
Other intangible assets	*12*	***1.078.759.426***	*772.725.798*
Prepaid expenses	9	**2.468.966.641**	261.277.733
Deferred tax assets	29	**1.341.461.269**	3.197.749.794
Other non-current assets		**1.504.955**	2.482.120
Total assets		**56.436.454.382**	51.075.645.669

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

	Notes	**Audited** **Current period** **31 December 2024**	Audited Prior period 31 December 2023
Liabilities			
Current liabilities		**9.590.952.128**	9.623.439.045
Short-term financial liabilities	16	-	2.101.526.643
Short-term portion of long-term financial liabilities	16	**61.494.558**	95.919.800
Short-term lease liabilities	16	**49.622.332**	42.968.380
Trade payables	6	**6.067.027.731**	5.257.317.295
Trade payables from related parties	*5*	***542.508.473***	*1.027.075.072*
Trade payables from third parties		***5.524.519.258***	*4.230.242.223*
Employee benefit liabilities	19	**185.522.178**	180.280.039
Other payables	7	**1.509.552.351**	257.807.374
Other payables to related parties	*5*	***1.355.789.342***	*8.590.965*
Other payables to third parties		***153.763.009***	*249.216.409*
Contract liabilities	9	**260.464.678**	240.280.429
Current income tax liabilities	29	**491.833.336**	-
Short-term provisions		**963.871.040**	1.444.432.404
Provisions for employee termination benefits	*19*	***396.425.000***	*754.582.655*
Other short-term provisions	*17*	***567.446.040***	*689.849.749*
Other current liabilities		**1.563.924**	2.906.681
Non-current liabilities		**1.224.053.782**	2.951.890.790
Long-term financial liabilities	16	**16.906.319**	98.720.599
Long-term lease liabilities	16	**94.418.433**	98.284.074
Other payables	7	-	1.578.192.278
Other payables to third parties	*5*	-	*1.578.192.278*
Long-term provisions		**1.112.729.030**	1.176.693.839
Long-term provisions for employee termination benefits	*19*	***834.251.464***	*947.928.688*
Other long-term provisions	*17*	***278.477.566***	*228.765.151*
Total liabilities		**10.815.005.910**	12.575.329.835

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

	Notes	**Audited** **Current period** **31 December 2024**	Audited Prior period 31 December 2023
Equity		**45.621.448.472**	38.500.315.834
Paid-in share capital	21	**4.861.655.783**	1.246.578.406
Adjustment to share capital	21	**6.952.856.324**	10.567.933.701
Repurchased shares (-)		**(40.419.379)**	(40.419.379)
Share premiums		**1.365.688**	1.365.688
Other comprehensive income / (losses) not to be reclassified under profit or losses		**(486.960.080)**	(508.165.489)
- *Gains (losses) on remeasurement of defined benefit plans*		***(486.960.080)***	*(508.165.489)*
Other comprehensive income / (losses) to be reclassified under profit or losses		**(300.516.117)**	(233.066.060)
- *Foreign currency translation differences*		***(300.516.117)***	*(233.066.060)*
Restricted reserves	21	**6.382.335.250**	6.382.335.250
Business combinations under common control		**474.148.799**	474.148.799
Retained earnings		**20.609.604.918**	8.874.629.591
Net profit for the year		**7.167.377.286**	11.734.975.327
Total liabilities and equity		**56.436.454.382**	51.075.645.669

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

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OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

	Notes	**Audited** **Current period** **1 January – 31 December 2024**	Audited Prior period 1 January – 31 December 2023
Profit or loss			
Revenue	22	**44.430.668.166**	44.323.987.453
Cost of sales (-)	22	**(31.798.546.432)**	(30.934.126.925)
Gross profit		**12.632.121.734**	13.389.860.528
General administrative expenses (-)	23	**(2.050.659.207)**	(1.528.580.323)
Marketing expenses (-)	23	**(321.846.895)**	(276.126.957)
Research and development expenses (-)	23	**(140.910.908)**	(96.010.529)
Other income from operating activities	25	**1.514.994.686**	1.538.263.557
Other expenses from operating activities (-)	25	**(738.860.510)**	(1.895.548.845)
Operating profit		**10.894.838.900**	11.131.857.431
Income from investment activities	26	**562.602.959**	658.147.008
Expenses from investment activities (-)	26	**(61.998.919)**	(246.668.155)
Operating profit before financial income (expense)		**11.395.442.940**	11.543.336.284
Finance income	27	**2.676.310.407**	6.856.319.213
Finance expense (-)	27	**(1.070.504.803)**	(9.771.847.640)
Monetary loss / gain	28	**(1.864.428.367)**	5.457.305.060
Profit before tax from continuing operations		**11.136.820.177**	14.085.112.917
Tax expense		**(3.969.442.891)**	(2.491.170.416)
Current tax expense	29	**(2.120.222.836)**	(2.109.502.023)
Deferred tax (expense)/income	29	**(1.849.220.055)**	(381.668.393)
Net profit for the period from continuing operations		**7.167.377.286**	11.593.942.501
Net profit/(loss) for the period from discontinued operations	33	**-**	141.032.826
Net profit for the period		**7.167.377.286**	11.734.975.327
Net profit for the period attributable to			
Equity holders of the parent		**7.167.377.286**	11.734.975.327
Non-controlling interests		**-**	-
Earnings per share			
Earnings per share (Nominal value of TL 1)	31	**1,47**	2,41

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

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OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

	Notes	**Audited** **Current period** **1 January –** **31 December 2024**	Audited Prior period 1 January – 31 December 2023
Net profit for the period			
		7.167.377.286	11.734.975.327
Other comprehensive income			
Items not to be reclassified to profit or loss:			
- *Gains / (Losses) on remeasurement of defined benefit plans*	19	**28.273.879**	(222.277.695)
Taxes related to other comprehensive income			
- *Deferred tax income / (expense)*	29	**(7.068.470)**	70.618.063
Items to be reclassified to profit or loss:			
Foreign currency translation differences		**(67.450.057)**	54.782.078
Other comprehensive income / (expense)		**(46.244.648)**	(96.877.554)
Total comprehensive income / (expense)		**7.121.132.638**	11.638.097.773
Total comprehensive income / (expense) attributable to			
Owners of the parent		**7.121.132.638**	11.638.097.773
Non-controlling interests		-	-

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

						Other comprehensive income / (losses) not to be reclassified to profit or loss	Other comprehensive income / (losses) to be reclassified to profit or loss				
	Paid-in share capital	**Adjustment to share capital**	**Repurchased shares (-)**	**Share premiums**	**Restricted reserves**	**Gains / (losses) on remeasurement of defined benefit plans**	**Foreign currency translation differences**	**Business combinations under common control**	**Retained earnings**	**Net profit for the period**	**Total equity**
Balance at 1 January 2023	1.159.793.441	10.529.419.401	(40.419.379)	1.365.688	6.382.335.250	(356.505.857)	(358.072.700)	(6.332.577.361)	3.126.984.755	12.738.485.994	26.850.809.232
Transfers	-	-	-	-	-	-	-	-	12.738.485.994	(12.738.485.994)	-
Merger effect (*)	86.784.965	38.514.300	-	-	-	-	70.224.562	6.806.726.160	(6.990.841.158)	-	11.408.829
Total comprehensive income/(expense)	-	-	-	-	-	(151.659.632)	54.782.078	-	-	11.734.975.327	11.638.097.773
Net profit for the period	-	-	-	-	-	-	-	-	-	11.734.975.327	11.734.975.327
Other comprehensive Income (expense)	-	-	-	-	-	(151.659.632)	54.782.078	-	-	-	(96.877.554)
31 December 2023	1.246.578.406	10.567.933.701	(40.419.379)	1.365.688	6.382.335.250	(508.165.489)	(233.066.060)	474.148.799	8.874.629.591	11.734.975.327	38.500.315.834
1 January 2024	**1.246.578.406**	**10.567.933.701**	**(40.419.379)**	**1.365.688**	**6.382.335.250**	**(508.165.489)**	**(233.066.060)**	**474.148.799**	**8.874.629.591**	**11.734.975.327**	**38.500.315.834**
Transfers	-	-	-	-	-	-	-	-	11.734.975.327	(11.734.975.327)	-
Capital increase from capital adjustment differences	3.615.077.377	(3.615.077.377)	-	-	-	-	-	-	-	-	-
Total comprehensive income/(expense)	**-**	**-**	**-**	**-**	**-**	**21.205.409**	**(67.450.057)**	**-**	**-**	**7.167.377.286**	**7.121.132.638**
Net profit for the period	-	-	-	-	-	-	-	-	-	7.167.377.286	7.167.377.286
Other comprehensive income (expense)	-	-	-	-	-	21.205.409	(67.450.057)	-	-	-	(46.244.648)
31 December 2024	**4.861.655.783**	**6.952.856.324**	**(40.419.379)**	**1.365.688**	**6.382.335.250**	**(486.960.080)**	**(300.516.117)**	**474.148.799**	**20.609.604.918**	**7.167.377.286**	**45.621.448.472**

(*) On 13 June 2023, the Company with its former title OYAK Çimento A.Ş. made a capital increase of 6.806.726.160 TL. The difference arising from the merger of OYAK Denizli Çimento Anonim Şirketi, which was subject to joint control with the Company (former title OYAK Çimento A.Ş.) on 28 December 2023, within the Company was transferred from previous years' profits and losses. Within the framework of the Expert Organization Report dated 20 November 2023 prepared by an independent third-party consultancy firm, the Company's capital was determined as 1.246.578.406 TL and increased by 86.784.965 TL.

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED AT 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

	Notes	Audited Current Period 1 January – 31 December 2024	Audited Prior Period 1 January – 31 December 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES		**9.401.498.806**	**7.949.274.358**
Profit for the Period		**7.167.377.286**	**11.593.942.501**
Net Profit/(Loss) for the Period from Discontinued Operations		**-**	**141.032.826**
Adjustments Related to Reconciliation of Net Profit for the Period		**4.928.484.453**	**1.498.690.527**
- Adjustments Related to Depreciation and Amortization Expenses	24	2.624.355.205	1.911.923.336
- Adjustments Related to Doubtful Receivables	6	(630.314)	14.937.783
- Adjustments Related to Inventory Impairment (Reversal)	8	-	136.170.957
- Adjustments Related to Provisions		824.821.821	2.110.158.911
- Adjustments Related to Provision for Employee Benefits	19	*275.791.595*	*1.339.312.004*
- Adjustments Related to Provisions (Reversal of) for Legal Cases	17	*254.672.001*	*35.836.983*
- Adjustments Related to Other Provisions (Reversal)	17	*294.358.225*	*735.009.924*
- Adjustments Related to Interest (Income) and Expenses		(2.278.942.719)	414.331.802
- Adjustments Related to Interest Income	25, 26, 27	*(2.619.871.460)*	*(1.702.385.387)*
- Adjustments Related to Interest Expense	25, 27	*340.928.741*	*2.116.717.189*
- Adjustments Related to Fair Value Losses (Gains)		(274.755.999)	235.761.309
- Adjustments Related to Fair Value (Gains) /Losses of Financial Assets	26	(274.755.999)	*235.761.309*
- Adjustments Related to Dividend Income	26	(3.603.575)	-
- Adjustments Related to Losses (Gains) on Sale of Fixed Assets	26	(414.266)	(20.107.903)
Adjustments for Losses (Gains) Arise from Sale of Disposal Groups Classified as Held for Sale		-	(141.032.826)
- Adjustments Related to Unrealized Foreign Currency Translation Differences		(6.613.714)	(316.200.924)
- Adjustments Related to Tax Income / Expense	29	3.969.442.891	2.491.170.416
- Adjustments Related to Monetary (Gains) / Losses		74.825.123	(5.338.422.334)
Changes in Working Capital		**(605.560.558)**	**(1.849.055.212)**
- Adjustments Related to Changes in Trade Receivables		(740.125.191)	214.364.218
- Decrease (Increase) in Trade Receivables from Related Parties		*(185.910.007)*	*30.177.613*
- Decrease (Increase) in Trade Receivables from Third Parties		*(554.215.184)*	*184.186.605*
- Adjustments Related to Changes in Other Receivables Related to Operations		(90.582.678)	748.082.520
- Decrease (Increase) in Other Receivables Related to Operations from Related Parties		*(60.017.306)*	*214.937.209*
- Decrease (Increase) in Other Receivables Related to Operations from Third Parties		*(30.565.372)*	*533.145.311*
- Adjustments Related to Increase in Inventories		(503.901.257)	(613.409.363)
- Adjustments Related to Increase (Decrease) in Other Assets Related to Operations		(136.296.809)	94.219.665
- Decrease / (Increase) in Prepaid Expenses		21.641.396	(208.512.351)
- Adjustments Related to Changes in Trade Payables		809.710.436	446.724.679
- Increase (Decrease) in Trade Payables to Related Parties		*(484.566.599)*	*160.065.374*
- Increase (Decrease) in Trade Payables to Third Parties		*1.294.277.035*	*286.659.305*
- Increase in Payables Related to Employee Benefits		5.242.139	64.001.036
- Adjustments Related to Increase / (Decrease) in Other Operating Payables		8.567.157	(2.506.530.414)
- Increase (Decrease) in Other Operating Payables to Related Parties		*104.020.557*	(2.493.405.829)
- Increase (Decrease) in Other Operating Payables to Third Parties		*(95.453.400)*	*(13.124.585)*
-Increase / (Decrease) in contractual obligations		20.184.249	(87.995.202)
Cash Flows from Operations		**11.490.301.181**	**11.384.610.642**
- Payments Related to Provisions for Employee Benefits	19	(408.889.470)	(553.343.426)
- Tax Payments	29	(1.528.248.143)	(2.831.614.940)
- Interest received	25	164.183.202	19.766.679
- Payments due to provisions	17	(315.847.964)	(70.144.597)

CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE YEARS ENDED AT 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

	Notes	Audited Current Period 1 January – 31 December 2024	Audited Prior Period 1 January – 31 December 2023
B. CASH FLOWS FROM INVESTING ACTIVITIES		**(8.604.378.588)**	**(1.780.248.703)**
- Cash Inflows from the Sale of Tangible and Intangible Assets	11-26	2.647.441	22.736.181
- Cash Outflows from Purchases of Tangible and Intangible Assets	9-11-12	(7.812.490.024)	(2.515.185.332)
- Increases (Decreases) from Financial Investments		(1.170.607.399)	82.980.330
- Cash Inflows from Sale of Fund Shares or Debt Instruments		159.607.364	-
- Interest received		212.860.455	629.220.118
- Dividend Income	26	3.603.575	-
C. CASH FLOWS FROM FINANCING ACTIVITIES		**(4.998.511)**	**(713.179.220)**
- Cash Inflows from Borrowings		1.255.668.000	4.989.540.384
- Cash Inflows from Loans	*16*	*1.255.668.000*	*4.989.540.384*
- Cash Outflows Related to Debt Payments		(2.744.391.864)	(5.322.130.054)
- Cash Outflows Related to Loan Repayments	*16*	*(2.744.391.864)*	*(5.322.130.054)*
- Interest Paid	16	(163.525.505)	(1.170.661.467)
- Interest Received		2.286.415.303	959.497.821
Cash Outflows from Payments for Lease Liabilities		(639.164.445)	(169.425.904)
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT BEFORE CURRENCY TRANSLATION DIFFERENCE		**792.121.707**	**5.455.846.435**
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		**185.968.130**	**333.304.040**
Monetary gain loss effect on cash and cash equivalents		**(2.234.138.496)**	**(2.836.931.997)**
E. NET INCREASE IN CASH AND CASH EQUIVALENTS		**(1.256.048.659)**	**2.952.218.478**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	**7.480.595.626**	**4.528.377.148**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	**6.224.546.967**	**7.480.595.626**

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

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Mardin Çimento Sanayii ve Ticaret A.Ş. ("Mardin Çimento"), was established on 2 June 1969 under the leadership of Türkiye Çimento Sanayii Türk Anonim Şirketi. The assembly of the factory was completed in 1975 and production started in September 1975.

OYAK Çimento A.Ş. ("OYAK Çimento"), which was established on 25 November 2015 as a 100% subsidiary of the Ordu Yardımlaşma Kurumu ("OYAK") took over the shares of Mardin Çimento owned by OYAK on 3 December 2015 and OYAK Çimento became the main shareholder of the Company. On 26 November 2018, OYAK transferred 40% of its 100% owned OYAK Cement shares to TCC Group Holdings ("TCC").

