BATISÖKE

ANNUAL REPORT

2025

BATISÖKE SÖKE ÇİMENTO SANAYİİ T.A.Ş.
JANUARY 1, 2025 – DECEMBER 31, 2025
ANNUAL REPORT

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BATISÖKE

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MANAGEMENT REVIEW & ANALYSIS

2025 performance, transformation process, and future expectations

MANAGEMENT REVIEW & ANALYSIS

Global Economic Outlook

2025 was a period in which growth in the global economy diverged regionally. According to the World Cement Global Outlook 2025 report, the increase in cement demand remained limited; while this increase was mostly observed in developing countries, demand in developed economies was suppressed by the high interest rate environment and weakening construction activities. While the ongoing contraction in the real estate sector in China was decisive on global demand, growth continued in markets such as India and Africa with the support of infrastructure investments. The high course of interest rates and fluctuations in energy costs increased production costs, while the Russia-Ukraine war and developments in the Middle East continued to have an impact on energy and logistics costs. Within this framework, cost management and efficiency came to the forefront across the sector.

Outlook of the Turkish Cement Industry

In contrast to the global outlook, the Turkish cement industry delivered a strong performance in 2025. According to Türk Çimento's cumulative data as of December 2025, production increased by 10.5%, domestic sales by 9.7%, and exports by 15.5%. A limited increase in average export prices has also been observed in parallel with the growth in export volume. While post-earthquake reconstruction activities, urban transformation projects and infrastructure investments were the main drivers of domestic demand, regional differences emerged, with a limited decline observed in the Marmara and Aegean regions and a stronger demand pattern prevailing across other parts of Anatolia. This indicates that the industry continued to grow overall, although regional disparities persisted.

Market Share and Competitive Power

In 2025, our Company maintained its share of approximately 4.4% in the Turkish cement market in terms of total sales In 2025, our Company maintained its market share of approximately 4.4% of total sales volume in the Turkish cement market on a consolidated cement group basis. Excluding clinker, its market share in cement exports stood at 7.6% by volume nationwide. Our company carries out its production activities only in Türkiye.

In the Aegean Region, we continue to maintain our strong position in line with the overall performance of our cement group. Within this framework, in the Aegean Region, consolidated cement exports of our cement group accounted for 56.6% of total exports, while cement sales accounted for 59.9% of total sales.

These results demonstrate that the performance achieved in terms of total tonnage was underpinned by the competitive advantages arising from our production capacity, port access and strong export capabilities.

Operational Performance Evaluation

The Turkish cement industry delivered a strong performance in 2025, with growth in production, domestic sales and exports contributing to a positive outlook across the sector. In this context, when assessed on a tonnage basis, our Company experienced a limited contraction in domestic sales, while the increase in exports emerged as the key driver of overall performance.

In this context, Batısöke Söke Çimento Sanayii T.A.Ş. recorded a limited decline of 1.9% in total sales volume on a tonnage basis, while cement exports increased by an impressive 65.7%. These developments demonstrate that our Company's export capabilities and its position in international markets continue to strengthen.

In 2025, Batısöke maintained its strong position in the Aegean Region, holding an approximately 15.4% share of cement exports and a 28.6% share of cement sales. Nationwide, our Company's share of both cement sales and cement exports stood at 2.1%..

Financial Performance

Our financial results for 2025 reflect a balanced performance despite operational challenges. Total revenue amounted to TL 5.8 billion, while gross profit reached TL 402.7 million.

As of year-end 2025, our total assets reached TL 17.0 billion, while total liabilities decreased from TL 6.75 billion to TL 4.37 billion, representing an approximate 35% reduction. The decline was primarily attributable to the reduction in short-term liabilities, driven mainly by the substantial settlement of other payables to related parties and the decrease in trade payables. In parallel with this development, our total equity has increased to TL 12.6 billion. The ratio of net financial debt to total invested capital stood at 23.5%, reflecting a balanced capital structure and leverage profile.

Risk Management

Within the scope of accounting estimates and risk management, assets measured using the revaluation model reflect the underlying value of our balance sheet, while foreign exchange, interest rate, and energy cost risks continue to be monitored as key risk areas. In this context, credit insurance and financial risk management practices have been implemented.

Sustainability and Efficiency

Our sustainability approach is viewed as a strategic transformation driver that contributes directly to our financial performance, extending beyond operational efficiency and cost optimization. In this context, the alternative fuel utilization rate increased from 3.7% in 2023 to 10.5% in 2025, representing an approximately threefold increase. Looking ahead, the Company aims to gradually increase its alternative fuel utilization rate, targeting 32% by 2035 and 70% by 2053. In this context, we continue to invest in infrastructure and enhance our procurement processes. Through our waste heat recovery systems, 7% of our total electricity consumption was generated from internal sources, resulting in a direct reduction in energy costs. The Company aims to increase this rate to 25% by 2035 and to 30% by 2053. Additionally, the share of sustainable products in our domestic sales reached 73%, contributing both to the optimization of our cost structure and to enhancing the value-added profile of our product portfolio. The share of low-carbon and blended products in our product portfolio is targeted to increase gradually, with the share of green product sales planned to reach 85% by 2035 and 100% by 2053.

Moreover, the progress we have made in sustainability has extended beyond operational metrics, delivering significant benefits across corporate governance, the supply chain, and human capital. As of 2025, sustainability training had been provided to 100% of our employees and 97% of our permanent subcontractors. In addition, 93% of our approved suppliers were integrated into digital platforms, strengthening transparency and traceability across the supply chain.

Within the scope of international assessments, Batıçim Batı Anadolu (consolidated) received a “B” rating in the CDP Climate Change and Water Security programmes and an “A-” rating in the Supplier Engagement Assessment (SEA); Batısöke was also evaluated as part of this consolidated structure. Our Company ranked 6th among 135 companies in its sector in the Borsa Istanbul Sustainability Index, placing it within the top 4% of companies in the ranking. Furthermore, Batıçim Batı Anadolu (consolidated) reinforced its commitments to environmental and social responsibility by joining the United Nations Global Compact. Batısöke was also evaluated as part of this consolidated structure. This holistic approach enables our sustainability performance to translate into financial outcomes while creating a solid foundation for risk mitigation and long-term competitive advantage.

Consolidation and Transformation of Cement Operations

Our Company is carrying out a gradual transformation process aimed at gathering cement operations under a single roof in order to increase operational efficiency and utilize its assets more effectively. In this context, the necessary CMB applications have been made and institutional approvals have been completed. As of the second half of 2026, all cement operations are expected to be monitored on a consolidated basis under Batısöke’s income statement, and this transformation is expected to provide improvement in EBITDA and profitability items.

Within the scope of the transformation, the main actions to be submitted for the approval of the General Assembly include the consolidation of cement operations, change of trade name, allocated capital increase and increase of the registered capital ceiling. With these steps, it is aimed to create a stronger capital structure and support operational simplification.

In the first phase, it is planned to consolidate the production assets in Bornova within Batısöke, thereby creating a more integrated and manageable structure for production processes. Simultaneously, it is aimed to evaluate the existing areas in Bornova through alternative usage models.

In the ongoing process, with the commissioning of the grinding facility being established in the port area in Aliağa, production and logistics activities will be gathered in closer locations; it is expected that a cost advantage will be achieved through a structure based on clinker transportation. With this transformation, it is aimed to transition to a simpler, more focused operational structure with stronger cash flow.

In parallel with this process, the application to increase the free float ratio of Batısöke shares is expected to support liquidity and strengthen our Company’s position in international indices, particularly within the scope of MSCI Small Cap.

Operational Actions

Within the scope of operational actions, the integration of production and logistics processes will be ensured through the grinding facility with a capacity of 1.7 million tons being established in the port area in Aliağa; with the model based on clinker transportation, a cost advantage of USD 12–14 per ton is expected to be achieved. In addition, the WHR and alternative fuel investments to be commissioned in Batısöke are expected to create an annual EBITDA contribution of USD 5–5.5 million.

Future Outlook

According to our assessment for 2026, although global political and economic uncertainties, cost pressures arising from energy prices and the high interest rate environment continue, a balanced and supportive outlook is expected to emerge for the sector thanks to the preservation of domestic demand vitality in Turkey and the continuation of demand in export markets. For our Company, it is anticipated that profitability and cash flow will improve through the impact of mergers, operational simplification, cost optimization and sustainability investments; and that an upward effect will occur in EBITDA and profitability items together with the diversification of operating revenues. With the Bornova transformation and Aliağa investment, it is aimed for the Group structure to evolve into a structure that operates with higher efficiency, generates regular cash flow and manages its assets effectively.

Within this framework, with our strong balance sheet structure, integrated business model and strategic transformation steps, we continue our sustainable growth and value creation goals with determination.

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GENERAL ASSEMBLY AGENDAS & AUDITOR’S REPORT

Independent Auditor’s Opinion on the General Assembly Agenda Items and the Annual Report

BATISÖKE SÖKE ÇİMENTO SANAYİİ TÜRK A.Ş. AGENDA OF THE SPECIAL GENERAL MEETING OF CLASS A SHAREHOLDERS

1. Opening of the Meeting and establishment of the Meeting Presidency;
2. To discuss and resolve, pursuant to Article 9 of the Articles of Association, the nomination of candidates for membership of the Board of Directors to be submitted for the approval of the General Assembly.
3. Closing.

BATISÖKE SÖKE ÇİMENTO SANAYİİ T.A.Ş. AGENDA OF THE ORDINARY GENERAL MEETING FOR THE 2025 FINANCIAL YEAR

1. Opening of the Meeting and establishment of the Meeting Presidency;
2. Reading and discussion of the Board of Directors' Annual Report for the 2025 Financial Year;
3. Reading of the Summary of the Independent Auditor's Report for the 2025 Financial Year;
4. Reading, discussion and approval of the consolidated financial statements for the 2025 Financial Year;
5. Reading, discussion and resolution of the Sustainability Report for the 2024 Financial Year, prepared in compliance with the Türkiye Sustainability Reporting Standards;
6. Discussion and resolution on the discharge of the members of the Board of Directors in respect of their activities and transactions during the 2025 Financial Year;
7. Discussion and resolution of the Board of Directors' proposal regarding the profit distribution for the 2025 Financial Year;
8. Submission to the approval of the General Assembly of the appointment made by the Board of Directors to fill the vacant Board membership pursuant to Article 363 of the Turkish Commercial Code;
9. Discussion and resolution on the remuneration of the members of the Board of Directors;
10. Determination of the number and term of office of the members of the Board of Directors and election of the members of the Board of Directors;
11. Subject to obtaining the necessary legal approvals, to discuss and resolve upon the proposed amendments to Article 2 ("Company Name") and Article 6 ("Capital") of the Articles of Association regarding the increase of the registered capital ceiling and the extension of its validity period.
12. Discussion and resolution on the proposal of the Board of Directors regarding the appointment of the Independent Audit Company for the audit of the Annual Report of the Board of Directors for the 2025 Financial Year, in accordance with the Turkish Commercial Code and the Capital Markets Law;
13. Discussion and resolution on the proposal of the Board of Directors regarding the appointment of the Independent Audit Company for the audit of the Company's accounts and transactions for 2026, pursuant to the Turkish Commercial Code and the Capital Markets Law;
14. Discussion and resolution on the proposal of the Board of Directors regarding the appointment of the Independent Audit Company for the assurance of the Sustainability Reports for the 2024 and 2025 Financial Years, prepared in compliance with the Türkiye Sustainability Reporting Standards;
15. Discussion and resolution on the proposal of the Board of Directors regarding the appointment of the Independent Audit Company for the Sustainability Report for the 2026 Financial Year, prepared in compliance with the Türkiye Sustainability Reporting Standards;
16. Providing information on donations and contributions made during the 2025 Financial Year and discussion and resolution on the donation limit for the January 1, 2026 – December 31, 2026 Financial Year;
17. Providing information to the shareholders regarding the Share Buyback Program;
18. Discussion and resolution on granting permission to shareholders holding management control, members of the Board of Directors, senior executives, and their spouses and relatives by blood or marriage up to the second degree, pursuant to Articles 395 and 396 of the Turkish Commercial Code, and providing information to the shareholders regarding the transactions carried out within this scope during 2025 in accordance with Principle 1.3.6 of the Corporate Governance Communiqué of the Capital Markets Board;
19. Providing information to the shareholders regarding the amendment to the Company's Remuneration Policy;
20. Providing information to the shareholders regarding transactions with Related Parties conducted during the 2025 Financial Year within the scope of the regulations of the Capital Markets Board;
21. Providing information to the General Assembly regarding the guarantees, pledges, mortgages and sureties granted by the Company in favor of third parties during the 2025 Financial Year, and any income or benefits derived therefrom, within the framework of the regulations of the Capital Markets Board;
22. Closing.

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

To The General Assembly Of
BATISÖKE SÖKE ÇİMENTO SANAYİİ T.A.Ş.

1. Qualified Opinion

We have audited whether the financial information included in the annual report of Batısöke Söke Çimento Sanayii T.A.Ş (the "Company") and its subsidiaries (collectively referred to as the "Group") for the accounting period from January 1, 2025 to December 31, 2025 is consistent with the complete set of consolidated financial statements.

In our opinion, except for the matter described in the Basis for Qualified Opinion section, the consolidated financial information included in the Annual Report of the Board of Directors and the evaluations made by the Board of Directors regarding the Group's position are consistent, in all material respects, with the Group's audited complete set of consolidated financial statements and with the information obtained during the independent audit of the annual report, and present a true and fair view.

2. Basis for Qualified Opinion

The complete set of the Group's consolidated financial statements for the accounting period from January 1, 2025 to December 31, 2025 was audited by another independent audit firm, which issued an unqualified opinion in its independent auditor's report dated February 20, 2026.

However, in a letter communicated to the Group by the Capital Markets Board on March 10, 2026, it was stated that the aforementioned audit company had been removed from the list of authorized independent audit companies and, accordingly, that an independent audit company authorized by the Board should be appointed to audit the Group's Annual Report of the Board of Directors, which had not yet been audited. Accordingly, our Firm has been engaged to perform the audit of the Group's Board of Directors' Annual Report for the period from January 1, 2025 to December 31, 2025, and the related audit procedures have commenced.

In this respect, we were unable to obtain sufficient appropriate audit evidence because the independent audit of the complete set of consolidated financial statements for the previous period had been performed by another independent audit company and full access to the details of that audit engagement could not be obtained.

We conducted our independent audit in accordance with the Independent Auditing Standards ('BDS'), which are part of the Turkish Auditing Standards issued by the Public Oversight, Accounting and Auditing Standards Authority ('KGK') and adopted under the regulations of the Capital Markets Board (SPK) of Türkiye. Our responsibilities under these Standards are detailed in the section of our report titled 'Independent Auditor's Responsibilities for the Independent Audit of the Annual Report.' We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (including Independence Standards) (the "Code of Ethics") issued by the Public Oversight, Accounting and Auditing Standards Authority ("KGK"), as well as the ethical requirements relating to independent audits set out in the regulations of the Capital Markets Board and other applicable legislation. Other responsibilities related to ethics under the Code of Ethics and applicable regulations have also been fulfilled by us. We believe that the independent audit evidence obtained during the independent audit process is sufficient and appropriate to form the basis for our opinion.

3. Our Opinion on the Complete Set of Consolidated Financial Statements

No opinion has been issued by us regarding the full set consolidated financial statements.

However, an unqualified opinion was issued in the independent auditor's report dated February 20, 2026 by the previous independent audit firm.

4. Responsibility of the Board of Directors for the Annual Report

Group management is responsible for the following matters in relation to the annual report in accordance with Articles 514 and 516 of the Turkish Commercial Code ("TTK"):

a) It prepares the annual report within the first three months following the reporting date and submits it to the General Assembly.

b) It prepares the annual report in a manner that accurately, completely, clearly and fairly reflects the course of the Group's activities during the relevant year and its consolidated financial position. In this annual report, the financial position is assessed on the basis of the consolidated financial statements. The report also clearly indicates the Group's development and the risks that it is likely to encounter. The report also includes the Board of Directors' assessment of these matters.

c) The annual report also includes the following matters:

- Significant events of particular importance that occurred within the Group after the end of the Financial Year;
- The Group's research and development activities,
- Financial benefits paid to board members and senior executives, including wages, bonuses, premiums, allowances, travel, accommodation and representation expenses, in-kind and cash benefits, insurance, and similar guarantees.

While preparing the annual report, the Board of Directors also considers the secondary regulations issued by the Ministry of Trade and other relevant authorities and institutions.

The Board of Directors also takes into account the secondary legislation regulations issued by the Ministry of Trade and the relevant institutions while preparing the annual report.

5. Independent Auditor's Responsibility for the Independent Audit of the Annual Report

Our objective is to express an opinion, within the framework of the provisions of the TTK, on whether the consolidated financial information included in the annual report and the assessments made by the Board of Directors are consistent with the Group's audited consolidated financial statements and the information obtained during the independent audit, and whether they present a true and fair view, and to issue a report containing our opinion.

Our independent audit was conducted in accordance with the Independent Auditing Standards. These standards require compliance with ethical requirements and the planning and performance of the independent audit to obtain reasonable assurance as to whether the consolidated financial information included in the annual report and the assessments made by the Board of Directors are consistent with the complete set of consolidated financial statements and the information obtained during the audit, and whether they present a true and fair view.

Ali Osman EFLATUN is the responsible auditor who conducted and concluded this independent audit.

April 7, 2026, Ankara
ALİ OSMAN EFLATUN

Responsible Auditor

KARAR BAĞIMSIZ DENETİM VE DANIŞMANLIK A.Ş.
Member Firm of Abacus Worldwide

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INFORMATION REQUIRED BY THE CAPITAL MARKETS BOARD

General information, management structure, activities, risk management, and financial position

INFORMATION REQUIRED BY THE CAPITAL MARKETS BOARD

1. GENERAL INFORMATION

1.1. Reporting Period

01.01.2025 – 31.12.2025

1.2. Company Profile

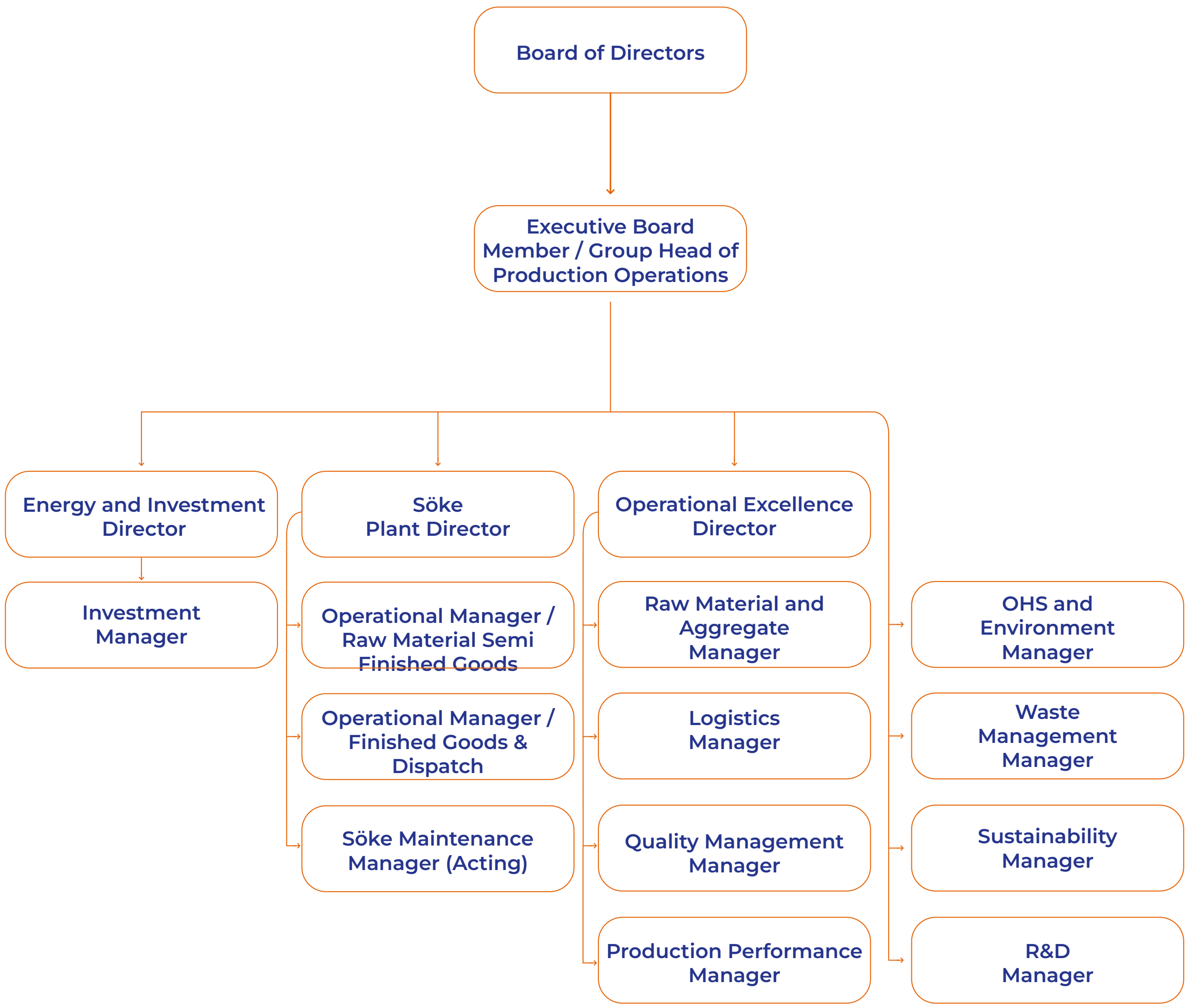
Trade Name : Batısöke Söke Çimento Sanayii T.A.Ş.
Trade Registry Number : 5744/K-5900 (Mersis No.: 0150001414500012)

Contact Information

Headquarters : Ankara Caddesi No: 335 Bornova – İzmir
Division (Plant) : Atatürk Mah. Aydın Cad. No: 234 Söke – İzmir
Division (Çavdır) : Fethiye Yolu Üzeri 5. Km. Çavdır - Burdur
Phone : 0 232 478 44 00
Fax : 0 232 478 44 44
Email : info@batisoke.com.tr
Website : www.batisoke.com.tr

2. Company's Organizational Structure

BATISÖKE ORGANIZATIONAL CHART



3. Shareholding Structure, Capital Distribution and Privileged Shares

The Company is subject to the registered capital system. The registered capital ceiling of the Company amounts to TL 2,000,000,000 as of December 31, 2025, and this capital is divided into 200,000,000,000 shares, each with a nominal value of 1 kuruş.

TL 14,956.13 of the Company's shares consist of Class A registered shares, while TL 59,824.54 are Class A bearer shares. The remaining shares consist of Class B bearer shares. Each Company share has a nominal value of TL 0.01. The Company's issued capital consists of 160,000,000,000 shares, each with a nominal value of 1 kuruş, totaling TL 1,600,000,000.

The Company's share capital consists of Class A and Class B shares.

The Company's issued share capital and shareholding structure as of December 31, 2024 and December 31, 2025 are presented below.

Shareholding Structure	December 31, 2025		December 31, 2024	
	Ownership Percentage (%)	Nominal Value (TL)	Ownership Percentage (%)	Nominal Value (TL)
Batıçim Batı Anadolu Çimento Sanayii A.Ş.	74.62	1,193,976,211.11	74.62	1,193,976,211.11
Other	25.38	406,023,788.89	25.38	406,023,788.89
Total	**100**	**1,600,000,000**	**100**	**1,600,000,000**

3.1. Class A shareholders have the following rights and privileges according to the Company's Articles of Association:

All members of the Board of Directors are elected from among the candidates to be nominated by the majority of Group A shareholders.

The Company's Class A (Privileged) shares as of December 31, 2025, are presented below.

Class	Nama / Hamiline	Registered / Bearer	Total Nominal Value (TL)	Proportion to Capital (%)	Type of Privilege	Publicly Traded? (Yes/No)
A	Registered	0.01	14,956.13	0.001	Privilege in the Election of Members to the Board of Directors	No, not publicly traded.
A	Bearer	0.01	59,824.54	0.004	Yönetim Kurulunda Üye Seçiminde İmtiyaz	No, not publicly traded.

3.2. Information on the Board of Directors, Senior Management and Number of Employees

The members of the Board of Directors are elected in accordance with the provisions of the Turkish Commercial Code and the provisions of the Company's Articles of Association.

BOARD OF DIRECTORS FOR THE YEAR 2025*				Meeting Attendance Rate**
Board of Directors	Role	Start Date of Duty	End Date of Duty	
Sabit AYDIN	Chair of the Board of Directors	August 17, 2021		100%
Gülant CANDAŞ	Vice Chair of the Board of Directors	August 17, 2021	November 11, 2025	100%
Caner TÜRKYENER	Vice Chair of the Board of Directors	December 1, 2025		100%
Ömer Çağdaş SELVİ	Member of the Board of Directors	August 17, 2021	December 1, 2025	100%
Reşat Bağış GÜNGÖR	Member of the Board of Directors	December 1, 2025		100%
Selçuk UÇAR	Member of the Board of Directors	December 1, 2025		100%
Erdoğan GÖĞEN	Member of the Board of Directors	August 17, 2021	June 13, 2025	100%
Yusuf KAYA	Member of the Board of Directors	June 23, 2025	November 11, 2025	100%
Ufuk Bala YÜCEL	Independent Member of the Board of Directors	October 6, 2022		100%
Mehmet ŞAHNE	Independent Member of the Board of Directors	July 2, 2024		100%
Enis Turan ERDOĞAN	Independent Member of the Board of Directors	September 27, 2024		100%

*Please refer to page 52 for the Board of Directors Competency Matrix.
In 2025, the Company held 32 Board of Directors meetings, during which a total of 32 resolutions were adopted.

An annual evaluation is conducted to assess the performance of the Board of Directors as a whole, its committees, and individual members, with the aim of enhancing the effectiveness of the Board, its members and committees, as well as improving the Group's performance.

Our Board of Directors Performance Evaluation sets out the requirements for each fundamental component of effective governance, including, but not limited to, skills, training, accountability, effective communication, quality deliberations and succession planning. Based on the individual evaluations conducted by the members of the Board of Directors, the Board believes that it is operating effectively in discharging its responsibilities to shareholders.

3.3. Changes in the Board of Directors During the Period

At the Company's Ordinary General Meeting held on July 2, 2024, it was resolved to elect Mr. Sabit Aydın, Mr. Gülant Candaş, Mr. Ömer Çağdaş Selvi and Mr. Erdoğan Göğen as members of the Board of Directors, and Mr. Mehmet Şahne, Ms. Ufuk Bala Yücel and Mr. Mustafa Teoman Gürgan as Independent Board Members, each for a term of three years.

During the three-year term of the Board of Directors, and as part of the change that took place in 2024, the Company's Board of Directors resolved at its meeting held on September 27, 2024 to appoint Mr. Enis Turan Erdoğan as an Independent Board Member, replacing Mr. Mustafa Teoman Gürgan, who had resigned effective September 26, 2024.