Founded in 1946 and restructured as a joint-stock company in 1951, TCC operates in the fields of cement and ready-mix concrete production, renewable energy, energy storage, high-efficiency battery manufacturing, and carbon black production. TCC's shares have been listed on the Taiwan Stock Exchange since February 1962.

OYAK is an institution that is financially and administratively autonomous, which has a legal personality, subject to private law provisions, and was established on 1 March 1961 with the law numbered 205. OYAK, the "solidarity and pension fund" of TAF members, provides various services and benefits to its members. OYAK has more than 50 direct and indirect subsidiaries operating in the industry, finance and service sectors.

Due to the purposes of providing more effective management, creating a strong financial, administrative and legal structure in the operating sector and strengthening the production and distribution activities; merger process has been started for Aslan Çimento A.Ş. ("Aslan Çimento"), Adana Çimento Sanayii Türk A.Ş. ("Adana Çimento"), Bolu Çimento Sanayii A.Ş. ("Bolu Çimento") and Ünye Çimento Sanayi ve Ticaret A.Ş. ("Ünye Çimento") following the application to Capital Market Boards in accordance with the board of directors decisions dated 30 December 2019. As of 20 February 2020, the merger application is approved and published in Capital Markets Board bulletin. The general assembly regarding the merger was held on 27 March 2020 and the merger was approved by the shareholders. The process of retirement right within the scope of merger started on 6 April 2020 and ended on 5 May 2020. With the registration of the General Assembly Resolutions for the merger on 14 May 2020, the legal process for the merger was completed. Following the merger, the title of Mardin Çimento was changed to OYAK Çimento Fabrikaları A.Ş. ("The Company") on 21 May 2020.

As of 31 December 2020, OYAK Beton San. ve Tic. A.S. ("OYAK Beton") one of the subsidiaries of the Company, merged within OYAK Çimento Fabrikaları A.Ş. together with all its assets and passives.

On June 13, 2023, the Company's parent's title was changed from OYAK Çimento A.Ş. to OYAK Denizli Çimento A.Ş. Subsequently, Denizli Çimento Sanayii Türk A.Ş. one of the subsidiaries of the parent, was merged and registered within the parent as of June 19, 2023, by applying the "facilitated merger" method, together with all its assets and liabilities.

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

By evaluating the synergy that will be created by the economic and operational advantages of the merger, the opportunities that will be created by the size of the Company that will emerge after the merger, and the benefits it will provide to all shareholders, an application was made to the Capital Markets Board pursuant to the Board of Directors' Decision dated September 11, 2023, for the Company's merger with OYAK Denizli Çimento A.Ş., its main shareholder, under the roof of the Company by taking over it as a whole together with its assets and liabilities, and the application was approved on November 22, 2023. At the Extraordinary General Assembly meeting dated 25 December 2023 regarding the merger, the Company "took over" OYAK Denizli Çimento Anonim Şirketi as a whole with all its assets and liabilities, and the merger within the Company was accepted by the shareholders. The merger transaction has been registered on 28 December 2023.

As a result of the merger, Cimpor Global Holdings B.V., which was the 100% shareholder of the former OYAK Denizli Çimento A.Ş. ("CGH") became the parent of OYAK Çimento Fabrikaları A.Ş. with a share of 75.81%.

Before the merger transaction dated 28 December 2023, a preliminary memorandum of understanding was signed between OYAK and TCC on 27 November 2023 for the conduct of negotiations regarding the transfer of 20% of the shares of OYAK Denizli Çimento A.Ş., the main shareholder of the Company, to TCC. In December 10, 2023, binding contracts were signed and the process for the permits required to be obtained from official institutions and organizations was initiated. Following the signing of the binding contract, the process for the permissions required to be obtained from official institutions and organizations for the share transfer transaction, including but not limited to the permission of the Turkish Competition Board, has started and the necessary applications have been made. The Turkish Competition Board's permission, which is one of the necessary permissions for the share transfer transaction in question, was granted in accordance with the Board's decision dated January 18, 2024 and numbered E-70922894-120.01.06.81707, and thus the Turkish competition permit requirement within the scope of the binding contracts signed was fulfilled.

Prior to the share transfer transaction, Cimpor Global Holdings B.V. owned 75.81% of the capital of OYAK Çimento Fabrikaları A.Ş., while 75.81% of OYAK Çimento Fabrikaları A.Ş.'s shares were transferred to TCC OYAK Amsterdam Holdings B.V. as of March 6, 2024. With this transfer transaction, the ultimate parent company has become TCC, and the parent company has become TCC OYAK Amsterdam Holdings B.V. The Mandatory Share Offer obligation arising within the scope of the share transfer transaction announced to the public on March 6, 2024 was fulfilled by TCC OYAK Amsterdam Holdings B.V. between July 16, 2024 and July 29, 2024. With this transaction, TCC OYAK Amsterdam Holdings B.V.'s share in the Company's capital increased from 75.81% to 80.05%.

On the other hand, Cimpor Cameroun S.A., a subsidiary of the former OYAK Denizli Çimento A.Ş. and established in 2020, whose main activity is the operation of industrial or semi-industrial production facilities of cement, construction materials and geo-concrete brick blocks in general. ("Cimpor Camerun"), while being consolidated under OYAK Çimento A.Ş., taking into account its effects on the consolidated financial statements, was classified as an asset held for sale in accordance with the management decision, and as of 31 December 2021 and 2022, OYAK Denizli Çimento A.Ş. It is presented in the "Assets Held for Sale" and "Liabilities Related to Asset Groups Classified for Sale" lines in the consolidated statement of financial position.

On August 31, 2023, OYAK Denizli Çimento A.Ş. transferred all of its Cimpor Cameroon shares to Cimpor Portugal. The impact of Cimpor Cameroon on the Group's consolidated statement of profit or loss is presented in the "Net Profit/(Loss) from Discontinued Operations".

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

It has been decided to amend the articles of association of OYAK Çimento Enerji A.Ş. and the company's title and purpose have been changed. The title of OYAK Çimento Enerji A.Ş. has been changed to "T1C3 Teknoloji ve Yazılım Geliştirme A.Ş." The company's headquarters has been moved to Istanbul and has been amended as an R&D company. The relevant decision was registered in the Trade Registry Gazette on October 24, 2024.

The number of employees of the Company as of 31 December 2024 is 3.083 (31 December 2023: 2.730).

The Group's shares are traded on Borsa Istanbul ("BIST").

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

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

Subsidiaries	**Operation place**	**Sector**	**31 December 2024 Shareholding rate (%)**	31 December 2023 Shareholding rate (%)
Adana Çimento San. ve Tic. Ltd.	Cyprus	Sales of cement, clinker and ready mixed concrete	**100,00**	100,00
Adana Çimento Free Port Ltd.	Cyprus	Sales of cement, clinker and ready mixed concrete	**100,00**	100,00
Cimpor Romania Terminal SRL	Romania	Sales of cement	**100,00**	100,00
Marmara Madencilik San. Tic. Ltd. Şti.	Türkiye	Mining	**98,90**	98,90
T1C3 Teknoloji ve Yazılım Geliştirme A.Ş.	Türkiye	Information technology	**100,00**	100,00

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Dividends

As a result of the Ordinary General Assembly held on 29 March 2024, it was decided not to distribute dividends based on the profits of 2023.

Approval of Consolidated Financial Statements

The consolidated financial statements have been approved by the Board of Directors and authorized for publication on 3 March 2025. The General Assembly has the authority to change the consolidated financial statements.

Declaration of Conformity to Turkish Financial Reporting Standards

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

The accompanying consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communique Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying consolidated financial statements are prepared based on the Turkish Financial Reporting Standards and interpretations ("TFRS") that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communique.

In addition, the consolidated financial statements are presented in accordance with "Announcement regarding with TFRS Taxonomy" which was published on 3 July 2024 by POA.

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

2.1 Basis of Presentation (cont'd)

Measurement Principles

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

Functional and presentation currency

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

Although the functional currency for Cimpor Romania Terminal SRL, one of the Group's subsidiaries, is the Romanian Leu ("RON") and the functional currency for the subsidiary sold at 31 August 2023 Cimpor Cameroon is the West African Franc ("CFA"), its financial position and results of operations are based on the Group's functional currency. It was converted into TL, which is the presentation currency for consolidated financial statements, and included in the consolidated financial statements.

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

	31 December 2024	31 December 2023
RON / TL year end	**7,3429**	6,5113
RON / TL average	**7,0941**	5,1587
CFA / TL year end	**0,0561**	0,0498
CFA / TL average	**0,0542**	0,0391

Adjustment of consolidated financial reporting in hyperinflationary economy

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

According to the standard, financial statements prepared using the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in terms of the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 31 December 2023, on the purchasing power basis as of 31 December 2024.

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

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

2.1 Basis of Presentation (cont'd)

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

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TÜİK). As of December 31, 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Year End	Index	Index, %	Conversion Factor
2004	113,86	13,86	23,57764
2005	122,65	7,72	21,88789
2006	134,49	9,65	19,96096
2007	145,77	8,39	18,41634
2008	160,44	10,06	16,73242
2009	170,91	6,53	15,70739
2010	181,85	6,40	14,76244
2011	200,85	10,45	13,36594
2012	213,23	6,16	12,58993
2013	229,01	7,40	11,72241
2014	247,72	8,17	10,83703
2015	269,54	8,81	9,95975
2016	292,54	8,53	9,17669
2017	327,41	11,92	8,19935
2018	393,88	20,30	6,81565
2019	440,50	11,84	6,09432
2020	504,81	14,60	5,31794
2021	686,95	36,08	3,90793
2022	1128,45	64,27	2,37897
2023	1859,38	64,77	1,44379
2024	2684,55	44,38	1,00000

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

a) Current period consolidated financial statements prepared in Turkish Lira (TL) are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed according to the purchasing power at the end of the reporting period.

b) Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power on the balance sheet date. If the inflation-adjusted values of nonmonetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.

c) Non-monetary assets and liabilities, as well as equity items that are not expressed in terms of the current purchasing power at the balance sheet date, have been adjusted using the relevant correction coefficients.

d) All income statement accounts, excluding income statement accounts that are counterparty to nonmonetary accounts of balance sheet, are restated based on the price correlations of the date they were initially reflected in the financial statements.

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

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

2.1 Basis of Presentation (cont'd)

Going Concern

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

Basis of Consolidation

Subsidiaries

The subsidiaries' partnership interests are disclosed in Note 1.

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

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

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

In cases where the Company does not have a majority voting right over the invested company/asset, it has control over the invested company/asset, provided that it has sufficient voting rights to direct/manage the activities of the relevant investment on its own.

The Company takes into account all relevant events and conditions in assessing whether a majority vote in the relevant investment is sufficient to provide control power, including the following factors:

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

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

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

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

2.1 Basis of Presentation (cont'd)

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

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

In case the Group loses control over a subsidiary, profit/loss after sale is calculated as the difference between (the sum of the sales price received and the fair values of the remaining share) and the previous book values of the assets (including goodwill) and liabilities of the subsidiary and the non-controlling interests. Amounts previously recognized and collected in equity regarding the subsidiary within other comprehensive income are recorded according to the accounting method to be used on the assumption that the Company has sold the relevant assets (for example, in accordance with the relevant TFRS standards, transferring them to profit/loss or transferring them directly to retained earnings).

The fair value of the investment remaining after the sale of the subsidiary at the date of loss of control is used as fair value in the initial accounting determined the cost price is used within the scope of TFRS 9 "Financial Instruments: Recognition and Measurement Standard" or, where applicable, of the investment in an associate or a jointly controlled entity.

2.2 Changes and Errors in Accounting Estimates

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

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

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

2.3 Adoption of New and Revised Turkish Financial Reporting Standards

The accounting policies used in the preparation of consolidated financial statements for the accounting period ending 31 December 2024 have been applied consistently with those used in the previous year, except for the new and amended TFRS and TFRS interpretations valid as of 1 January 2024, summarized below.

i) The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows:

- TMS 1 Amendments - Classification of liabilities as short-term and long-term
- TFRS 16 Amendments - Lease liabilities in sale and leaseback transactions
- TMS 7 and TFRS 7 Amendments - Explanations: Supplier Finance Agreements

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

- Amendments to TFRS 10 and TMS 28: Sales or Contributions of Assets by an Investor to an Associate or Joint Venture
- Amendments to TMS 21 – Lack of Exchangeability

The Group will evaluate the impact of such changes after the said standards are finalized.

- TFRS 17 – New Insurance Contracts Standard

The standard does not applicable to the Group.

iii) The amendments which are effective immediately upon issuance

- IAS 12 Amendments – International Tax Reform – Second Pillar Model Rules

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

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

The two amendments to TFRS 9 and TFRS 7 and the Annual Improvements to TFRS Accounting Standards and TFRS 18 and TFRS 19 Standards specified below have been published by the IASB but have not yet been adapted/published to TFRS by the POA. Therefore, they do not constitute a part of TFRS. The Group will make the necessary changes in the consolidated financial statements and footnotes after this Standard and amendments enter into force in TFRS.

- Amendments to TFRS 9 and TFRS 7 - Classification and Measurement of Financial Instruments
- Amendments to TFRS 9 and TFRS 7 - Contracts Concerning Electricity Produced from Natural Resources
- TFRS 18 - New Standard for Presentation and Disclosure in Financial Statements

The potential impacts of the standards, amendments and improvements on the Group's financial position and performance are being assessed.

- IFRS 19 - New Non-Publicly Accountable Subsidiaries: Disclosure Standard

The standard is not applicable to the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Financial instruments

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

Financial assets

Initial recognition and measurement

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

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

Subsequent measurement and classification

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

(a) Financial assets recognized at amortized cost

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

Trade and other receivables

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

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

3.1 Financial instruments (*cont'd)*

Financial assets (*cont'd)*

Subsequent measurement and classification

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

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

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

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

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

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

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

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

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

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

3.1 Financial instruments (*cont'd*)

Financial assets ***(cont'd)***

Derecognition of financial assets

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

- Expiration of contractual rights regarding cash flows arising from the financial asset, or,

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

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

Impairment

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

ECLs are recorded in two stages.

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

- Lifetime ECLs: If the credit risk on a financial instrument has increased significantly since its initial recognition in the financial statements, at each reporting date, the Group measures the credit risk on that financial instrument at an amount equal to the lifetime expected credit losses.

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

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

3.1 Financial instruments (*cont'd*)

Financial Liabilities

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

i. Borrowings

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

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

ii. Trade and other payables

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

Derecognition of financial liabilities

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

3.2 Related Parties

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

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

(i) has control or joint control over the reporting entity,
(ii) has a significant impact on the reporting entity,
(iii) is a member of the key management personnel of the reporting entity or a parent of the reporting entity.

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

3.2 Related Parties (cont'd)

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

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

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

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

3.3 Revenue recognition

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

• Defining contracts with customers

• Defining performance obligations in contracts

• Determining the transaction price in contracts

• Distribution of the transaction price to performance obligations

• Revenue recognition

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.3 Revenue recognition (cont'd)

Rental Income

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

Dividend

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

3.4 Inventories

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

3.5 Business Combinations

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

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

Goodwill recognized in business combinations is tested for impairment annually (as of December 31) or more frequently if events or changes in circumstances indicate impairment, instead of amortization (Note 14). Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of impairment testing. Any excess of the Group's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the business combination is accounted for as income in the related period.

3 SIGNIFICANT ACCOUNTING POLICIES (*cont'd)*

3.5 Business Combinations (cont'd)

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

3.6 Goodwill

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

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

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

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

3.7 Borrowing Costs

For qualifying assets that require a considerable amount of time to be ready for use and sale (assets that require a longer period of time to be ready for use and sale as intended), borrowing costs that can be directly related to the acquisition, construction or production of the related asset, it is capitalized as an element of cost until it is ready for sale. Borrowing costs that are not included in this scope are expensed as incurred. There isn't borrowing cost capitalized for the year ending as of 31 December 2024 (31 December 2023: None).

3.8 Cash and Cash Equivalents

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

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

3.9 Property, Plant and Equipment

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

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

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

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

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

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

	Useful Life
Land improvements	1-50 Years
Buildings	10-50 Years
Plant, machinery and equipment	2-40 Years
Vehicles	5-7 Years
Furniture and Fixtures	4-20 Years
Leasehold improvements	5-50 Years

3.10 Leases

The Group as lessee

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

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

3.10 Leases (cont'd)

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

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

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

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

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

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

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

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

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

3.10 Leases (cont'd)

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

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

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

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

The Group as Lessor

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

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

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

Leases - the Group as lessor

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

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

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

3.10 Leases (cont'd)

Leases - the Group as lessee

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

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

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

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

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

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

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

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

3.12 Intangible Assets

Intangible assets acquired

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.12 Intangible Assets (cont'd)

The useful lives of intangible assets are as follows.

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

Computer software

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

Mining license rights

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

Mining assets

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

Derecognition of intangible assets

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.13 Impairment of Non-financial assets

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

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

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

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

3.14 Segment Reporting of Financial Information

The Group has two operating segments, cement and ready-mixed concrete, which contains information used by the management to evaluate their performance and decide on resource allocation (Note 3.27).

3.15 Effects of exchange differences

<u>Foreign Currency Transactions and Balances</u>

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.15 Effects of exchange differences (cont'd)

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

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

3.16 Provisions, Contingent Assets and Liabilities

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

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

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

3.17 Government Grants and Incentives

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.18 Taxation

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

Current tax

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

Deferred tax

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

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

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

Deferred tax (cont'd)

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.18 Taxation (cont'd)

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

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

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

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

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

Current and deferred tax for the period

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in directly in equity, in which case, the current and deferred tax are recognized in other comprehensive income.

3.19 Investment Properties

Investment properties are properties held for the purpose of rental income and/or capital appreciation and are shown at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of replacing any part of the existing investment property is included in the amount on the balance sheet if it meets the accepted criteria. The amount in question does not include daily maintenance on investment properties. The straight-line method is used in the depreciation of investment properties. The depreciation period for investment properties is 8 - 30 years.

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

3.20 Capital and Dividends

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.21 Earnings Per Share

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

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

3.22 Events After The Reporting Period

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

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

Provision for employment termination benefits

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

3.23 Employee Benefits

Provision for employment termination benefits

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

Provision for senior labour incentive premium

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

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

Defined benefit plans

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.23 Employee Benefits (cont'd)

Unused vacation rights

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

3.24 Provision for rehabilitation

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

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

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

Critical judgments in applying the Group's accounting policies

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

3.25 Significant Accounting Judgements, Estimates and Assumptions

Impairment on goodwill

The Group annually tests the impairment of goodwill in accordance with the accounting policy set out in Note 3.6. Recoverable amounts of cash-generating units require management estimates to determine their value at use or cost-of-sale reduced fair value included in fair value calculations. These estimates include assumptions about profitability, turnover growth, investment spending. The difference between realizations and actual results may affect recoverable value.

Expected loss allowance for doubtful receivables

When measuring expected loss allowances on trade receivables, the Group uses reasonable and supportable forecasts based on assumptions about different future economic conditions and how these conditions will affect each other. While the provision is calculated to cover future losses for receivables that have a risk of not being collected within the framework of current economic conditions as of the balance sheet date, the provision amount is calculated by making an estimate of the loss that will occur in case of default for receivables that are not impaired as of the balance sheet date, in line with future expectations. The provisions recorded by the Group management for the risk of non-collection of trade receivables as of the relevant balance sheet date are explained in Note 6.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

Provision for legal cases

While making the provision for legal cases, the probability of losing the relevant lawsuits and the consequences to be incurred in case of loss are evaluated in line with the opinions of the Group's lawyers and the Group Management makes the best estimates using the available data and is reflected in the consolidated financial statements by estimating the required provision (Note 17).

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

Group management makes significant assumptions in determining the useful lives of property, plant and equipment, intangible assets in accordance with technical team's experience. (Note: 10, 11 and 12).

Employee benefits

The Group makes various assumptions in the calculation of employment termination and retirement benefits and provision for seniority incentive premium such as discount rate, inflation rate, real salary increase rate, and the possibility of turnover. The assumptions used in the calculation of the liability are given in Note 19 in detail.

Provision for rehabilitation

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

Provision for land occupation

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

Provision for impairment on inventories

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

Deferred Tax

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

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

The Group recorded its deferred tax asset as of 31 December 2024, since it is highly probable that sufficient profit will arise that will result in tax liability that will be netted off in the following periods.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.26 Comparative Information and Restatement of Prior Period Consolidated Financial Statements

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

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

The following classifications have been made in order to ensure consistency with the current period presentation in the consolidated financial statements for the year ending 31 December 2023.

- Interest income from deposits with a maturity of more than 3 months, amounting to TL 537.116.905, within the financial income account group, has been classified into the income from investment activities account group.
- Interest received from term deposits with a maturity of more than 3 months, amounting to TL 537.116.905, reported under cash flows from financing activities in the cash flow statement, has been classified under interest received under cash flows from investing activities.
- The increase (decrease) in other payables to related parties related to activities, amounting to TL 2.493.405.829 reported under cash flows from financing activities in the cash flow statement has been classified as changes in working capital.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.27 Segment Reporting

The business activities of the Group are managed and organized depending on the content of the services and products it provides. Group makes its segment reporting in accordance with TFRS 8. Information on the business areas of the Group includes information on the earnings and profit of the Group obtained from cement (including clinker and aggregate) and ready-mixed concrete activities as of years ended at 31 December 2024 and 31 December 2023.

a) Statement of Profit or Loss by Segments

1 January - 31 December 2024	**Ready-mixed Concrete**	**Cement**	**Total**
PROFIT OR LOSS			
Revenue	14.947.550.746	29.483.117.420	44.430.668.166
Cost of Sales (-)	(13.991.846.810)	(17.806.699.622)	(31.798.546.432)
GROSS PROFIT	**955.703.936**	**11.676.417.798**	**12.632.121.734**
General Administrative Expenses (-)	(188.557.053)	(1.862.102.154)	(2.050.659.207)
Marketing Expenses (-)	(66.024.778)	(255.822.117)	(321.846.895)
Research and Development Expenses (-)	(131.886.271)	(9.024.637)	(140.910.908)
Other Income from Operating Activities	242.676.831	1.272.317.855	1.514.994.686
Other Expenses from Operating Activities (-)	(46.278.790)	(692.581.720)	(738.860.510)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	**765.633.875**	**10.129.205.025**	**10.894.838.900**

1 January - 31 December 2023	Ready-mixed Concrete	Cement	Total
PROFIT OR LOSS			
Revenue	12.321.805.003	32.002.182.450	44.323.987.453
Cost of Sales (-)	(11.334.147.758)	(19.599.979.167)	(30.934.126.925)
GROSS PROFIT	987.657.245	12.402.203.283	13.389.860.528
General Administrative Expenses (-)	(151.729.980)	(1.376.850.343)	(1.528.580.323)
Marketing Expenses (-)	(67.392.669)	(208.734.288)	(276.126.957)
Research and Development Expenses (-)	(92.842.714)	(3.167.815)	(96.010.529)
Other Income from Operating Activities	8.755.499	1.529.508.058	1.538.263.557
Other Expenses from Operating Activities (-)	(74.447.097)	(1.821.101.748)	(1.895.548.845)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	610.000.284	10.521.857.147	11.131.857.431

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.27 Segment Reporting (cont'd)

b) Assets and Liabilities According to Segments

31 December 2024	**Ready-mixed Concrete**	**Cement**	**Undistributed**	**Total**
Assets and liabilities				
Inventories	323.820.220	6.087.412.904	-	6.411.233.124
Property, plant and equipment	3.078.465.620	20.167.579.827	-	23.246.045.447
Intangible assets	11.998.889	5.557.321.252	-	5.569.320.141
Undistributed assets	-	-	21.209.855.670	21.209.855.670
Total assets	**3.414.284.729**	**31.812.313.983**	**21.209.855.670**	**56.436.454.382**
Undistributed liabilities	-	-	10.815.005.910	10.815.005.910
Total liabilities	**-**	**-**	**10.815.005.910**	**10.815.005.910**

31 December 2023				
Assets and liabilities				
Inventories	256.698.497	5.650.633.370	-	5.907.331.867
Property, plant and equipment	2.406.896.599	17.953.746.451	-	20.360.643.050
Intangible assets	12.344.311	5.250.942.202	-	5.263.286.513
Undistributed assets	-	-	19.544.384.239	19.544.384.239
Total assets	2.675.939.407	28.855.322.023	19.544.384.239	51.075.645.669
Undistributed liabilities	-	-	12.575.329.835	12.575.329.835
Total liabilities	-	-	12.575.329.835	12.575.329.835

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

4. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Bank	**6.297.873.194**	7.411.148.769
Demand deposits	**58.892.679**	72.881.414
Time deposits with a maturity of less than three months	**6.238.980.515**	7.338.267.355
Other cash and cash equivalents (*)	**54.437.829**	240.798.413
Cash and cash equivalents on the financial statement	**6.352.311.023**	7.651.947.182
Less: Interest accruals	**(127.764.056)**	(171.351.556)
Cash and cash equivalents in the statement of cash flows	**6.224.546.967**	7.480.595.626

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

Detailed information on time deposits as of 31 December 2024 and 31 December 2023 is as follows:

Currency	**Maturity**	**Foreign currency amount**	**Gross interest rate (%)**	**31 December 2024**
TL	Jan 2025 - Feb 2025	5.528.894.753	40%-50,25%	5.528.894.753
USD	Jan 2025	15.315.383	2,50%-3,50%	540.331.301
EURO	Jan 2025	2.062.816	1,50%	75.780.019
RON	Jan 2025	12.798.001	4,49%	93.974.442
				6.238.980.515

Currency	Maturity	Foreign currency amount	Gross interest rate (%)	31 December 2023
TL	Jan 2024 - March 2024	5.767.646.326	30%-46,00%	5.767.646.326
USD	Jan 2024	30.543.659	0,01%-5,55%	1.298.184.258
EURO	Jan 2024	5.792.845	1,60%-4,00%	272.436.771
				7.338.267.355

5. RELATED PARTY DISCLOSURES

Salaries and other benefits for key management personnel

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

	1 January– 31 December 2024	1 January– 31 December 2023
Salaries and other short-term benefits	**155.125.649**	238.332.580
	155.125.649	238.332.580

The Group carries out various transactions with related parties during its activities. The balances of the related parties as of 31 December 2024 and 31 December 2023 and the transaction amounts and balances made with these institutions are explained as follows:

Deposits in OYAK Anker Bank GmbH managed by the ultimate parent	**31 December 2024**	31 December 2023
Time deposits (*)	-	2.098.258.029

(*) The maturity of the time deposit is February 2024 and interest rate of time deposit is 39% as of 31 December 2023.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

5. RELATED PARTY DISCLOSURES (cont'd)

31 December 2024	Receivables		Payables		
	Short-term		Short-term		Long-term
Balances with related parties	Trade	Non-trade	Trade	Non-trade	Non-trade
OYAK İnşaat A.Ş.	256.680.221	-	-	-	-
Cimpor Cote D'Ivoire	101.010.421	44.196.083	-	-	-
İskenderun Demir ve Çelik A.Ş.	77.873.988	-	-	-	-
Cimpor Cameroun SA	68.483.499	35.745.614	-	-	-
Cimpor - Industria de Cimentos	18.782.763	-	59.314.146	-	-
Cimpor-Serviços S.A.	8.698.080	-	-	-	-
Betao Liz, S.A.	1.593.872	-	-	-	-
Cimpor Ghana	1.322.221	5.566.456	-	-	-
Cimentaçor - Cimentos dos Açores Lda	205.832	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	163.901	-	-	-	-
Cimpor Global Holdings BV	122.678	-	-	1.243.177.820	-
TCC OYAK Amsterdam Holding BV	60.878	-	-	-	-
OYAK Selülöz ve Kağıt Fabrikaları A.Ş.	29.012	-	-	-	-
Erdemir Çelik Servis Merkezi San. Tic. A.Ş.	785	-	-	-	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	119.921.862	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	68.301.757	-	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	64.966.577	-	-
Kümaş Manyezit Sanayi A.Ş.	-	-	64.239.172	-	-
Omsan Denizcilik A.Ş.	-	-	54.383.156	-	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	44.361.761	-	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	24.328.491	-	-
OYAK Otomotiv Enerji ve Lojistik Holding	-	-	15.803.805	-	-
Güzel Enerji Akaryakıt A.Ş.	-	-	7.778.813	-	-
OYPOWER Elektrik Ticareti ve Hizm. A.Ş.	-	-	7.310.762	-	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	5.749.356	-	-
İskenderun Enerji Üretim ve Tic.A.Ş.	-	-	2.097.760	-	-
Yenilikçi Yapı Malzemeleri Yat. Üretim San. Tic. A.Ş.	-	-	1.207.278	-	-
Ordu Yardımlaşma Kurumu (OYAK)	-	-	1.036.225	-	-
ATAER Holding A.Ş.	-	-	692.355	-	-
Omsan Lojistik A.Ş.	-	-	316.206	-	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	224.223	-	-
OYAK Grup Sigorta ve Reasurans Brokerlığı A.Ş.	-	-	160.281	-	-
OYAK Yatırım Menkul Değerler A.Ş.	-	-	159.495	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	-	-	152.018	-	-
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	2.974	-	-
Oytaş İç ve Dış Ticaret A.Ş.	-	24.623	-	-	-
Cimpor Portugal Holdings SGPS S.A.	-	19.771.391	-	111.581.574	-
Other	-	-	-	1.029.948	-
	535.028.151	105.304.167	542.508.473	1.355.789.342	-

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

5. RELATED PARTY DISCLOSURES (cont'd)

31 December 2023	Receivables		Payables		
	Short-term		Short-term		Long-term
Balances with related parties	Trade	Non-trade	Trade	Non-trade	Non-trade
OYAK İnşaat A.Ş.	179.910.613	-	-	-	-
Cimpor Cote D'Ivoire	88.228.901	25.922.015	-	-	-
Cimpor Cameroun SA	58.428.989	18.911.440	-	-	-
Cimpor-Serviços S.A.	10.471.132	449.263	-	-	-
İskenderun Demir ve Çelik A.Ş.	4.770.824	-	-	-	-
Cimpor - Industria de Cimentos	3.797.803	-	-	-	-
Betao Liz, S.A.	2.040.484	-	-	-	-
Cimpor Ghana	1.123.257	-	-	-	-
OYAK Çimento Enerji A.Ş.	172.628	-	-	-	-
Cimpor Global Holdings BV	157.053	-	-	-	1.578.192.278
OYAK Selülöz ve Kağıt Fabrikaları A.Ş.	16.460	4.143	2.081	-	-
OYAK Grup Sigorta ve Reasurans Brokerlığı A.Ş.	-	-	322.001.735	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	133.282.805	-	-
OYAK Yenilenebilir Enerji A.Ş.	-	-	110.138.076	-	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	90.073.912	-	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	68.108.805	-	-
Kümaş Manyezit Sanayi A.Ş.	-	-	57.135.868	-	-
Ordu Yardımlaşma Kurumu (OYAK)	-	-	45.220.277	-	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	45.186.883	-	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	40.720.032	-	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	37.063.084	-	-
Omsan Denizcilik A.Ş.	-	-	35.665.658	-	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	13.518.788	-	-
OYAK Otomotiv Enerji ve Lojistik Holding	-	-	10.439.937	-	-
Güzel Enerji Akaryakıt A.Ş.	-	-	9.697.675	-	-
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	2.566.558	-	-
OYPOWER Elektrik Ticareti ve Hizm. A.Ş.	-	-	2.258.034	-	-
İskenderun Enerji Üretim ve Tic.A.Ş.	-	-	2.058.771	-	-
Omsan Havacılık A.Ş.	-	-	681.268	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	-	-	589.338	-	-
Omsan Lojistik A.Ş.	-	-	279.613	-	-
Miilüx Yüksek Mukavemetli Çelik Üretim A.Ş.	-	-	132.092	-	-
ATAER Holding A.Ş.	-	-	103.810	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	-	-	81.753	-	-
OYAK Yatırım Menkul Değerler A.Ş.	-	-	68.219	-	-
Oytaş İç ve Dış Ticaret A.Ş.	-	-	-	7.103.933	-
Other	-	-	-	1.487.032	-
	349.118.144	45.286.861	1.027.075.072	8.590.965	1.578.192.278