As part of the changes that took place in 2025, the Company's Board of Directors resolved at its meeting held on June 13, 2025 to appoint Mr. Yusuf Kaya as a member of the Board of Directors, effective June 23, 2025, to serve for the remainder of the term following the resignation of Mr. Erdoğan Göğen. Mr. Yusuf Kaya resigned from his position on November 11, 2025.

Additionally, Vice Chair of the Board Mr. Gülant Candaş resigned from his position on November 11, 2025, and Executive Board Member Mr. Ömer Çağdaş Selvi resigned on December 1, 2025.

Pursuant to the resolution of the Company's Board of Directors dated December 1, 2025, Mr. Caner Türkyener was appointed as Executive Vice Chair of the Board of Directors, while Mr. Reşat Bağış Güngör and Mr. Selçuk Uçar were appointed as Executive Members of the Board of Directors.

3.4. Duties and Authorities of the Members of the Board of Directors

Information on the roles of the representatives of the members of the Board of Directors and executives carried out outside the Company is included in the Corporate Governance Principles Compliance Report.

3.5. Information on the Roles of the Members of the Board of Directors and Executives Carried Out Outside the Company and Declarations on the Independence of the Members of the Board of Directors

Information on the roles of the representatives of the members of the Board of Directors and executives carried out outside the Company is included in the Corporate Governance Principles Compliance Report. The independence declarations are included at the end of the annual report.

3.6. Number of Board of Directors Meetings During the Year and Attendance of Board Members at These Meetings

The Board of Directors held a total of 32 meetings from January 1, 2025, to December 31, 2025. Members of the Board of Directors regularly attended the meetings. Information on the attendance of Board members at meetings is provided under Section 3.2 of the Annual Report.

3.7. Committee Members of the Board of Directors' Committees, Meeting Frequency, Working Principles Including Activities Conducted, and the Board of Directors' Assessment of Committee Effectiveness

During the period from January 1, 2025 to December 31, 2025, the Audit Committee met four times, the Corporate Governance Committee met three times, and the Early Detection of Risk Committee met six times. Members of the Board of Directors regularly attended the meetings. The working guidelines for the committees are available on the website: **www.batisoke.com.tr**

The Company has established the Audit Committee, Corporate Governance Committee, and Early Detection of Risks Committee to effectively fulfill the roles and responsibilities of the Board of Directors and to comply with the Corporate Governance Principles. The working principles for these committees have been published on the Company's website. Within the framework of the Capital Markets Board's Communiqué on Corporate Governance, the Corporate Governance Committee has also been entrusted with the authority, roles and responsibilities to fulfill the duties stipulated for the Nomination Committee and the Remuneration Committee.

Committee	Role/Title	First Name and Last Name	Type	Meeting Frequency
Audit Committee	Committee Chair	Ufuk BALA YÜCEL	Independent Member	At least 4 times a year, with a minimum of once every 3 months.
	Committee Member	Mehmet ŞAHNE	Independent Member	
Corporate Governance Committee**	Committee Chair	Enis Turan ERDOĞAN	Independent Member	At least once a year.
	Committee Member	Mehmet ŞAHNE*	Independent Member	
	Investor Relations Department Manager	Onur BAYRAM	Investor Relations Manager	
Early Detection of Risks Committee	Committee Chair	Mehmet ŞAHNE	Independent Member	At least 6 times a year, with a minimum of once every 2 months.
	Committee Member	Ufuk BALA YÜCEL	Independent Member	

* Following the resignation of Mr. Erdoğan Göğen, the Company's Board of Directors resolved at its meeting held on June 13, 2025 to appoint Mr. Mehmet Şahne as a member of the Corporate Governance Committee for the remainder of the term.

* As of December 31, 2025, Mr. Mehmet Şahne, a member of the Corporate Governance Committee, held a 0.005% equity interest in the Company, while the other committee members held no shares.

3.8. Senior Management

Senior Management	Role
Selçuk UÇAR	Executive Board Member and Group Head of Marketing and Concrete
Caner TÜRKYENER	Executive Board Member and Group Head of Production Operations
Reşat Bağış GÜNGÖR	Executive Board Member and Group Chief Financial Officer (CFO)

As of December 31, 2025, the total number of personnel in our Company is 364. (December 31, 2024: 356)

3.8.1. Changes in Senior Management During the Period

Mr. Gülant Candaş resigned from his positions as an Executive Member of the Board of Directors and Managing Director, effective November 11, 2025.

4. Legal Disclosures

4.1. Personnel and Labor Movements, Collective Bargaining Practices, and Rights and Benefits Provided to Employees and Workers

Employees are subject to Labor Law No. 4857 in terms of labor law, and to the Social Insurance and General Health Insurance Law.

The personal rights of out-of-scope personnel are governed by the service contracts signed between the Company and the employee, while the personal rights of in-scope personnel are regulated by the provisions of collective bargaining agreements.

The negotiations for the new term Group Collective Bargaining Agreement between the Cement Industry Employers' Association (ÇEİS), of which our Company is a member, and the T. Çimse İş Union have resulted in a two-year agreement. Pursuant to the Group Collective Bargaining Agreement effective from January 1, 2026, to December 31, 2027;

- In the first year of the Agreement, the basic hourly wages received as of December 31, 2025 by employees who were employed at the workplace as of January 1, 2026 and whose employment contracts remained in effect on the date of execution of the Collective Labor Agreement shall be increased by 35%, effective January 1, 2026; and
- In the second year of the Agreement, the basic hourly wages received as of December 31, 2026 by employees who are employed at the workplace on January 1, 2027 and whose employment contracts remain in effect shall be increased by the CPI rate plus 3 percentage points.
- During the term of the Agreement (January 1, 2026 – December 31, 2027), if the minimum wage is increased during the year in addition to the minimum wage adjustment made in January, a lump-sum increase equal to the amount of such increase in the minimum wage (in Turkish Lira) shall be applied to the wages of employees covered by the Collective Labor Agreement.

Furthermore, employees shall be paid a monthly social assistance allowance of TL 7,200 during the first year of the agreement. In the second year, this amount shall be increased by CPI + 3% and continue to be paid monthly.

4.2. Corporate Governance Principles Compliance Report

SThe compulsory principles described in the Capital Markets Board's Communiqué on Corporate Governance are implemented. The Corporate Governance Compliance Rating Report of Batısöke Söke Çimento Sanayii T.A.Ş., prepared by SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş., which is authorized by the Capital Markets Board of Türkiye to conduct corporate governance ratings in accordance with the Corporate Governance Principles, has been completed. Accordingly, the Company's Corporate Governance Compliance Rating Score for the period between July 29, 2025 and July 29, 2026 was determined as 88.81 (8.88 out of 10).

The relevant Report is available on the investor relations section of the Company's website.

4.3. Amendments to the Company's Articles of Association

Within the Company's registered capital ceiling of TL 2,000,000,000, the amendment text of Article 6 ("Capital") of the Company's Articles of Association, approved by the Capital Markets Board of Türkiye, regarding the increase of the Company's issued share capital from TL 400,000,000 to TL 1,600,000,000 through a capital increase of TL 1,200,000,000 (300%), was registered with the İzmir Trade Registry Office on February 24, 2025, and was announced in the Turkish Trade Registry Gazette dated February 24, 2025 and numbered 11278.

4.4. Total Financial Benefits Provided to Members of The Board of Directors and Senior Executives, Including Attendance Fees, Remuneration, Salaries, Bonuses, Premiums and Profit Sharing

For the period from January 1, 2025 to December 31, 2025, the total amount of remuneration and similar benefits provided to the Company's board members and senior executives is TL 8,918,000 (December 31, 2024: TL 5,902,000).

4.5. Research and Development Activities

The Company had no Research and Development expenses for the period from January 1, 2025, to December 31, 2025.

4.6. Litigation and Legal Expenses

Within the scope of the legal proceedings conducted by the Company, total legal expenses amounted to approximately TL 1.9 million. This amount comprised litigation and court expenses, court fees, and attorneys' fees paid to lawyers, consultants, and counsel representing opposing parties in connection with the relevant cases. This amount does not include compensation payments related to legal proceedings or payments made pursuant to settlement agreements.

The aforementioned matters primarily consist of routine disputes and are closely monitored by the Company.

5. Activities and Significant Developments Related to Such Activities

5.1. Investing Activities

The Company did not have any material investments during the period.

5.2. Internal Control System and Internal Audit Activities

RISK MANAGEMENT

Risk management activities at Batısöke Söke Çimento Sanayii T.A.Ş. are structured in accordance with corporate governance principles and constitute one of the key management tools supporting the sustainability of the Company's operations and the maintenance of financial and operational stability. To ensure the effective management of risks across the Group, the Three Lines of Defense model, aligned with international best practices, is adopted and risk management processes are carried out within the framework of this model.

Risks are assessed from financial, operational, strategic and regulatory compliance perspectives, taking into account the Company's field of activity, the dynamics of the industry in which it operates, and the applicable regulatory framework. Within this framework, the aim is to identify risks that may arise during operations in a timely manner, assess their potential impacts, and implement the necessary preventive or corrective measures.

Risk assessments are conducted in alignment with the Company's strategic objectives, investment plans and financial structure, and the results are reported to the relevant governing bodies. This approach ensures that risks are viewed not only as matters to be controlled, but also as a key management consideration in decision-making processes.

Operational and Process Risks

Operational risks include risks arising from business process disruptions, human resources, information systems, and external factors that may adversely affect the continuity of the Company's operations. In this context, risks associated with key operational areas, including production processes, supply chain management, information technology infrastructure, documentation processes and human resources management, are subject to regular review.

Ensuring the uninterrupted continuation of production activities, maintaining operational efficiency, and effectively implementing occupational health and safety practices are among the key components of operational risk management. The financial and operational impacts of potential process disruptions are assessed, and the necessary control mechanisms are implemented accordingly.

Financial Risks

Within the scope of financial risk management, factors that may affect the company's financial structure and financial statements are regularly monitored. Within this framework, key areas subject to assessment include the accuracy and reliability of financial reporting processes, accounting practices, provision calculations, and the financial processes of subsidiaries.

Within the framework of financial risk management, liquidity management, the fulfillment of financial obligations, the sustainability of cash flows, and key indicators relating to the Company's debt structure are closely monitored. Financial risk management is supported by effective financial planning, reporting and control mechanisms.

Strategic Risks

Strategic risks arise from developments that may affect the Company's ability to achieve its medium- and long-term objectives. Within this framework, investment decisions, capacity expansion projects, sustainability objectives, competitive dynamics within the industry, and economic developments are regularly assessed.

The operational and financial impacts of investments are analyzed, and the risk-return balance is taken into consideration in strategic planning processes. This approach contributes to the sustainable achievement of the Company's long-term growth objectives.

Compliance Risks

Climate change and environmental developments are among the risk areas that may affect the Company's operations. Within this framework, factors such as energy and resource consumption, carbon-related costs, extreme weather events, and supply chain continuity are assessed.

The potential impacts of climate-related developments on operational processes, cost structures and financial performance are monitored, and the necessary adaptation and improvement measures are planned to address potential risks.

Assessment of Climate-Related Risks and Opportunities

Climate change and environmental developments are among the risk areas that may affect the Company's operations. Within this framework, factors such as energy and resource consumption, carbon-related costs, extreme weather events, and supply chain continuity are assessed.

The potential impacts of climate-related developments on operational processes, cost structures and financial performance are monitored, and the necessary adaptation and improvement measures are planned to address potential risks.

Assessment of Climate-Related Risks and Opportunities

To facilitate a more comprehensive assessment of the potential impacts of climate change on the Company's operations, a workshop was held on September 30, 2025 under the coordination of the Sustainability Subcommittee. As part of the workshop, climate-related transition risks, physical risks, and potential opportunities were discussed, and these risks and opportunities were prioritized based on the assessments conducted.

The outcomes of the workshop were reviewed at the Sustainability Committee meeting held on December 12, 2025 and subsequently referred to the agenda of the Early Detection of Risks Committee to ensure that climate-related risks and opportunities are addressed within the framework of the Company's enterprise risk management approach. In its assessments, the Early Detection of Risks Committee emphasized that climate-related risks should be monitored within the Company's risk inventory and that identified opportunities should be integrated into the Company's strategic planning processes.

Enterprise risk management activities are carried out under the coordination of the Executive Committee, and the results of risk assessments and actions taken are reviewed by the Early Detection of Risks Committee and reported to the Board of Directors. The Internal Audit Department provides assurance to management by independently evaluating the effectiveness of risk management and internal control processes.

Through this structure, Batısöke Söke Çimento Sanayii T.A.Ş. maintains a risk management approach as an integral part of its corporate governance framework, enabling it to sustain its operations effectively in the face of changing economic and industry conditions.

6. Risks and the Board of Directors' Assessment

6.1. Risk Management Policy

The Company manages risks by identifying risks that may jeopardize its existence, development and continuity, and by taking necessary measures against identified risks. Within this framework, the Company has established the Early Detection of Risks Committee.

6.2. Early Detection of Risks Committee

The company established the committee in question on March 22, 2013; the committee consists of two members. The committee met six times during the period from January 1, 2025, to December 31, 2025, and submitted its reports to the Board of Directors.

7. Interests in Subsidiaries and Other Financial Assets

ASH Plus Yapı Malzemeleri Sanayi ve Ticaret A.Ş. is engaged in the production and sale of ash products and has a paid-in share capital of TL 125,000. As of November 5, 2025, our Company acquired 100% of the share capital of ASH Plus Yapı Malzemeleri Sanayi ve Ticaret A.Ş., which consequently became a subsidiary of our Company as of that date.

Pursuant to the Turkish Trade Registry Gazette dated February 3, 2026 and numbered 11514, published on page 771, the Company's trade name was changed to Ecowest Atık Yönetim Anonim Şirketi.

The change of trade name has not resulted in any change to the Company's capital structure or subsidiary structure, both of which remain unchanged.

7.1. Report on Relations with Affiliated Companies

AFFILIATED COMPANY REPORT PREPARED PURSUANT TO ARTICLE 199 OF THE TURKISH COMMERCIAL CODE
The Report on Relations with our Controlling Shareholders, prepared pursuant to Article 199 of the Turkish Commercial Code, was approved by the Board of Directors at its meeting held on April 7, 2026. The conclusion section of the report reads as follows: Pursuant to Article 199 of the Turkish Commercial Code No. 6102, which entered into force on July 1, 2012, the Board of Directors of Batısöke Söke Çimento Sanayii T.A.Ş. is required to prepare a report on the Company's relations with its controlling shareholder and the companies affiliated with the controlling shareholder during the relevant financial year and the preceding financial year, and to include the conclusion section of such report in the annual report.

The necessary disclosures regarding the transactions conducted by Batısöke Söke Çimento Sanayii T.A.Ş. with related parties are provided in Note 24 to the financial statements. As the Board of Directors of Batısöke Söke Çimento Sanayii T.A.Ş., we have concluded that, in all transactions conducted by the Company with its controlling shareholders and the subsidiaries of its controlling shareholders during 2025, adequate consideration was received for each transaction based on the circumstances and conditions known to us at the time the transaction was undertaken or the measure was taken or refrained from. Furthermore, no measure taken or omitted was capable of causing loss to the Company and, therefore, no transaction or measure requiring compensation or equalization was identified.

8. Disclosures on Private and Public Audits

At its meeting held on June 16, 2025, our Board of Directors resolved, in accordance with the provisions of the Turkish Commercial Code No. 6102 and the Capital Markets Law No. 6362, to appoint Finansal Eksen Bağımsız Denetim ve Danışmanlık A.Ş. as the Independent Audit Firm to audit the Financial Reports for the 2025 fiscal year and to perform the duties prescribed under the relevant regulations of such laws. This resolution was approved at the 2024 Ordinary General Meeting held on June 18, 2025.

Pursuant to the letter of the Capital Markets Board dated February 4, 2026 and numbered 2026/12, a separate agreement was entered into with Karar Bağımsız Denetim ve Danışmanlık A.Ş. for the completion of the independent audit process required for the publication of the Annual Report for the period from January 1, 2025 to December 31, 2025.

The Company's Full Certification Audit for 2025 is being conducted by Centrum Denetim Yeminli Mali Müşavirlik ve Danışmanlık A.Ş

9. General Meetings

The 2024 Ordinary General Meeting was held on June 18, 2025. The meeting results were registered in the Trade Registry on June 24, 2025. The results of the General Meeting were published on the Public Disclosure Platform (KAP), the Company's website **(www.batisoke.com.tr)** and the Company's page on the information portal of the Central Securities Depository (MKK), and thereby made available to the shareholders.

10. Donations Made and Social Responsibility Projects

During the period from January 1, 2025, to December 31, 2025, donations and contributions amounting to TL 1,450,000 were made.

11. Financial Position

11.1. Summary of Financial Statements

It has been prepared in accordance with the Capital Markets Board's (SPK) Communiqué on Principles of Financial Reporting in Capital Markets No. II-14.1 (the Communiqué), the Principle Decision dated December 28, 2023 regarding the application of inflation accounting, the Türkiye Financial Reporting Standards (TFRS), and the formats prescribed by the SPK.

Summary Balance Sheet (Thousand of TL)		
	December 31, 2025	December 31, 2024
Current assets	2,497,447	2,444,984
Fixed assets	14,502,740	14,273,265
Total Assets	**17,000,187**	**16,718,249**
Short-term liabilities	2,155,659	4,370,316
Long-term liabilities	2,217,047	2,380,416
Equity	12,627,481	9,967,517
Total Liabilities and Equity	**17,000,187**	**16,718,249**

Summary Income Statement (Thousand of TL)		
	December 31, 2025	December 31, 2024
Revenue	5,814.76	5,592,126
Cost of sales	(5,412,098)	(5,356,699)
Gross Profit (Loss)	402,671	235,427
Operating Profit (Loss)	(342,339)	(563,080)
Profit (Loss) Before Tax from Continuing Operations	(485,213)	(262,012)
Profit (Loss) for the Period from Continuing Operations	(120,381)	328,206
Other Comprehensive Income (Expense)	164,727	455,292
Total Comprehensive Income (Expense)	44,346	783,498

12. Profit Distribution Policy

The Company's policy regarding profit distribution is based on the condition that, taking into account the provisions of the Turkish Commercial Code, Capital Markets Regulations, and the Company's Articles of Association, and unless extraordinary economic adversities are experienced in national and international markets, or unless there is a cash requirement due to major investments, and considering the Company's financial position along with its profitability and cash situation, the distributable profit calculated within the framework of Capital Market Regulations and other applicable legislation is reviewed annually. In the event that a decision is made to distribute profits, it shall be distributed to shareholders in the form of cash and/or bonus shares, amounting to no less than 5%.

Dividends are paid within the legal timeframe on the date determined by the General Assembly, following its approval during the general meeting in which the distribution is decided.

Dividends may be paid in installments, either in equal or varying amounts, provided that this is resolved during the general meeting in which the distribution is decided. The number of installments shall be determined by the General Assembly or, if expressly authorized by the General Assembly, by the Board of Directors. Our Company does not have any practice regarding advance dividend distribution.

13. Information on the Sector in Which the Company Operates

According to data published by the Turkish Cement Manufacturers' Association, as of the end of December 2025, cement production in Türkiye increased by 10.46% compared to the same period of the previous year, while domestic cement sales and cement exports increased by 9.66% and 15.49%, respectively. During the same period, clinker production increased by 6.71%, while domestic clinker sales and clinker exports increased by 12.98% and 32.93%, respectively.

In the Aegean Region, where the Company maintains a strong market position, cement production increased by 2.16% as of the end of December 2025 compared to the same period of the previous year, while domestic cement sales decreased by 2.58% and cement exports increased by 32.70%. During the same period, clinker production increased by 6.98%, while domestic clinker sales and clinker exports increased by 18.09% and 37.77%, respectively.

14. Company Activities

Based on Batısöke's standalone data, clinker export volumes increased by 11.64% as of the end of December 2025 compared to the same period of the previous year. During the same period, cement sales recorded a limited decline of 1.9% on a tonnage basis, while cement exports increased by 65.69%.

15. Sustainability Initiatives

The Company continues its sustainability initiatives in line with its low-carbon production, resource efficiency and circular economy approach. Within this scope, the alternative fuel utilization rate increased from 3.7% in 2023 to 10.5% in 2025, representing an approximately threefold increase. In 2025, 7% of the Company's total electricity consumption was met through energy generated by waste heat recovery facilities that convert waste heat arising from production processes into usable energy. During the same period, sustainable products accounted for 56.3% of total sales and 73.0% of domestic sales. As part of alternative raw material use and industrial symbiosis practices, the alternative raw material utilization rate stood at 5.1%, while the integrated structure established between cement plants and ready-mixed concrete facilities enabled approximately 34,000 tonnes of waste to be recovered and reused in production processes over the past three years. To support the sustainability transformation of the supply chain, sustainability-related training was provided to 97% of permanent subcontractors and 100% of employees. In addition, 93% of approved suppliers were transitioned to a digital platform, enhancing transparency and traceability across the supply chain.

The Company continues to implement strategic investments and corporate governance practices to enhance its sustainability performance. Within this framework, investments have been initiated at Batısöke for a Refuse-Derived Fuel (RDF) preparation and feeding facility, as well as an additional 4 MW Waste Heat Recovery (WHR) power generation plant aimed at strengthening the existing recovery infrastructure. These facilities are planned to be commissioned in 2026. In 2025, Batıçim Batı Anadolu (consolidated) participated in the CDP assessment process for the first time, and Batısöke was assessed as part of this consolidated structure. In this context, the Company demonstrated its commitment to improving climate performance across its value chain by achieving a "B" rating in the Climate Change and Water Security programs and an "A-" rating in the Supplier Engagement Assessment. Our Company ranked 6th among 135 companies in its sector in the Borsa Istanbul Sustainability Index assessments, placing it in the top 4% of evaluated companies. In addition, in 2025, Batıçim Batı Anadolu (consolidated) strengthened its commitment to the global principles relating to human rights, labour standards, environmental protection and anti-corruption by becoming a participant in the UN Global Compact. Batısöke was assessed as part of this consolidated structure.

The Company has received various awards from different institutions in recognition of its performance and corporate practices in the sectors in which it operates. According to the 2024 Export Champions List announced by the Cement, Glass, Ceramics and Soil Products Exporters' Association (ÇCSİB), the Company received awards in three categories, ranking as the 5th largest exporter in the grey cement and cement categories and the 4th largest exporter in the clinker category. Additionally, under the Stars of Development Awards organized by the Cement Industry Employers' Association (ÇEİS), the "We Are Strong Through Learning!" project won first place in the Learning and Development category and was also awarded the Grand Prize after receiving the highest score among all submissions.

The Sustainability Principles Compliance Report for the year 2025, announced on KAP, can be accessed via the link: **https://kap.org.tr/tr/Bildirim/1616138**

The Company's 2025 Sustainability Report is available on the Company's website. The report can be accessed via the following link:
https://www.batianadolu.com/upload/pdf/bati_anadolu_surdurulebilirlik_raporu_2025_eng.pdf

The Company's 2025 TSRS-Compliant Sustainability Report has been prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS), pursuant to the regulations of the Public Oversight, Accounting and Auditing Standards Authority of the Republic of Türkiye (KGK), and has undergone mandatory sustainability assurance. The report can be accessed via the following link: **https://www.batianadolu.com/upload/pdf/batisoke_tsrs_25.pdf**

16. Other Matters

16.1. Information on Regulatory Changes Which May Materially Affect Company Activities

There are no regulatory changes that may materially affect the Company's activities.

16.2. Information for Stakeholders

The Company has entered into an agreement with Euler Hermes to obtain trade credit insurance coverage for the management of trade receivables risk. The said policy will come into effect on January 1, 2026, following the completion of all signatures.

The Company has an active overseas receivables insurance policy with Türk Eximbank. Furthermore, an agreement has been reached to participate in the Türk Eximbank Domestic Receivables Insurance Program to insure against trade receivables risks arising from domestic credit sales. The said policy will also come into effect upon the completion of all signatures.

The Company acquired all shares of ASH Plus Yapı Malzemeleri Sanayi ve Ticaret A.Ş., a subsidiary of its controlling shareholder, Batıçim Batı Anadolu Çimento Sanayii A.Ş. Pursuant to the Board of Directors' resolution dated January 27, 2026, the company's trade name was changed to Ecowest Atık Yönetim A.Ş., and the change was registered with the trade registry on February 3, 2026.

On January 22, 2026, an application was submitted to the Capital Markets Board of Türkiye regarding the conversion of shares with a nominal value of TL 352,000,000 held by the Company's shareholder, Batıçim Batı Anadolu Çimento Sanayi A.Ş., in Batısöke Söke Çimento Sanayii T.A.Ş. into shares eligible for trading on the stock exchange in order to facilitate potential sales. Subject to the approval of the application, proceeds from limited and gradual share sales, if any, are intended to be used to finance the Company's financial obligations and renewable energy investments.

Pursuant to the authority granted under Article 6 of the Articles of Association, Batısöke applied to the Capital Markets Board of Türkiye on October 15, 2025 for the approval of the issuance certificate regarding a private placement capital increase of its issued capital of TL 1,600,000,000, to be carried out against the previously contributed capital advance amounting to TL 2,099,978,521.48, with the pre-emptive rights of shareholders other than Batıçim being restricted.
The draft amendment to the Articles of Association regarding the increase of the Company's registered capital ceiling from TL 2,000,000,000 to TL 38,000,000,000, effective for the period 2025–2030, has been approved by the Capital Markets Board of Türkiye and the Ministry of Trade of the Republic of Türkiye. The proposed amendment will be submitted for approval by the shareholders at the first General Meeting to be held during the year and will become effective upon registration.

Within the Company's registered capital ceiling of TL 2,000,000,000, the amendment text to Article 6 ("Capital") of the Articles of Association, approved by the Capital Markets Board of Türkiye, regarding the increase of the Company's issued capital from TL 400,000,000 to TL 1,600,000,000 through a capital increase of TL 1,200,000,000 (300%), was registered by the İzmir Trade Registry Office on February 24, 2025. The amendment was announced in the Turkish Trade Registry Gazette dated February 24, 2025 and numbered 11278.

The Company's shares are traded on the Star Market of Borsa İstanbul A.Ş. (BIST) under the ticker symbol BSOKE. Information on the shares is published in the business sections of daily newspapers and on the websites of investing companies. The Company's annual reports and other information can be obtained from the address below or from the Company's website at **www.batisoke.com.tr.**

04

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

hareholders, Public Disclosure and Transparency, Stakeholders and the Board of Directors

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

1. The compulsory principles described in the Capital Markets Board's Communiqué on Corporate Governance are implemented.

During the fiscal year ending on December 31, 2025, disclosures regarding compliance with the corporate governance principles outlined in the Communiqué on Corporate Governance, as well as those that have not been complied with, are included in the Corporate Governance Compliance Report ('CRF') and the Corporate Governance Information Form ('CGIF').

In the future, efforts will continue to improve our corporate governance practices within the framework of these principles, ensuring better implementation of mechanisms and developing our corporate governance practices, including the limited number of voluntary principles that have not yet been implemented.

SECTION I - SHAREHOLDERS

2. Shareholder Relations Unit:

Shareholder Relations Unit			
Onur BAYRAM	Phone: 232 478 44 00	onurbayram@baticim.com.tr	Unit Manager
Adil ULUDAĞ	Phone: 232 478 44 00	adiluludag@baticim.com.tr	Unit Manager

Verbal or written inquiries have been responded to.