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

5. RELATED PARTY DISCLOSURES (cont'd)

	1 January– 31 December 2024							
Transactions with related parties	**Purchases**	**Sales**	**Purchases of tangible assets**	**Sales of tangible assets**	**Interest received**	**Interest paid**	**Other income**	**Other expense**
OYPOWER Elektrik Ticareti ve Hizm. A.Ş. (1) (*)	**1.252.981.849**	-	-	-	-	-	-	-
Doco Petrol ve Danışmanlık A.Ş. (2)	**643.606.397**	-	-	-	-	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (3)	**381.219.767**	-	-	-	-	-	-	**14.611.791**
Omsan Denizcilik A.Ş. (4)	**195.197.233**	-	-	-	-	-	-	-
Cimpor İndustria de Cimentos S.A. (5)	**163.275.586**	**32.066.400**	-	-	-	-	**27.421**	-
İskenderun Demir ve Çelik A.Ş. (6)	**104.625.329**	**472.865.745**	-	-	-	-	-	**40.535**
OYAK Pazarlama Hizmet ve Turizm A.Ş. (7)	**58.598.636**	-	-	-	-	-	**164.446**	**171.295.173**
Akdeniz Chemson Kimya San.ve Tic. A.Ş. (8)	**47.695.738**	-	-	-	-	-	**316.014**	**4.123.734**
Güzel Enerji Yakıt A.Ş. (9)	**38.813.525**	-	**1.650.000**	-	-	-	-	**14.300.463**
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (10)	**33.255.479**	-	-	-	-	-	-	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (11)	**27.691.562**	-	**6.209.040**	-	-	-	-	**174.619.040**
İskenderun Enerji Üretim ve Tic.A.Ş. (10)	**10.015.040**	-	-	-	-	-	-	-
Omsan Lojistik A.Ş. (12)	**632.425**	-	-	-	-	-	-	-
Miilüx Yüksek Mukavemetli Çelik Üretim A.Ş.	**391.672**	-	-	-	-	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	**364.763**	-	-	-	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş. (13)	**3.862**	-	**94.671.131**	-	-	-	-	**724.743**
OYAK İnşaat A.Ş. (14)	-	**455.491.998**	-	-	-	-	**54.185.176**	-
OYAK Otomotiv Enerji ve Lojistik Holding (**)	-	-	-	-	-	-	**10.339**	**9.983.742**
Kümaş Manyezit Sanayi A.Ş. (15)	-	-	**182.237.787**	-	-	-	**32.071**	**10.723.673**
OYAK Anker Bank GmbH (16)	-	-	-	-	**16.973.261**	**19.736.115**	-	-
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	-	-	-	-	**2.709**	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	**1.146.719**	-	-	-	-	**15.243.290**
Ordu Yardımlaşma Kurumu (OYAK)	-	-	-	-	-	-	-	**1.013.343**
Cimpor Global Holdings B.V. (17)	-	-	-	-	-	**11.704.687**	-	**170.819.815**
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	-	-	-	-	-	**14.847**
OYAK Yatırım Menkul Değerler A.Ş.	-	-	-	-	-	-	-	**153.462**
Oyak Sentetik Karbon ürünleri San.Tic A.Ş.	-	-	-	-	-	-	**235**	-
OYAK Selüloz ve Kağıt Fabrikaları A.Ş.	-	-	-	-	-	-	**7.316**	-
Yenilikçi Yapı Malzemeleri Yat. Üretim San. Tic. A.Ş.	-	-	-	-	-	-	**7.275.924**	-
Cimpor Cote d'Ivoire SARL (18)	-	-	-	-	-	-	**37.101.512**	-
CIMPOR FRANCE SAS (19)	-	**29.037.410**	-	-	-	-	-	-
Cimpor Portugal Holdings SGPS S.A. (20)	-	-	-	-	-	-	**19.771.391**	**111.581.574**
Cimpor Cameroun SA (21)	-	-	-	-	-	-	**28.624.383**	-
	2.958.368.863	**989.461.553**	**285.914.677**	-	**16.973.261**	**31.440.802**	**147.518.937**	**699.249.225**

(*) The commercial title of OYAK Elektrik Enerjisi Toptan Satış A.Ş was changed to Oypower Elektrik Ticareti ve Hizmetleri A.Ş. on February 23, 2024.
(**) The commercial title of OYAK Akaryakıt ve LPG Yatırımları A.Ş.. was changed to OYAK Otomotiv Enerji ve Lojistik Holding A.Ş. on May 14, 2024.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

5. RELATED PARTY DISCLOSURES (cont'd)

	1 January– 31 December 2023							
			Purchases of	Sales of	Interest	Interest	Other	Other
Transactions with related parties	Purchases	Sales	tangible assets	tangible assets	received	paid	income	expense
OYPOWER Elektrik Ticareti ve Hizm. A.Ş. (1) (*)	3.230.645.697	-	-	-	-	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (2)	509.925.335	4.006.513	770.442	-	-	-	969.853	32.450.831
Doco Petrol ve Danışmanlık A.Ş. (3)	455.950.974	2.902.253	-	-	-	-	-	-
Omsan Denizcilik A.Ş. (4)	268.803.373	7.564.557	-	-	-	-	-	8.004.304
İskenderun Demir ve Çelik A.Ş. (5)	190.553.967	96.414.432	-	-	-	-	-	21.551
Akdeniz Chemson Kimya San.ve Tic. A.Ş. (6)	126.247.585	844.030	-	-	-	-	34.787	4.624.690
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (7)	90.425.767	-	-	-	-	-	613.326	-
OYAK Pazarlama Hizmet ve Turizm A.Ş. (8)	63.348.261	1.372.813	15.491.315	-	-	-	-	152.044.309
Ordu Yardımlaşma Kurumu (OYAK)	37.418.262	21.240	-	-	-	95.648.562	-	1.050.298
Güzel Enerji Yakıt A.Ş. (9)	29.488.465	566.940	-	-	-	-	-	14.119.933
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (10)	24.403.955	1.016.892	6.981.038	-	-	-	-	136.680.905
Omsan Havacılık A.Ş. (11)	15.597.494	-	-	-	-	-	-	142.353
Omsan Lojistik A.Ş. (11)	11.330.991	-	-	-	-	-	-	307.254
İskenderun Enerji Üretim ve Tic.A.Ş. (7)	5.880.843	-	-	-	-	-	-	-
OYAK İnşaat A.Ş. (12)	623.044	562.635.571	-	-	-	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	369.168	10.924	-	-	-	-	-	-
ATAER Holding A.Ş.	86.508	-	-	-	-	-	-	-
OYAK Otomotiv Enerji ve Lojistik Holding (**)	69.770	528	-	-	-	-	-	10.783.431
Mais Motorlu Araçlar İmal ve Satış A.Ş. (13)	23.061	-	164.390.344	14.803.205	-	-	-	442.158
Kümaş Manyezit Sanayi A.Ş. (14)	-	-	121.294.044	-	-	-	3.565.193	29.387.138
OYAK Anker Bank GmbH (15)	-	-	-	-	776.737.248	709.111.162	-	-
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	-	-	-	-	575	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	-	-	-	-	-	11.274.533
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	-	-	-	-	-	2.587.826
Oytaş İç ve Dış Ticaret A.Ş.	-	-	-	-	-	-	-	2.149.851
OYAK Yatırım Menkul Değerler A.Ş.	-	-	-	-	-	-	-	216.569
Omsan Logistique Maroc SARL	-	-	-	-	-	-	-	32.539
OYAK Selüloz ve Kağıt Fabrikaları A.Ş.	-	-	-	-	-	-	-	7
Cimpor Global Holdings B.V. (16)	-	102.329	-	-	-	117.327.584	-	1.081.243.656
Cimpor Cote d'Ivoire SARL (17)	-	25.614.745	-	-	-	-	1.125.416	-
Cimpor İndustria de Cimentos S.A.	-	3.174.766	-	-	-	-	-	-
Nova Cimpor Serviços	-	1.094.612	-	-	-	-	-	735
Betao Liz, SA.	-	638.152	-	-	-	-	-	-
Cimpor Cameroun SA (18)	-	-	-	-	-	459.074.674	39.625.849	-
	5.061.192.520	707.981.297	308.927.183	14.803.205	776.737.248	1.381.161.982	45.934.999	1.487.564.871

(*) The commercial title of OYAK Elektrik Enerjisi Toptan Satış A.Ş was changed to Oypower Elektrik Ticareti ve Hizmetleri A.Ş. on February 23, 2024.
(**) The commercial title of OYAK Akaryakıt ve LPG Yatırımları A.Ş.. was changed to OYAK Otomotiv Enerji ve Lojistik Holding A.Ş. on May 14, 2024.

5. RELATED PARTY DISCLOSURES (cont'd)

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

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

Disclosures related to transactions with related parties for the period 1 January – 31 December 2023 are as follows:

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

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

6. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables

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

Short-term trade receivables	**31 December 2024**	31 December 2023
Trade receivables	**5.826.523.280**	5.537.402.754
Trade receivables from related parties (Note 5)	**535.028.151**	349.118.144
Notes receivable	**663.551.228**	509.762.431
Income accruals	**20.388.959**	29.069.779
Provision for doubtful trade receivables and expected credit loss (-)	**(107.213.668)**	(156.064.762)
	6.938.277.950	6.269.288.346

The turnover days of trade receivables varies depending on the type of the product and contracts made with the customer, and the average is 47 days. (31 December 2023: 40 days). Overdue but not impaired receivables are amounting to TL 672.081.058 (31 December 2023: TL 504.020.692) and there is a guarantee for these receivables amounting to TL 214.491.969 (31 December 2023: TL 237.833.361) (Note 32).

As of 31 December 2024, there are no receivables from customers who declared concordat (31 December 2023: TL 155.394).

Explanations regarding the nature and level of risks in trade receivables are explained in Note 32.

As of 31 December 2024, provision for doubtful receivables and expected credit loss has been made for the portion of trade receivables amounting to TL 107.213.668 (31 December 2023: TL 156.064.762).

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

Movements of provision for doubtful trade receivables and expected credit loss	**1 January-31 December 2024**	1 January-31 December 2023
Opening balance	**(156.064.762)**	(237.637.626)
Charge for the period	**(5.202.419)**	(14.937.783)
Collections	**7.039.718**	3.094.309
Monetary gain/(loss)	**47.013.795**	93.416.338
Closing balance	**(107.213.668)**	(156.064.762)

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

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

6. TRADE RECEIVABLES AND PAYABLES (cont'd)

b) Trade Payables

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

Short-term trade payables	**31 December 2024**	31 December 2023
Trade payables	**5.524.519.258**	4.230.242.223
Trade payables to related parties (Note 5)	**542.508.473**	1.027.075.072
	6.067.027.731	5.257.317.295

The average turnover days of trade payables related to the purchase of goods is 72 days. (31 December 2023: 60 days).

7. OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

Other short-term receivables	**31 December 2024**	31 December 2023
Other receivables from related parties (Note 5)	**105.304.167**	45.286.861
Deposits and guarantees given	**50.443.047**	12.664.148
Receivables from tax administration	**821.596**	15.248.933
Other receivables	**28.187.670**	21.636.752
Other doubtful receivable provision (-)	**(2.510.400)**	(1.882.223)
	182.246.080	92.954.471

Other long-term receivables	**31 December 2024**	31 December 2023
Deposits and guarantees given	**6.388.613**	6.883.337
	6.388.613	6.883.337

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

Movements of allowance for doubtful other receivables	**1 January - 31 December 2024**	1 January – 31 December 2023
Opening balance	**(1.882.223)**	(1.854.014)
Charge for the period	**(1.206.985)**	(757.030)
Monetary gain/ (loss)	**578.808**	728.821
Closing balance	**(2.510.400)**	(1.882.223)

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

7. OTHER RECEIVABLES AND PAYABLES (cont'd)

b) Other payables

Other short-term payables	**31 December 2024**	31 December 2023
Taxes and funds payable	**112.357.221**	130.273.631
Deposits and guarantees received	**34.537.248**	111.520.362
Other payables to related parties (Note 5)	**1.355.789.342**	8.590.965
Other miscellaneous payables	**6.868.540**	7.422.416
	1.509.552.351	257.807.374

Other long-term payables	**31 December 2024**	31 December 2023
Other payables to related parties (Note 5)	-	1.578.192.278
	-	1.578.192.278

8. INVENTORIES

	31 December 2024	31 December 2023
Raw material	**4.402.229.184**	4.012.234.956
Semi-finished goods	**1.490.069.457**	1.374.066.557
Finished goods	**337.044.483**	464.895.829
Trade goods	**15.221.614**	10.245.069
Goods in transit (*)	**390.745.567**	263.014.554
Spare parts and other inventories	**3.310.514**	10.262.597
Impairment on inventories (-)	**(227.387.695)**	(227.387.695)
	6.411.233.124	5.907.331.867

(*) As of 31 December 2024 and 31 December 2023 the balance of goods in transit consists of Petro coke stocks purchased.

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

Movement of inventories impairment	**1 January – 31 December 2024**	1 January – 31 December 2023
Opening balance	**(227.387.695)**	(91.216.738)
Charge for the period	**-**	(136.170.957)
Reversal of impairment	**-**	-
Closing balance	**(227.387.695)**	(227.387.695)

9. PREPAID EXPENSES AND DEFERRED INCOME

a) Prepaid Expenses

Short-term prepaid expenses	**31 December 2024**	31 December 2023
Advances given for inventory purchases	**191.054.901**	208.409.432
Prepaid expenses	**356.107.986**	346.932.404
	547.162.887	555.341.836

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

9. PREPAID EXPENSES AND CONTRACT LIABILITIES (cont'd)

a) Prepaid Expenses (cont'd)

Long-term prepaid expenses	**31 December 2024**	31 December 2023
Advanced given for fixed asset purchases	**2.464.898.038**	243.746.683
Prepaid expenses	**3.803.126**	17.098.482
Prepaid taxes and funds	**265.477**	432.568
	2.468.966.641	261.277.733

b) Contract liabilities

Short-term contract liabilities	**31 December 2024**	31 December 2023
Advances received	**222.301.516**	199.283.953
Short-term contract liabilities	**38.163.162**	40.996.476
	260.464.678	240.280.429

10. INVESTMENT PROPERTIES

Cost	**Lands**	**Land improvements**	**Buildings**	**Total**
Opening balance as of 1 January 2024	**297.013.920**	**44.054.786**	**12.185.934**	**353.254.640**
Closing balance as of 31 December 2024	**297.013.920**	**44.054.786**	**12.185.934**	**353.254.640**
Accumulated depreciation				
Opening balance as of 1 January 2024	**-**	**39.902.627**	**9.263.832**	**49.166.459**
Charge for the period	**-**	**634.354**	**76.155**	**710.509**
Closing balance as of 31 December 2024	**-**	**40.536.981**	**9.339.987**	**49.876.968**
Net book value as of 31 December 2024	**297.013.920**	**3.517.805**	**2.845.947**	**303.377.672**

Cost	Lands	Land improvements	Buildings	Total
Opening balance as of 1 January 2023	297.013.920	44.054.786	12.185.934	353.254.640
Closing balance as of 31 December 2023	297.013.920	44.054.786	12.185.934	353.254.640
Accumulated depreciation				
Opening balance as of 1 January 2023	-	39.056.020	8.921.814	47.977.834
Charge for the period	-	846.607	342.018	1.188.625
Closing balance as of 31 December 2023	-	39.902.627	9.263.832	49.166.459
Net book value as of 31 December 2023	297.013.920	4.152.159	2.922.102	304.088.181

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

10. INVESTMENT PROPERTIES (cont'd)

Fair value measurements of the Group's investment properties

As of 31 December 2024, the fair value of the investment properties of the Group is determined by independent valuation company TSKB Gayrimenkul Değerleme A.Ş. authorized by the CMB, provide real estate valuation services in accordance with the capital market legislation and have sufficient experience and quality in measuring the fair value of properties in the relevant regions. The fair value of the investment properties owned was determined according to the market comparative approach, which reflects the current transaction prices for similar properties for lands, and the cost formation approach for land improvements and buildings.

The rental income generated by the Group for its investment properties is disclosed in Note 26.

As of 31 December 2024 and 31 December 2023 the Group's investment properties and the fair value hierarchy of these assets are presented in the table below:

		Fair value level as of reporting period		
	31 December 2024	**Level 1 TL**	**Level 2 TL**	**Level 3 TL**
Investment Land	**1.864.902.101**	**-**	**1.864.902.101**	**-**
Investment Buildings	**4.853.435**	**-**	**4.853.435**	**-**
Investment Land Improvements	**21.367.314**	**-**	**21.367.314**	**-**
Total	**1.891.122.850**	**-**	**1.891.122.850**	**-**

		Fair value level as of reporting period		
	31 December 2023	Level 1 TL	Level 2 TL	Level 3 TL
Investment Land	1.866.256.309	-	1.866.256.309	-
Investment Buildings	4.682.211	-	4.682.211	-
Investment Land Improvements	18.845.215	-	18.845.215	-
Total	1.889.783.735	-	1.889.783.735	-

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

11. PROPERTY, PLANT AND EQUIPMENT

	Lands	Land improvements	Buildings	Plant, machinery and equipment	Vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total
Cost									
Opening balance as of 1 January 2024	2.985.096.166	2.785.522.473	10.015.062.041	48.408.433.069	2.522.827.503	1.472.210.386	1.884.845.955	1.279.636.195	71.353.633.788
Additions	54.870.263	150.715.952	477.937.586	1.371.619.704	769.685.302	77.451.561	2.520.769.275	40.727	5.423.090.370
Disposals	-	-	(7.316.998)	(4.798.596)	(1.598.452)	(2.702.421)	-	-	(16.416.467)
Transfers from construction in progress	-	37.407.334	3.835.646	504.363.532	2.061.200	16.130.177	(640.612.541)	3.020.461	(73.794.191)
Other transfers (*)	(119.976.686)	-	-	-	-	-	-	-	(119.976.686)
Transfers from fixed assets classified as held for sale		-	-	26.247.444	-	-	-	-	26.247.444
Translation differences	-	-	(48.770.481)	(18.343.450)	(778.237)	(590.371)	-	-	(68.482.539)
Closing balance as of 31 December 2024	2.919.989.743	2.973.645.759	10.440.747.794	50.287.521.703	3.292.197.316	1.562.499.332	3.765.002.689	1.282.697.383	76.524.301.719
Accumulated depreciation									
Opening balance as of 1 January 2024	-	2.298.196.928	6.467.930.113	38.499.202.460	1.561.413.773	1.327.804.435	-	838.443.029	50.992.990.738
Charge for the period	-	68.995.899	191.673.132	1.733.298.977	282.982.649	39.604.385	-	30.177.946	2.346.732.988
Disposals	-	-	(7.178.588)	(4.519.412)	(699.839)	(1.785.453)	-	-	(14.183.292)
Translation differences	-	-	(25.712.216)	(20.567.370)	(468.225)	(536.351)	-	-	(47.284.162)
Closing balance as of 31 December 2024	-	2.367.192.827	6.626.712.441	40.207.414.655	1.843.228.358	1.365.087.016	-	868.620.975	53.278.256.272
Net book value as of 31 December 2024	2.919.989.743	606.452.932	3.814.035.353	10.080.107.048	1.448.968.958	197.412.316	3.765.002.689	414.076.408	23.246.045.447

Depreciation of property, plant and equipment are disclosed in Note 24.

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

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

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

	Lands	Land improvements	Buildings	Plant, machinery and equipment	Vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total
Cost									
Opening balance as of 1 January 2023	2.815.323.730	2.660.953.798	9.900.249.685	47.082.674.678	2.106.708.268	1.438.985.259	1.676.426.993	1.278.985.798	68.960.308.209
Additions	169.772.436	107.876.942	132.616.528	705.015.944	439.143.322	31.939.288	887.125.748	22.660	2.473.512.868
Disposals	-	-	-	(1.630.572)	(22.717.182)	(824.875)	-	-	(25.172.629)
Transfers from construction in progress (*)	-	16.691.733	604.688	630.500.497	-	2.132.146	(678.706.786)	627.737	(28.149.985)
Translation differences	-	-	(18.408.860)	(8.127.478)	(306.905)	(21.432)	-	-	(26.864.675)
Closing balance as of 31 December 2023	2.985.096.166	2.785.522.473	10.015.062.041	48.408.433.069	2.522.827.503	1.472.210.386	1.884.845.955	1.279.636.195	71.353.633.788
Accumulated depreciation									
Opening balance as of 1 January 2023	-	2.231.904.161	6.286.668.083	37.093.383.298	1.449.918.761	1.293.173.873	-	809.508.393	49.164.556.569
Charge for the period	-	66.292.767	174.298.998	1.402.604.386	131.865.505	35.021.422	-	28.934.636	1.839.017.714
Disposals	-	-	-	(1.630.572)	(20.319.212)	(594.567)	-	-	(22.544.351)
Translation differences	-	-	6.963.032	4.845.348	(51.281)	203.707	-	-	11.960.806
Closing balance as of 31 December 2023	-	2.298.196.928	6.467.930.113	38.499.202.460	1.561.413.773	1.327.804.435	-	838.443.029	50.992.990.738
Net book value as of 31 December 2023	2.985.096.166	487.325.545	3.547.131.928	9.909.230.609	961.413.730	144.405.951	1.884.845.955	441.193.166	20.360.643.050

(*) It is the transfer of plant, machinery and equipment obtained through financial leasing.

Depreciation of property, plant and equipment are disclosed in Note 24.

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

As of 31 December 2024, the insurance amount on the Company's property, plant and equipment is USD 1.011.869.655, the TL equivalent of 35.699.064.976 (31 December 2023: USD 1.243.849.549; TL equivalent is 52.866.685.917).

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

12. INTANGIBLE ASSETS

	Rights	Capitalized development expenses	Computer Software and Other Intangible Assets	Total
Cost value				
Opening balance as of 1 January 2024	751.298.803	138.794.844	654.708.812	1.544.802.459
Additions	2.554.444	31.060.796	134.633.059	168.248.299
Transfers (*)	192.942.484	-	828.393	193.770.877
Translation Differences	(1.372.711)			(1.372.711)
Closing balance as of 31 December 2024	945.423.020	169.855.640	790.170.264	1.905.448.924
Accumulated amortization and impairment				
Opening balance as of 1 January 2024	290.146.780	21.280.389	460.649.492	772.076.661
Charge for the period	34.344.302	5.231.175	15.379.490	54.954.967
Translation Differences	(342.130)	-	-	(342.130)
Closing balance as of 31 December 2024	324.148.952	26.511.564	476.028.982	826.689.498
Net book value as of 31 December 2024	621.274.068	143.344.076	314.141.282	1.078.759.426

(*) An amount of TL 73.794.191 (31 December 2023: TL 28.149.985) was transferred from construction in progress to intangible assets during the period. A transfer of mining sites amounting to TL 119.976.686 has been made from land to intangible assets.

Amortization of intangible assets are disclosed in Note 24.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

12. INTANGIBLE ASSETS (cont'd)

	Rights	Capitalized development expenses	Computer Software and Other Intangible Assets	Total
Cost value				
Opening balance as of 1 January 2023	722.199.747	106.439.455	533.556.867	1.362.196.069
Additions	-	32.355.389	121.151.945	153.507.334
Transfers	28.149.985	-	-	28.149.985
Translation Differences	949.071	-	-	949.071
Closing balance as of 31 December 2023	751.298.803	138.794.844	654.708.812	1.544.802.459
Accumulated amortization and impairment				
Opening balance as of 1 January 2023	276.698.431	19.544.333	428.124.298	724.367.062
Charge for the period	12.583.926	1.736.056	32.525.194	46.845.176
Translation Differences	864.423	-	-	864.423
Closing balance as of 31 December 2023	290.146.780	21.280.389	460.649.492	772.076.661
Net book value as of 31 December 2023	461.152.023	117.514.455	194.059.320	772.725.798

(*) It is the transfer of Plant, machinery and equipment obtained through financial leasing.

Amortization of intangible assets are disclosed in Note 24.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

13. RIGHT-OF-USE ASSETS

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

	Land	**Buildings**	**Plant, machinery and equipment**	**Vehicles**	**Land and port usage rights**	**Total**
Cost value						
Opening balance as of 1 January 2024	**68.466.829**	**8.876.610**	**116.036.394**	**99.980.780**	**186.239.244**	**479.599.857**
Additions	**45.286.380**	**19.074.566**	**-**	**72.320.367**	**655.764.319**	**792.445.632**
Disposals	**-**	**-**	**-**	**(44.964.568)**		**(44.964.568)**
Closing balance as of 31 December 2024	**113.753.209**	**27.951.176**	**116.036.394**	**127.336.579**	**842.003.563**	**1.227.080.921**
Accumulated amortization and impairment						
Opening balance as of 1 January 2024	**18.707.610**	**4.508.855**	**59.548.994**	**68.754.040**	**43.295.727**	**194.815.226**
Additions	**53.030.914**	**22.887.575**	**13.656.962**	**55.936.129**	**76.445.161**	**221.956.741**
Disposals	**-**	**-**	**-**	**(44.964.568)**	**-**	**(44.964.568)**
Closing balance as of 31 December 2024	**71.738.524**	**27.396.430**	**73.205.956**	**79.725.601**	**119.740.888**	**371.807.399**
Net book value as of 31 December 2024	**42.014.685**	**554.746**	**42.830.438**	**47.610.978**	**722.262.675**	**855.273.522**

	Land	Buildings	Plant, machinery and equipment	Vehicles	Land and port usage rights	Total
Cost value						
Opening balance as of 1 January 2023	62.299.860	8.876.610	111.704.805	108.316.859	202.828.381	494.026.515
Additions	6.166.969	-	4.331.589	850.968	11.147.186	22.496.712
Disposals	-	-	-	(9.187.047)	(27.736.323)	(36.923.370)
Closing balance as of 31 December 2023	68.466.829	8.876.610	116.036.394	99.980.780	186.239.244	479.599.857
Accumulated amortization and impairment						
Opening balance as of 1 January 2023	16.133.041	4.508.855	56.333.486	59.361.359	42.793.710	179.130.451
Additions	2.574.569	-	3.215.508	18.579.728	502.017	24.871.822
Disposals	-	-	-	(9.187.047)	-	(9.187.047)
Closing balance as of 31 December 2023	18.707.610	4.508.855	59.548.994	68.754.040	43.295.727	194.815.226
Net book value as of 31 December 2023	49.759.219	4.367.755	56.487.400	31.226.740	142.943.517	284.784.631

Amortization of right of use assets are disclosed in Note 24.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

14. GOODWILL

	31 December 2024	31 December 2023
Goodwill	**4.490.560.715**	4.490.560.715

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

Discount rate

	2025	**2026**	**2027**	**2028**	**Ongoing period**
31 December 2024	28,8%	22,1%	21,2%	21,2%	21,2%

Inflation rate

	2025	**2026**	**2027**	**2028**	**Ongoing period**
31 December 2024	30,1%	28,0%	23,7%	15,3%	12,0%

As of 31 December 2024 and 31 December 2023, goodwill amounting to TL 4.355.147.455 carried in consolidated financial statements is related to acquisition of Denizli Çimento and remaining portion is due to acquisition of İskenderun Plant.

15. GOVERNMENT INCENTIVES AND GRANTS

Ünye Çimento has received an investment incentive certificate dated 28 July 2016 for the Waste Derived Fuel investment. Within the scope of the investment incentive certificate, the investment contribution rate is 55% and it is subject to 100% deduction from the tax base. In this regard, Ünye Çimento has deducted investment incentive amounting to TL 15.476.846 from the total investment amount of TL 26.615.160 on the investment incentive certificate from the tax base until 31 December 2024 (31 December 2023: TL 34.228.084). As a result of the revaluation of the tax base, there is an investment contribution amount of TL 11.271.095 that can be used in future periods (31 December 2023: TL 13.522.898) The investment process has been completed and the investment completion visa is completed.

Aslan Çimento received an investment incentive certificate dated 21 February 2019 and numbered 502785 was obtained for clinker production line modernization and energy efficiency investment and the related investment was completed as of 30 September 2020. Within the scope of the investment incentive certificate, the investment contribution rate is 55% and it is subject to 100% deduction from the tax base. Within the scope of the document, the actual investment expenditure since the beginning of the investment is TL 117.995.483. As of 31 December 2024, the total amount of contribution to the investment benefited was TL 43.100.092 (31 December 2023: TL 80.614.478). An investment completion visa application has been made regarding this document and the process is still ongoing.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

15. GOVERNMENT INCENTIVES AND GRANTS (cont'd)

The Company received an investment incentive certificate dated 15 April 2022 and numbered 535527 for the marble quarry operation to be realized at Çınarlı Mah. Bedalan Mevkii Küme Evleri No:15B Marmara/Balıkesir. Investment contribution rate is 40% and tax discount rate is 80%. The total amount of investment within the scope of the document is TL 60.679.000, and the contribution to the total investment is TL 24.271.600. As of December 31, 2024, the contribution amount to the investment is TL 19.417.280 (31 December 2023: TL 28.034.475). The investment process is still ongoing.

An investment incentive certificate dated April 4, 2024 was received for the Oyak Çimento Fabrikaları A.Ş. İskenderun Branch Clinker Grinding Plant Capacity Increase project. Within the scope of the investment incentive certificate, the contribution amount to the investment is 50% and a 90% deduction can be made from the tax base. In this context, Oyak Çimento Fabrikaları A.Ş İskenderun Branch has offset the investment discount of TL 96.069.053 from the total investment amount of TL 240.172.633 on the investment incentive certificate as of December 31, 2024, within the scope of the Regional Investment Incentive Certificate until December 31, 2024. The investment is still ongoing.

An investment incentive certificate was received for the Oyak Çimento Fabrikaları A.Ş. Mardin Branch Solar Power Plant investment on October 11, 2024. Within the scope of the investment incentive certificate, the contribution rate to the investment is 50% and a 90% deduction can be made from the tax base. In this context, Mardin Çimento Branch has offset the total investment discount of TL 56.650.000 from the tax base until 31 December 2024 within the scope of the Regional Investment Incentive Certificate, from the total investment amount of TL 141.625.000 on the investment incentive certificate as of 31 December 2024. The investment is still ongoing.