Activities Conducted by the Unit:
Responding to shareholders' written requests for information about the Company, except for those involving confidential information or trade secrets not disclosed to the public. Ensuring that the general meeting is held in accordance with the applicable legislation, articles of association, and other internal regulations. Preparing the documents that can be utilized by the shareholders at the general meeting. Ensuring that voting results are recorded and maintained, and that reports on the results are sent to shareholders upon request. Overseeing and monitoring all matters related to public disclosure, including applicable regulations and the Company's disclosure policy.

3. Shareholders' requests for information that does not constitute a trade secret are evaluated and responded to. In addition, material events and financial statements are publicly disclosed and shareholders through the Public Disclosure Platform (PDP) in accordance with the applicable regulations.

There is no provision in the Company's Articles of Association for the appointment of a special auditor. There was no request for the appointment of a special auditor during the reporting period.

4. During the period, the Ordinary General Meeting was held on June 18, 2025, with a meeting quorum of 75.91%. An announcement was published in the Turkish Trade Registry Gazette within the legal timeframe. In addition, written notification was made to the shareholder for registered shares. In addition, meeting invitations were announced on the Public Disclosure Platform (PDP), and information was also provided on the Company's website.

Prior to the General Meetings, the annual report and financial statements were disclosed on the Public Disclosure Platform (PDP) and were also made available for shareholders' review at the Company headquarters and on the Company's website. Some shareholders exercised their right to ask questions at the General Meetings, and these questions were answered.

The minutes of our General Meetings are available on the Company's website. No agenda proposals were submitted by the shareholders.

Donations and contributions were presented to our shareholders as a separate agenda item at the General Meeting.

5. There is no privilege in voting rights. Our Group companies involved in cross-shareholding did not attend the General Meeting. Minority shares are not represented in the management.

6. Profit distribution is carried out in accordance with Article 24 of the Company's Articles of Association and in compliance with the CMB regulations. There is no privilege in profit distribution. Profit distribution is always carried out within the legal timeframes. Our profit distribution policy is included in the annual report.

7. There is no provision in the Company's Articles of Association restricting the transfer of shares.

SECTION II - PUBLIC DISCLOSURE AND TRANSPARENCY

8. We have a disclosure policy and it is available on the Company's website.

Individuals Responsible for the Disclosure Policy	
Onur BAYRAM	Investor Relations and Management Reporting Supervisor
Adil ULUDAĞ	Finance and Accounting Manager

9. The annual report includes the information listed in the principles.

10. The Corporate Governance Principles Compliance Report is available on the Company's website. The Company's website address is www.batisoke.com.tr.

SECTION III - STAKEHOLDERS

11. Stakeholders are informed about matters concerning the Company that are of interest to them through General Meetings, the web page and the Public Disclosure Platform (PDP). Stakeholders can notify the necessary contact persons within the Company through the contact form available on our website.

12. Stakeholders do not directly participate in management. However, from time to time, stakeholders are consulted through mutual meetings to guide efforts on matters of interest to them.

13. The main principles of our human resources policy are outlined as follows:

- Finding the right people, placing them in the right job, and ensuring the continuity of a productive workforce without discrimination based on religion, language, race, or gender, in line with the goals and strategies of our Group companies,
- Creating a fair and happy working environment for our employees and implementing an accurate career planning along with their personal and professional development,
- Creating an employee family that is hardworking, honest, and has a developed sense of belonging in accordance with our corporate culture and values,
- Following all developments related to Human Resources and implementing all innovations in line with the goals and policies of our Group companies,
- Acting in accordance with the principles of fairness, transparency, objectivity, and accountability in all systems implemented by Human Resources, and
- Creating a human resources structure that acts responsibly towards the environment and society while fulfilling all these principles.

14. The Company's Code of Ethics is available on the website.

15. In-kind and cash donations were made to various educational and public institutions, as well as to foundations operating in the fields of education, culture, and the environment

16. The members of the Board of Directors were elected to serve a term of three years, expiring at the end of July 2027.

There are no specific rules governing the ability of Board members to assume other roles outside the Company.
Board of Directors:

Board of Directors		
Sabit AYDIN	Executive Chair of the Board of Directors	No, not an Independent Member
Gülant CANDAŞ	Vice Chair of the Board of Directors (Until November 11, 2025)	No, not an Independent Member
Caner TÜRKYENER	Executive Vice Chair of the Board of Directors (As of December 1, 2025)	No, not an Independent Member
Ömer Çağdaş SELVİ	Executive Member of the Board of Directors (Until December 1, 2025)	No, not an Independent Member
Reşat Bağış GÜNGÖR	Executive Member of the Board of Directors (As of December 1, 2025)	No, not an Independent Member
Selçuk UÇAR	Executive Member of the Board of Directors (As of December 1, 2025)	No, not an Independent Member
Yusuf KAYA	Member of the Board of Directors (Served from June 23, 2025 to November 11, 2025.)	No, not an Independent Member
Erdoğan GÖĞEN	Member of the Board of Directors (Served from August 17, 2021 to June 13, 2025.)	No, not an Independent Member
Ufuk Bala YÜCEL	Independent Member of the Board of Directors	Independent Member
Mehmet ŞAHNE	Independent Member of the Board of Directors	Independent Member
Enis Turan ERDOĞAN	Independent Member of the Board of Directors	Independent Member

First Name and Last Name	Title	Resume	Positions Held Within the Group
Sabit AYDIN	Chair of the Board of Directors	Sabit Aydın was born in Ankara in 1974. After completing his education in 1994, he held various senior executive positions at his family-owned company, Çiftay İnşaat Taahhüt ve Ticaret A.Ş. Since 2007, he has served as Chair of the Board of Directors of Z A Hazır Beton İnşaat Sanayi ve Ticaret A.Ş. and Z A Madencilik Sanayi ve Ticaret A.Ş.	Within the Batı Anadolu Group of Companies, he serves as Chair of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş., Batısöke Söke Çimento Sanayii T.A.Ş., Batıliman Liman İşletmeleri A.Ş., Batıenerji Elektrik Üretim A.Ş., Batıbeton Sanayi A.Ş., and Batıçim Enerji Toptan Satış A.Ş.
Caner TÜRKYENER	Executive Vice Chair of the Board of Directors	Caner Türkyener was born in 1974. He holds a degree in Chemical Engineering from Middle East Technical University and a degree in Business Administration from Anadolu University. Türkyener began his career as a Chemical Engineer at the Kayseri Plant of Çimsa Çimento Sanayi ve Ticaret A.Ş. From 2002 to 2014, he held various positions across different Çimsa locations, including responsibilities in R&D, Production and Plant Management. In 2014, he was appointed Regional Sales Director for the Kayseri and Niğde regions. In 2017, he assumed the roles of Deputy General Manager for Ready-Mixed Concrete and Member of the Executive Committee. After serving in various positions at Çimsa since the beginning of his career, Türkyener was appointed Deputy General Manager of Technical Affairs on November 16, 2018. Between 2021 and 2022, he served as Deputy General Manager of Technical Affairs and Member of the Executive Committee at Aşkale Çimento Sanayi T.A.Ş., and between 2022 and 2023, he served as an advisor to the boards of directors of various companies. As of April 2023, it has joined the Batı Anadolu Group of Companies. He has an excellent command of English. He is married and has three children.	Within the Batı Anadolu Group of Companies, he serves as Member of the Executive Committee and Head of Production Operations Group at Batıçim Batı Anadolu Çimento Sanayii A.Ş. and Batısöke Söke Çimento Sanayii T.A.Ş., where he also serves as Vice Chair of the Board of Directors. He also serves as a Member of the Board of Directors of Batıliman Liman İşletmeleri A.Ş., Batıenerji Elektrik Üretim A.Ş. and Batıbeton Sanayi A.Ş.

First Name and Last Name	Title	Resume	Positions Held Within the Group
Reşat Bağış GÜNGÖR	Executive Member of the Board of Directors	Reşat Bağış Güngör was born in 1978. He graduated with honours from the English Business Administration Department of Eastern Mediterranean University in 2001 and earned his master's degree from Yeditepe University in 2002, both on scholarship and with honors. After beginning his professional career as an Assistant Manager at Dışbank A.Ş. in 2004, Güngör held senior positions at various domestic and international private banks and financial institutions, including Fortis, ABN AMRO, KBL and ANDBANK, gaining extensive experience in the finance sector in Türkiye and Switzerland. In 2012, he led the establishment and coordination of the Finance and Treasury functions within the Sun Tekstil Group, building extensive expertise in financial management, treasury management, asset management and corporate finance. He has also delivered training programs in the field of financial literacy and is a member of FODER and KHYD. He joined the Batı Anadolu Group as the Group Chief Financial Officer (CFO) in 2023. He has an excellent command of English. He is married and has one child.	Within the Batı Anadolu Group of Companies, he serves as Member of the Executive Committee and Group Chief Financial Officer at Batısöke Söke Çimento Sanayii T.A.Ş. and Batıçim Batı Anadolu Çimento Sanayii A.Ş. He also serves as a Member of the Board of Directors of Batıliman Liman İşletmeleri A.Ş., Batıenerji Elektrik Üretim A.Ş. and Batıbeton Sanayi A.Ş.
Selçuk UÇAR	Executive Member of the Board of Directors	Selçuk Uçar was born in 1979. He graduated from Boğaziçi University with a bachelor's degree in Civil Engineering in 2000 and a master's degree in the same field in 2003. Uçar began his professional career in the United Kingdom in 2000 and has held various positions at Sandoz AG, MBT, İnterfiks A.Ş. and the Turkish Ready-Mixed Concrete Association throughout his professional career. He joined Batıçim Batı Anadolu Çimento Sanayii A.Ş. in 2020. He has authored numerous research studies, publications and presentations in the cement and related industries and has held active roles on national and international committees and on the boards of various chambers and associations. He is a member of the Advisory Board of the Civil Engineering Department at Özyeğin University and Bahçeşehir University. He has an excellent command of English. He is married and has two children.	Within the Batı Anadolu Group of Companies, he serves as Member of the Executive Committee and Marketing and Concrete Group Head at Batı Anadolu Group and Batısöke Söke Çimento Sanayii T.A.Ş. He also serves as a Member of the Board of Directors of Batıliman Liman İşletmeleri A.Ş., Batıenerji Elektrik Üretim A.Ş. and Batıbeton Sanayi A.Ş.
Ufuk Bala YÜCEL	Independent Member of the Board of Directors	Ufuk Bala Yücel holds a bachelor's degree from Boğaziçi University and a master's degree in Banking and Insurance from Marmara University. Yücel began her professional career at Uluslararası Endüstri ve Ticaret Bankası A.Ş. in 1987. She subsequently served as Corporate Banking Branch Manager at Yapı ve Kredi Bankası A.Ş. from 1987 to 1999 and at Finansbank A.Ş. from 1999 to 2000. She subsequently served as Manager of the Loans Department at Türkiye Sınai Kalkınma Bankası A.Ş. from 2001 to 2007 and as Assistant General Manager from 2008 to 2018. From 2019 to May 2022, she served as Deputy General Manager responsible for Loans and Legal Affairs at Türkiye Kalkınma ve Yatırım Bankası A.Ş. She served as a Member of the Board of Directors of various companies between 2006 and 2014 and as Chair of the Board of Directors of TSKB GYO A.Ş. between 2014 and 2018. She currently serves as a board member for various companies.	Within the Batı Anadolu Group of Companies, she serves as an Independent Member of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş.

First Name and Last Name	Title	Resume	Positions Held Within the Group
Mehmet ŞAHNE	Independent Member of the Board of Directors	Mehmet Şahne was born in Ankara in 1967. In 1989, he graduated from the Police Academy. During the past decade, he served successively as Provincial Police Chief of Karaman, Mersin, and İzmir. He left his duty due to retirement.	Within the Batı Anadolu Group of Companies, he serves as an Independent Member of the Board of Directors at Batıçim Batı Anadolu Çimento Sanayii A.Ş.
Enis Turan ERDOĞAN	Independent Member of the Board of Directors	Enis Turan Erdoğan was born in 1955 in Mersin. He graduated from the Department of Mechanical Engineering at Istanbul Technical University and completed a master's degree in Business Administration at Brunel University London in 1979. After returning to Türkiye, he held managerial positions at various private sector companies before joining Vestel in 1988. Having held various managerial positions at Vestel, Erdoğan served as Head of Foreign Trade and Executive Member of the Board of Directors until 2013. From January 2013 to September 2023, he served as CEO of the Vestel Group. He served as President of TÜRKTRADE for two terms between 2002 and 2006 and became the first member elected to the Board of Directors of DIGITALEUROPE between 2010 and 2014.	Within the Batı Anadolu Group of Companies, he serves as an Independent Member of the Board of Directors at Batıçim Batı Anadolu Çimento Sanayii A.Ş.

17. The agenda for Board meetings is prepared by the executive members of the Board of Directors. During the period, 32 Board meetings were held. The provisions of the Turkish Commercial Code are applicable for Board meetings and quorums. Members of the Board of Directors have the right to declare a dissenting vote and to record this in the minutes of the meeting. Each member of the Board of Directors has 1 vote in the meetings.

18. Audit Committee:

Audit Committee		
Ufuk Bala YÜCEL	Committee Chair	Independent Member
Mehmet ŞAHNE	Committee Member	Independent Member

Corporate Governance Committee:

Corporate Governance Committee		
Enis Turan ERDOĞAN	Committee Chair	Independent Member
Mehmet ŞAHNE	Committee Member	Independent Member
Onur BAYRAM	Investor Relations Department Manager	-

Riskin Erken Saptanması Komitesi:

Early Detection of Risks Committee		
Mehmet ŞAHNE	Committee Chair	Independent Member
Ufuk Bala YÜCEL	Committee Member	Independent Member

The Company also has an Executive Board.

In accordance with the provisions of the Communiqué published by the CMB, which stipulates that an independent member of the board of directors should chair committees established within the board, excluding the Audit Committee, each of the two committees includes one independent member. In addition, the other members of the Corporate Governance and Early Detection of Risk Committees, apart from the independent members, consist of the same individuals due to their experience.

Since the Remuneration Committee and the Nomination Committee have not been established within the Board of Directors, the Corporate Governance Committee has also taken on their responsibilities. Compliance with the applicable provisions of the Communiqué published by the CMB is ensured regarding the minimum meeting frequency criteria for the committees. The Regulations and Procedures of the Audit Committee, Corporate Governance Committee, and Early Detection of Risk Committee are available on the Company's website.

19. A risk management and internal control system has been established within the Company. The Internal Control unit prepares its annual work plan, communicates it to the other relevant units within the Company, and continues its efforts in coordination with such units.

20. Production, sales, and revenue targets are set annually for our organizations operating in the cement, ready-mixed concrete, logistics, and energy sectors. The Board of Directors reviews and approves the investment plans and budgets prepared by the executive board, receives updates on these matters during monthly meetings, and monitors the activities.

21. The members of the Board of Directors receive a monthly remuneration.
The Company has not provided any loans or credit to, nor granted any guarantees or sureties in favor of, any member of the Board of Directors or senior management.

Pursuant to the Capital Markets Board's Resolution No. 2/49 dated January 10, 2019, the Company's 2025 Corporate Governance Compliance Report and Corporate Governance Information Form are also publicly disclosed on the corporate website of the Public Disclosure Platform **(www.kap.gov.tr)**. The relevant documents are also available on the Company's Summary Information and Corporate Governance pages on the Public Disclosure Platform. **(www.kap.org.tr/tr/sirket-bilgileri/ozet/878-batisoke-soke-cimento-sanayii-t-a-s)**

Following the inclusion of the Sustainability Principles through the Communiqué on Amendments to the Corporate Governance Communiqué (II-17.1.a), published by the Capital Markets Board (SPK) on October 2, 2020, the Sustainability Compliance Report prepared in accordance with the formats prescribed by the SPK's Resolution No. 34/977 dated June 23, 2022 is included in the annual report and is also publicly disclosed on the Company's corporate website and **(www.kap.gov.tr).** The relevant report is also available on the Company's Summary Information page on the Public Disclosure Platform **(www.kap.org.tr/tr/sirket-bilgileri/ozet/878-batisoke-soke-cimento-sanayii-t-a-s)**

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CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

Compliance disclosures regarding corporate governance practices

BATISÖKE

Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exemp	Not applicable	Açıklama
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2 - Up-to-date information and disclosures that may affect the exercise of shareholders' rights are made available to investors on the corporate website of the Company.	X					
1.2. RIGHT TO REQUEST INFORMATION AND REVIEW						
1.2.1- The Company management has refrained from taking any actions that make it difficult to conduct special audits.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The Company has ensured that the General Meeting agenda is clearly stated and that each proposal is given under a separate item.	X					
1.3.7 - Individuals with privileged access to Company information have informed the Board of Directors about the items to be added to the General Meeting agenda, providing details of transactions conducted on their behalf within the scope of the Company's activities.					X	There is no such item.
1.3.8 - The members of the Board of Directors, other related individuals, authorized persons who are responsible for preparing the financial statements and auditors were present at the general meeting.	X					
1.3.10- The amounts of all donations and contributions and the beneficiaries of such donations and contributions are included in a separate item on the agenda of the general meeting.	X					
1.3.11 - The General Meeting was open to the public, including stakeholders and media representatives, without the right to speak.	X					
1.4. VOTING RIGHTS						
1.4.1 - There are no restrictions or practices that hinder shareholders from exercising their voting rights.	X					
1.4.2- The Company does not have any shares with privileged voting rights.			X			Of the Company's share capital, TL 14,956.13 consists of registered Class A privileged shares, while TL 59,824.54 consists of bearer Class A privileged shares. All members of the Board of Directors shall be elected from among the candidates nominated by the majority of the holders of Class A shares.
1.4.3 - The Company has not exercised its voting rights in the general meeting of any company with which it has a cross-shareholding relationship that also entails a controlling relationship.	X					
1.5. MINORITY RIGHTS						
1.5.1- The Company has exercised utmost diligence in facilitating the exercise of minority rights.	X					
1.5.2- Minority rights are also recognized for shareholders holding less than one-twentieth of the share capital, and the scope of these rights is extended by the Articles of Association.			X			The Company's Articles of Association do not contain any provisions on minority rights; therefore, the provisions of the Turkish Commercial Code, the Capital Markets Law, and other relevant regulations apply.

Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exemp	Not applicable	Açıklama
1.6. RIGHT TO DIVIDEND						
1.6.1 - The profit distribution policy approved by the General Assembly is publicly disclosed on the corporate website of the Company.	X					
1.6.2 - The profit distribution policy contains the minimum information necessary for shareholders to predict the procedures and principles of distributable profit and dividend distribution for future periods.	X					
1.6.3 - The reasons for not distributing dividends and the utilization of undistributed profit are stated in the relevant agenda item.	X					
1.6.4 - The Board of Directors has reviewed whether the profit distribution policy balances the interests of shareholders with those of the Company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions that make it difficult to transfer shares.	X					
2.1. CORPORATE WEBSITE						
2.1.1 - The Company's corporate website contains all the elements listed in the corporate governance principle numbered 2.1.1.	X					
2.1.2 - Shareholding structure (i.e., names, privileges, number and percentage of shares held by individual shareholders (i.e. natural persons) holding more than 5% of the issued capital) is updated on the corporate website at least every 6 months.	X					
2.1.4 - The information on the Company's corporate website is also prepared in foreign languages chosen based on need, ensuring that the content in those languages is identical to that in Turkish.	X					
2.2. ANNUAL REPORT						
2.2.1 - The Board of Directors ensures that the annual report fully and accurately reflects the Company's activities.	X					
2.2.2 - The annual report includes all elements of principle 2.2.2.	X					
3.1. COMPANY POLICY ON STAKEHOLDERS						
3.1.1- Stakeholders' rights are protected in accordance with applicable regulations, contractual provisions, and in good faith.	X					
3.1.3 - Policies and procedures regarding the rights of stakeholders are published on the corporate website of the Company.	X					
3.1.4 - Necessary mechanisms have been established for stakeholders to report transactions that violate applicable regulations or ethical standards.	X					
3.1.5 - The Company manages conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING STAKEHOLDERS' PARTICIPATION IN COMPANY MANAGEMENT						
3.2.1 - Employee participation in management is governed by the Articles of Association or internal regulations.			X			The Company's Articles of Association and internal regulations do not contain provisions regarding employee participation in management.
3.2.2 - Methods such as surveys and consultations have been implemented to gather stakeholder opinions on key decisions that may affect them.			X			Methods such as surveys and consultations have not been implemented to gather stakeholder opinions on key decisions that may affect them.

Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exemp	Not applicable	Açıklama
3.3. . COMPANY'S HUMAN RESOURCES POLICY						
3.3.1 - The Company has adopted an equal opportunity employment policy along with succession planning for all key management positions.	X					
3.3.2 - The criteria for personnel recruitment are defined in writing.	X					
3.3.3 - The Company has a Human Resources Development Policy and organizes training activities for employees.	X					
3.3.4 - Meetings were held to inform employees about the Company's financial position, wages, career planning, training, and health matters.	X					
3.3.5 - Decisions that may affect employees are communicated to them and their representatives. The relevant trade unions were also consulted on these matters.	X					
3.3.6 - Job descriptions and performance criteria were prepared in detail for all employees, communicated to them, and utilized in wage decisions.	X					
3.3.7 - Measures such as procedures, training activities, awareness-raising campaigns, targets, monitoring, and complaint mechanisms have been implemented to prevent discrimination among employees and protect them from physical, mental, and emotional mistreatment within the Company.	X					
3.3.8 - The Company supports freedom of association and effectively recognizes the right to collective bargaining.	X					
3.3.9 - A safe working environment is provided for employees.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1- The Company measures customer satisfaction and operates with an unwavering commitment to ensuring customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in processing their requests for purchased goods and services.	X					
3.4.3 - The Company is committed to quality standards for goods and services.	X					
3.4.4 - The Company has implemented controls to safeguard the confidentiality of sensitive information related to customers and suppliers within the framework of trade secrets.	X					
3.5. CODE OF ETHICS AND SOCIAL RESPONSIBILITY						
3.5.1 - The Board of Directors has established the Code of Ethics and published it on the Company's corporate website.	X					
3.5.2- The Company is dedicated to social responsibility. It has taken measures to prevent corruption and bribery.	X					
4.1. THE FUNCTION OF THE BOARD OF DIRECTORS						
4.1.1- The Board of Directors ensures that strategies and risks do not jeopardize the Company's long-term interests and that effective risk management measures are implemented.	X					
4.1.2- Meeting agendas and minutes indicate that the Board of Directors discusses and approves the Company's strategic goals, identifies the necessary resources, and monitors management performance.	X					
4.2. OPERATING PRINCIPLES OF THE BOARD OF DIRECTORS						
4.2.1- The Board of Directors has documented its activities and provided this information to the shareholders.	X					

Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exemp	Not applicable	Açıklama
4.2. OPERATING PRINCIPLES OF THE BOARD OF DIRECTORS						
4.2.2- The duties and authorities of the members of the Board of Directors are detailed in the annual report.		X				Although the annual report states that the members of the Board of Directors have the powers granted under the Turkish Commercial Code and the Articles of Association with respect to their duties and authorities, no detailed explanation is provided.
4.2.3 - The Board of Directors has established an internal control system appropriate to the scale of the Company and the complexity of its operations.	X					
4.2.4- Information regarding the operation and effectiveness of the internal control system is included in the annual report.	X					
4.2.5 - The duties of the Chair of the Board of Directors and the Chief Executive Officer (i.e., General Manager) are clearly defined and segregated.	X					
4.2.7- The Board of Directors ensures the effective functioning of the Investor Relations Department and the Corporate Governance Committee. It has worked closely with these entities to resolve disputes between the Company and shareholders, as well as to facilitate communication with shareholders.	X					
4.2.8 - The Company has taken out directors' and officers' liability insurance against losses that may be incurred as a result of faults of the members of the Board of Directors in the performance of their duties, with an insured amount exceeding 25% of the Company's share capital.		X				The Company has put in place a Directors and Officers Liability Insurance policy with a total liability limit of USD 5,000,000 to cover losses that may be incurred by the Company as a result of faults committed by members of the Board of Directors in the performance of their duties. However, the policy limit does not provide coverage exceeding 25% of the Company's share capital.
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9- The Company has set a minimum target of 25% female representation on the Board of Directors and has established a policy to achieve this target. The composition of the Board of Directors is reviewed annually, and the nomination process is conducted in accordance with this policy.			X			There is currently no policy regarding a target of at least 25% female representation on the Board of Directors. However, the Board of Directors includes one female member.
4.3.10 - At least one member of the audit committee must have a minimum of 5 years of experience in audit, accounting, or finance.	X					
4.4. FORMAT OF BOARD OF DIRECTORS MEETINGS						
4.4.1 - All members of the Board of Directors attended the majority of Board meetings, either in person or electronically.	X					
4.4.2 - The Board of Directors has established a minimum timeframe for sending information and documents related to agenda items to all members before the meeting.	X					

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Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exemp	Not applicable	Açıklama
4.4. FORMAT OF BOARD OF DIRECTORS MEETINGS						
4.4.3 - The opinions of members who could not attend the meeting but submitted their views in writing to the Board of Directors were shared with the other members.					X	There have been no instances in this regard.
4.4.4 - Each member of the Board of Directors has one vote.	X					
4.4.5 - The conduct of board meetings is documented in writing through internal regulations.	X					
4.4.6 - The minutes of Board meetings demonstrate that all agenda items are duly discussed, and the resolution records are prepared so as to include any dissenting opinions.	X					
4.4.7 - The ability of Board members to assume other roles outside the Company is restricted. The external roles of the members of the Board of Directors were presented to the shareholders at the general meeting.			X			There are no restrictions on Board members assuming other roles outside the Company.
4.5. COMMITTEES ESTABLISHED BY THE BOARD OF DIRECTORS						
4.5.5 - Each member of the Board serves on only one committee.			X			The Committees are composed of at least one independent member of the Board of Directors and such other members as deemed appropriate.
4.5.6- The Committees invited individuals they deemed necessary to the meetings to provide input and gathered their opinions.	X					
4.5.7 - Information on the independence of the individual or organization providing consultancy services to the Committee is included in the annual report.					X	The Committees did not receive any consultancy services.
4.5.8 - Reports on the outcomes of Committee meetings were prepared and submitted to the Board of Directors.	X					
4.6. FINANCIAL BENEFITS PROVIDED TO BOARD MEMBERS AND EXECUTIVES WITH ADMINISTRATIVE RESPONSIBILITIES						
4.6.1 - The Board of Directors conducted a board performance evaluation to assess the effectiveness with which it fulfilled its responsibilities.			X			There has been no performance evaluation of the Board of Directors.
4.6.4 - The Company has not extended any loans or credit to its Board members or executives with administrative responsibilities, nor has it extended the term or improved the terms of any loans under the title of personal loans through third parties, or provided any guarantees, such as surety, in their favor.	X					
4.6.5 - The remuneration of the Board members and executives with administrative responsibilities is disclosed on an individual basis in the annual report.		X				Salaries, bonuses, and similar benefits provided to senior executives are disclosed in the annual reports, but not on an individual basis.