16. FINANCIAL BORROWINGS

Short-term borrowings	**31 December 2024**	31 December 2023
Short-term financial borrowings	-	2.101.526.643
Short-term portions of long-term borrowings	**61.494.558**	95.919.800
Short-term lease borrowings	**49.622.332**	42.968.380
	111.116.890	2.240.414.823

Long-term borrowings	**31 December 2024**	31 December 2023
Long-term financial borrowings	**16.906.319**	98.720.599
Long-term lease borrowings	**94.418.433**	98.284.074
	111.324.752	197.004.673

The details of bank loans are as follows:

Currency	**Weighted average interest rate**	**31 December 2024 Short-term**	**Long-term**
TL	**47,55%**	**-**	**78.400.877**
		-	**78.400.877**

Currency	Weighted average interest rate	31 December 2023 Short-term	Long-term
TL	38,92%	2.101.526.643	194.640.399
		2.101.526.643	194.640.399

There are no debt instruments issued as of 31 December 2024 and 31 December 2023.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

16. FINANCIAL BORROWINGS (cont'd)

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

	31 December 2024	31 December 2023
Within one year	**61.494.558**	2.197.446.443
Between 1-2 years	**14.236.953**	76.172.169
Between 2-3 years	**2.669.366**	18.694.427
Between 3-4 years	**-**	3.854.003
Between 4-5 years	**-**	-
	78.400.877	2.296.167.042

Movement of financial borrowings other than leasing liabilities and other financial liabilities for the years ended at 31 December 2024 and 31 December 2023 are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Opening balance	**2.296.167.042**	4.172.874.333
Interest paid	**(163.525.505)**	(1.170.661.467)
Interest accrual	**103.288.194**	1.249.814.961
Foreign exchange differences	**53.755.700**	17.103.115
Loans and borrowing instruments acquired	**1.255.668.000**	4.989.540.384
Repayment of loans and borrowing instruments	**(2.744.391.864)**	(5.322.130.054)
Monetary gain / (loss)	**(722.560.690)**	(1.640.374.230)
	78.400.877	2.296.167.042

17. PROVISIONS

a) Short-term provisions:

	31 December 2024	31 December 2023
Provision for state mining rights (*)	**128.825.105**	101.897.181
Legal provisions	**296.949.185**	66.296.872
Other short-term provisions (**)	**141.671.750**	521.655.696
	567.446.040	689.849.749

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

(**) As of 31 December 2024 and 31 December 2023 a significant part of the other short-term provisions balance consists of sales turnover premium, other cost provisions and administrative penalty provisions.

b) Long-term provisions:

	31 December 2024	31 December 2023
Mine rehabilitation provision	**237.215.372**	196.623.217
Provision for land occupation	**41.262.194**	32.141.934
	278.477.566	228.765.151

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

17. PROVISIONS (cont'd)

The movements of short and long-term provisions for the years ended at 31 December 2024 and 31 December 2023 are as follows:

	Short-term			**Long-term**	
	Provision for state mining rights	**Legal provisions**	**Other**	**Provision for rehabilitation of mines**	**Provision for land occupation**
1 January 2024	**101.897.181**	**66.296.872**	**521.655.696**	**196.623.217**	**32.141.934**
Additional provisions	**141.358.203**	**254.672.001**	**175.453.993**	**101.609.480**	**21.256.060**
Payments during the period	**(76.003.801)**	**-**	**(239.844.163)**	**-**	**-**
Reversal of provisions	**-**	**-**	**(145.319.511)**	**-**	**-**
Monetary Gain / Loss	**(38.426.478)**	**(24.019.688)**	**(170.274.265)**	**(61.017.325)**	**(12.135.800)**
31 December 2024	**128.825.105**	**296.949.185**	**141.671.750**	**237.215.372**	**41.262.194**

	Short-term			Long-term	
	Provision for state mining rights	Legal provisions	Other	Provision for rehabilitation of mines	Provision for land occupation
1 January 2023	55.370.574	50.189.647	155.753.121	73.481.229	24.177.138
Additional provisions	101.897.181	35.836.983	521.655.697	152.027.765	17.468.929
Payments during the period	(33.604.172)	-	(36.540.425)	-	-
Reversal of provisions	-	-	(58.039.648)	-	-
Monetary Gain / Loss	(21.766.402)	(19.729.758)	(61.173.049)	(28.885.777)	(9.504.133)
31 December 2023	101.897.181	66.296.872	521.655.696	196.623.217	32.141.934

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

18. COMMITMENTS AND CONTINGENT ASSETS

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

31 December 2024	**TL**	**USD (TL Equivalent)**	**EURO (TL Equivalent)**	**Total TL**
A. Total Amount of GPMs Given for the Group's Own Legal Personality	**325.872.362**	**306.549.960**	**-**	**632.422.322**
-*Guarantee Letters*	***325.872.362***	***306.549.960***	**-**	***632.422.322***
B. Total Amount of GPMs Given on behalf of Fully Consolidated Companies	-	-	-	-
C. Total Amount of GPMs given in the Normal Course of Business Activities on Behalf of Third Parties	-	-	-	-
D. Total Amount of Other GPMs Given	-	-	-	-
i. Total Amount of GPMs Given on Behalf of the Parent	-	-	-	-
ii. Total Amount of GPMs Given on Behalf of Other Group Companies Which Are Not in Scope of B and C	-	-	-	-
iii. Total Amount of GPMs Given on Behalf of Third Parties Which Are Not in Scope of C	-	-	-	-
Total	**325.872.362**	**306.549.960**	**-**	**632.422.322**

31 December 2023	TL	USD (TL Equivalent)	EURO (TL Equivalent)	Total TL
A. Total Amount of GPMs Given for the Group's Own Legal Personality	648.703.510	36.335.027	-	685.038.537
-*Guarantee Letters*	*648.703.510*	*36.335.027*	-	685.038.537
B. Total Amount of GPMs Given on behalf of Fully Consolidated Companies	-	-	-	-
C. Total Amount of GPMs given in the Normal Course of Business Activities on Behalf of Third Parties	-	-	-	-
D. Total Amount of Other GPMs Given	-	-	-	-
i. Total Amount of GPMs Given on Behalf of the Parent	-	-	-	-
ii. Total Amount of GPMs Given on Behalf of Other Group Companies Which Are Not in Scope of B and C	-	-	-	-
iii. Total Amount of GPMs Given on Behalf of Third Parties Which Are Not in Scope of C	-	-	-	-
Total	648.703.510	36.335.027	-	685.038.537

Contingent assets	**31 December 2024**	31 December 2023
Letters of guarantee received from customers	**7.520.954.784**	5.365.997.667
Direct debit system limit	**4.400.271.308**	3.067.179.707
Letters of guarantee received from suppliers	**3.112.980.943**	1.263.246.961
Collateral insurances received from customers	**857.806.475**	937.963.140
	15.892.013.510	10.634.387.475

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

19. EMPLOYEE BENEFITS

Payables due to employee benefits

	31 December 2024	31 December 2023
Social security premiums payable	**88.460.722**	113.124.747
Personnel taxes payable	**72.440.167**	43.694.793
Due to personnel	**24.621.289**	23.460.499
	185.522.178	180.280.039

Short-term provisions related to employee benefits

	31 December 2024	31 December 2023
Provision for personnel premiums and bonuses	**396.425.000**	754.582.655
	396.425.000	754.582.655

The movement of provision for personnel premium for the years ended at 31 December 2024 and 31 December 2023 is as follows:

	1 January – 31 December 2024	1 January – 31 December 2023
Provision as of 1 January	**754.582.655**	322.753.201
Change for the period	**455.025.864**	964.796.223
Payments made during the period	**(228.508.180)**	(234.538.290)
Provision no longer required	**(407.074.534)**	(52.298.371)
Monetary Gain/ (Loss)	**(177.600.805)**	(246.130.108)
Provision as of 31 December	**396.425.000**	754.582.655

Long-term provisions related to employee benefits

	31 December 2024	31 December 2023
Provision for severance pay	**369.154.517**	560.611.864
Provision for senior labour incentive premium	**366.518.862**	287.948.086
Provision for unused vacation	**98.578.085**	99.368.738
	834.251.464	947.928.688

Provision for severance pay

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

As of 31 December 2024, retirement pay provision is subject to the ceiling of TL 41.828,42 (31 December 2023: TL 23.489,83). The severance pay ceiling is determined by the Ministry of Treasury and Finance for each period, and the severance pay ceilings are expressed as the purchasing power of the specified dates.

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

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

19. EMPLOYEE BENEFITS (cont'd)

Provision for severance pay (cont'd)

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for future inflation effects. Consequently, in the accompanying consolidated financial statements as of 31 December 2024, the provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees.

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

31 December 2024	
Discount rate	26,67% (fix)
Inflation rate	23,49% (fix)
Salary increase	For January 1, 2025, the rate budgeted by the Company; 1.5% above inflation thereafter
Severance pay ceiling increase	33.07% for January 1, 2025; at the same level as inflation for the following periods

31 December 2023	
Discount rate	24,27% (fix)
Inflation rate	21,02% (fix)
Salary increase	For January 1, 2024, the rate budgeted by the Company; 1.5% above inflation thereafter
Severance pay ceiling increase	75.44% for January 1, 2024; at the same level as inflation for the following periods

Turnover rates were considered as 1-11% for employees working for 0-15 years and 0% for employees working more than 15 years. Ceiling amount of TL 46.655,43 which is in effect since 1 January 2024 is used in the calculation of Groups' provision for retirement pay liability (1 January 2024: TL 35.058,58).

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

- If the discount rate is increased by 1 percent annually, the severance pay amount decreases by 11.9 percent.
- If the discount rate is reduced by 1 percent annually, the severance pay amount increases by 14.1 percent.
- If the annual inflation rate increases by 1 percent, the severance pay amount increases by 14.4 percent.
- If the annual inflation rate is reduced by 1 percent, the severance pay amount decreases by 12.2 percent.
- If the possibility of voluntary turnover is not used, the severance pay amount increases by 6.4 percent.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

19. EMPLOYEE BENEFITS (cont'd)

Provision for severance pay (cont'd)

For the years ended at 31 December 2024 and 2023, the movement of severance pay provision is as follows:

Movements of severance pay provision	**1 January- 31 December 2024**	1 January- 31 December 2023
Provision as of 1 January	**560.611.864**	812.636.729
Service cost	**60.086.651**	155.834.963
Interest cost (Note: 27)	**85.105.632**	79.192.351
Employment termination benefits paid	**(143.365.116)**	(275.401.860)
Actuarial loss / (gain)	**(28.273.879)**	222.277.695
Monetary Gain / Loss	**(165.010.635)**	(433.928.014)
Provisions as of 31 December	**369.154.517**	560.611.864

Provision for seniority incentive premium

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

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

Seniority incentive premium as of 31 December 2024 were calculated on the basis of a valuation carried out by an independent valuer by using 'expected unit credit method'. Actuarial assumptions used are disclosed below.

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

31 December 2024	
Discount rate	**26.67% (fix)**
Inflation rate	**23.49% (fix)**

31 December 2023	
Discount rate	24.27% (fix)
Inflation rate	21.02% (fix)

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

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

19. EMPLOYEE BENEFITS (cont'd)

Provision for seniority incentive premium (cont'd)

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

- If the discount rate is increased by 1 percent annually, the seniority incentive premium amount decreases by 6.9 percent.
- If the discount rate is reduced by 1 percent annually, the seniority incentive premium amount increases by 7.8 percent.
- If the annual inflation rate is increased by 1 percent, the seniority incentive premium amount increases by 7.8 percent.
- If the annual inflation rate is reduced by 1 percent, the seniority incentive premium amount decreases by 7.1 percent.
- If the possibility of voluntary turnover is not used, the senior labour incentive premium amount increases by 6.7 percent.

Movement of provision for the seniority incentive premium for the years ended at 31 December 2024 and 2023, is as follows:

Movements of provision for seniority incentive premium	**1 January- 31 December 2024**	1 January- 31 December 2023
Provision as of January 1	**287.948.086**	262.346.160
Service cost	**138.217.603**	176.349.255
Interest cost (Note: 27)	**58.725.623**	34.838.810
Seniority incentive premium paid (-)	**(15.195.752)**	(18.923.457)
Monetary Gain / Loss	**(103.176.698)**	(166.662.682)
Provision as of 31 December	**366.518.862**	287.948.086

Provision for unused vacation

The movement of provision for unused vacation for the years ended at 31 December 2024 and 2023 are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Provision as of 1 January	**99.368.738**	73.329.219
Provisions during the period (net)	**29.536.011**	94.629.934
Paid (-)	**(21.820.422)**	(24.479.819)
Monetary Gain / Loss	**(8.506.242)**	(44.110.596)
Provision as of 31 December	**98.578.085**	99.368.738

20. OTHER CURRENT ASSETS

Other Current Assets	**31 December 2024**	31 December 2023
Deferred VAT	**130.451.243**	536.944
Other	**6.440.977**	424.059
	136.892.220	961.003

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

21. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital

As of 31 December 2024 and 31 December 2023 the paid-in capital structure of the Company is as follows:

Shareholders	**%**	**31 December 2023**	%	31 December 2023
TCC OYAK Amsterdam Holdings B.V. (*)	**80,05**	**3.891.795.734**	-	-
Cimpor Global Holdings B.V. (*)	-	-	75,81	945.082.999
Publicly traded	**19,95**	**969.860.049**	24,19	301.495.407
Nominal capital	**100,00**	**4.861.655.783**	100,00	1.246.578.406
Inflation adjustment (**)		**6.952.856.324**		10.567.933.701
Adjusted capital		**11.814.512.107**		11.814.512.107

(*)As explained in Note 1, by evaluating the synergy that will be created by the economic and operational advantages of the merger, the opportunities that will be created by the size of the Company that will emerge after the merger, and the benefits it will provide to all shareholders, an application was made to the Capital Markets Board pursuant to the Board of Directors' Decision dated 11 September 2023, for the Company's merger with OYAK Denizli Çimento A.Ş., its main shareholder, under the roof of the Company by taking over it as a whole together with its assets and liabilities, and the application was approved on 22 November 2023. At the Extraordinary General Assembly meeting dated 25 December 2023 regarding the merger, the Company "took over" OYAK Denizli Çimento Anonim Şirketi as a whole with all its assets and liabilities, and the merger within the Company was accepted by the shareholders. The merger transaction has been registered on 28 December 2023. As a result of the merger, Cimpor Global Holdings B.V., which was the 100% shareholder of the former OYAK Denizli Çimento A.Ş. ("CGH") became the parent of OYAK Çimento Fabrikaları A.Ş. with a share of 75.81%.

The issuance of shares related to the bonus issue of TL 3.615.077.377 for the capital increase amounting to TL 3.615.077.377 due to the increase of the Company's issued capital from TL 1.246.578.406 to TL 4.861.655.783 by increasing it by 290% from TL 1.246.578.406 to TL 4.861.655.783 entirely from internal resources and the related amendment of Article 7 of the Articles of Association was approved by the Capital Markets Board (CMB) and published in the CMB bulletin dated 28.11.2024 and numbered 2024/54.

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

As of 31 December 2024, the Group's capital consists of 486.165.578.300 shares. (31 December 2023: 124.657.840.600 shares). The nominal value of the shares is 0,01 TL per share (31 December 2023: 0,01 TL per share).

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Restricted reserves

	31 December 2024	31 December 2023
Restricted reserves	**6.382.335.250**	6.382.335.250
	6.382.335.250	6.382.335.250

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

Equity inflation adjustment and carrying value of extraordinary reserves can be used in free capital increase, cash profit distribution and loss deduction. However, equity inflation adjustment is subject to corporate tax if it is used in cash profit distribution.

b) Restricted reserves

Legal reserves are shown in their legal records. In this context, differences arising from inflation adjustments that aren't subject to dividend distribution or capital increase as of the date of the report have been associated with prior years' profit / loss.

c) Profit distribution

Listed companies distribute dividend in accordance with the Communique 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 also in conformity with relevant legislations. The communique does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be paid by fixed or variable instalments and advance dividend can be distributed in accordance with profit on interim financial statements of the Company. As of the reporting period, the Company has retained earnings of TL 962.166.003, net profit for the period of TL 8.006.811.864, extraordinary reserve amounting to TL 6.080.564.600 distribution and special fund amounting to TL 4.099.297.882 and TL 1.116.098.935 other profit/loss which can be subject to profit distribution.

d) Inflation adjustment effect

The historical values and inflation adjustment effects of the following accounts under the Company's equity are as follows as of December 31, 2024, in accordance with the TFRS and VUK financial statements:

31 December 2024 (TFRS)	**Historic value**	**Inflation adjustment effect**	**Inflated value**
Capital	4.861.655.783	6.952.856.323	11.814.512.106
Repurchased shares	(6.935.220)	(33.484.159)	(40.419.379)
Share premiums	234.324	1.131.367	1.365.691
Restricted reserves	393.862.120	5.988.473.130	6.382.335.250

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

31 December 2024 (Statutory)	Historic value	Inflation adjustment effect	Inflated value
Capital	4.861.655.783	12.668.552.620	17.530.208.403
Repurchased shares	(37.683.213)	(259.733.804)	(297.417.017)
Share premiums	234.324	5.715.930	5.950.254
Restricted reserves	426.832.186	8.592.168.903	9.019.001.089
Other reserves	387.944.322	5.603.007.873	5.990.952.195

22. REVENUE AND COST OF SALES

a) Sales

	1 January - 31 December 2024	1 January - 31 December 2023
Domestic sales	**39.949.061.595**	40.542.600.815
Foreign sales (export)	**3.406.862.969**	2.967.332.863
Foreign sales (export listed)	**1.141.316.909**	860.426.880
Other sales	**99.395.688**	119.826.866
Sales discounts (-)	**(165.968.995)**	(166.199.971)
	44.430.668.166	44.323.987.453

b) Cost of sales

	1 January - 31 December 2024	1 January - 31 December 2023
Direct raw material and material costs	**(20.708.613.456)**	(22.734.832.046)
Direct labour costs	**(1.342.411.947)**	(2.295.711.411)
General production costs	**(6.937.492.056)**	(3.697.545.481)
Depreciation and amortization	**(2.557.120.724)**	(1.862.358.566)
Total production cost	**(31.545.638.183)**	(30.590.447.504)
Change in work-in progress	**116.002.900**	(258.790.107)
Change in finished goods	**(127.851.346)**	75.440.301
Change in services	**(241.059.803)**	(160.329.615)
Cost of goods sold	**(31.798.546.432)**	(30.934.126.925)