06

CORPORATE GOVERNANCE INFORMATION FORM

Board of Directors, Committees and Shareholding Information

Corporate Governance Information Form (CGIF)	
1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholder Rights	
Number of investor conferences and meetings organized by the Company throughout the year	Our Company did not organize any conferences or meetings for investors, except for the general meeting.
1.2. Right to Request Information and Review	
Number of special auditor requests	There is no special auditor request.
Number of special auditor requests accepted at the general meeting	There is no special auditor request.
1.3. General Assembly	
Link to the PDP announcement disclosing the information requested under Principle 1.3.1 (a-d)	https://kap.org.tr/tr/Bildirim/1451304
Whether the documents related to the general meeting were provided in English simultaneously with the Turkish documents	Not provided. Company announcements and disclosures are published only in Turkish.
Links to PDP disclosures regarding transactions that lack the approval of the majority of independent members or the unanimous vote of those attending, as outlined in Principle 1.3.9	There is no transaction of this nature.
Links to PDP disclosures regarding related party transactions under Article 9 of the Communiqué on Corporate Governance (II-17.1)	https://kap.org.tr/tr/Bildirim/1442626
Links to PDP disclosures regarding recurrent and ongoing transactions under Article 10 of the Communiqué on Corporate Governance (II-17.1)	https://kap.org.tr/tr/Bildirim/1442626
The name of the section on the Company's corporate website that includes the policy on donations and contributions	Investor Relations / Corporate Governance / Policies / Donation Policy
Link to the PDP disclosure containing the minutes of the general meeting where the policy on donations and contributions was approved	None.
Number of the article in the Articles of Association regarding the attendance of stakeholders at the general meeting	Article 15
Information on stakeholders who attended the general meeting	There was no participation in the 2024 General Meeting held in 2025, other than that of the shareholders. However, there are no restrictions on the attendance of stakeholders in the General Meeting.
1.4. Voting Rights	
Whether there are any voting privileges	No
If there are privileged voting rights, the privileged shareholders and their voting ratios	None.
Percentage of shares of the largest shareholder	74,62%
1.5. Minority Rights	
Whether minority rights are extended (in terms of content or ratio) in the Company's Articles of Association	No
If minority rights have been extended in terms of content and ratio, please specify the number of the relevant article in the Articles of Association.	None.
1.6. Right to Dividend	
The name of the section on the corporate website that includes the profit distribution policy	Investor Relations / Corporate Governance / Policies / Profit Distribution Policy
In the event that the Board of Directors proposes to the General Assembly not to distribute the profit, the text of the minutes related to the General Meeting agenda item stating the reasons for this decision and the use of the undistributed profit	The proposal of the Company's Board of Directors regarding the distribution of the 2024 profit was read. As stated in Resolution No. 741 adopted by the Board of Directors on May 23, 2025, although the Company's net distributable profit for 2024, calculated in accordance with the Capital Markets legislation and TFRS principals, amounted to TL 250,847,000 (two hundred fifty million eight hundred forty-seven thousand), the proposal not to distribute dividends was submitted for approval at the General Meeting, as no distributable profit was available under the mandatory provisions of the Tax Procedure Law No. 213. The Board of Directors' proposal not to distribute dividends was approved with 121,453,340,192.42 votes in favor and 4,000,000 votes against.
Link to the PDP disclosure with the relevant minutes of the general meeting if the Board of Directors proposed to the General Assembly not to distribute any profit	https://kap.org.tr/tr/Bildirim/1451304
General Meetings	
Date of the General Meeting	June 18, 2025

Corporate Governance Information Form (CGIF)	
1. SHAREHOLDERS	
1.6. Right to Dividend	
Number of requests for additional disclosures regarding the agenda items of the general meeting	0
Shareholders' attendance rate at the general meeting	75,91%
Percentage of shares represented directly	0,003%
Percentage of shares represented by proxy	75,91%
The name of the section on the Company's corporate website that includes the minutes of the general meeting, detailing both affirmative and dissenting votes on each agenda item	Investor Relations/General Meetings/Minutes of Ordinary General Meetings
The name of the section on the corporate website that includes all questions raised at the general meeting and the corresponding answers provided	-
Article or paragraph number of the minutes of the general meeting regarding related parties	Article 3
Number of individuals with privileged access to shareholder information who report to the Board of Directors (Insider list)	38
Link to the general assembly notice published on PDP	https://kap.org.tr/tr/Bildirim/1451304
2. PUBLIC DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Names of the sections on the corporate website that include information required by Corporate Governance Principle 2.1.1.	Investor Relations / Financial Information / Annual Financial Statements and Annual Reports
The section of the corporate website that contains the list of individual shareholders who directly or indirectly own more than 5% of the shares	Investor Relations / Company Information / Shareholding Structure
Languages in which the corporate website is available	Turkish and English
2.2. Annual Report	
Page numbers or section headings in the annual report where the information specified in Corporate Governance Principle 2.2.2 is included	
a) Page number(s) or section heading(s) containing the Roles of the members of the Board of Directors and executives carried out outside the Company and declarations on the independence of the members of the Board of Directors	Investor Relations / Financial Information / Annual Financial Statements and Annual Reports / December 2025 Annual Report / Corporate Governance Principles Compliance Report / Section-III Stakeholders / Article 15
b) Page number(s) or section heading(s) containing information on the committees established by the Board of Directors	Investor Relations / Financial Information / Annual Financial Statements and Annual Reports / December 2025 Annual Report / Corporate Governance Principles Compliance Report / Section-III Stakeholders / Article 17
c) Page number(s) or section heading(s) containing information on the number of meetings held by the Board of Directors during the year and the attendance of Board members at such meetings	Investor Relations / Financial Information / Annual Financial Statements and Activity Reports / December 2025 Annual Report / A- General Information / Number of Board of Directors Meetings During the Period and Status of the Board of Directors / Article 5 and Activity Report / Corporate Governance Principles Compliance Report Section III Stakeholders / Article 17
ç) Page number(s) or section heading(s) containing information on regulatory changes which may materially affect Company activities	Investor Relations / Financial Information / Annual Financial Statements and Activity Reports / December 2025 Annual Report / G- Other Matters / Information on Regulatory Changes Which May Materially Affect Company Activities / Article 1
d) Page number(s) or section heading(s) containing information on material legal proceedings brought against the Company and their possible outcomes	Investor Relations / Financial Information / Annual Financial Statements and Annual Reports / December 2025 Notes / Provisions for Litigation
e) Page number(s) or section heading(s) containing information on conflicts of interest between the Company and the institutions that provide services such as investment consultancy and rating services and the measures taken to prevent them	The Company has not received any services from any institution regarding investment consultancy or rating services.
f) Page number(s) or section heading(s) containing information on the subsidiaries with which the Company has a cross-shareholding relationship with a direct capital participation rate exceeding 5%	There are no subsidiaries with which the Company has a cross-shareholding relationship with a direct capital participation rate exceeding 5%.
g) Page number(s) or section heading(s) containing information on corporate social responsibility activities related to social rights and vocational training of employees and other company activities that have social and environmental consequences	Investor Relations / Financial Information / Annual Financial Reports and Activity Reports / December 2024 Annual Report / A. General Information / Personnel and Labor Movements, Collective Bargaining Practices, and Rights and Benefits Provided to Personnel and Workers / Article 6
3. STAKEHOLDERS	
3.1. Company Policy on Stakeholders	
The name of the section on the corporate website that includes the compensation policy	Investor Relations / Corporate Governance / Policies / Compensation Policy

Corporate Governance Information Form (CGIF)	
3. STAKEHOLDERS	
3.1. Company Policy on Stakeholders	
Number of judicial decisions finalized against the Company due to violation of employee rights	There is one final and binding lawsuit against the Company arising from the violation of employee rights.
Title of the official in charge of the whistleblowing mechanism	Our company's Ethics Committee consists of the Legal Manager, Internal Audit Manager, and Human Resources Manager.
Information on access to the Company's whistleblowing mechanism	Notifications and reports concerning ethical principles and rules are received through the Ethics Committee and Ethics Hotline operating within the Company. Submissions sent to etik@batianadolu.com.tr are reviewed by the Ethics Committee, which carries out the necessary investigation and follow-up actions.
3.2. Supporting Stakeholders' Participation in Company Management	
The name of the section on the corporate website that includes the regulations on the employees' participation in the Company's management bodies	None.
Management bodies where employees are represented	Trade Union.
3.3. Company's Human Resources Policy	
The role of the Board of Directors in developing a succession plan for key executive positions	The Board of Directors does not have a defined role outside the Company and market conditions.
Title of the section on the corporate website containing the Human Resources Policy, including the principles of equal opportunity and recruitment criteria, or a summary of the relevant provisions of such policy	Investor Relations / Corporate Governance / Policies / Human Resources Policy
Whether there is an employee stock ownership program	There is no employee share ownership plan in place.
The name of the section on the corporate website that includes the human resources policy on measures to prevent discrimination among employees and protect them from mistreatment or a summary of the relevant articles of the HR policy	Investor Relations / Corporate Governance / Policies / Human Resources Policy
Number of judicial decisions finalized against the Company due to liability related to occupational accidents	There are no finalized lawsuits against the Company related to occupational accidents.
3.5. Code of Ethics and Social Responsibility	
The name of the section on the corporate website that includes the code of ethics policy	Investor Relations / Corporate Governance / Policies / Code of Business Ethics and Working Principles
The name of the section on the corporate website that includes the corporate social responsibility (CSR) report. If there is no corporate social responsibility report, measures taken on environmental, social and corporate governance issues	Environment / Environmental Activities / Waste Management / Carbon Footprint
Measures to combat all forms of corruption, including extortion and bribery	Batısöke Board Members, employees, and all third parties must refrain from any actions or behaviors that could cast suspicion on Batısöke regarding corruption. Regardless of whether in the public or private sector, it is prohibited to accept or provide any cash or non-cash benefits that could be considered corrupt. During the general operation of the Company's activities, no transaction may be initiated and concluded by the same department. Therefore, an internal control mechanism has been established to continuously monitor operations and transactions between departments.
4. BOARD OF DIRECTORS-I	
4.2. Operating Principles of the Board of Directors	
Date of the last performance evaluation of the Board of Directors	There has not been any activity related to performance evaluation of the Board of Directors.
Whether independent experts were utilized in performance evaluation of the Board of Directors	No
Whether all board members are discharged	Yes
Names of the members of the Board of Directors to whom authority has been delegated, along with the content of those authorities	Following the General Meeting, at the Board of Directors meeting held to determine the distribution of duties, Sabit Aydın was elected Chair of the Board of Directors, Gülant Candaş Vice Chair of the Board of Directors, and Ömer Çağdaş Selvi Executive Member of the Board of Directors. Vice Chair of the Board of Directors Mr. Gülant Candaş resigned from his position on November 11, 2025, and Executive Member of the Board of Directors Mr. Ömer Çağdaş Selvi resigned from his position on December 1, 2025. Pursuant to the Board of Directors' resolution dated December 1, 2025, Mr. Caner Türkyener was appointed Executive Vice Chair of the Board of Directors, Mr. Reşat Bağış Güngör was appointed Executive Member of the Board of Directors, and Mr. Selçuk Uçar was appointed Executive Member of the Board of Directors.

Corporate Governance Information Form (CGIF)	
4. BOARD OF DIRECTORS-I	
4.2. Operating Principles of the Board of Directors	
Number of reports submitted by the internal control unit to the audit committee or other relevant committees	3
The section heading(s) or page number(s) of the annual report that includes the assessment on the effectiveness of the internal control system	Investor Relations / Financial Information / Annual Financial and Activity Reports / December 2024 Annual Report / D- Company Activities and Material Developments related to These Activities / Internal Control System and Internal Audit Activities / Article 2 and Annual Report / Corporate Governance Principles Compliance Report / Article 18
Name of the Chair of the Board of Directors	Sabit AYDIN
Name of the Chief Executive Officer/General Manager	The Company does not have a Chief Executive Officer or a General Manager. The Company has only an executive board.
Link to the PDP disclosure stating the reason for the Chair of the Board of Directors and the Chief Executive Officer/General Manager being the same person	-
Link to the PDP disclosure regarding obtaining an executive liability insurance for an amount exceeding 25% of the Company's share capital for any damages the members of the Board of Directors may cause to the Company due to potential defaults while carrying out their duties	https://www.kap.org.tr/en/Announcement/1554918 (The Company has obtained a Directors and Officers (D&O) Liability Insurance policy with a total liability limit of USD 5,000,000 covering potential losses that may arise from wrongful acts of members of the Board of Directors in the course of performing their duties. However, the coverage provided under the policy does not exceed 25% of the Company's share capital.)
The name of the section on the corporate website that provides information on the diversity policy to increase female representation on the Board of Directors	None.
Number and percentage of women members of the Board	The number of women members is one. The percentage is 14%.

Corporate Governance Information Form (CGIF)							
Structure of the Board of Directors							
First Name and Last Name of the Board Member	**Whether Commissioned as an Executive Officer**	**Whether an Independent Member**	**Date of First Election to the Board of Directors**	**Link to the PDP Disclosure of Independence Declaration**	**Whether the Independent Member is Evaluated by the Nomination Committee**	**Whether any Member Lost Their Status of Independence**	**Whether They Have at Least Five Years of Experience in Auditing, Accounting and/or Finance**
SABİT AYDIN	Executive Officer	No, not an Independent Member	August 17, 2021	-	Not evaluated	Not applicable	No
CANER TÜRKYENER	Executive Officer	No, not an Independent Member	December 1, 2025	-	Not evaluated	Not applicable	No
REŞAT BAĞIŞ GÜNGÖR	Executive Officer	No, not an Independent Member	December 1, 2025	-	Not evaluated	Not applicable	Yes
SELÇUK UÇAR	Executive Officer	No, not an Independent Member	December 1, 2025	-	Not evaluated	Not applicable	No
UFUK BALA YÜCEL	Not an Executive Officer	Independent Member	October 6, 2022	https://kap.org.tr/tr/Bildirim/1160823	Evaluated	No	Yes
MEHMET ŞAHNE	Not an Executive Officer	Independent Member	July 2, 2024	https://kap.org.tr/tr/Bildirim/1314931	Evaluated	No	No
ENİS TURAN ERDOĞAN	Not an Executive Officer	Independent Member	September 27, 2024	https://kap.org.tr/tr/Bildirim/1356255	Evaluated	No	Yes

4. BOARD OF DIRECTORS-II	
4.4. Format of Board of Directors Meetings	
Number of Board meetings held physically or electronically during the reporting period	The Board of Directors held a total of 32 meetings during 2025.
Average attendance rate at the Board of Directors meetings	100%
Whether an electronic portal is used to facilitate the activities of the Board of Directors	Yes
In accordance with the working principles of the Board of Directors, how many days prior to the meeting the information and documents are presented to the members	5 Days
The name of the section on the corporate website that contains information about the internal regulations determining how the Board of Directors meetings are conducted	Investor Relations / Company Information / Articles of Association - The format of the Board of Directors meetings is set out in Article 11 of the Articles of Association of our Company under the title, Board of Directors Meetings.
The upper limit defined in the policy that restricts members from taking on other roles outside the Company	There are no restrictions in the Company's Articles of Association or as required by legal regulations.
4.5. Committees Established by the Board of Directors	
Page number(s) or section heading(s) of the annual report where information on the Board committees is presented	Annual Report / Corporate Governance Principles Compliance Report, Section-III Stakeholders / Article 17
Komite çalışma esaslarının duyurulduğu KAP duyurusunun bağlantısı	https://kap.org.tr/tr/Bildirim/1310504

Corporate Governance Information Form (CGIF)

Committees Established by the Board of Directors-I

Names of the Board Committees	Name of the Committee Indicated as "Other" in the First Column	First Name and Last Name of the Committee Members	Whether a Committee Chair Has Been Elected	Whether They Are a Board Member
Corporate Governance Committee	-	**ENİS TURAN ERDOĞAN**	Yes	Board Member
Corporate Governance Committee	-	**MEHMET ŞAHNE**	No	Board Member
Corporate Governance Committee	-	**ONUR BAYRAM**	No	Not a Board Member
Audit Committee	-	**UFUK BALA YÜCEL**	Yes	Board Member
Audit Committee	-	**MEHMET ŞAHNE**	No	Board Member
Early Detection of Risks Committee	-	**MEHMET ŞAHNE**	Yes	Board Member
Early Detection of Risks Committee	-	**UFUK BALA YÜCEL**	No	Board Member

4. BOARD OF DIRECTORS-III	
4.5. Committees Established by the Board of Directors-II	
Specify where the activities of the audit committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	Investor Relations / Company Information / Articles of Association - The format of the Board of Directors meetings is set out in Article 11 of the Articles of Association of our Company under the title, Board of Directors Meetings.
Specify where the activities of the corporate governance committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	Annual Report / Corporate Governance Principles Compliance Report, Section-III Stakeholders / Article 17
Specify where the activities of the nomination committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	Annual Report / Corporate Governance Principles Compliance Report, Section-III Stakeholders / Article 17
Specify where the activities of the early detection of risks committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	Annual Report / Corporate Governance Principles Compliance Report, Section-III Stakeholders / Article 17
Specify where the activities of the remuneration committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	Annual Report / Corporate Governance Principles Compliance Report, Section-III Stakeholders / Article 17
4.6. Financial Benefits Provided to Board Members and Executives with Administrative Responsibilities	
Page number(s) or section heading(s) of the annual report containing information about operational and financial performance targets and whether they have been achieved	Annual Report / D- Company Activities and Material Developments

Corporate Governance Information Form (CGIF)	
4. BOARD OF DIRECTORS-III	
4.6. Financial Benefits Provided to Board Members and Executives with Administrative Responsibilities	
The name of the section on the corporate website that includes the remuneration policy regarding executive and non-executive members	www.batisoke.com.tr / Investor Relations / Corporate Governance / Policies
Page number(s) or section heading(s) of the annual report containing information on the remuneration and all other benefits provided to board members and executives with administrative responsibilities	Annual Report / B- Total Amount of Financial Benefits such as Allowances, Salaries, Premiums, Bonuses, Dividends, and Other Financial Benefits Provided to Board Members and Senior Executives

Corporate Governance Information Form (CGIF)					
Committees Established by the Board of Directors-II					
Names of the Board Committees	Name of the Committee Indicated as “Other” in the First Column	Percentage of Directors Not Commissioned as an Executive Officer	Percentage of Independent Members in the Committee	Number of Physical Meetings Held by the Committee	Number of Reports Submitted to the Board of Directors on the Committee Activities
Audit Committee	-	100%	100%	4	4
Corporate Governance Committee	-	100%	67%	3	3
Early Detection of Risks Committee	-	100%	100%	6	6

07

SUSTAINABILITY COMPLIANCE REPORT

Environmental, social, and governance-focused sustainability disclosures

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
A. . GENERAL PRINCIPLES						
A1. Strategy, Policy and Objectives						
A1.1. Environmental, social and corporate governance (ESG) material topics, risks, and opportunities have been identified by the Company's Board of Directors.	X				Environmental, social and corporate governance risks and impacts are managed within the scope of the Integrated Management System. As of 2024, the Sustainability Committee, authorized by the Board of Directors, identifies priority Environmental, Social and Governance (ESG) matters, objectives, risks and opportunities, and continues to carry out its activities on an ongoing basis. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 37-38 "Our Sustainability-Related Risks and Opportunities"
A1.1. The Company's Board of Directors has created ESG policies (e.g., Environmental Policy, Energy Policy, Human Rights and Employee Policy, etc.) have been created and disclosed to the public.	X				The sustainability policies implemented by the Batı Anadolu Group of Companies as part of its sustainability vision are available on its website.	https://www.batianadolu.com/en/sustainability/sustainability_policy https://www.batianadolu.com/en/sustainability/environment https://www.batianadolu.com/en/sustainability/social https://www.batianadolu.com/en/sustainability/governance
A1.2. Short- and long-term targets set within the scope of ESG policies have been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	Sustainability Report, Pages 53-55, "Our Sustainability Targets and Progress"
A2. Implementation/ Monitoring						
A2.1. The committees and/ or units responsible for the implementation of ESG policies, as well as the highest-level individuals within the Company responsible for ESG matters and their respective duties, have been identified and publicly disclosed.	X				A Sustainability Committee and a Sustainability Subcommittee have been established under the Board of Directors. Projects are developed based on the Company's focus areas and implemented under the leadership of the relevant subcommittee members. The "Sustainability Committee Working Principles" have been publicly disclosed on the Company's website.	https://www.batianadolu.com/upload/pdf/governance/policies-documents/sustainability_committee_study_fund
A2.1. The activities conducted by the responsible committee and/or unit under the policies have been reported to the Board of Directors at least once during the year.	X				A Sustainability Committee and a Sustainability Subcommittee have been established under the Board of Directors. The Chair of the Sustainability Committee is a member of the Board of Directors, and the Committee convened six times in 2025 within the framework of the Sustainability Committee Working Principles.	https://www.batianadolu.com/upload/pdf/governance/policies-documents/sustainability_committee_study_fundamentals.pdf
A2.2. Implementation and action plans aligned with the relevant ESG targets have been created and disclosed to the public.	X				A Sustainability Strategy has been established in line with the ESG objectives, and the related practices and actions have been disclosed in the Sustainability Report.	2024 Sustainability Report, Pages 35-55, "Our Sustainability Strategy"
A2.3. ESG Key Performance Indicators (KPIs) and the level of achievement of these indicators by year have been publicly disclosed.	X				Key Performance Indicators (KPIs) have been defined in line with the ESG objectives and disclosed in the Sustainability Report.	2024 Sustainability Report, Pages 132-146, "Performance Indicators"
A2.4. Activities to improve the sustainability performance of business processes or products and services have been publicly disclosed.	X				Thanks to the projects we have implemented in line with environmental, social and governance (ESG) criteria and our transparent reporting practices, we were included in the London Stock Exchange Group (LSEG) sustainability index and received a B+ rating.	2024 Sustainability Report, Page 22, "Our Global Sustainability Commitment"

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
A. . GENERAL PRINCIPLES						
A3. Reporting						
A3.1. The annual reports provide clear, accurate and adequate information regarding the Company's sustainability performance, targets and actions.	X				Information on the Company's sustainability performance, objectives and actions has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 53-55 "Our Sustainability Targets and Progress," Pages 132-146, "Performance Indicators,"
A3.2. The Company has publicly disclosed information on which of the United Nations (UN) 2030 Sustainable Development Goals its activities are related to.	X				The relationship between the Company's activities and the 2030 Sustainable Development Goals has been disclosed to the public in the Sustainability Report.	2024 Sustainability Report, Pages 49-52, "Our Sustainability Priorities and Strategic Compliance"
A3.3. Information on legal proceedings brought against and/or finalized on ESG issues, which are considered material in terms of ESG policies and/or which may materially affect operations, have been publicly disclosed.	X				There are no legal proceedings.	2024 Sustainability Report, Pages 132-146, "Performance Indicators"
A4. Verification						
A4.1. The Company's ESG Key Performance Indicators (KPIs) have been verified by an independent third-party organization and disclosed to the public.	X				ESG performance targets and performance indicators are audited annually by independent accredited third-party organizations as part of the Integrated Management Systems. In addition, Scope 1, 2 and 3 greenhouse gas emissions are calculated for Batıçim and all of its subsidiaries, and the related data are verified by independent accredited third-party organizations. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 86 "Combating Climate Change"; Page 117 "Integrated Management Systems"
B. ENVIRONMENTAL PRINCIPLES						
B1. The Company has publicly disclosed its environmental management policies and practices, action plans, environmental management systems in line with the ISO 14001 standard, and related programs.	X				Quality, Environmental, Occupational Health and Safety, Energy, and Information Security Management Systems have been established and certified. Management systems are maintained in an integrated manner, and relevant policies and other documentation within this scope are implemented accordingly. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 116-118 "Integrated Management Systems"
B2. The scope, reporting period, reporting date, reporting conditions and any related limitations of the environmental reports prepared in connection with environmental management have been publicly disclosed.	X				The scope of the report, reporting period, reporting date, reporting conditions, and similar information have been disclosed to the public through the Sustainability Report.	2024 Sustainability Report, Page: 5 "About the Report"
B4. Environmental targets included in the reward criteria of performance incentive systems for stakeholders (e.g., board members, managers, and employees) have been publicly disclosed.	X				In 2024, the "Bir'iz" application, which measures both performance objectives and competencies, was launched as part of the Performance Management and Competency Development program. The details have been disclosed to the public in the Sustainability Report.	2024 Sustainability Report, Page 67 "Right People, Right Job"

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
B. ENVIRONMENTAL PRINCIPLES						
B5. The Company has publicly disclosed how the prioritized environmental issues have been integrated into its business objectives and strategies.	X				The priorities identified through the Double Materiality Assessment have been grouped under strategic focus areas and integrated into the Company's strategy by taking into account both their financial impacts on the Company's operations and the environmental and social impacts of the Company's activities. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 44-48 "Our Sustainability Priorities and Strategic Compliance"
B7. The Company has publicly disclosed how environmental issues are managed throughout its value chain, including suppliers and customers, as well as within its operational processes, and how these issues are integrated into its business objectives and strategies.	X				Information on environmental and social responsibilities, awareness-raising activities, and management processes across all stages of the supply chain has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 105-107 "Sustainable Supply Chain Management"
B8. Whether competent authorities and non-governmental organizations were involved in the environmental policy-making processes, as well as the cooperation with these institutions and organizations, has been publicly disclosed.	X				The organizations with which the Company collaborates, as well as its memberships, have been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 76-82 "Environmental and Social Awareness", Pages 129-130 "Memberships"
B9. Information on the Company's environmental impacts, based on environmental indicators such as greenhouse gas (GHG) emissions (Scope 1 – Direct, Scope 2 – Energy Indirect, and Scope 3 – Other Indirect), air quality, energy management, water and wastewater management, waste management, and biodiversity impacts, has been periodically and publicly disclosed in a comparable manner.	X				Direct (Category 1) and indirect emissions (Categories 2, 3, 4, 5 and 6) arising from corporate activities are calculated in accordance with the ISO 14064 Greenhouse Gas Quantification and Reporting Standard and are verified by accredited third-party organizations. Comparable data for the last three years have been publicly disclosed in the Sustainability Report.	2024 Sustainability Report, Page 86 "Combating Climate Change"
B10. Details of the standards, protocols, methodologies, and reference year used to collect and calculate the data have been publicly disclosed.	X				All information related to greenhouse gas emission data has been disclosed to the public through the Sustainability Report.	2024 Sustainability Report, Page 86 "Combating Climate Change"
B11. The increase or decrease in environmental indicators for the reporting year, compared with previous years, has been publicly disclosed.	X				Information on increases and decreases in environmental indicators has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 140-146 "Environmental Performance Indicators"
B12. Short- and long-term targets have been established to reduce environmental impacts, and both these targets and progress toward targets established in previous years have been publicly disclosed.	X				Information on progress achieved in previous years and on short-, medium- and long-term targets has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 54-55 "Our Sustainability Targets and Progress"
B13. A strategy to combat the climate crisis has been established, and the planned actions have been publicly disclosed.	X				Based on the risks and opportunities identified in line with national and international regulations, the Company has developed a climate change mitigation strategy, and the related actions have been publicly disclosed in the Sustainability Report.	2024 Sustainability Report, Pages 83-103 "Respecting the Planet"