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

	1 January - 31 December 2024	1 January - 31 December 2023
General administrative expenses (-)	**(2.050.659.207)**	(1.528.580.323)
Marketing expenses (-)	**(321.846.895)**	(276.126.957)
Research and development expenses (-)	**(140.910.908)**	(96.010.529)
	(2.513.417.010)	(1.900.717.809)

a) General Administrative Expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	**(1.068.756.469)**	(743.971.493)
Outsourced benefits and services	**(597.654.452)**	(431.503.040)
Tax and duty expenses	**(95.298.453)**	(71.112.375)
Depreciation and amortization expenses	**(57.257.986)**	(45.194.190)
Travel costs	**(54.254.808)**	(30.013.984)
Other material costs	**(37.017.640)**	(44.347.835)
Insurance costs	**(23.024.473)**	(21.459.059)
Energy costs	**(20.834.052)**	(20.332.352)
Other	**(96.560.874)**	(120.645.995)
	(2.050.659.207)	(1.528.580.323)

b) Marketing Expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	**(251.456.444)**	(228.153.734)
Outsourced benefits and services	**(17.603.303)**	(5.731.511)
Travel costs	**(17.200.443)**	(23.908.194)
Depreciation and amortization expenses	**(9.118.172)**	(2.541.935)
Other material costs	**(366.002)**	(102.855)
Other	**(26.102.531)**	(15.688.728)
	(321.846.895)	(276.126.957)

c) Research and Development Expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	**(132.038.797)**	(86.177.665)
Outsourced benefits and services	**(2.825.618)**	(2.396.808)
Depreciation and amortization expenses	**(858.323)**	(1.828.645)
Other	**(5.188.170)**	(5.607.411)
	(140.910.908)	(96.010.529)

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

24. EXPENSES BY NATURE

Depreciation and amortization	**1 January - 31 December 2024**	1 January - 31 December 2023
Cost of sales	**(2.557.120.724)**	(1.862.358.566)
General administrative expenses	**(57.257.986)**	(45.194.190)
Marketing expenses	**(9.118.172)**	(2.541.935)
Research and Development expenses	**(858.323)**	(1.828.645)
	(2.624.355.205)	(1.911.923.336)

Personnel expenses	**1 January - 31 December 2024**	1 January - 31 December 2023
Cost of sales	**(1.342.411.947)**	(2.295.711.411)
General administrative expenses	**(1.068.756.469)**	(743.971.493)
Marketing expenses	**(251.456.444)**	(228.153.734)
Research and Development expenses	**(132.038.797)**	(86.177.665)
	(2.794.663.657)	(3.354.014.303)

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

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

	1 January - 31 December 2024	1 January - 31 December 2023
Independent audit fee for the reporting period	15.218.824	11.800.226
	15.218.824	11.800.226

25. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from operating activities for the years ended at 31 December 2024 and 2023 is as follows:

Other Income from Operating Activities	**1 January - 31 December 2024**	1 January - 31 December 2023
Income from provisions no longer required (*)	**490.680.221**	110.338.018
Operational foreign exchange income	**439.380.508**	1.094.008.460
Interest income from delayed collections	**164.183.202**	19.766.679
Mining royalty income (**)	**150.823.698**	173.256.904
Profit from scrap and material sales	**54.929.574**	30.410.093
Damage compensation income received from insurance	**24.756.294**	52.106.614
Material sales income	**22.039.372**	4.690.259
Service income from related parties (Note 5)	**19.771.391**	-
Other income	**148.430.426**	53.686.530
	1.514.994.686	1.538.263.557

(*) 407.075.937 TL of the balance (31 December 2023: 52.298.371 TL) is from provisions that no longer required regarding personnel bonus, 76.564.566 TL from provisions that no longer required regarding administrative penalties (31 December 2023: 38.921.737), and 7.039.718 TL of provisions that were no longer subject to doubtful receivables.
(**) Mining royalty income comprises of mining license income.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

The details of other expenses from operating activities for the years ended at 31 December 2024 and 2023 are as follows:

Other Expenses from Operating Activities	1 January- 31 December 2024	1 January- 31 December 2023
Foreign exchange losses related to operational activities	**(436.990.967)**	(1.085.030.507)
Provision expenses (**)	**(234.318.132)**	(16.064.003)
Discount interest expense	**(25.959.091)**	(17.783.808)
Donation expenses (*)	**(7.056.347)**	(690.041.255)
Commission expenses	**(910.022)**	(964.368)
Other expenses	**(33.625.951)**	(85.664.904)
	(738.860.510)	(1.895.548.845)

(*) Consists of donations made due to the earthquake disaster that occurred on 6 February 2023.
(**) TL 6.409.404 of the balance consists of provisions for doubtful trade receivables and other doubtful receivables, and TL 227.908.728 consists of provisions for lawsuits.

26. INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

The details of income from investment activities for the years ended at 31 December 2024 and 2023 are as follows:

Income from investment activities	1 January- 31 December 2024	1 January- 31 December 2023
Income from investment funds	**334.464.351**	92.103.213
Interest income from time deposits with a maturity of more than three months	**193.516.962**	537.116.905
Private sector bonds and bills income	**19.343.493**	-
Rent income from investment properties	**11.258.133**	8.125.591
Dividend income	**3.603.575**	-
Profit from sale of fixed assets	**414.266**	20.107.903
Other	**2.179**	693.396
	562.602.959	658.147.008

The details of expenses from investment activities for the years ended at 31 December 2024 and 2023 are as follows:

Expenses from investment activities	1 January- 31 December 2024	1 January- 31 December 2023
Valuation difference of financial assets measured at fair value through profit and loss	**(59.708.352)**	(235.761.309)
Other	**(2.290.567)**	(10.906.846)
	(61.998.919)	(246.668.155)

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

27. FINANCIAL INCOME AND EXPENSES

The details of financial income for the years ended at 31 December 2024 and 2023 are as follows:

Financial Income	**1 January- 31 December 2024**	1 January- 31 December 2023
Interest income from bank deposits	**2.242.827.803**	1.053.398.590
Foreign exchange gains related to financial activities	**428.629.671**	5.779.906.883
Other financial income	**4.852.933**	23.013.740
	2.676.310.407	6.856.319.213

The details of financial expenses for the years ended at 31 December 2024 and 2023 are as follows:

Finance Expenses	**1 January- 31 December 2024**	1 January- 31 December 2023
Foreign exchange losses related to financial activities	**(453.806.646)**	(7.528.645.905)
Commission expenses	**(260.722.267)**	(137.677.387)
Interest expense due to severance pay provision (Note 19)	**(85.105.632)**	(79.192.351)
Interest expenses due to short and long-term borrowings	**(83.552.079)**	(540.703.799)
Interest expense due to seniority incentive premium (Note 19)	**(58.725.623)**	(34.838.810)
Interest expense due to lease liabilities	**(56.145.514)**	(63.036.439)
Interest expenses regarding related parties	**(31.440.802)**	(1.381.161.982)
Other financial expenses	**(41.006.240)**	(6.590.967)
	(1.070.504.803)	(9.771.847.640)

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

Non-monetary items	**31 December 2024**
Financial position table items	**(2.001.201.417)**
Inventory	1.177.690.170
Prepaid expenses	12.092.937
Tangible and intangible assets	5.180.714.897
Investment properties	610.128.640
Other financial assets	117.595.077
Goodwill	213.750.937
Deferred tax assets	1.684.068.157
Paid-in share capital	(553.216.181)
Accumulated other comprehensive income and expenses not to be reclassified under profit or losses	(2.407.766)
Restricted reserves	(174.629.715)
Retained earnings	(10.266.988.570)
Profit or loss table items	**136.773.050**
Revenue	(5.193.172.366)
Cost of sales	4.738.047.856
Research and development expenses	15.961.980
Marketing expenses	35.058.045
General administrative expenses	209.918.524
Other income and expense from operating activities	(110.508.040)
Income and expense from investment activities	(22.004.659)
Finance income and expense	(129.918.952)
Current tax expense	593.390.662
Net monetary position losses	**(1.864.428.367)**

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

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

Current tax liabilities

Income tax payable	31 December 2024	31 December 2023
Corporate tax provision	**2.120.222.836**	2.109.502.023
Less: Prepaid taxes and funds (-)	**(1.628.389.500)**	(2.209.643.380)
	491.833.336	(100.141.357)

The effective tax rate as of 31 December 2024 is 25% (31 December 2023: 25%).

Tax expense in profit or loss and other comprehensive income

	1 January - 31 December 2024	1 January - 31 December 2023
Current tax expense	**2.120.222.836**	2.109.502.023
Deferred tax income / (expense)	**1.849.220.055**	381.668.393
	3.969.442.891	2.491.170.416

Tax recognized directly under equity

	1 January - 31 December 2024	1 January - 31 December 2023
Actuarial loss / gain	**(7.068.470)**	70.618.063
	(7.068.470)	70.618.063

Corporate Tax:

The Group is subject to Turkish corporate taxes in force. The necessary provisions are allocated in the consolidated financial statements for the estimated liabilities based on the Group's results for the year. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and other incentives (prior year's losses if any and investment incentives used if preferred) utilized.

Institutions with the Law No. 7456 published in the Official Gazette dated 15 July 2023 by making changes in the first paragraph of Article 32 of the Tax Law, the year 2023 and the following the corporate tax rate for corporate earnings of taxation periods has been increased to 25%. As of reporting date, the current corporate tax rate for the corporate earnings has been determined as 25% (31 December 2023: 25%). Deferred tax rate is 12,5% (31 December 2023: 6,25%) for valuation increases/decreases of financial investments ("listed on the stock exchange") held for more than two years. According to the laws of Romania and the Cameroun, it is calculated as 16%, 25% and 23,5% respectively, on the taxable corporate income after deducting the legally deductible expenses.

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

Corporate Tax (cont'd):

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

Deferred Tax:

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

Deferred tax assets and liabilities (excluding land) tax rate used for calculating corporate tax for the subsidiaries in Turkey in accordance with the additional provisional Article 10 of Corporate Tax Law; corporate tax rate is 25% for the corporate earnings to be obtained in the taxation periods of 2024 and following years.

Tax Advantages within the scope of investment incentive system:

The Group's earnings from investments subject to incentive certificates are subject to corporate tax at reduced rates, starting from the accounting period in which the investment is partially or fully operated, until it reaches the investment contribution amount. In this context, as of 31 December 2024, the tax advantage amounting to TL 281.932.365 (31 December 2023: TL 337.890.462), which the Group will benefit from in the foreseeable future, has been reflected in the consolidated financial statements as a deferred tax asset. As a result of the accounting of the tax advantage in question as of 31 December 2023, a deferred tax income of TL 47.902.166 was created in the consolidated profit or loss statement for the period of 1 January - 31 December 2024. The contribution amount benefited from the income obtained from the investment between 1 January and 31 December 2024 is TL 195.873.580.

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

In the sensitivity analysis carried out as of 31 December 2024, when the inputs in the basic macroeconomic and sectoral assumptions that make up the business plans were increased/decreased by 10%, there was no change in the recovery period of deferred tax assets related to investment incentives, which is estimated to be 5 years.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

Deferred tax assets/(liabilities):	**31 December 2024**	31 December 2023
Investment incentive allowance	**265.806.950**	319.126.483
Energy incentive	**16.125.415**	18.763.979
Provision for employment termination benefit	**92.283.673**	140.152.966
Provision for doubtful trade receivables	**7.064.677**	11.434.285
Seniority labour incentive bonus provision	**91.101.364**	71.987.021
Provision for personnel premiums and bonuses	**99.106.250**	188.645.663
Legal provisions	**74.237.296**	13.185.070
Provision for state mining rights	**32.206.276**	25.474.296
Provision for unused vacation	**24.430.549**	24.842.184
Provision for land occupation	**10.315.549**	8.035.484
Provision for rehabilitation of mines	**59.303.843**	49.155.804
Valuation of financial investments	**(5.876.845)**	(8.172.581)
Revaluation adjustments of property, plant and equipment and intangible assets and depreciation and amortization differences of property, plant and equipment and other intangible assets	**862.846.515**	2.448.495.252
Inventories	**(309.459.459)**	(179.043.543)
Deductible prior year losses	**16.695.321**	-
Other	**5.273.895**	65.667.431
	1.341.461.269	3.197.749.794

Deferred tax (asset)/liability	**31 December 2024**	31 December 2023
Deferred tax assets	**1.341.461.269**	3.197.749.794
Deferred tax liability	**-**	-
	1.341.461.269	3.197.749.794

The movement of deferred tax (assets) / liabilities for the year ended at 31 December 2024 and 2023 is as follows:

	31 December 2024	31 December 2023
Opening balance as of 1 January	**3.197.749.794**	3.508.800.124
Recognized in statement of profit / (loss)	**(1.849.220.055)**	(381.668.393)
Recognized in other comprehensive (income) / expense	**(7.068.470)**	70.618.063
Closing balance as of 31 December	**1.341.461.269**	3.197.749.794

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

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

	1 January - 31 December 2024	1 January - 31 December 2023
Profit before tax	11.136.820.177	14.085.112.917
Income tax rate of 25% (2023: 25%)	(2.784.205.044)	(3.521.278.229)
Tax effect of:		
- non-deductible expenses	**(67.828.131)**	(184.751.493)
- exemptions and other discounts	**547.432.523**	175.140.908
- Current period losses not subject to deferred tax	**23.051**	-
- Financial losses used in the current period	**-**	922.644.777
- Investment incentive exemption	**260.608.415**	85.226.905
- Effect of change in tax rates	**-**	313.317.876
- Additional corporate tax	**-**	(135.890.498)
- Different tax rate effect	**1.757.163**	-
- Monetary gain / (loss) and other inflation effects	**(1.927.230.868)**	(145.580.662)
Tax expense on statement of income	**(3.969.442.891)**	(2.491.170.416)

30. FINANCIAL INVESTMENTS

	31 December 2024	31 December 2023
a) Financial assets at fair value through profit and loss	**2.075.992.838**	773.936.055
b) Equity instruments designated as fair value through other comprehensive income	**-**	16.300.749

a) Financial assets at fair value through profit and loss

	31 December 2024	31 December 2023
Listed equity instruments (short-term)	**280.296.730**	340.005.619
-Ereğli Demir Çelik Fabrikaları A.Ş.	***280.296.730***	*340.005.619*
Investment funds	**1.795.696.108**	433.930.436
	2.075.992.838	773.936.055

b) Equity instruments designated as fair value through other comprehensive income

	31 December 2024	31 December 2023
Shares Not Traded on the Stock Exchange	**-**	16.300.749
	-	16.300.749

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

30. FINANCIAL INVESTMENTS (cont'd)

	31 December 2024			31 December 2023		
Company	**Share Rate %**	**Amount**	**Cost**	Share Rate %	Amount	Cost
Shares Traded on the Stock Exchange						
Ereğli Demir Çelik Fabrikaları A.Ş. (*)	**<1**	**280.296.730**	**16.677.164**	<1	340.005.619	209.244.334
Investment funds		**1.795.696.108**	**1.580.754.087**		433.930.436	332.490.507

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

31. EARNING PER SHARE

Earnings per Share	**1 January – 31 December 2024**	1 January – 31 December 2023
Net profit for the period	**7.167.377.286**	11.734.975.327
Average amount of shares available during the period	**486.165.578.300**	486.165.578.300
Earning per share from ongoing activities (1 TL nominal cost)	**1,47**	2,41

32. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Capital risk management

The Group manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of payables and equity items which comprise cash and cash equivalents, issued capital, reserves and prior years' profits, respectively.

The Group management examines the capital by leverage ratio in order to be consistent with other companies in the industry. This ratio is calculated by dividing net debt by total capital. Net debt is obtained by subtracting cash and cash equivalents and short-term financial investments from total loans (including current and non-current loans as shown in the balance sheet). Total capital is calculated by adding "equity" item in the consolidated balance sheet and net debt.