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
B. ENVIRONMENTAL PRINCIPLES						
B14. Programs or procedures have been established and publicly disclosed to prevent or minimize the potential negative impacts of products and/or services on the environment.	X				The Company's environmental impacts and related targets under the "Respecting the Planet" strategy have been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 83-103 "Respecting the Planet"
B14. Actions have been taken to reduce greenhouse gas emissions generated by third parties (e.g., suppliers, subcontractors and dealers), and these actions have been publicly disclosed.		X			Initiatives encouraging third parties to reduce their greenhouse gas emissions are being implemented and have been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 105-107 "Sustainable Supply Chain Management"
B15. Environmental benefits/gains and cost savings from initiatives and projects aimed at reducing environmental impacts have been publicly disclosed	X				Within the scope of the integrated management systems, targets aimed at reducing environmental impacts are established, monitored through performance scorecards under the ISO 14001 management system, and the resulting benefits and performance outcomes are regularly reported to senior management. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 83-103 "Respecting the Planet"
B16. Data on energy consumption (e.g., natural gas, diesel, gasoline, LPG, coal, electricity, heating, and cooling) have been publicly disclosed as Scope 1 and Scope 2 emissions.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 86 "Combating Climate Change"
B17. Public disclosures have been made regarding the electricity, heat, steam, and cooling generated in the reporting year.	X				Data on electricity generated by the waste heat recovery power plant has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 141 "Environmental Performance Indicators"
B18. Efforts were made to increase the use of renewable energy and transition to net-zero or low-carbon electricity, and this information has been publicly disclosed.	X				Data on electricity generated by the waste heat recovery power plant has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 141 "Environmental Performance Indicators"
B19. Renewable energy production and utilization data have been publicly disclosed.	X				Data on electricity generated by the waste heat recovery power plant has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 141 "Environmental Performance Indicators"
B20. Energy efficiency projects were carried out, and the amounts of energy consumption and emission reductions achieved through these projects have been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 90-92 "Energy Management"
B21. Water consumption, along with the amount of water withdrawn from underground or above ground (if applicable), as well as the quantities recycled and discharged, along with their sources and procedures, have been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 98 "Water Management", Page 143 "Environmental Performance Indicators"
B22. Whether the Company's operations or activities are included in any carbon pricing system (e.g., missions Trading System, Cap & Trade, or Carbon Tax) has been publicly disclosed.				X	The Emissions Trading System has not yet been implemented in Türkiye.	
B23. Information on carbon credits accumulated or purchased during the reporting period has been publicly disclosed.	X				In 2023, the carbon credits accumulated through energy generated from waste heat in our Company have been certified by VCS.	2023 Sustainability Report, Page 67 "Carbon Credit"

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
B. ENVIRONMENTAL PRINCIPLES						
B24. If carbon pricing is implemented within the Company, the details have been publicly disclosed.				X	The Emissions Trading System has not yet been implemented in Türkiye.	
B25. Information on the platforms through which the Company discloses environmental information has been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 140-146 “Environmental Performance Indicators”
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.1. A Corporate Human Rights and Employee Rights Policy has been established in accordance with the Universal Declaration of Human Rights, the ILO Conventions ratified by Türkiye, and other relevant legislation; the individuals responsible for its implementation have been designated, and both the policy and the responsible parties have been publicly disclosed.	X				The Batı Anadolu Group of Companies has a Human Rights Policy in place. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 69 “Protection of Employee Rights”
C1.2. The Company’s Employee Rights Policy, taking into account the impacts of the supply and value chains, addresses fair labor practices, the enhancement of working standards, women’s employment, and inclusion, and incorporates a commitment to equal treatment and non-discrimination regardless of gender, race, religion, language, marital status, ethnic origin, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, or social and cultural differences.	X				The Batı Anadolu Group of Companies has a Sustainable Procurement Policy and a Responsible Purchasing Policy in place. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 105 “Sustainable Supply Chain Management”
C1.3. Measures implemented across the value chain to protect the rights of vulnerable segments of society affected by specific economic, environmental, and social factors (e.g., low-income groups, women) as well as minority rights and equal opportunities have been publicly disclosed.	X				Batı Anadolu Group of Companies has a “Diversity, Equity, and Inclusion Policy.” Additionally, there are Code of Business Ethics and Working Principles in place, and the contact information for the Ethics Committee is available on the website. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 70 “Diversity, Equity, and Inclusion”, Page 123 “Code of Business Ethics” https://www.batianadolu.com/upload/pdf/is-etigi-kurallari-calisma-esaslari.pdf https://www.batianadolu.com/upload/pdf/policies/bati_anadolu_grubu_cesitlilik_esitlik_ve_kapsayicilik_politikasi.pdf
C1.4. Developments related to preventive and corrective measures aimed at preventing discrimination, inequality, human rights violations, forced labour, and child labour have been publicly disclosed.	X				Batı Anadolu Group of Companies has a "Diversity, Equity, and Inclusion Policy." Additionally, there are Code of Business Ethics and Working Principles in place, and the contact information for the Ethics Committee is available on the website.	2024 Sustainability Report, Page 70 “Diversity, Equity, and Inclusion” https://www.batianadolu.com/upload/pdf/policies/bati_anadolu_grubu_cesitlilik_esitlik_ve_kapsayicilik_politikasi.pdf https://www.batianadolu.com/surdurulebilirlik/etik_ilkeler

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
C. SOCIAL PRINCIPLES						
C1.5. The Company's Employee Rights Policy addresses investment in employees (including training and development policies), compensation, employee benefits, the right to unionize, work-life balance initiatives, and talent management practices.	X				These commitments are set out in the Batı Anadolu Group of Companies' Integrated Management Systems Policy, Code of Business Ethics and Working Principles, and Human Rights Policy. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 69 "Protection of Employee Rights", Pages 72-75 "Continuous Improvement"
C1.5. Mechanisms for addressing employee complaints and resolving disputes have been established, and dispute resolution processes have been defined.	X				The Batı Anadolu Group of Companies has established mechanisms through its Code of Business Ethics and Working Principles and the Resolution Center process. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 123 "Code of Business Ethics", Page 126 "Reporting Mechanisms and Safeguards"
C1.5. Information on activities undertaken during the reporting period to enhance employee satisfaction has been publicly disclosed.	X				Employee satisfaction is monitored through individual interviews, and prompt actions are taken when necessary. The employee engagement survey results have been disclosed to the public through the Sustainability Report.	2024 Sustainability Report, Page 71 "Corporate Culture and Sense of Belonging," Page 137 "Social Performance Indicators"
C1.6. Occupational health and safety policies have been established and publicly disclosed.	X				The Batı Anadolu Group of Companies implements its Occupational Health and Safety Policy in accordance with the requirements of ISO 45001. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page: 65 "Our Occupational Health and Safety Management Model"
C1.6. The measures taken to prevent occupational accidents and protect employee health, together with accident statistics, have been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 58-63 "We Are One, Safe Together", Pages 135-136 "Social Performance Indicators"
C1.7. Policies for the protection of personal data and data security have been established and publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 114 "Information Security – Ensuring Security in the Digital World
C1.8. An ethics policy has been established and publicly disclosed.	X				The Batı Anadolu Group of Companies has a Code of Business Ethics and Working Principles in place. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page123 "Code of Business Ethics"
C1.9. Activities related to social investment, social responsibility, financial inclusion, and access to finance have been disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 76-82 "Environmental and Social Awareness"
C1.10. Informational meetings and training programs have been organized for employees regarding ESG policies and practices.	X				Training is provided within the scope of the ISO 9001, ISO 14001 and ISO 45001 Integrated Management System. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 117 "Integrated Management Systems", Page 136 "Social Performance Indicators"
C2. Stakeholders, International Standards and Initiatives						
C2.1. A Customer Satisfaction Policy for the management and resolution of customer complaints has been established and publicly disclosed.	X				Customer complaints are managed through the corporate Customer Complaints Management software system and the Resolution Center process, while customer satisfaction is governed by the Integrated Management Systems Policy. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 45 "Our Sustainability Priorities and Strategic Compliance," Page 116 "Integrated Management Systems," Page 126 "Reporting Mechanisms and Safeguards"

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
C. SOCIAL PRINCIPLES						
C2.2. Information on communications with stakeholders, including the stakeholder groups engaged, the topics discussed, and the frequency of engagement, has been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 44-45 "Stakeholder Communication"
C2.3. International reporting standards adopted in reporting have been disclosed.	X				The published Sustainability Report has been prepared in accordance with the 2021 GRI Standards.	2024 Sustainability Report, Page 5 "About the Report"
C2.4. The sustainability principles adopted by the Company, as well as the international organizations, committees, and initiatives to which it is a signatory or member, have been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 22 "Our Global Sustainability Commitment", Page 129 "Memberships"
C2.5. Developments have been made and necessary actions have been taken to be included in the sustainability indices of Borsa Istanbul and/or international index providers.	X				Thanks to the projects we have implemented in line with Environmental, Social and Governance (ESG) criteria and our transparent reporting practices, we have been included in the sustainability index of the London Stock Exchange Group (LSEG), the index provider for Borsa İstanbul, and have received a B+ rating.	2024 Sustainability Report, Page 22 "Our Global Sustainability Commitment"
D. CORPORATE GOVERNANCE PRINCIPLES						
D1. Stakeholder views have been sought in the development of sustainability-related measures and strategies.	X				The Company collected stakeholder feedback through an online materiality survey conducted with selected stakeholder groups, forming the basis of the prioritization matrix used to determine its sustainability strategies. Strategies related to sustainability have been established through the development of a materiality/priority matrix. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 45-48 "Our Sustainability Strategy"
D2. Social responsibility projects, awareness-raising initiatives, and training programs have been carried out to enhance awareness of sustainability and its importance.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 76-82 "Environmental and Social Awareness," Page 136 "Social Performance Indicators"

Batısöke

Board of Directors Competency Matrix

	SABİT AYDIN	GÜLANT CANDAŞ	CANER TÜRKYENER	REŞAT BAĞIŞ GÜNGÖR	SELÇUK UÇAR	YUSUF KAYA	ERDOĞAN GÖĞEN	ÖMER ÇAĞDAŞ SELVİ	MEHMET ŞAHNE	UFUK BALA YÜCEL	ENİS TURAN ERDOĞAN
General Information											
Type of Board Member	Executive	Executive	Executive	Non-Executive	Executive	Non-Executive	Non-Executive	Executive	Non-Executive	Non-Executive	Non-Executive
Independence	Non-Independent	Non-Independent	Non-Independent	Non-Independent	Non-Independent	Non-Independent	Non-Independent	Non-Independent	Independent	Independent	Independent
Age	52	66	51	48	47	68	67	48	59	62	71
Committees											
Audit Committee									YES	YES	
Corporate Governance Committee							YES		YES		YES
Risk Management Committee									YES	YES	
Sustainability Committee											
Term of Office											
Start Date of Duty	August 17, 2021	August 17, 2021	December 1, 2025	December 1, 2025	December 1, 2025	June 23, 2025	August 17, 2021	August 17, 2021	July 2, 2024	October 6, 2022	September 27, 2024
End Date of Duty	July 2, 2027	November 11, 2025	July 2, 2027	July 2, 2027	July 2, 2027	November 11, 2025	June 13, 2025	July 2, 2027	July 2, 2027	July 2, 2027	2.07.2027
Term of Office (Years)	3	2	0	0	0	0	3	3	2	3	2
Field of Education											
Finance and Accounting		YES		YES						YES	YES
Business Management	YES		YES	YES	YES				YES		
Engineering			YES				YES				
Social Sciences					YES			YES			
Science and Technology			YES								
Competency / Experience											
Solution-Oriented Business Management	YES		YES	YES	YES		YES				
International Business Management			YES	YES							
Experience in Executive Positions Outside the Home Country		YES		YES						YES	
Local Legal and Tax Compliance Processes								YES	YES		
Human Resources and Talent Development											
Public and Investor Relations Communication	YES	YES							YES		
Risk Management	YES		YES	YES	YES		YES	YES			
Supply Chain Management					YES		YES				
Sustainable Development		YES	YES								
Information and Data Privacy Security		YES		YES				YES	YES		

Batısöke

Board of Directors Competency Matrix

	SABİT AYDIN	GÜLANT CANDAŞ	CANER TÜRKYENER	REŞAT BAĞIŞ GÜNGÖR	SELÇUK UÇAR	YUSUF KAYA	ERDOĞAN GÖĞEN	ÖMER ÇAĞDAŞ SELVİ	MEHMET ŞAHNE	UFUK BALA YÜCEL	ENİS TURAN ERDOĞAN
GICS Level 1 Sector Experience											
Consumer Discretionary Sector Experience											YES
Consumer Staples											YES
Energy	YES	YES	YES				YES				
Materials	YES	YES	YES		YES		YES				
Industrials	YES	YES	YES				YES	YES			
Health Care											
Financials		YES		YES						YES	YES
Demographic Profile											
Ethnic Origin											
African Origin											
Asian Origin											
Caribbean Origin											
European Origin	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Latin, Central and South American Origin											
Indigenous North American Origin											
Oceanian Origin											
Committee Independence											
Audit Committee	100%										
Corporate Governance Committee	67%										
Risk Management Committee	100%										
Committee Attendance Rates											
Audit Committee									100%	100%	100%
Corporate Governance Committee									100%	100%	100%
Risk Management Committee									100%	100%	100%
Sustainability Committee			100%	100%	78%			100%			
Board Attendance Rates											
Number of Board of Directors Meetings	32										
Average Board Meeting Attendance Rate	100%										
Board Meeting Attendance Rate	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

AUDIT COMMITTEE REPORT

We have convened to review and evaluate the consolidated financial statements of Batısöke Söke Çimento Sanayii T.A.Ş. for the period from 1 January to 31 December 2025, prepared by the Company's management in compliance with the Capital Markets Board of Türkiye (CMB) Communiqué No. II-14.1 on Principles of Financial Reporting in Capital Markets (the "Communiqué"), the CMB's Principle Decision dated 28 December 2023 regarding the application of inflation accounting, the Türkiye Financial Reporting Standards ("TFRS"), and the reporting formats prescribed by the CMB, as well as the independent auditor's report thereon issued by Karar Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., and to submit our opinion to the Board of Directors of Batısöke Söke Çimento Sanayii T.A.Ş.

As part of our review, we assessed whether the consolidated financial statements to be publicly disclosed have been prepared in accordance with the accounting principles applied by the Company and whether they fairly and accurately present the Company's financial position and results. Where deemed necessary, views were also obtained from the independent auditor and the relevant members of the Company's management.

Based on our review and assessments conducted in light of the information presented to us, we have concluded that the consolidated financial statements for the period from January 1 to December 31, 2025, have been prepared in accordance with the accounting principles applied by the Company and fairly and accurately present its financial position and results. Accordingly, we hereby submit these financial statements to the Board of Directors for approval.
Sincerely,

April 7, 2026

Audit Committee

UFUK BALA YÜCEL
Chair

MEHMET ŞAHNE
Member

DECLARATION OF INDEPENDENCE

To the Corporate Governance Committee of Batısöke Söke Çimento Sanayii T.A.Ş.;

On March 31, 2023, in connection with my application as a candidate for Independent Board Membership, I declared to the Corporate Governance Committee that I had read and understood the “Capital Markets Board Corporate Governance Principles” annexed to the Capital Markets Board of Türkiye (SPK) Corporate Governance Communiqué No. II-17.1 and that, within the framework of the applicable legislation, I met all of the criteria for Independent Board Membership set forth in Principle 4.3.6, as presented below.

a) Not having had, within the last five years, an employment relationship in an executive position involving significant duties and responsibilities with the Company, entities over which the Company exercises management control or significant influence, shareholders who exercise management control over or have significant influence on the Company, legal entities controlled by such shareholders, or his/her spouse and relatives by blood or marriage up to the second degree; not holding, individually or jointly, more than 5% of the capital, voting rights or privileged shares of such entities; and not having established any significant commercial relationship with such persons or entities;

b) Not having been, within the last five years, a shareholder (holding 5% or more of the shares), an employee in an executive position involving significant duties and responsibilities, or a member of the board of directors of companies that, pursuant to contractual arrangements, provided significant products or services to, or received significant products or services from, the Company, particularly in relation to the audit of the Company (including tax audits, statutory audits and internal audits), rating services or consultancy services, during the periods in which such products or services were provided;

c) Having the professional qualifications, knowledge and experience required to duly perform the duties and responsibilities arising from serving as an Independent Member of the Board of Directors;
ç) Not serving in a full-time capacity at any public institution or organization after being elected as a member, except as a member of a university faculty, provided that such service is in compliance with the applicable legislation;

d) Being deemed resident in Türkiye pursuant to the Income Tax Law (G.V.K.) No. 193 dated December 31, 1960;

e) Possessing strong ethical standards, professional reputation and experience that will enable him/her to contribute positively to the Company’s activities, maintain impartiality in situations involving conflicts of interest between the Company and its shareholders, and exercise independent judgment with due regard for the rights of stakeholders;

f) Being able to devote sufficient time to Company affairs to effectively monitor the conduct of the Company’s activities and to duly fulfill the responsibilities arising from the position assumed;

g) Not having served as a member of the Company’s Board of Directors for more than six years within the last ten years;

ğ) Not serving as an Independent Member of the Board of Directors in more than three companies controlled by the Company or by shareholders who exercise control over the Company, and in more than five publicly traded companies in total; and

h) Not having been registered and publicly disclosed as the representative of a legal entity elected as a member of the Board of Directors.

UFUK BALA YÜCEL

DECLARATION OF INDEPENDENCE

To the Corporate Governance Committee of Batısöke Söke Çimento Sanayii T.A.Ş.;

On April 17, 2024, I submitted the following declaration to the Corporate Governance Committee in connection with my application as an Independent Board Member candidate: “I hereby declare that I have read and understood the ‘Corporate Governance Principles of the Capital Markets Board’, which are annexed to the Capital Markets Board’s Corporate Governance Communiqué No. II-17.1, and that, within the framework of the applicable legislation, I satisfy all of the criteria for Independent Board Membership set forth in Principle No. 4.3.6, as detailed below.”

a) Not having had, within the last five years, an employment relationship in an executive position involving significant duties and responsibilities with the Company, entities over which the Company exercises management control or significant influence, shareholders who exercise management control over or have significant influence on the Company, legal entities controlled by such shareholders, or his/her spouse and relatives by blood or marriage up to the second degree; not holding, individually or jointly, more than 5% of the capital, voting rights or privileged shares of such entities; and not having established any significant commercial relationship with such persons or entities;

b) Not having been, within the last five years, a shareholder (holding 5% or more of the shares), an employee in an executive position involving significant duties and responsibilities, or a member of the board of directors of companies that, pursuant to contractual arrangements, provided significant products or services to, or received significant products or services from, the Company, particularly in relation to the audit of the Company (including tax audits, statutory audits and internal audits), rating services or consultancy services, during the periods in which such products or services were provided;

c) Having the professional qualifications, knowledge and experience required to duly perform the duties and responsibilities arising from serving as an Independent Member of the Board of Directors;

ç) Not serving in a full-time capacity at any public institution or organization after being elected as a member, except as a member of a university faculty, provided that such service is in compliance with the applicable legislation;

d) Being deemed resident in Türkiye pursuant to the Income Tax Law (G.V.K.) No. 193 dated December 31, 1960;

e) Possessing strong ethical standards, professional reputation and experience that will enable him/her to contribute positively to the Company’s activities, maintain impartiality in situations involving conflicts of interest between the Company and its shareholders, and exercise independent judgment with due regard for the rights of stakeholders;

f) Being able to devote sufficient time to Company affairs to effectively monitor the conduct of the Company’s activities and to duly fulfill the responsibilities arising from the position assumed;

g) Not having served as a member of the Company’s Board of Directors for more than six years within the last ten years;

ğ) Not serving as an Independent Member of the Board of Directors in more than three companies controlled by the Company or by shareholders who exercise control over the Company, and in more than five publicly traded companies in total; and

h) Not having been registered and publicly disclosed as the representative of a legal entity elected as a member of the Board of Directors.

MEHMET ŞAHNE

DECLARATION OF INDEPENDENCE

To the Corporate Governance Committee of Batısöke Söke Çimento Sanayii T.A.Ş.;

On August 21, 2024, in connection with my application as a candidate for Independent Board Membership, I declared to the Corporate Governance Committee that I had read and understood the "Capital Markets Board Corporate Governance Principles" annexed to the Capital Markets Board of Türkiye (SPK) Corporate Governance Communiqué No. II-17.1 and that, within the framework of the applicable legislation, I met all of the criteria for Independent Board Membership set forth in Principle 4.3.6, as presented below.

a) Not having had, within the last five years, an employment relationship in an executive position involving significant duties and responsibilities with the Company, entities over which the Company exercises management control or significant influence, shareholders who exercise management control over or have significant influence on the Company, legal entities controlled by such shareholders, or his/her spouse and relatives by blood or marriage up to the second degree; not holding, individually or jointly, more than 5% of the capital, voting rights or privileged shares of such entities; and not having established any significant commercial relationship with such persons or entities;

b) Not having been, within the last five years, a shareholder (holding 5% or more of the shares), an employee in an executive position involving significant duties and responsibilities, or a member of the board of directors of companies that, pursuant to contractual arrangements, provided significant products or services to, or received significant products or services from, the Company, particularly in relation to the audit of the Company (including tax audits, statutory audits and internal audits), rating services or consultancy services, during the periods in which such products or services were provided;

c) Having the professional qualifications, knowledge and experience required to duly perform the duties and responsibilities arising from serving as an Independent Member of the Board of Directors;

ç) Not serving in a full-time capacity at any public institution or organization after being elected as a member, except as a member of a university faculty, provided that such service is in compliance with the applicable legislation;

d) Being deemed resident in Türkiye pursuant to the Income Tax Law (G.V.K.) No. 193 dated December 31, 1960;

e) Possessing strong ethical standards, professional reputation and experience that will enable him/her to contribute positively to the Company's activities, maintain impartiality in situations involving conflicts of interest between the Company and its shareholders, and exercise independent judgment with due regard for the rights of stakeholders;

f) Being able to devote sufficient time to Company affairs to effectively monitor the conduct of the Company's activities and to duly fulfill the responsibilities arising from the position assumed;

g) Not having served as a member of the Company's Board of Directors for more than six years within the last ten years;

ğ) Not serving as an Independent Member of the Board of Directors in more than three companies controlled by the Company or by shareholders who exercise control over the Company, and in more than five publicly traded companies in total; and

h) Not having been registered and publicly disclosed as the representative of a legal entity elected as a member of the Board of Directors.

ENİS TURAN ERDOĞAN

INVESTOR RELATIONS DEPARTMENT CONTACT INFORMATION

All shareholder relations activities are carried out by the Company's Investor Relations Department, whose contact details are provided below.

Investor Relations Department Manager	
First Name and Last Name	Onur BAYRAM
Date of Appointment	December 29, 2023
Phone	0 (232) 478 44 00
Email Address	onurbayram@baticim.com.tr
Address	Ankara Caddesi No: 335 Bornova - İzmir
Licenses Held	Capital Markets Activities Level 3 License (License Certificate No.: 928768), Corporate Governance Rating License (License Certificate No.: 928840), Credit Rating License (License Certificate No.: 929445), Derivative Financial Instruments License (License Certificate No.: 929962)

Investor Relations Department Member	
First Name and Last Name	Adil ULUDAĞ
Date of Appointment	August 19, 2020
Phone	0 (232) 478 44 00
Email Address	adiluludag@baticim.com.tr
Address	Ankara Caddesi No: 335 Bornova - İzmir

08

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR’S REPORT

Consolidated financial statements for the 2025 accounting period and independent auditor’s report

BATISÖKE SÖKE ÇİMENTO SANAYİİ T.A.Ş. AND ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD BETWEEN JANUARY 1 - DECEMBER 31, 2025 AND THE INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Batısöke Söke Çimento Sanayii T.A.Ş.

A. REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Our opinion

We have audited the consolidated financial statements of Batısöke Söke Çimento Sanayii T.A.Ş. (the "Company") and its subsidiary (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, as well as the notes to the consolidated financial statements, including a summary of significant accounting policies.

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

2. Basis for the Opinion

We conducted our independent audit in accordance with the Standards on Independent Auditing (ISA), which form part of Turkish Auditing Standards accepted within the framework of the Capital Markets Board regulations and published by the Public Oversight Accounting and Auditing Standards Authority (POA). Our responsibilities under those Standards are further described in the Independent Auditor's Responsibilities for the Independent Audit of the Consolidated Financial Statements section of our report. We declare that we are independent of the Group in accordance with the Code of Ethics for Independent Auditors (including Independence Standards) (the Code of Ethics) published by the POA, which is applicable for independent audits of consolidated financial statements of public interest entities, and in accordance with the ethical provisions included in the Capital Markets Board legislation and other relevant legislation regarding independent audits of consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code of Ethics and applicable legislation. We believe the independent audit evidence we obtained during the audit 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 independent audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent 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.

A. REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

3. Key Audit Matters

<table>
<tr><th>Key Audit Matters</th><th rowspan="2">How the matter was addressed in the audit</th></tr>
<tr><th>Application of TAS 29 “Financial Reporting in Hyperinflationary Economies”</th></tr>
<tr><td>The Group continues to apply TAS 29 “Financial Reporting in Hyperinflationary Economies” as at December 31, 2025.

In accordance with TAS 29, the consolidated financial statements and financial information for prior periods have been restated to reflect changes in the general purchasing power of the Turkish Lira and, as a result, are presented in terms of the purchasing power of the Turkish Lira as at the reporting date.

Considering the significant effect of TAS 29 on the Group’s reported results and financial position, hyperinflation accounting has been considered as a key audit matter.

The Group’s accounting policies and related disclosures regarding the application of TAS 29 are presented in Note 2.1.</td><td>During our audit procedures, the following audit procedures have been performed regarding the application of TAS 29 “Financial Reporting in Hyperinflationary Economies”:

• Understanding and evaluating the process regarding the application of TAS 29 and the controls designed by the Group management.

• Checking whether the classification of monetary and non-monetary items made by the Group management has been performed in accordance with TAS 29.

• Testing the inputs and indices used to ensure the completeness and accuracy of the calculations.

• Checking the coefficients based on the general price index used in the calculations by comparing them with the coefficients derived from the Consumer Price Index in Turkey published by TURKSTAT.

• Checking the financial statements and related financial information restated in accordance with TAS 29.

• Evaluating the adequacy of the disclosures in the notes to the consolidated financial statements regarding the application of TAS 29.</td></tr>
</table>

<table>
<tr><th>Key Audit Matters</th><th rowspan="2">How the matter was addressed in the audit</th></tr>
<tr><th>Accounting for Property, Plant and Equipment Using Revaluation Method</th></tr>
<tr><td>In its consolidated financial statements dated December 31, 2025, the Group measured its land and its machinery, plant and equipment at their fair values based on the results of valuation studies conducted as of the end of the current period by an independent valuation firm authorized by the CMB, and as revaluation increase amounting to TL 161,557, net of tax effect, relating to the revaluation reserve was recognized under other comprehensive income in the property, plant and equipment revaluation surplus accounts.