	31 December 2024	31 December 2023
Total payables and other financial liabilities (Note 16)	**222.441.642**	2.437.419.496
Less: Cash and Cash Equivalents (Note 4)	**(6.352.311.023)**	(7.651.947.182)
Less: Short-term Financial Investments (Note 29)	**(2.075.992.838)**	(773.936.055)
Net Debt	**(8.205.862.219)**	(5.988.463.741)
Total Equity	**45.621.448.472**	38.500.315.834
Total Capital	**4.861.655.783**	1.246.578.406
Net Debt/Total Capital Ratio	**(1,69)**	(4,80)

b) Financial Risk Factors

The Group's activities expose it to market risk (currency risk, price risk), credit risk and liquidity risk. Group's risk management program generally focuses on uncertainty in financial markets and minimizing potential negative effects on Group's financial performance.

The main financial instruments used by the Group are bank loans, bonds issued, cash and short-term bank deposits. The main purpose of using these tools is to create financing for the Group's operations. The Company also has financial instruments, such as financial investments, trade receivables and trade payables, which arise directly from operations.

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Financial Risk Factors (cont'd)

b.1) Credit risk management

Credit risks exposed by type of financial instruments	Receivables					Deposits	
	Trade Receivables		Other Receivables		Financial	Deposits at Banks	
31 December 2024	Related Party	Other	Related Party	Other	Investments	Related Party	Other
Maximum credit risk exposed to as of the reporting date (A+B+C+D)	**535.028.151**	**6.403.249.799**	**105.304.167**	**83.330.526**	**2.075.992.838**	-	**6.297.873.194**
- Secured portion of the maximum risk by guarantees, etc. (*)	-	**4.139.775.807**	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	**196.164.930**	**6.070.031.961**	**105.304.167**	**83.330.526**	**2.075.992.838**	-	**6.297.873.194**
B. Book value of financial assets that are renegotiated. if not that will be accepted as past due nor impaired	-	-	-	-	-	-	-
C. Net book value of financial assets that are past due but not impaired	**338.863.221**	**333.217.837**	-	-	-	-	-
Secured portion with guarantees, etc.	-	**214.491.969**	-	-	-	-	-
D. Net book value of the impaired assets	-	-	-	-	-	-	-
- Past due (gross amount)	-	**107.213.668**	-	**2.510.400**	-	-	-
- Impairment (-)	-	**(107.213.668)**	-	**(2.510.400)**	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	-	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured portion of the net book value by guarantees, etc	-	-	-	-	-	-	-

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Financial Risk Factors (cont'd)

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

Credit risks exposed by type of financial instruments	Receivables					Deposits	
	Trade Receivables		Other Receivables		Financial	Deposits at Banks	
31 December 2023	Related Party	Other	Related Party	Other	Investments	Related Party	Other
Maximum credit risk exposed to as of the reporting date (A+B+C+D)	349.118.144	5.920.170.202	45.286.861	54.550.947	790.236.804	2.098.258.029	5.312.890.740
- Secured portion of the maximum risk by guarantees, etc. (*)	-	5.383.361.855	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	129.073.208	5.636.194.446	45.286.861	54.550.947	790.236.804	2.098.258.029	5.312.890.740
B. Book value of financial assets that are renegotiated. if not that will be accepted as past due nor impaired	-	-	-	-	-	-	-
C. Net book value of financial assets that are past due but not impaired	220.044.936	283.975.756	-	-	-	-	-
Secured portion with guarantees, etc.	-	237.833.361	-	-	-	-	-
D. Net book value of the impaired assets							
- Past due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	156.064.762	-	1.882.223	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	(156.064.762)	-	(1.882.223)	-	-	-
- Not past due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured portion of the net book value by guarantees, etc	-	-	-	-	-	-	-

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Financial Risk Factors (cont'd)

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

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group aims to decrease credit risk by transacting only with parties who has credit assurance and where possible, obtaining sufficient guarantee. The Group's collection risk arises mainly from its trade receivables. The Group manages this risk which may arise due to its customers by limiting the credit limits set for customers with the guarantees received. The use of credit limits is continuously monitored by the Group, and the customer's credit quality is continuously evaluated considering the customer's financial position, past experiences and other factors. Trade receivables are evaluated by considering the Group policies and procedures and clearly shown accordingly in the balance sheet after the provision for doubtful receivables is made (Note 6).

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

Aging of the overdue receivables is as follows:

	Receivables		
	Trade	**Other**	
31 December 2024	**Receivables**	**Receivables**	**Total**
Overdue 1 to 30 days	**291.664.747**	**-**	**291.664.747**
Overdue 1 to 3 months	**150.225.121**	**-**	**150.225.121**
Overdue 3 to 12 months	**80.008.771**	**-**	**80.008.771**
Overdue 1 year	**150.182.419**	**-**	**150.182.419**
Total overdue receivables	**672.081.058**	**-**	**672.081.058**
Portion secured with guarantee, etc.	**214.491.969**	**-**	**214.491.969**

	Receivables		
	Trade	Other	
31 December 2023	Receivables	Receivables	Total
Overdue 1 to 30 days	338.742.467	-	338.742.467
Overdue 1 to 3 months	24.681.778	-	24.681.778
Overdue 3 to 12 months	21.530.341	-	21.530.341
Overdue 1 year	119.066.106	-	119.066.106
Total overdue receivables	504.020.692	-	504.020.692
Portion secured with guarantee, etc.	237.833.361	-	237.833.361

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Financial Risk Factors (cont'd)

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

31 December 2024	**Note**	**Financial assets at amortized cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Financial liabilities at amortized cost**	**Carrying value**
Financial assets						
Cash and cash equivalents	4	**6.352.311.023**	-	-	-	**6.352.311.023**
Trade receivables (including related partie	6	**6.938.277.950**	-	-	-	**6.938.277.950**
Other receivables (including related parties)	7	**188.634.693**	-	-	-	**188.634.693**
Other financial assets	30	-	**2.075.992.838**	-	-	**2.075.992.838**
Financial liabilities						
Borrowings	16	-	-	-	**222.441.642**	**222.441.642**
Trade payables (including related parties)	6	-	-	-	**6.067.027.731**	**6.067.027.731**
Other payables (including related parties)	7	-	-	-	**1.509.552.351**	**1.509.552.351**

31 December 2023	Note					
Financial assets						
Cash and cash equivalents	4	7.651.947.182	-	-	-	7.651.947.182
Trade receivables (including related partie	6	6.269.288.346	-	-	-	6.269.288.346
Other receivables (including related parties)	7	99.837.808	-	-	-	99.837.808
Other financial assets	30	-	773.936.055	16.300.749	-	790.236.804
Financial liabilities						
Borrowings	16	-	-	-	2.437.419.496	2.437.419.496
Trade payables (including related parties)	6	-	-	-	5.257.317.295	5.257.317.295
Other payables (including related parties)	7	-	-	-	1.835.999.652	1.835.999.652

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Financial Risk Factors (cont'd)

Fair value hierarchy table

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

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

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

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

	31 December 2024		
Financial assets measured at fair value	**Level 1**	**Level 2**	**Level 3**
Stock shares	**280.296.730**	**-**	**-**
Investment funds	**1.795.696.108**	**-**	**-**

	31 December 2023		
Financial assets measured at fair value	Level 1	Level 2	Level 3
Stock shares	340.005.619	-	-
Investment funds	433.930.436	-	-

b.2) Liquidity risk management

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

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

Liquidity risk table:

31 December 2024 **Contract terms**	**Carrying value**	**Total contractual cash outflows (I+II+III+IV)**	**Less than 3 months (I)**	**3 to 12 months (II)**	**1-5 years (III)**
Non-derivative financial liabilities					
Financial liabilities	**222.441.642**	**225.104.955**	**37.171.877**	**75.537.401**	**112.395.677**
Trade payables	**6.067.027.731**	**6.067.027.731**	**6.067.027.731**	**-**	**-**
Other payables	**1.509.552.351**	**1.509.552.351**	**1.509.552.351**	**-**	**-**
Payables related to employee benefits	**185.522.178**	**185.522.178**	**185.522.178**	**-**	**-**
Total liabilities	**7.984.543.902**	**7.987.207.215**	**7.799.274.137**	**75.537.401**	**112.395.677**

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Financial Risk Factors (cont'd)

b.2) Liquidity risk management (cont'd)

31 December 2023 Contract terms	Carrying value	Total contractual cash outflows (I+II+III+IV)	Less than 3 months (I)	3 to 12 months (II)	1-5 years (III)
Non-derivative financial liabilities					
Financial liabilities	2.437.419.496	2.514.915.324	2.208.868.261	102.484.908	203.562.155
Trade payables	5.257.317.295	5.257.317.295	-	5.257.317.295	-
Other payables	1.835.999.652	1.835.999.652	-	257.807.374	1.578.192.278
Payables related to employee benefits	180.280.039	180.280.039	180.280.039	-	-
Total liabilities	9.711.016.482	9.788.512.310	2.389.148.300	5.617.609.577	1.781.754.433

b.3) Market risk management

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

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

Market risk exposures are supplemented by sensitivity analysis.

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

b.3.1) Foreign currency risk management

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

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

	31 December 2024			
	TL Equivalent (Functional currency)	**US Dollar**	**EURO**	**Other**
1. Trade Receivables	**569.202.837**	**7.119.090**	**8.657.379**	**-**
2. Monetary Financial Assets (including cash, bank deposits)	**710.074.241**	**15.315.383**	**2.062.816**	**12.796.431**
3. Other Current Assets	**237.914.961**	**3.204.613**	**3.398.597**	**-**
4. Current Assets (1+ 2 + 3)	**1.517.192.039**	**25.639.086**	**14.118.792**	**12.796.431**
5. Non-current Assets	**2.306.956.349**	**43.560.981**	**20.963.297**	**-**
6. Total Assets (4+5)	**3.824.148.388**	**69.200.067**	**35.082.089**	**12.796.431**
7. Trade payables	**1.947.079.930**	**26.337.929**	**27.599.177**	**-**
8. Financial Liabilities	**-**	**-**	**-**	**-**
9. Other current liabilities	**1.589.594.029**	**6.634.384**	**36.821.130**	**-**
10. Current Liabilities (7+8+9)	**3.536.673.959**	**32.972.313**	**64.420.307**	**-**
11. Other non-current liabilities	**-**	**-**	**-**	**-**
12. Non-current Liabilities	**-**	**-**	**-**	**-**
13. Total Liabilities (10+12)	**3.536.673.959**	**32.972.313**	**64.420.307**	**-**
14. Net foreign currency asset liability position (6 - 13)	**287.474.429**	**36.227.754**	**(29.338.218)**	**12.796.431**
15. Monetary items net foreign currency asset/liability position (6 - 13)	**287.474.429**	**36.227.754**	**(29.338.218)**	**12.796.431**
16. Export	**2.083.101.354**	**52.232.408**	**6.541.949**	**-**
17. Export-registered sales	**307.347.012**	**8.711.576**	**-**	**-**
18. Import	**2.766.666.848**	**64.851.280**	**12.895.251**	**-**

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Financial Risk Factors (cont'd)

b.3.1) Foreign currency risk management (cont'd)

	31 December 2023			
	TL Equivalent (Functional currency) (*)	US Dollar	EURO	Other
1. Trade Receivables	328.092.429	3.591.175	3.730.784	-
2. Monetary Financial Assets (including cash, bank deposits)	1.568.666.351	30.484.789	5.788.516	13.893
3. Other Current Assets	88.989.557	317.975	1.604.827	-
4. Current Assets (1+ 2 + 3)	1.985.748.337	34.393.939	11.124.127	13.893
5. Non-current Assets	182.687.393	180.182	3.721.660	-
6. Total Assets (4+5)	2.168.435.730	34.574.121	14.845.787	13.893
7. Trade payables	1.437.488.914	16.800.764	15.368.041	(35.597)
8. Financial Liabilities	-	-	-	-
9. Other current liabilities	69.960.443	1.083.583	505.624	-
10. Current Liabilities (7+8+9)	1.507.449.357	17.884.347	15.873.665	(35.597)
11. Other non-current liabilities	1.578.192.278	-	33.496.868	-
12. Non-current Liabilities	1.578.192.278	-	33.496.868	-
13. Total Liabilities (10+12)	3.085.641.635	17.884.347	49.370.533	(35.597)
14. Net foreign currency asset liability position (6-13)	(917.205.905)	16.689.774	(34.524.746)	49.490
15. Monetary items net foreign currency asset/liability position (6 - 13)	(917.205.905)	16.689.774	(34.524.746)	49.490

(*) The amount is stated on the basis of the purchasing power of Turkish Lira as of December 31, 2024.

Foreign currency sensitivity analysis

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

The following table shows the Group's sensitivity to a 20% (31 December 2023: 20%) increase and decrease in USD and EURO. 20% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 20% change in foreign currency rates. A positive number indicates an increase in profit / loss and other equity.

	31 December 2024 Profit / Loss	
	Appreciation of foreign currency	**Depreciation of foreign currency**
In case of 20% appreciation of US Dollar against TL		
1 - USD net asset / liability	**255.625.206**	**(255.625.206)**
2- Portion hedged from USD risk (-)	-	-
3 – USD net effect (1+2)	**255.625.206**	**(255.625.206)**
In case of 20% appreciation of Euro against TL		
4 - Euro net asset / liability	**(215.554.929)**	**215.554.929**
5 - Portion hedged from Euro risk (-)	-	-
6 – Euro net effect (4+5)	**(215.554.929)**	**215.554.929**
In case of 20% appreciation of RON against TL		
7 - Ron net asset / liability	**18.792.583**	**(18.792.583)**
8 - Portion hedged from Ron risk (-)	-	-
9 – Ron net effect (7+8)	**18.792.583**	**(18.792.583)**
TOTAL (3+6+9)	**58.862.860**	**(58.862.860)**

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2024, unless otherwise indicated.)

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

b) Financial Risk Factors (cont'd)

b.3.1) Foreign currency risk management (cont'd)

	31 December 2023 Profit / Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of 20% appreciation of US Dollar against TL		
1 - USD net asset / liability	141.597.456	(98.073.443)
2- Portion hedged from USD risk (-)	-	-
3 – USD net effect (1+2)	141.597.456	(98.073.443)
In case of 20% appreciation of Euro against TL		
4 - Euro net asset / liability	(325.575.709)	225.500.737
5 - Portion hedged from Euro risk (-)	-	-
6 – Euro net effect (4+5)	(325.575.709)	225.500.737
TOTAL (3+6)	(183.978.253)	127.427.294

(*) The amount is stated on the basis of the purchasing power of Turkish Lira as of December 31, 2024.

33. ASSETS HELD FOR SALE

Assets held for sale and liabilities related to these asset groups

	31 December 2023		
	Cimpor Cameroon	Oyak Çimento Fabrikaları A.Ş.	Total
Current assets	-	-	-
Cash and cash equivalents	-	-	-
Trade receivables	-	-	-
Inventories	-	-	-
Other current assets	-	-	-
Non-current assets	-	*26.247.444*	26.247.444
Property, plant and equipment	-	*26.247.444*	26.247.444
Right-of-use assets	-	-	-
Intangible assets	-	-	-
Prepaid expenses	-	-	-
Deferred tax asset	-	-	-
Assets held for sale	-	26.247.444	26.247.444
Current liabilities	-	-	-
Short-term portion of long-term leases	-	-	-
Trade payables	-	-	-
Other current liabilities	-	-	-
Non-Current liabilities	-	-	-
Long-term lease liabilities	-	-	-
Liabilities held for sale	-	-	-
Net assets held for sale	-	26.247.444	26.247.444

Profit/(loss) from discontinued activities:

	1 January – 31 December 2023	
	Cimpor Cameroon	Total
Revenue	*23.836.964*	23.836.964
Cost of Sales (-)	*(15.925.115)*	(15.925.115)
General administrative expenses (-)	*(69.617.056)*	(69.617.056)
Other income and expenses from operating activities, net	*(35.654.785)*	(35.654.785)
Investment activities income and expense, net	*(8.266.996)*	(8.266.996)
Finance income and expense, net	*1.359.770*	1.359.770
Tax Income / (Expense) from Continuing Activities	*245.300.044*	245.300.044
Net Profit / (Loss) for the Period	141.032.826	141.032.826

34. SUBSEQUENT EVENTS

None.