The processes involved in accounting for such transactions in the consolidated financial statements are significant to our audit, as the valuation studies use significant expertise, judgment and assumptions, and are therefore considered a key audit matter.

Detailed disclosures regarding property, plant and equipment are presented in Note 2.1 and Note 9.</td><td>During our audit procedures, the following audit procedures have been performed regarding the measurement of property, plant and equipment under the revaluation model:

• The valuation accreditation and licenses of the expert firm, as recognized by the Capital Markets Board (CMB), were checked.

• The competence, capabilities and objectivity of the expert firm were assessed.

• The valuation reports prepared by the expert firm were read, and the valuation work was evaluated.

• The consistency between the fair values reported in the valuation report and the disclosures in the notes was checked; it was assessed whether the amounts disclosed in the notes agree with the valuation reports and whether the note disclosures are adequate under TFRS.

As a result of the procedures performed, no significant findings were identified.</td></tr>
</table>

A. REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

3. Key Audit Matters (Continued)

Key Audit Matters Recoverability of Deferred Tax Assets	How the matter was addressed in the audit
As stated in Note 22, the Group carries a deferred tax asset amounting to TL 743,882 in its consolidated statement of financial position dated December 31, 2025. The recoverable amount of the calculated deferred tax assets has been estimated through projections prepared by the Group management based on assumptions under the current circumstances. As these projections depend on management's estimates and the deferred tax assets recognized in the statement of profit or loss dated December 31, 2025 are significant in amount, the recoverability of these assets is considered a key audit matter.	During our audit procedures, the following audit procedures have been performed regarding the recoverability of deferred tax assets: • Analyses were performed to understand the temporary differences that form the basis for the deferred tax assets. • Projections for future periods were obtained from the Group's management, and the appropriateness of the key assumptions included in these projections was evaluated in meetings held with senior management, with the involvement of our tax specialists. • The alignment of the financial indicators included in the projections, which significantly affect taxable profit, with the Group management's plans was analyzed. • In addition, the adequacy of the disclosures included in the consolidated financial statements and the notes was evaluated within the scope of TFRS.

4. Other Matters

The consolidated financial statements of the Group for the accounting period ending December 31, 2024, were audited by another independent auditor and an unqualified opinion was issued by the previous independent auditor's report dated February 20, 2025.

5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

When preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for 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.

6. The Independent Auditor's Responsibilities for the Independent Audit of the Consolidated Financial Statements

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

Our objective is to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance provided as a result of an independent audit conducted in accordance with the independent auditing standards issued by the Capital Markets Board and the BDS is a high level of assurance, but it does not guarantee that a material misstatement that exists will always be detected. Misstatements may arise from fraud or error. Misstatements 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 required by an independent audit conducted in accordance with the independent auditing standards issued by the Capital Markets Board and the BDS, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we:

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

- Evaluate 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.

6. The Independent Auditor's Responsibilities for the Independent Audit of the Consolidated Financial Statements (Continued)

- The appropriateness of the accounting policies used by management and the reasonableness of accounting estimates made by management, and the related disclosures are evaluated.

- Based on the audit evidence obtained, a conclusion is reached as to 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, and as to whether management's use of the going concern basis of accounting is appropriate. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the 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 the independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- In order to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the Group, as a basis for our opinion on the Group financial statements, the group audit is planned and performed. We are responsible for the direction, supervision, and review of the audit work performed for the purposes of the Group audit. We are solely responsible for our audit opinion.

In addition to other matters, we communicate to those charged with governance the planned scope and timing of the independent audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We have informed those charged with governance that we have complied with the ethical requirements regarding independence. We have also communicated to those charged with governance all relationships and other matters that may be thought to bear on our independence and, where applicable, the related safeguards and actions taken to eliminate threats.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the independent audit of the consolidated financial statements of the current period, i.e., the key audit matters. In circumstances where the applicable legislation does not permit public disclosure of the matter, or in extremely rare circumstances where we reasonably expect that the adverse consequences of communicating the matter would outweigh the public interest benefits of such communication, we may decide not to communicate the matter in our independent auditor's report.

B. OTHER LIABILITIES ARISING FROM LEGISLATION

1. In accordance to paragraph four of Article 402 of the Turkish Commercial Code No. 6102 (TCC), no significant matters have come to our attention indicating that the Company's bookkeeping practices for the accounting period from January 1 to December 31, 2025 were not in compliance with the law and the provisions of the Company's articles of association relating to financial reporting.

2. Pursuant to paragraph four of Article 402 of the Turkish Commercial Code No. 6102 (TCC), the Board of Directors has provided the explanations requested by us within the scope of the audit and has furnished the documents requested.

3. The Auditor's Report on the Early Detection of Risk System and Committee, prepared pursuant to paragraph four of Article 398 of the Turkish Commercial Code (TCC), was submitted to the Company's Board of Directors on February 20, 2026.

Finansal Eksen Bağımsız Denetim ve Danışmanlık A.Ş.
Exclusive Member of GGI Global Alliance AG

Ufuk Doğruer
Engagement Partner

İstanbul, February 20, 2026

Batısöke Söke Çimento Sanayii T.A.Ş. and its Subsidiary

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As of December 31, 2025, consolidated statement of financial position
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

		Current Period	Previous Period
		Audited	Audited
	Note	December 31, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	3	**55.121**	42.582
Trade receivables			
- Trade receivables from related parties	5, 24	**239.485**	119.938
- Trade receivables from third parties	5	**936.644**	974.493
Other receivables			
- Other receivables from related parties	6, 24	**8.469**	10.195
- Other receivables from third parties	6	**194**	144
Inventories	7	**910.091**	953.339
Prepaid expenses	8	**94.338**	59.675
Current income tax assets	22	**1.466**	948
Other current assets	13	**251.639**	283.670
Total current assets		**2.497.447**	**2.444.984**
Non-current assets			
Other receivables			
- Other receivables from third parties	6	**2.800**	901
Property, plant, and equipment	9	**13.715.043**	13.811.464
Right-of-use assets	10	**6.059**	9.113
Intangible assets	10	**2.449**	2.920
Prepaid expenses	8	**32.507**	-
Deferred tax assets	22	**743.882**	448.867
Total non-current assets		**14.502.740**	14.273.265
Total assets		**17.000.187**	**16.718.249**

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

As of December 31, 2025, consolidated statement of financial position

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

		Current Period	Previous Period
		Audited	Audited
	Note	December 31, 2025	December 31, 2024
Liabilities			
Current liabilities			
Short term borrowings	4	**299.380**	551.601
Current portion of long-term borrowings	4	**628.387**	458.902
Lease liabilities	4	**1.317**	1.668
Trade payables			
- Trade payables to related parties	5, 24	**155.698**	210.195
- Trade payables to third parties	5	**986.025**	581.751
Liabilities for employee benefits	12	**23.869**	19.816
Other payables			
- Other payables to related parties	6, 24	**-**	2.466.976
- Other payables to third parties	6	**21.905**	12.788
Deferred income	8	**5.048**	33.563
Short term provisions			
- Other short term provisions		**1.727**	3.262
Other short term liabilities	13	**32.303**	29.794
Total current liabilities		**2.155.659**	4.370.316
Non-current liabilities			
Long term financial liabilities	4	**2.083.697**	2.252.563
Other financial liabilities	4	**4.203**	7.225
Long term provisions			
- Provisions for long term employee benefits	12	**87.439**	78.732
- Other long term provisions	11	**41.708**	41.896
Deferred tax liabilities	22	**-**	-
Total non-current liabilities		**2.217.047**	2.380.416
Total liabilities		**4.372.706**	6.750.732
Equity			
Share capital	14	**1.600.000**	1.600.000
Adjustment to share capital	14	**7.874.917**	7.874.917
Capital Advance	14	**2.617.010**	-
Repurchased shares (-)		**(2.756)**	(2.756)
Share premiums (discounts)	14	**17.545**	17.545
Accumulated other comprehensive income (expenses) not to be reclassified to profit or loss			
- Property, plant and equipment revaluation surplus	14	**1.567.982**	1.406.425
- Remeasurement gains (losses) on defined benefit plans	14	**(69.777)**	(72.947)
Restricted Reserves Appropriated from Profit		**499.363**	490.752
Retained earnings (loss)		**(1.356.422)**	(1.674.625)
Net (loss)/profit for the period		**(120.381)**	328.206
Total equity		**12.627.481**	9.967.517
Total liabilities and equity		**17.000.187**	16.718.249

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

BATISÖKE SÖKE ÇİMENTO SANAYİİ T.A.Ş. AND ITS SUBSIDIARY

For the period January 1 – December 31, 2025, Consolidated Statement of Profit or Loss and Other Comprehensive Income (All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

		Current Period	Previous Period
		Audited	Audited
Statement of profit or loss	Note	January 1 – December 31, 2025	January 1 – December 31, 2024
Revenue	15	5.814.769	5.592.126
Cost of sales	15	(5.412.098)	(5.356.699)
Gross profit from commercial activities		**402.671**	235.427
Gross profit		402.671	235.427
General administrative expenses	16	(253.375)	(189.046)
Marketing, selling and distribution expenses	16	(497.806)	(609.659)
Other income from operating activities	18	121.917	191.742
Other expenses from operating activities	18	(115.746)	(191.544)
Operating profit (loss)		**(342.339)**	(563.080)
Expense from investing activities	19	(1.917)	-
Operating profit (loss) before financing income (expense)		**(344.256)**	(563.080)
Financing income	20	16.194	33.018
Financing expenses	21	(1.041.764)	(1.959.768)
Net monetary gain (loss)	25	884.613	2.227.818
Profit (loss) before tax from continuing operations		**(485.213)**	(262.012)
Tax income from continuing operations			
Deferred tax income	22	364.832	590.218
Profit (loss) for the period from continuing operations		**(120.381)**	328.206
Distribution of profit (loss) for the period			
Equity holders of the parent		(120.381)	328.206
Non-controlling interests		-	-
Earnings/Loss per share	23	(0,0752)	(0,2051)
Other comprehensive income (expense) section			
Items that will not be reclassified to profit or loss			
- Property, plant and equipment revaluation increases (decreases)	9	230.323	536.664
- Property, plant and equipment revaluation increases (decreases), tax effect	22	(68.766)	(105.374)
- Remeasurement gains (losses) on defined benefit plans	12	4.221	32.003
- Remeasurement gains (losses) on defined benefit plans, tax effect	22	(1.051)	(8.001)
Other comprehensive income		**164.727**	455.292
Total comprehensive income		**44.346**	783.498
Equity holders of the parent		44.346	783.498
Non-controlling interests		-	-

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

BATISÖKE SÖKE ÇİMENTO SANAYİİ T.A.Ş. AND ITS SUBSIDIARY

Consolidated Statement of Changes in Equity for the period January 1–December 31, 2025

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

						Accumulated other comprehensive income or expenses that will not be reclassified to profit or loss			Accumulated profits / losses				
	Share Capital	Capital adjustment differences	Capital advance	Repurchased shares	Share premium	Property, plant and equipment revaluation increases / decreases	Remeasurement gains (losses) on defined benefit plans	Restricted reserves	Retained earnings (losses)	Profit (loss) for the period	Equity attributable to owners of the company	Non-controlling interests	Total equity
Balance as of January 1, 2024 (beginning of period)	400.000	7.090.351	-	(2.139)	5.436	975.135	(96.949)	490.752	(3.323.686)	1.649.061	7.187.961	-	7.187.961
Transfers	-	-	-	-	-	-	-	-	1.649.061	(1.649.061)	-		-
Total comprehensive income	-	-		-	-	431.290	24.002	-	-	328.206	783.498		783.498
- Profit (loss) for the period	-	-	-	-	-	-	-	-	-	328.206	328.206		328.206
- Other comprehensive income (loss)	-	-	-	-	-	431.290	24.002	-	-	-	455.292		455.292
Capital increase	1.200.000	784.566	-	(617)	12.109	-	-	-	-	-	1.996.058		1.996.058
Balance as of December 31, 2024 (end of period)	**1.600.000**	**7.874.917**	**-**	**(2.756)**	**17.545**	**1.406.425**	**(72.947)**	**490.752**	**(1.674.625)**	**328.206**	**9.967.517**	**-**	**9.967.517**
Balance as of January 1, 2025 (beginning of period)	**1.600.000**	**7.874.917**	**-**	**(2.756)**	**17.545**	**1.406.425**	**(72.947)**	**490.752**	**(1.674.625)**	**328.206**	**9.967.517**	**-**	**9.967.517**
Transfers	-	-	-	-	-	-	-	-	328.206	(328.206)	-		-
Total comprehensive income (loss)	-	-	-	-	-	161.557	3.170	-	-	(120.381)	44.346		44.346
- Profit (loss) for the period	-	-	-	-	-	-	-	-	-	(120.381)	(120.381)		(120.381)
- Other comprehensive income (loss)	-	-	-	-	-	161.557	3.170	-	-	-	164.727		164.727
Capital advance	-	-	2.617.010	-	-	-	-	-	-	-	2.617.010		2.617.010
Acquisition of a subsidiary	-	-	-	-	-	-	-	8.611	(10.003)	-	(1.392)		(1.392)
Balance as of December 31, 2025 (end of period)	**1.600.000**	**7.874.917**	**2.617.010**	**(2.756)**	**17.545**	**1.567.982**	**(69.777)**	**499.363**	**(1.356.422)**	**(120.381)**	**12.627.481**	**-**	**12.627.481**

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

BATISÖKE SÖKE ÇİMENTO SANAYİİ T.A.Ş. AND ITS SUBSIDIARY

Consolidated Statement of Cash Flows for the period January 1–December 31, 2025

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

		Current Period	Previous Period
		Audited	Audited
	Note	January 1 – December 31, 2025	January 1 – December 31, 2024
A. Cash flows from operating activities		**808.307**	457.627
Net profit (loss) for period			
Net profit for the period from continued operations (I)		**(120.381)**	328.206
Adjustments related to the reconciliation of net profit (loss) for the period (II)		**673.960**	431.184
Adjustments for depreciation and amortization expenses	9, 10	**769.468**	681.426
Adjustments related to impairment (reversal)			
- Adjustments related to inventory impairment (reversal)	7	**-**	15.714
Adjustments for provisions			
- Adjustments related to provisions (reversal) for employee benefits	12	**8.707**	35.160
- Adjustments related to provisions (reversal) for lawsuits and/or penalties		**38**	1.766
- Adjustments related to other provisions (reversals)	11	**3.065**	14.377
Adjustments related to interest income and expenses			
- Adjustments related to interest income	20	**(9.965)**	(9.741)
- Adjustments related to interest expenses	21	**450.005**	1.065.156
- Unearned finance income arising from forward sales	18	**-**	(35.101)
- Deferred finance expense arising from forward purchases	18	**-**	12.487
Adjustments related to unrealized foreign exchange translation differences		**646.610**	871.959
Adjustments related to losses (gains) arising from the disposal of property, plant and equipment	19	**1.917**	-
Adjustments for tax income/expense	22	**(295.009)**	(590.218)
Adjustments related to monetary loss / (gain)		**(900.876)**	(1.631.801)
Changes in working capital (III)		**260.577**	(297.874)
Adjustments related to decrease (increase) in trade receivables		**(81.698)**	162.168
Adjustments related to decrease (increase) in other receivables related to operations			
- Decrease (increase) in other receivables from related parties related to operations		**1.728**	373
- Decrease (increase) in other receivables from third parties related to operations		**(1.949)**	7.369
Adjustments for (increase)/decrease in inventories		**43.248**	225.881
Decrease (increase) prepaid expenses		**(67.170)**	30.127
Changes in deferred income		**(28.516)**	(204.129)
Adjustments related to increase (decrease) in trade payables		**349.777**	(498.341)
Increase (decrease) in liabilities under employee benefits		**4.054**	(4.733)
Adjustments related to increase (decrease) in other payables related to operations			
- Increase (decrease) in other payables to third parties related to operations		**9.117**	280

Consolidated Statement of Cash Flows for the period January 1–December 31, 2025

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

		Current Period	Previous Period
		Audited	Audited
	Note	January 1 – December 31, 2025	January 1 – December 31, 2024
Adjustments related to other increase (decrease) in working capital			
- Decrease (increase) in other assets related to operations		**31.986**	(24.301)
- Increase (decrease) in other liabilities related to operations		**-**	7.432
Cash flows generated from operations (I+II+III)		**814.156**	461.516
Payments made within the scope of provisions for employee benefits	12	**(5.332)**	(3.389)
Tax refunds (payments)	22	**(517)**	(500)
B. Cash flows from investing activities		**(480.264)**	(103.270)
Cash inflows from the sale of property, plant and equipment and intangible assets			
- Cash inflows from the sale of property, plant and equipment		**6.092**	-
Cash outflows from the acquisition of property, plant and equipment and intangible assets			
- Cash outflows from the acquisition of property, plant and equipment	9	**(442.884)**	(108.473)
- Cash outflows from the acquisition of intangible assets	10	**(43.472)**	(71)
Cash advances and loans granted	8	**-**	5.274
C. Cash flows from financing activities		**(307.443)**	(341.095)
Cash inflows from borrowings			
- Cash inflows from loans	4	**1.337.003**	997.804
Cash outflows related to debt repayments			
- Cash outflows related to loan repayments	4	**(1.196.366)**	(2.957.406)
Cash outflows relating to lease liabilities (-)		**(5.774)**	(3.124)
Increase (decrease) in other borrowings from related parties		**150.033**	1.778.040
Interest received	20	**9.965**	9.741
Interest paid	4	**(602.304)**	(576.233)
Capital increase		**-**	398.591
Cash inflows from share issuance		**-**	11.492
D. Effect of monetary gain (loss) on cash and cash equivalents		**(10.050)**	(12.245)
E. Effect of exchange rate changes on cash and cash equivalents		**1.989**	1.725
Net increase (decrease) in cash and cash equivalents (A+B+C+D+E)		**12.539**	2.742
F. Cash and cash equivalents at the beginning of the period	**3**	**42.582**	39.840
Cash and cash equivalents at the end of the period (A+B+C+D+E+F)	**3**	**55.121**	42.582

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

1. THE GROUP'S ORGANIZATION AND NATURE OF OPERATIONS

Batısöke Söke Çimento Sanayii T.A.Ş. ("Group") was established in accordance with the Turkish Trade Law in 1955 in Aydın, Turkey.

The Group's headquarters is located at Ankara Caddesi No: 335, Bornova, İzmir. The Company performs its production activities at Atatürk Mahallesi Aydın Caddesi No: 234, Söke, Aydın. Also, the Company has a grinding and packaging facility at Çavdır, Burdur.

The Group is registered under the Capital Markets Board ("CMB") and since 2000 its stocks are traded in Borsa Istanbul Anonim Şirketi ("Borsa Istanbul"). The immediate parent and ultimate controlling party of the Group is Batıçim Batı Anadolu Çimento Sanayii A.Ş. ("Batıçim") with 74,62% share. The capital structure of the Company is explained in Note 14.

The Group's shareholder structure is as below:

Shareholders	December 31, 2025		December 31, 2024	
	Share (%)	Amount (TL)	Share (%)	Amount (TL)
Batıçim Batı Anadolu Çimento Sanayii A.Ş.	**74,62**	**1.193.976**	74,62	1.193.976
Other	**25,38**	**406.024**	25,38	406.024
Nominal capital		**1.600.000**		1.600.000

As of December 31, 2025, the information related to the Group's subsidiaries is as follows:

Subsidiaries	Stock Exchange Market	Main Business Activities
ASH Plus Yapı Malzemeleri Sanayi ve Ticaret A.Ş. ("ASH Plus")	-	Production and sale of ash

The principal activities of the Company and its subsidiary described in detail above (together, the "Group") are the production and sale of clinker and cement, and the production and sale of fly ash, and the Group had 364 employees as of December 31, 2025 (December 31, 2024: 356).

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

The Company and its subsidiary keep and prepare their statutory books and statutory financial statements in accordance with the accounting principles prescribed by the Turkish Commercial Code ("TCC") and tax legislation.

The accompanying consolidated financial statements have been prepared in accordance with the provisions of the Communiqué Serial II, No. 14.1 "Communiqué on Principles of Financial Reporting in Capital Markets" ("Communiqué"), published in the Official Gazette dated June 13, 2013 and numbered 28676 by the Capital Markets Board ("CMB"), and, pursuant to Article 5 of the Communiqué, are based on the Turkish Financial Reporting Standards ("TFRS") put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA").

Companies that report in accordance with the CMB legislation apply the Turkish Accounting Standards / Turkish Financial Reporting Standards and the related appendices and interpretations ("TAS/TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA") pursuant to Article 5 of the Communiqué.

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of presentation (continued)

The Group's consolidated financial statements are prepared on the historical cost basis, except for land/plots and machinery, equipment and fixtures, which are accounted for at fair value using the revaluation model in accordance with TAS 16. In determining historical cost, the fair value of the amount paid for the assets is generally taken as the basis.

Functional and presentation currency

The Group's financial position and results of operations have been expressed in TL, which is the Group's functional currency and the presentation currency for the financial statements

Restatement of financial statements during the hyperinflationary periods

The consolidated financial statements and the corresponding amounts for previous periods have been restated for changes in the general purchasing power of the functional currency and, as a result, have been expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 "Financial Reporting in Hyperinflationary Economies."

TAS 29 applies to the financial statements, including the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy. Where a hyperinflationary economy exists, TAS 29 requires the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the end of the reporting period.

As of the reporting date, since the cumulative change in the general purchasing power over the last three years has exceeded 100% based on the Consumer Price Index ("CPI"), entities operating in Turkey are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" in reporting periods ending on or after December 31, 2023.

Within the scope of the Announcement on the Adjustment of Financial Statements of Companies Subject to Independent Audit for Inflation, published by the POA on November 23, 2023, it has been stated that the financial statements of entities applying Turkish Financial Reporting Standards for annual reporting periods ending on or after December 31, 2023 should be presented after being adjusted for the effects of inflation in accordance with the relevant accounting principles set out in TAS 29.

However, pursuant to the decision of the CMB dated December 28, 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting / Financial Reporting Standards have been required to apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the accounting periods ended as of December 31, 2023.

Within this framework, the financial statements as of December 31, 2025 have been presented after being adjusted for the effects of inflation within the scope of the accounting principles set out in TAS 29.

The table below presents the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute ("TurkStat"):

Date	Index	Correction coefficient	Three-year cumulative inflation rates
December 31, 2025	3.513,87	1,00000	%211
December 31, 2024	2.684,55	1,30892	%291
December 31, 2023	1.859,38	1,88981	%268

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of presentation (continued)

The main lines of TAS 29 indexation transactions are as follows:

- All items other than those expressed in terms of the current purchasing power as of the reporting date are indexed using the relevant adjustment coefficients. Amounts relating to prior years have also been indexed in the same manner.
- Monetary assets and liabilities are not indexed, since they are expressed in terms of the current purchasing power as of the statement of financial position date. Monetary items are items to be received or paid in cash or cash equivalents.
- Fixed assets, investments in associates and similar assets are indexed over their historical cost, provided that they do not exceed their market values. Depreciation has also been adjusted in a similar manner. Amounts included in equity have been restated by applying general price indices in the periods in which such amounts were included in the Group or arose within the Group.
- All items in the statement of profit or loss are indexed using coefficients calculated over the periods in which the income and expense accounts were first reflected in the consolidated financial statements, except for those items in the statement of profit or loss that are affected by the indexing of non-monetary items included in the consolidated statement of financial position and that have an effect on the statement of profit or loss..
- Gains or losses arising from general inflation in the net monetary position represent the difference resulting from the adjustments made to non-monetary assets, equity items, and statement of profit or loss accounts. These gains or losses in the net monetary position are included in profit or loss.
- The effect of inflation on the Group's net monetary asset position in the current period has been recognized in the statement of profit or loss under net monetary position gains/(losses) (Note 25).

The effects of the application of TAS 29 "Financial Reporting in Hyperinflationary Economies" are summarized below:

Restatement of the Statement of Financial Position

Amounts presented in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated, as they are expressed in terms of the currency current at the end of the reporting period. Non-monetary items, unless presented at their current amounts at the end of the reporting period, are required to be restated.

The gain or loss in the net monetary position arising from the restatement of non-monetary items is included in profit or loss and presented separately in the statement of profit or loss and other comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

The cost of inventories sold has been adjusted by using the restated inventory balance.

Depreciation and amortization expenses have been adjusted by using the restated balances of property, plant and equipment, intangible assets, and right-of-use assets.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of presentation (continued)

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Non-monetary items acquired or assumed before January 1, 2005, the date on which the Turkish lira ceased to be defined as the currency of a hyperinflationary economy, as well as equity contributed to or arising within the entity before that date, have been adjusted for the change in the CPI from January 1, 2005 to December 31, 2025.

In addition, in the reporting period in which TAS 29 is applied for the first time, the provisions of the Standard are applied assuming that the economy has always been hyperinflationary. Accordingly, the opening balance sheet dated January 1, 2022, representing the beginning of the earliest comparative period, has been adjusted for inflation in order to serve as the basis for subsequent reporting periods. The inflation-adjusted amount of the retained earnings/losses item in the statement of financial position as of January 1, 2022 has been derived from the balance required after the inflation adjustment of the other items in that statement.

Going concern:

The financial statements have been prepared on a going concern basis, under the assumption that the Group will derive benefits from its assets and fulfil its obligations within one year following the reporting date and in the ordinary course of its operations.

Approval of the consolidated financial statements:

The consolidated financial statements have been approved by the Board of Directors and authorized for issue on February 20, 2026. The General Assembly has the authority to amend the consolidated financial statements.

Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Group and the entities controlled by the Group and its subsidiaries. Control is achieved when the Group satisfies all of the following conditions:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

If a situation or event arises that may cause a change in at least one of the criteria listed above, the Group reassesses whether it has control over its investment.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ends when the Group loses control over it. The 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 to the date of disposal.

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of presentation (continued)

Each item of profit or loss and other comprehensive income is attributed to the equity holders of the parent and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the equity holders of the parent and to the non-controlling interests, even if this results in the noncontrolling interests having a deficit balance. Where necessary, adjustments have been made to the financial statements of subsidiaries regarding accounting policies in order to align them with the accounting policies followed by the Group. All intra-group assets and liabilities, equity, income and expenses, and cash flows relating to transactions between Group companies are eliminated on consolidation.

As of December 31, 2025, and 2024, the details of the Group's subsidiaries are as follows:

		December 31, 2025		December 31, 2024	
Subsidiary	Establishment and operation location	Direct proportional ownership	Indirect proportional ownership	Direct proportional ownership	Indirect proportional ownership
ASH Plus (*)	Manisa, Turkey	100%	100%	0%	0%

(*) All shares of ASH Plus Yapı Malzemeleri Sanayi ve Ticaret A.Ş., a subsidiary of Batıçim Batı Anadolu Çimento Sanayii A.Ş., the parent company of the Company, were acquired by the Company on November 5, 2025. As the financial size of the acquired business is immaterial, no separate note has been presented in relation to this transaction.

2.2 Changes in accounting and reporting standards

New and revised standards and interpretations

In the preparation of the consolidated financial statements for the accounting period ended December 31, 2025, the accounting policies applied are consistent with those applied in the financial statements prepared as of December 31, 2024, except for the new and amended TFRS and TFRS interpretations effective as of January 1, 2025, which are summarized below.

i) New and revised standards and interpretations effective as of January 1, 2025

TAS 21 (Amendments) Lack of Exchangeability

In May 2024, the POA issued amendments to TAS 21. The amendments specify how to assess whether a currency is exchangeable and how to determine the applicable exchange rate when a currency is not exchangeable. According to the amendment, when an estimate of the applicable exchange rate is made because a currency is not exchangeable, disclosures are made that enable users of the financial statements to understand how the inability to exchange the relevant currency into another currency affects, or is expected to affect, the entity's performance, financial position and cash flows. When the amendments are applied, comparative information is not restated.

ii) Standards and amendments issued as of December 31, 2025 but not yet effective

As of the date of approval of the consolidated financial statements, the new standards, interpretations and amendments that have been issued but are not yet effective for the current reporting period and have not been early adopted by the Group are as follows. Unless otherwise stated, the Group will make the necessary changes that will affect its consolidated financial statements and notes after the new standards and interpretations become effective.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.2 Changes in accounting and reporting standards (continued)

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

The POA indefinitely deferred the effective date of these amendments made to TFRS 10 and TAS 28 in December 2017, pending the outcomes of the ongoing research project related to the equity method. However, early application is still permitted.

ii) Standards and amendments issued as of December 31, 2025 but not yet effective (continued)

TFRS 17 – New Insurance Contracts Standard

In February 2019, the POA issued TFRS 17, a comprehensive new accounting standard covering the recognition and measurement, presentation and disclosure of insurance contracts. TFRS 17 introduces a model that provides both the measurement of liabilities arising from insurance contracts at current balance sheet values and the recognition of profit over the period in which services are provided. With the announcement made by the POA, the mandatory effective date of the Standard has been deferred to accounting periods beginning on or after January 1, 2026.

TFRS 18 – New Standard on Presentation and Disclosures in Financial Statements

In May 2025, the POA issued TFRS 18, which replaces TAS 1. TFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including the presentation of certain totals and subtotals. TFRS 18 requires entities to present all income and expenses reported in the statement of profit or loss within one of five categories: operating activities, investing activities, financing activities, income taxes, and discontinued operations. The Standard also requires the disclosure of management-defined performance measures and, in addition, introduces new requirements for the aggregation or disaggregation of financial information in accordance with the functions defined for the primary financial statements and the notes. With the issuance of TFRS 18, certain amendments have also been made to other financial reporting standards such as TAS 7, TAS 8, and TAS 34. TFRS 18 and the related amendments will become effective for reporting periods beginning on or after January 1, 2027. However, early application is permitted.

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

Ağustos 2025'te KGK, finansal araçların sınıflandırılmasına ve ölçümüne yönelik değişiklikler yayımlamıştır. Değişiklik In August 2025, the POA issued amendments related to the classification and measurement of financial instruments. The amendment clarifies that financial liabilities are derecognized on the date on which they are extinguished.

In addition, the amendment introduces an accounting policy option that allows financial liabilities settled through an electronic payment system to be derecognized before the settlement date, provided that certain conditions are met. The amendment also provides clarifications on how to assess the contractual cash flow characteristics of financial assets that include Environmental, Social and Governance (ESG)-linked or similar contingent features, as well as guidance on the application for assets that do not give rise to unlimited liability and for contractually linked financial instruments. Furthermore, with this amendment, additional disclosures have been added to TFRS 7 for financial assets and liabilities containing contractual terms that reference a contingent event (including ESG-linked features) and for equity instruments measured at fair value through other comprehensive income. The amendment will become effective for annual reporting periods beginning on or after January 1, 2026. Entities may early adopt the amendments related to the classification of financial assets and the related disclosures, and apply the other amendments at a later date.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.2 Changes in accounting and reporting standards (continued)

ii) Standards and amendments issued as of December 31, 2025 but not yet effective (continued)

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

In August 2025, the POA issued the amendment titled "Contracts Referencing Nature-Dependent Electricity" (relating to TFRS 9 and TFRS 7). The amendment clarifies the application of the own-use exception and permits hedge accounting when such contracts are used as hedging instruments. The amendment also introduces new disclosure requirements in order to enable investors to understand the effects of such contracts on the entity's financial performance and cash flows. The amendment becomes effective for annual reporting periods beginning on or after January 1, 2026. Early application is permitted, and if early application is made, this matter is disclosed in the notes. The clarifications regarding the own-use provisions are applied retrospectively; however, the provisions permitting hedge accounting are applied prospectively to new hedging relationships designated on or after the date of initial application.

TFRS 19 – New Standard on Subsidiaries without Public Accountability: Disclosures

In August 2025, the POA issued TFRS 19, which provides certain entities with the option to present reduced disclosures while applying the recognition, measurement and presentation requirements of TFRS in the financial statements. Unless otherwise specified, entities within the scope that choose to apply TFRS 19 will not be required to apply the disclosure requirements in other TFRS. An entity that is a subsidiary, does not have public accountability, and whose parent (intermediate or ultimate) prepares TFRS-compliant financial statements available for public use may elect to apply TFRS 19. TFRS 19 becomes effective for reporting periods beginning on or after January 1, 2027, with early application permitted. When early application of this Standard is elected, this fact is disclosed in the notes. In the first reporting period (annual or interim) in which this Standard is initially applied, the disclosures presented for the comparative period must be aligned with the disclosures presented for the current period in accordance with TFRS 19.

Annual Improvements to TFRS – 11th Amendment;

Effective for annual reporting periods beginning on or after January 1, 2026 (early application is permitted). Annual improvements are limited to amendments that clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or inconsistencies between the requirements in Accounting Standards.

- TFRS 1 First-time Adoption of Turkish Financial Reporting Standards;
- TFRS 7 Financial Instruments: Disclosures and the Guidance on the Application of TFRS 7 included in the Appendix to the Standard;
- TFRS 9 Financial Instruments
- TFRS 10 Consolidated Financial Statements;
- TAS 7 Statement of Cash Flows;

iii) Amendments issued by the International Accounting Standards Board (IASB) but not published by the POA

The amendments to IAS 21 referred to below have been issued by the IASB but have not yet been adapted to/published in TFRS by the POA. Therefore, they do not form part of TFRS. The Group will make the necessary changes in its consolidated financial statements and notes after these amendments enter into force in TFRS.

Amendments to IAS 21 – Translation into a Hyperinflationary Presentation Currency

The amendments issued by the IASB in November 2025 require the use of the closing exchange rate when translating from a functional currency that is not the currency of a hyperinflationary economy into a presentation currency that is the currency of a hyperinflationary economy. Accordingly, an entity whose functional currency is the currency of a non-hyperinflationary economy but whose presentation currency is the currency of a hyperinflationary economy uses the closing exchange rate at the end of the current period when translating its results of operations and financial

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.2 Changes in accounting and reporting standards (continued)

Amendments to IAS 21 – Translation into a Hyperinflationary Presentation Currency (continued)

position, including comparative amounts, for all relevant items (in other words, for assets, liabilities, equity items, income and expenses). However, an entity whose functional currency and presentation currency are both the currency of a hyperinflationary economy expresses the comparative amounts of a foreign operation whose functional currency is the currency of a non-hyperinflationary economy in terms of the current measuring unit by applying the general price index in accordance with IAS 29. These amendments also introduce certain additional disclosure requirements.

2.3 Comparative information and restatement of the prior period consolidated financial statements

In order to enable the determination of trends in financial position and performance, the Group's consolidated statement of financial position dated December 31, 2025 has been prepared comparatively with the consolidated statement of financial position dated 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 ended December 31, 2025 have been prepared comparatively with 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 ended December 31, 2024.

2.4 Summary of significant accounting policies

Revenue

Revenue is measured at the fair value of the consideration received or receivable. Net sales are presented after deducting estimated and actual returns, discounts, commissions, turnover premiums and taxes related to sales from the sales amount of goods.

Sale of goods

Revenue related to performance obligations in the nature of a promise to transfer goods or services is recognized as the Group satisfies the performance obligation by transferring the goods or services to its customer. In the sale of goods, the asset is transferred and revenue is recognized when control of the asset passes to the customer. This generally occurs when the asset is delivered to the customer. However, where no asset is created with an alternative use for the Group and the Group has an enforceable right to payment for performance completed to date, the Group transfers control of the goods over time and recognizes revenue over time as production takes place.

The following indicators are considered while evaluating the transfer of control of the goods and services

a) Ownership of the Group's right to collect goods or services,
b) The ownership of the property of the customer,
c) Transfer of the possession of the goods or services,
d) Ownership of significant risks and rewards arising from the ownership of the goods or services,
e) It takes into account the conditions for the customer to accept the goods or services.

At the beginning of the contract, the Group evaluates whether the Group has different performance commitments. The Group does not have a significant financing component identified in customer contracts.

If there is an important financing element in the revenue, the revenue value is determined by reducing the future collections with the interest rate included in the financing element. The difference is recorded in the relevant periods as other income from the main activities on an accrual basis.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Rendering of services

Revenue arising from a service rendering contract is recognized according to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- Revenue arising from contracts based on time spent is recognized over the contractual fees as working hours and direct expenses are incurred.

Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the 'reporting entity').

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

i. Has control or joint control over the reporting entity,
ii. Has significant influence over the reporting entity,
iii. Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is considered related to the reporting entity if any of the following conditions applies:

i. The entity and the reporting entity are members of the same group.
ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
iii. Both entities are joint ventures of the same third party.
iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
vi. The entity is controlled or jointly controlled by a person identified in (a).
vii. A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Related party transactions are transactions in which resources, services and obligations are transferred between related parties, regardless of whether any consideration is charged. In the consolidated financial statements, the Group's shareholders, the companies owned by them, their managers, and other groups known to be related to them are defined as related companies. It is assumed that the carrying amounts of receivables from related parties and payables to related parties are equivalent to the fair values of the assets and liabilities.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Inventories

Inventories are stated at the lower of cost, expressed in terms of purchasing power of TL as of December 31, 2025 and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, with the majority being valued on a weighted average basis. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value, and the expense is included in the statement of profit or loss in the period the writedown or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

Right-of-use assets

The Company accounts for the right-to-use assets on the date of commencement of the leasing agreement (for example, as of the date on which the relevant asset is eligible for use).The right-of-use assets is calculated by deducting the accumulated depreciation and impairment losses from the cost value.

In case the financial leasing debts are revalued, this figure is corrected.
The cost of the right-of-use asset includes:
(a) The first measurement of the lease obligation,
(b) The amount obtained from all lease payments made before or before the lease actually started, by deducting all lease incentives received, and
(c) All initial costs incurred by the company.

Unless the transfer of the ownership of the underlying asset to the Company at the end of the lease is reasonably finalized, the Company depreciates its asset right to use until the end of the useful life of the underlying asset.

The right to use assets is subject to impairment assessment.

Lease liabilities

The company measures the lease obligation at the present value of the lease payments, which were not paid on the date the lease actually began.

The lease payments included in the measurement of the lease obligation at the date of the lease actually consists of the following payments to be made for the right of use of the underlying asset during the lease period and not paid at the date when the lease actually started:

(a) Fixed payments,
(b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date of the lease,
(c) Amounts expected to be payable by the Group under residual value guarantees,
(d) The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
(e) Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

Variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

For the remaining term of the lease, the Group determines the revised discount rate as the interest rate implicit in the lease, if that rate can be readily determined; if it cannot be readily determined, the Group uses its incremental borrowing rate as of the date of reassessment. The Group used an interest rate of 10% for lease agreements denominated in euros.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Lease liabilities (continued)

After the commencement date, the Group measures the amount of lease liabilities as follows:

(a) Increases the carrying amount to reflect the interest on the lease obligation, and
(b) Reduces the carrying value to reflect the rent payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Property, plant, and equipment

Property, plant and equipment are presented at their carrying amounts after deducting accumulated depreciation and accumulated impairment losses from their restated acquisition costs expressed in terms of the purchasing power of TL as of December 31, 2025, except for owner-occupied land and machinery/equipment measured at fair value in accordance with the revaluation model under TAS 16. The cost of an item of property, plant and equipment consists of the purchase price, import duties and non-refundable taxes/charges, and costs incurred to bring the asset to a condition ready for use.

Land are not subject to depreciation. Assets under construction for administrative purposes or for other purposes not yet determined are carried at cost less any impairment loss. Assets that require a substantial period of time to be ready for their intended use or sale are defined as qualifying assets; borrowing costs incurred in relation to such qualifying assets until they are ready for use are capitalized. Once the construction of these assets is completed and they are ready for use, they are classified under the relevant property, plant and equipment item. Such assets are depreciated when they are ready for use, in the same manner as the depreciation method used for other fixed assets.

Effective from December 31, 2017, the Group decided to apply the revaluation model for land under property, plant and equipment and changed its accounting policy prospectively within the scope of TFRS. In addition, effective from September 30, 2022, the Group changed its accounting policy for the machinery and equipment asset group to the revaluation model. The fair value studies of the property, plant and equipment measured under the Group's revaluation model were carried out by a licensed real estate valuation company authorized by the CMB. As of December 31, 2025, the Group renewed the revaluation measurements of its land and machinery and equipment. These assets were reflected in the financial statements dated December 31, 2025 based on the fair values included in the current valuation reports prepared by a real estate valuation company authorized by the CMB.

For assets measured under the revaluation model, the revaluation differences between the restated cost expressed in terms of the purchasing power of TL as of December 31, 2025 and the fair value are recognized, net of deferred tax effects, in equity under "Revaluation and measurement gains (losses) on property, plant and equipment" through other comprehensive income/expense accounts. If a revalued asset is disposed of, the portion of the revaluation reserve related to the asset sold is transferred directly to retained earnings. In addition, a portion of the revaluation increase is transferred to retained earnings as the asset is used by the entity.

Expenditures such as repairs and maintenance incurred after the property, plant and equipment has been put into use are recognized as an expense in the period in which they are incurred. If the expenditures made provide an increase in economic benefit in the future use of the related property, plant and equipment, such expenditures are added to the cost of the asset and are depreciated over the remaining useful life.

The frequency of revaluations depends on the existence of indicators that there have been significant changes in the items of property, plant and equipment subject to revaluation.

If the carrying amount of an asset increases as a result of revaluation, such increase is recognized in other comprehensive income and recognized directly in equity under revaluation surplus. However, a revaluation increase is recognized in the statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Property, plant, and equipment (continued)

If the carrying amount of an asset decreases as a result of revaluation, such decrease is recognized as an expense. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. Such decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

If the carrying amount of an asset decreases as a result of revaluation, such decrease is recognized as an expense. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. Such decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Except for land and assets under construction, the cost amounts of property, plant and equipment are depreciated using the straight-line depreciation method over their expected useful lives. The expected useful life, residual value and depreciation method are reviewed annually for the possible effects of changes in estimates, and if there is a change in estimates, it is accounted for prospectively.

The estimated economic useful lives prescribed for the depreciation of property, plant and equipment are as follows:

	Period (Year)
Land improvements	15-30
Buildings	10-50
Furniture and fixtures	2-20
Plant, machinery and equipment	2-22
Vehicles	4-10
Other property, plant and equipment (mining assets)	10-30

Intangible assets

Intangible assets consist of purchased computer software. The cost of the assets consists of the purchase price and the costs incurred during the purchase.

Purchased intangible assets with finite useful lives are carried at their restated acquisition cost, expressed in terms of the purchasing power of the TL as at December 31, 2025, less accumulated amortization and accumulated impairment losses. These assets are amortized using the straight-line method over their expected useful lives. The expected useful lives and the amortization method are reviewed annually in order to identify the possible effects of changes in estimates, and changes in estimates are accounted for prospectively. Purchased intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

An intangible asset is derecognized from the statement of financial position upon disposal or when no future economic benefits are expected from its use or sale. The gain or loss arising from the derecognition of an intangible asset, if any, is calculated as the difference between the net proceeds from disposal of the asset and its carrying amount. This difference is recognized in the statement of profit or loss when the asset is derecognized.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Intangible assets (continued)

The economic useful lives prescribed for the depreciation/amortization of property, plant and equipment and intangible assets are as follows:

	Period (Year)
Rights	3-15
Special assets subject to depletion	5

Impairment of property, plant and equipment and intangible assets other than goodwill

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 group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it is 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.

Borrowing costs

When assets that require a substantial period of time to be ready for their intended use or sale (qualifying assets) are involved, borrowing costs directly attributable to the acquisition, construction or production of the asset are included in the cost of the asset until the asset is ready for its intended use or sale.

Borrowing costs consist of interest and other financing costs incurred in connection with borrowings. When the Group borrows in currencies other than its functional currency, TL, for general purposes and a portion of these funds is used to finance a qualifying asset, the amount of borrowing costs eligible for capitalization is determined using a borrowing rate that would be used to identify the real borrowing costs that would arise if the expenditures related to the asset had been made in TL. This borrowing rate represents the borrowing cost that would arise if the Group had borrowed in TL under the same maturity and conditions as an alternative to the borrowings made for the construction of the qualifying asset. Financial investment income earned from the temporary investment of the unused portion of borrowings obtained for the investment is deducted from the borrowing costs eligible for capitalization. Any portion determined not to be eligible for capitalization, together with all other borrowing costs, is recognized as a finance expense in the statement of profit or loss in the period in which they are incurred.

Financial Instruments

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Financial Instruments (continued)

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

A financial liability that is a contractual obligation:
- To deliver cash or another financial asset to another enterprise, or
- To exchange financial instruments with another enterprise under conditions that are potentially unfavorable.

When a financial asset or financial liability is recognized initially, it is measured at its cost, which is the fair value of the consideration given (in the case of an asset) or received (in case of a liability) for it.

Effective interest method

The effective interest rate method is a method of calculating the amortized cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the ratio exactly discounts the estimated future cash receipts through the expected life of the financial asset to the net present value of the financial asset or in a shorter period where appropriate.

Financial Assets

Classification

"Financial assets measured at amortized cost" are non-derivative financial assets that are held within a business model whose objective is to collect contractual cash flows and whose contractual terms give rise on specified dates to cash flows consisting solely of payments of principal and interest on the principal amount outstanding. The Group's financial assets accounted for at amortized cost comprise the items "cash and cash equivalents," "trade receivables," "other receivables" and "financial investments." Such assets are measured at fair value upon initial recognition in the financial statements and subsequently measured at their discounted amounts using the effective interest method. Gains and losses arising from the valuation of non-derivative financial assets measured at amortized cost are recognized in the income statement.

Accounting and Measurement

"İtfa edilmiş maliyeti üzerinden ölçülen finansal varlıklar", sözleşmeye bağlı nakit akışlarının tahsil edilmesini amaçlayan bir iş modeli kapsamında elde tutulan ve sözleşme şartlarında belirli tarihlerde sadece anapara ve anapara bakiyesinden kaynaklanan faiz ödemelerini içeren nakit akışlarının bulunduğu, türev araç olmayan finansal varlıklardır. Grup'un itfa edilmiş maliyet bedelinden muhasebeleştirilen finansal varlıkları, "nakit ve nakit benzerleri", "ticari alacaklar", "diğer alacaklar" ve "finansal yatırımlar" kalemlerini içermektedir. İlgili varlıklar, finansal tablolara ilk kayda alımlarında gerçeğe uygun değerleri ile; sonraki muhasebeleştirmelerde ise etkin faiz oranı yöntemi kullanılarak iskonto edilmiş bedelleri üzerinden ölçülmektedir. İtfa edilmiş maliyeti üzerinden ölçülen ve türev olmayan finansal varlıkların değerlemesi sonucu oluşan kazanç ve kayıplar gelir tablosunda muhasebeleştirilmektedir.

"Financial assets at fair value through other comprehensive income" are non-derivative financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset, and whose contractual terms give rise on specified dates to cash flows consisting solely of payments of principal and interest on the principal amount outstanding. Of the gains or losses arising from such financial assets, those other than impairment gains or losses and foreign exchange gains or losses are recognized in other comprehensive income. Upon disposal of such assets, the valuation differences previously classified in other comprehensive income are reclassified to retained earnings. For investments in equity-based financial assets, the Group may make an irrevocable election at initial recognition to present subsequent changes in fair value in other comprehensive income. If such an election is made, dividends derived from the related investments are recognized in the income statement.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Financial Statement Exclusion

The Group derecognizes the financial assets when it terminates the rights related to the cash flows due to the contract or when the related rights are transferred through a purchase and sale of all risks and rewards related to the financial asset. Any rights created or held by financial assets transferred by the Group are recognized as a separate asset or liability.

Impairment

Impairment of the financial and contractual assets measured by using "Expected credit loss model" (ECL). The impairment model applies for amortized financial and contractual assets.

Provision for loss measured as below:

- 12- Month ECL: results from default events that are possible within 12 months after reporting date.
- Lifetime ECL: results from all possible default events over the expected life of financial instrument

Lifetime ECL measurement is applied if the credit risk relating to a financial asset has increased significantly as of the reporting date since initial recognition. In all other cases where such an increase has not occurred, a 12-month ECL calculation is applied.

The Group may determine that the credit risk of a financial asset has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement (simplified approach) always apply for trade receivables and contract assets without a significant financing.

Trade Receivables

Trade receivables that have fixed or determinable payments and are not quoted in an active market are classified in this category. Receivables (trade and other receivables, bank balances, cash on hand and others) are presented at their discounted cost using the effective interest method, less impairment. Interest income is recognized by applying the effective interest rate method, except where the effect of discounting is immaterial.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are 3 months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value (Note 3).

Financial liabilities

Financial liabilities are classified as those measured at amortized cost and those measured at fair value through profit or loss. A financial liability is classified as measured at fair value through profit or loss if it meets the definition of being held for trading. A financial liability is classified as held for trading if it is a derivative instrument or if it is designated as such upon initial recognition. Financial liabilities measured at fair value through profit or loss are measured at their fair value, and net gains and losses, including interest expenses, are recognized in profit or loss. Other financial liabilities are measured, after initial recognition, at their amortized cost using the effective interest method based on future principal and interest cash flows, less any impairment losses. Interest expenses and foreign exchange differences are recognized in profit or loss. Gains or losses arising from the derecognition of these liabilities are recognized in profit or loss.

Effect of foreign currency transactions

The Group's financial position and results of operations have been expressed in TL, which is the Group's functional currency and the presentation currency for the consolidated financial statements.

During the preparation of the consolidated financial statements, transactions denominated in foreign currencies (currencies other than TL) are recorded based on the exchange rates prevailing on the transaction date. Monetary

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Effect of foreign currency transactions (continued)

assets and liabilities indexed to foreign currencies and presented in the statement of financial position are translated into Turkish Lira using the exchange rates prevailing at the reporting date. Non-monetary items that are carried at fair value and recorded in foreign currencies are translated into TL using the exchange rates prevailing on the date when the fair value is determined. Non-monetary items measured at historical cost in a foreign currency are not subject to translation.

Exchange differences are recognized in the statement of profit or loss in the period in which they arise, except for exchange differences related to interest costs on borrowings denominated in foreign currencies that are associated with qualifying assets under construction for future use and treated as an adjustment to borrowing costs and included in the cost of such assets.

Earnings per share (loss)

Earnings per share disclosed in the statement of profit or loss is determined by dividing net income by the weighted average number of shares that have been outstanding during the related period.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings on equity items. Such kind of bonus shares are taken into consideration in the computation of earnings per share as issued share certificates. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the period has been adjusted in respect of bonus shares issues without a corresponding change in resources, by giving them retroactive effect for the year in which they were issued and each earlier year.

The cash in the paid-in capital is calculated by considering the date on which the weighted average common share capital increase for the current period's ordinary shares to be used in earnings (loss) calculations is calculated when there is a change in the name of the issued share capital from capital increase.

Events after the reporting period

Events after the reporting period are those events that occur between the reporting date and the date when the financial statements are authorized for issue, even if they occur after an announcement related with the profit for the year or public disclosure of other selected financial information.

As of the reporting date, if the evidence with respect to such events or such events has occurred after the reporting date and such events require restating the financial statements; accordingly, the Group restates the financial statements appropriately. If such events do not require restating the financial statements, such events have been disclosed in the related notes.

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, considering 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. Provisions are reviewed at each reporting date and necessary adjustments are made to reflect management's best estimates..

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Contingent assets and liabilities

A contingent liability is an obligation arising from a past event that is not fully under the control of the entity and arises from past events or events in which one or more non-contingent events occur in the future and can be verified; but not included in the financial statements for the following reasons:

(i) There is no possibility of leaving economically beneficial resources out of business to meet the obligation, or,
(ii) The amount of the obligation cannot be measured sufficiently reliably.

A contingent asset arises from past events and that is not in full control of the entity and whose existence will be confirmed if one or more uncertain events occur in the future.

The presentation of contingent assets in the financial statements is not included in the financial statements, as it may result in the recognition of an income that can never be obtained. However, if it is virtually certain that an income will be obtained, the asset is not a conditional asset and is reflected in the financial statements.

Mine site rehabilitation provision

Costs related to the restoration, rehabilitation and closure of mining sites represent the recognition in the financial statements, at their cost values as of the reporting date, of provisions for expenditures that are highly probable to be incurred during the closure and rehabilitation of mines. Changes arising from revisions in management estimates used in the calculation of the provision for restoration, rehabilitation and closure of mining sites are reflected in the restoration, rehabilitation and closure costs of the mining sites. On the other hand, restoration, rehabilitation and closure costs of mining sites are amortized using the lower of the remaining useful lives of the related mines or the amortization rate determined by dividing the amount extracted from the relevant open pit during the period by the remaining reserve amount of visible and probable extractable reserves of that open pit. Costs incurred within the scope of existing programs for the prevention of environmental pollution and the protection of the environment are recognized as an expense in the statement of profit or loss in the period in which they are incurred.

Taxes calculated on corporate income

Tax expense comprises current tax expense and deferred tax expense. Tax is included in the statement of profit or loss unless it relates to a transaction recognized directly in equity. In such cases, the tax is also recognized directly in equity together with the related transaction.

Current income tax

Current tax expense is calculated as of the statement of financial position date, taking into account the tax laws in force in the countries where the Group and its investments accounted for using the equity method operate. According to Turkish Tax Legislation, entities whose legal or business centers are located in Turkey are subject to corporate tax. The current year tax liability is calculated on the taxable portion of the profit for the period. Taxable profit differs from the profit reported in the statement of profit or loss because it excludes items that are taxable or deductible in other years as well as items that are never taxable or deductible. The Group's current tax liability is calculated using the tax rates that have been enacted or substantively enacted as of the reporting date.

In Turkey, the corporate tax rate is 25%. (It has been applied as 25% for corporate earnings for the 2024 taxation period.) The corporate tax rate is applied to the net corporate income determined by adding expenses that are not deductible under tax laws to the commercial income of corporations and deducting exemptions and allowances specified in tax legislation. Corporate tax is declared by the evening of the thirtieth day of the fourth month following the end of the relevant year and is paid in a single installment by the end of the relevant month.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Current income tax (continued)

Companies calculate provisional tax at a rate of 25% on their quarterly taxable profits and declare it by the 17th day of the second month following that period and pay it by the evening of the 17th day. The provisional tax paid during the year belongs to that year and is offset against the corporate tax to be calculated on the corporate tax return to be submitted in the following year. If, despite the offset, there remains an amount of provisional tax paid, this amount may either be refunded in cash or offset against any other financial liability to the state.

According to the Corporate Tax Law, tax losses shown on the tax return may be deducted from the corporate tax base of the period, provided that they do not exceed five years. Tax returns and the related accounting records may be examined by the tax authority within 5 years.

Dividend payments made by resident companies in Turkey to persons other than those exempt from corporate tax and income tax, as well as to resident and non-resident individuals and non-resident legal entities, are subject to income tax at a rate of 10%.

Dividend payments made by resident companies in Turkey to resident joint stock companies are not subject to income tax. In addition, no income tax is calculated if the profit is not distributed or is added to capital. As of December 31, 2025 and 2024, tax provisions have been made in accordance with the applicable tax legislation..

Deferred tax

Deferred tax liabilities or assets are determined by calculating, using the balance sheet method, the tax effects of temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the amounts taken into account in the calculation of the statutory tax base, based on enacted tax rates. Deferred tax liabilities are recognized for all taxable temporary differences, while deferred tax assets arising from deductible temporary differences are recognized only to the extent that it is probable that future taxable profit will be available against which such differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets and liabilities (other than in a business combination) in a transaction that affects neither accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognized for all taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that such difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that sufficient taxable profit will be available in the foreseeable future against which the benefits of such temporary differences can be utilized and that the relevant differences are expected to reverse in the future.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date. The carrying amount of the deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the benefit of that deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates (and tax laws) that are expected to pply in the period in which the assets are realized or the liabilities are settled, based on tax rates (and tax laws) enacted, or substantively enacted, by the balance sheet date. In measuring deferred tax assets and liabilities, the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to recover the carrying amount of its assets or to settle the carrying amount of its liabilities are taken into account.

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

Deferred tax income or expense is recognized in profit or loss for the period, unless the deferred tax relates to a transaction recognized directly in equity. Where the deferred tax arises from a transaction recognized directly in equity, it is also recognized directly in the relevant equity item.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Deferred tax (continued)

While deferred tax liabilities are recognized for all taxable temporary differences, deferred tax assets arising from deductible temporary differences are recognized in the financial statements only to the extent that it is highly probable that such differences will be utilized through future taxable profits. Where there are sufficient taxable temporary differences and such differences are expected to reverse in the periods in which the tax losses arising from deferred tax assets are carried forward, it is considered probable that sufficient taxable profit will be available to utilize the deductible temporary differences, and the related tax assets are recognized in the financial statements in the period in which the deductible temporary difference arises.

Deferred tax assets and deferred tax liabilities are offset, 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 against current tax liabilities. Deferred tax assets or liabilities are classified as non-current in the financial statements.

Employee benefits

Long-term provisions recognized in the consolidated financial statements for employee benefits consist of severance pay, seniority incentive premium obligations arising under the applicable employment agreements with employees, and provisions for accrued leave liabilities.

Under the current laws and collective bargaining agreements in Turkey, severance pay is paid in the event of retirement or termination of employment. In accordance with TAS 19 Employee Benefits, such payments are classified as defined benefit plans. The Group has calculated the provision for severance pay in the consolidated financial statements using the "Projection Method", based on its past experience regarding employees completing their service period and becoming entitled to severance pay, and has recognized the discounted value as of the balance sheet date.

In calculating its provisions for employee benefits, the Group makes various assumptions such as the discount rate, inflation rate, real salary increase rate and the probability of voluntary resignation. Actuarial losses/gains arising from the measurement under TAS 19 of provisions for severance pay and seniority incentive obligations, which are considered defined benefit plans, have been recognized in the statement of other comprehensive income/expense.

Liabilities arising from unused vacation entitlements, defined as long-term employee benefit provisions, have been accrued and recognized in the periods in which they are earned.

Capital and dividends

Common shares are classified as equity. Dividends on common shares are recognized in equity in the period in which they are approved and declared.

Share premiums

Share premiums represent the difference arising from the sale of subsidiary or associate shares held by the Group at a price higher than their nominal value, or the difference between the nominal values and the fair values of the shares issued by the Group in relation to the companies it has acquired.

Repurchased shares

Where the Group repurchases its own shares, the cost of such shares, including any portion exceeding their nominal value, is deducted from equity and presented as "Repurchased shares." Any gains or losses arising from transactions related to such repurchased shares are also recognized within equity.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Statement of cash flow

Cash flows during the period are classified and reported as operating, investing and financing activities in the consolidated statement of cash flows. Cash flows from operating activities represent cash flows related to the Group's core business activities. Cash flows arising from investment activities represent the cash flows that are used in or provided by the investing activities (direct investments and financial investments) of the Group. Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Offsetting

Financial assets and liabilities are presented net in the statement of financial position when there is a legally enforceable right and power to offset them and when there is an intention to collect/pay them on a net basis or to settle them simultaneously.

2.5 Significant judgments, assumptions, and estimates

In the preparation of the consolidated financial statements, Group management is required to make assumptions and estimates that affect the reported amounts of assets and liabilities, determine probable liabilities and commitments as of the date of the consolidated statements of financial position, and determine the amounts of income and expenses for the reporting period. Actual results may differ from these estimates. Estimates are reviewed regularly, necessary adjustments are made, and such adjustments are reflected in the statement of comprehensive income in the period in which they are realized. However, actual results may differ from these estimates.

The assumptions made by taking into consideration the interpretations that may have a significant effect on the amounts reflected in the consolidated financial statements, and the principal sources of estimation uncertainty existing at the date of the consolidated statements of financial position or that may arise in the future, are set out below:

Deferred taxes

Şirket, yasal finansal tabloları ile TMS 29 uyarınca hazırlanmış TFRS finansal tabloları arasındaki farklılıklardan kaynaklanan The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between its statutory financial statements and its TFRS financial statements prepared in accordance with TAS 29.

Deferred tax liabilities are recognized for all taxable temporary differences, while deferred tax assets arising from deductible temporary differences are recognized only to the extent that it is highly probable that future taxable profit will be available against which such differences can be utilized. Deferred tax assets and liabilities are measured using the tax rates (and tax laws) that are expected to apply in the period in which the assets are realized or the liabilities are settled, based on tax rates (and tax laws) enacted by the balance sheet date. In measuring deferred tax assets and liabilities, the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to recover the carrying amount of its assets or to settle its liabilities are taken into account.

The Group has deferred tax assets and liabilities arising from tax losses carried forward that can be deducted from future profits, tax assets arising from cash capital increases, and other deductible temporary differences. The recoverable amount of deferred tax assets, in whole or in part, has been estimated under current conditions. During the assessment, the 5-year projections prepared by the Company's management as the foreseeable future and the timing of the recovery of taxable temporary differences were taken into consideration. If the Group has taxable temporary differences relating to the same tax authority that are sufficient to allow the deduction of deductible temporary differences, and that are expected to reverse in the period in which the deductible temporary differences are expected to reverse or in the periods in which the tax loss arising from the deferred tax asset can be utilized, a deferred tax asset relating to such deductible temporary differences is recognized in the periods in which the deductible temporary differences arise (Note 22).

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Significant judgments, assumptions, and estimates (continued)

Fair values of property, plant and equipment (land) within the scope of the revaluation application

The Group accounts for its land and its machinery and equipment under property, plant and equipment in accordance with TAS 16 using the revaluation model, updated over their fair values. For the purpose of determining the fair values of these assets, the Group works with independent valuation companies authorized by the Capital Markets Board of Turkey. The relevant revaluation studies for the land and machinery and equipment asset groups were reperformed on December 31, 2025, and the real fair value increases / decreases, net of the effects of inflation within the framework of TAS 29, were recognized in the accompanying consolidated financial statements under other comprehensive income (expense). In determining the fair values of the relevant property, plant and equipment, evaluations were made by taking into account the current condition of the assets, market conditions, and their highest and best use, and by considering the comparable method and the cost method (Note 9 and Note 27).

Useful lives of tangible and intangible assets

Group management estimates the useful lives of its depreciable non-current assets, as explained in Note 2.4, at the date of initial recognition of the asset and reviews them regularly. The Group determines the useful life of an asset by considering the expected utility of that asset. This assessment is based on the Group's experience with similar assets. In determining the useful life of an asset, the Group also takes into account the possibility that the asset may become technically and/or commercially obsolete due to changes or developments in the market.

3. CASH AND CASH EQUIVALENTS

	December 31, 2025	December 31, 2024
Cash	-	5
Banks		
Demand deposits	**22.988**	23.647
Time deposits	**32.133**	18.930
Cash and cash equivalents	**55.121**	**42.582**

Details of time deposits less than three months as of December 31, 2025 and 2024 are as follows:

Currency	Interest rate (%)	Maturity date	Original currency amount	December 31, 2025
TL	**39,75 - 40**	**January 2026**	**32.133**	**32.133**

Currency	Interest rate (%)	Maturity date	Original currency amount	December 31, 2024
TL	**25 - 40**	**January 2025**	**18.930**	**18.930**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

3. CASH AND CASH EQUIVALENTS (CONTINUED)

4. Financial liabilities

	December 31, 2025	December 31, 2024
Short-term bank loans	**299.380**	302.418
Current portion of long-term bank loans	**628.387**	458.902
Current portion of long-term lease liabilities	**1.317**	1.668
Long-term bank loans	**2.083.697**	2.252.563
Long-term lease liabilities	**4.203**	7.225
Letter of credit borrowings	**-**	249.183
	3.016.984	3.271.959

				December 31, 2025
Currency	Interest type	Nominal interest rate	Original currency amount	TL equivalent
Short term bankloans				
US Dollar	Fixed	%8 - %9	5.868	251.513
TL	Fixed	%38,5	47.867	47.867
Current portion of long term bank loans				
US Dollar	Floating	6M SOFR + %3,25-%7,93	9.201	394.393
TL	Fixed	%34 - %43	215.072	215.072
EUR	Floating	EURIBOR 6M + %4,60	205	10.356
US Dollar	Fixed	%8,75	200	8.566
Long term bank loans				
US Dollar	Floating	6M SOFR + %4,25-%7,93	39.529	1.694.297
EUR	Floating	EURIBOR 6M + %4,60	3.695	186.411
TL	Fixed	%34-%43	152.820	152.820
US Dollar	Fixed	%8,75	1.170	50.169
				3.011.464

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

3. CASH AND CASH EQUIVALENTS (CONTINUED)

4. Financial liabilities (continued)

				December 31, 2024
Currency	Interest type	Nominal interest rate	Original currency amount	TL equivalent
Short term bank loans				
US Dollar	Fixed	% 8,5 - %9,5	5.952	274.363
TL	Fixed	%50	28.055	28.055
Current portion of long term bank loans				
US Dollar	Floating	SOFR 6M + %5,75	1.609	74.199
US Dollar	Floating	SOFR 6M + %3,25	662	30.533
US Dollar	Floating	6M SOFR + %7,93	7.682	354.170
Long term bank loans				
US Dollar	Fixed	%8,75	1.386	63.898
US Dollar	Floating	SOFR 6M + %3,25	441	20.314
US Dollar	Floating	6M SOFR + %7,93	47.032	2.168.351
Letter of credit borrowings				
US Dollar	Fixed	%7,18 - %7,71	5.404	249.183
				3.263.066

The principal repayment schedule of long-term bank loans as of December 31, 2025 and 2024 is as follows:

	December 31, 2025	December 31, 2024
Between 1-2 years	369.137	390.360
Between 2-3 years	527.910	370.904
Between 3-4 years	198.140	365.509
Between 4-5 years	365.534	376.301
5 years and longer	622.976	749.489
	2.083.697	**2.252.563**

The liquidity and foreign exchange risks to which the Group is exposed in relation to its bank loans are disclosed in Note 26.

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

3. CASH AND CASH EQUIVALENTS (CONTINUED)

4. Financial liabilities (continued)

The movement schedules of bank loans for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
Opening balance, January 1	**3.271.959**	6.037.737
Additions during the period	**1.337.003**	997.804
Principal repayments	**(1.196.366)**	(2.957.406)
Change in interest accruals	**(169.218)**	(15.113)
Foreign exchange difference	**561.726**	873.684
Cash outflows relating to lease liabilitiesı	**(5.774)**	(3.124)
Liabilities arising from new leases	**-**	9.088
Monetary loss / (gain)	**(782.346)**	(1.670.711)
Closing balance, December 31	**3.016.984**	**3.271.959**

5. TRADE RECEIVABLES AND PAYABLES

a) Short-term trade receivables

Details of the Group's trade receivables as of the reporting dates are as follows:

	December 31, 2025	December 31, 2024
Current accounts, net	**709.386**	716.492
Notes receivable and checks	**227.258**	258.001
Trade receivables from related parties (Note 24)	**239.485**	119.938
	1.176.129	**1.094.431**

The average maturity of trade receivables is 1–2 months (December 31, 2024: 1–2 months).

As of December 31, 2025, the Group has doubtful trade receivables amounting to TL 4,845 (December 31, 2024: TL 2,524). As of December 31, 2025, the Group has trade receivables amounting to TL 33,762 that are overdue by 0–30 days (December 31, 2024: TL 131,614).

Disclosures regarding the guarantees, pledges and mortgages received in relation to trade receivables and credit risk are presented in Note 11 and Note 26, respectively.

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

5. TRADE RECEIVABLES AND PAYABLES (CONTINUED)

b) Short-term trade payables

Details of the Group's trade payables as of the reporting date are as follows:

	December 31, 2025	December 31, 2024
Trade payables, net	**986.025**	581.751
Trade payables to related parties (Note 24)	**155.698**	210.195
	1.141.723	**791.946**

As of December 31, 2025, trade payables include letters of credit opened with banks, serving as collateral, in the same amount for raw material purchases totaling TL 17,552 thousand, equivalent to USD 410 thousand (December 31, 2024: TL 256,380 thousand in total, equivalent to USD 5,561 thousand).

The average maturity of trade payables is 1–2 months (December 31, 2024: 1–2 months).

6. OTHER RECEIVABLES AND PAYABLES

a) Short-term other receivables

	December 31, 2025	December 31, 2024
Non-trade receivables from related parties (Note 24)	**8.469**	10.195
Other receivables	**194**	144
	8.663	**10.339**

b) Long-term other receivables

	December 31, 2025	December 31, 2024
Deposits and guarantees given	2.800	901
	2.800	901

c) Kısa vadeli diğer borçlar

	December 31, 2025	December 31, 2024
Other payables to related parties (Note 24)	**-**	2.466.976
Taxes and funds payable	**21.905**	12.788
	21.905	**2.479.764**

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

7. INVENTORIES

	December 31, 2025	December 31, 2024
Raw materials and supplies	**92.657**	147.448
Semi-finished goods	**376.277**	322.813
Finished goods	**44.829**	-
Other inventories	**396.328**	498.792
Allowance for inventory impairment (-)	**-**	(15.714)
	910.091	**953.339**

Other inventories consist of auxiliary materials, operating supplies and spare parts used in maintenance and repair processes related to production within the scope of the Group's principal activities.

As of December 31, 2025, inventories are covered by insurance amounting to approximately TL 312,895 thousand, equivalent to USD 7,300 thousand (December 31, 2024: approximately TL 233,428 thousand, equivalent to USD 5,063 thousand).

The movement in the allowance for inventory impairment is as follows:

	2025	2024
Opening, January 1	**15.714**	-
Charge for the year	**-**	15.714
Provisions no longer required	**(15.714)**	-
Closing, December 31	**-**	**15.714**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

8. PREPAID EXPENSES AND DEFERRED INCOME

a) Short-term prepaid expenses

	December 31, 2025	December 31, 2024
Advances given for inventory purchases	**74.279**	54.065
Prepaid expenses	**20.050**	5.610
Other	**9**	-
	94.338	59.675

b) Long-term prepaid expenses

	December 31, 2025	December 31, 2024
Advances given	**32.507**	-
	32.507	-

c) Deferred income

	December 31, 2025	December 31, 2024
Advances received on orders	**5.048**	33.563
	5.048	**33.563**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

9. PROPERTY, PLANT, AND EQUIPMENT

	January 1, 2025	Additions	Disposals	Transfers	Revaluation effect	December 31, 2025
Cost value:						
Land	4.372.470	-	-	-	(179.006)	4.193.464
Land improvements	961.760	172	-	153.035	-	1.114.967
Buildings	5.487.701	-	-	1.219	-	5.488.920
Machinery, plant and equipment	4.886.301	3.712	-	34.170	(79.597)	4.844.586
Vehicles	17.236	4.105	(964)	-	-	20.377
Furniture and fixtures	957.523	98.201	(5.128)	480	-	1.051.076
Other property, plant and equipment	26.457	-	-	-	-	26.457
Construction in progress	202.970	336.701	-	(188.904)	-	350.767
	16.912.418	442.891	(6.092)	-	(258.603)	17.090.614
Accumulated depreciation:						
Land improvements	(716.576)	(34.554)	-	-	-	(751.130)
Buildings	(1.534.336)	(117.895)	-	-	-	(1.652.231)
Machinery, plant and equipment	-	(488.926)	-	-	488.926	-
Vehicles	(13.067)	(2.406)	704	-	-	(14.769)
Furniture and fixtures	(810.518)	(122.116)	1.650	-	-	(930.984)
Other property, plant and equipment	(26.457)	-	-	-	-	(26.457)
	(3.100.954)	(765.897)	2.354	-	488.926	(3.375.571)
Net book value	13.811.464	(323.006)	(3.738)	-	230.323	13.715.043

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

9. PROPERTY, PLANT, AND EQUIPMENT (CONTINUED)

	January 1, 2024	Additions	Disposals	Transfers	Revaluation effect	December 31, 2024
Cost value:						
Land	3.911.788	-	-	-	460.682	4.372.470
Land improvements	961.760	-	-	-	-	961.760
Buildings	5.487.701	-	-	-	-	5.487.701
Machinery, plant and equipment	5.000.317	6.204	-	179.311	(299.531)	4.886.301
Vehicles	15.829	1.407	-	-	-	17.236
Furniture and fixtures	913.720	4.004	-	39.799	-	957.523
Other property, plant and equipment	26.457	-	-	-	-	26.457
Construction in progress	143.855	96.858	-	(37.743)	-	202.970
	16.461.427	108.473	-	181.367	161.151	16.912.418
Accumulated depreciation:						
Land improvements	(681.288)	(35.288)	-	-	-	(716.576)
Buildings	(1.407.353)	(126.983)	-	-	-	(1.534.336)
Machinery, plant and equipment	-	(375.513)	-	-	375.513	-
Vehicles	(11.079)	(1.988)	-	-	-	(13.067)
Furniture and fixtures	(680.000)	(130.518)	-	-	-	(810.518)
Other property, plant and equipment	(26.457)	-	-	-	-	(26.457)
	(2.806.177)	(670.290)	-	-	375.513	(3.100.954)
Net book value	13.655.250	-	-	-	536.664	13.811.464

As of December 31, 2025, the Group accounted for its land and its machinery, plant and equipment, which are measured under the revaluation model in accordance with TAS 16 within property, plant and equipment, by taking into consideration the updated valuation reports prepared by a valuation company licensed by the CMB.

As of December 31, 2025, the Group's property, plant and equipment are subject to a first-degree mortgage of USD 400 million and a second-degree mortgage of TL 2.6 billion, respectively (December 31, 2024: a first-degree mortgage of USD 400 million and a second-degree mortgage of TL 3.3 billion). Details of the additional guarantees, pledges and mortgages provided under the refinancing agreement signed by the Group on February 28, 2022 are disclosed in Note 11.

Property, plant and equipment are covered by insurance amounting to approximately TL 3,030,365 thousand, equivalent to USD 70,700 thousand (December 31, 2024: TL 3,307,728 thousand, equivalent to USD 71,744 thousand).

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

9. PROPERTY, PLANT, AND EQUIPMENT (CONTINUED)

The allocation of depreciation and amortization expenses is as follows:

	January 1 – December 31, 2025	January 1 – December 31, 2024
Property, plant and equipment	**765.897**	670.290
Intangible assets	**517**	849
Right-of-use assets	**3.054**	10.287
	769.468	**681.426**

	January 1 – December 31, 2025	January 1 – December 31, 2024
Cost of sales	**760.062**	671.698
Sales and Marketing expenses	**430**	1.221
General administrative expenses	**8.976**	8.507
	769.468	**681.426**

10. INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

a) Intangible assets

	January 1, 2025	Additions	Disposals	December 31, 2025
Cost value:				
Rights	**37.505**	**43**	**-**	**37.548**
Special assets subject to depletion	**16.953**	**-**	**-**	**16.953**
	54.458	**43**	**-**	**54.501**
Accumulated amortization:				
Rights	**(34.585)**	**(517)**	**-**	**(35.099)**
Special assets subject to depletion	**(16.953)**	**-**	**-**	**(16.953)**
	(51.538)	**(517)**	**-**	**(52.052)**
Net book value	**2.920**	**(474)**	**-**	**2.449**

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

10. INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS (CONTINUED)

a) Intangible assets (continued)

	January 1, 2024	Additions	Disposals	December 31, 2024
Cost value:				
Rights	**37.434**	**71**	**-**	**37.505**
Special assets subject to depletion	**16.953**	**-**	**-**	**16.953**
	54.387	**71**	**-**	**54.458**
Accumulated amortization:				
Rights	**(33.736)**	**(849)**	**-**	**(34.585)**
Special assets subject to depletion	**(16.953)**	**-**	**-**	**(16.953)**
	(50.689)	**(849)**	**-**	**(51.538)**
Net book value	**3.698**	**(778)**	**-**	**2.920**

As of December 31, 2025, there are no pledges or mortgages over the Group's intangible assets (December 31, 2024: None).

b) Right-of-use assets

	January 1, 2025	Additions	Disposals	December 31, 2025
Cost value:				
Right-of-use vehicles	**28.238**	**-**	**-**	**28.238**
Accumulated amortization: (-):				
Right-of-use vehicles	**(19.125)**	**(3.054)**	**-**	**(22.179)**
Net book value	**9.113**	**(3.054)**	**-**	**6.059**

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

10. INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS (CONTINUED)

b) Right-of-use assets (continued)

	January 1, 2024	Additions	Disposals	December 31, 2024
Cost value:				
Right-of-use vehicles	**19.150**	**9.088**	**-**	**28.238**
Accumulated amortization: (-):				
Right-of-use vehicles	**(8.838)**	**(10.287)**	**-**	**(19.125)**
Net book value	**10.312**	**(1.199)**	**-**	**9.113**

11. PROVISIONS, CONTINGENT ASSETS, AND LIABILITIES

a) Long-term provisions

Details of the mine site rehabilitation provision for the years ended December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Provision for mine site rehabilitation	41.708	41.896
	41.708	**41.896**

The movement in the mine site rehabilitation provision for the years ended December 31, 2025 and 2024 is as follows:

	2025	2024
January 1	**41.896**	42.405
Current year expense, net	**10.762**	14.377
Monetary loss / (gain)	**(10.950)**	(14.886)
December 31	**41.708**	**41.896**

The Group recognizes a provision expense for mine site rehabilitation in relation to the restoration of land impaired as part of its cement operations, which are assessed within the mining segment based on stone and soil. Provision related to mine site rehabilitation expense has been charged to cost of sales.

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

11. PROVISIONS, CONTINGENT ASSETS, AND LIABILITIES (CONTINUED)

b) Guarantees, pledges and mortgages

The tables showing details of the Group's guarantees, pledges and mortgages as of December 31, 2025 and 2024 are presented below:

	December 31, 2025	December 31, 2024
A. Total amount of guarantees, pledges and mortgages (GPMs) provided in the name of its own legal entity (*)	**18.030.321**	**18.742.031**
B. Total amount of GPMs provided in favor of entities included in the scope of full consolidation	-	-
C. Total amount of GPMs provided for the purpose of securing the debts of other third parties in the ordinary course of business	-	-
D. Total amount of other GPMs provided (**)	**892.487**	**62.828**
i. Total amount of GPMs provided in favor of the parent company	-	-
ii. Total amount of GPMs provided in favor of other group companies not covered by items B and C	**892.487**	**62.828**
iii. Total amount of GPMs provided in favor of third parties not covered by item C	-	-
Total given GPMs	**18.922.808**	**18.804.859**
Ratio of other GPMs to shareholder's equity	**%7,07**	**%0,63**

(*) Within the scope of the "Refinancing Agreement" executed with the consortium banks (Emlak Katılım, Halk Bankası, İş Bankası, TSKB, Vakıf Katılım, Vakıfbank, Ziraat Bankası and Ziraat Katılım), first-degree mortgages of USD 400 million and second-degree mortgages of TL 2.6 billion, respectively, were established over the properties of Batıçim and Batısöke in their capacity as the "Borrowers" and of Batıliman and Batıbeton in their capacity as the "Guarantors"; commercialpledges were also created over their assets in the same amounts and ranks.

(**) It consists of guarantees given related to the Group companies Batıçim Enerji Toptan, Batıbeton and Batıliman.

Details of the guarantees provided by the Group as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Mortgages and pledges given	**17.144.920**	18.441.839
Letters of guarantee given	**791.790**	199.500
Letters of credit	**93.611**	100.692
Total	**18.030.321**	**18.742.031**

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

11. PROVISIONS, CONTINGENT ASSETS, AND LIABILITIES (CONTINUED)

b) Guarantees, pledges and mortgages (continued)

Details of the bank letters of guarantee given by the Group to various financial and non-financial institutions are as follows:

	December 31, 2025	December 31, 2024
Letters of guarantee provided in relation to the Eximbank loan	**740.417**	142.446
Letters of guarantee provided to suppliers	**47.108**	52.031
Letters of guarantee provided to public institutions	**3.674**	4.249
Letters of guarantee provided to the enforcement office	**591**	774
Total	**791.790**	**199.500**

Letters of guarantees received

Details of the guarantees received against the Group's trade receivables as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Letters of guarantee received (*)	**1.063.341**	468.489
	1.063.341	**468.489**

(*) It consists of bank letters of guarantee received from customers.

12. EMPLOYEE BENEFITS

a) Employee benefit obligations

	December 31, 2025	December 31, 2024
Social security premiums payables	**12.480**	10.619
Payables to personnel	**11.389**	9.197
	23.869	**19.816**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

12. EMPLOYEE BENEFITS (CONTINUED)

b) Long term provisions for employee benefits

	December 31, 2025	December 31, 2024
Provision for severance pay	**55.314**	55.983
Performance and seniority encouragement premium provisions	**19.591**	13.261
Provision for unused vacation	**12.534**	9.488
	87.439	**78.732**

Provision for severance pay:

Under the Turkish Labor Law, the Group is required to pay severance pay to each employee who has completed at least one year of service and whose employment is terminated due to retirement after 25 years of service (age 58 for women and age 60 for men), termination of employment, military service, or death. As of December 31, 2025, the severance pay payable is subject to a ceiling of TL 53,919.68 (December 31, 2024: TL 41,828.42). Effective January 1, 2026, the severance pay ceiling has been revised to TL 64,948.77 (January 1, 2025: TL 46,655.43).

The severance pay obligation is not legally subject to any funding requirement. The provision for severance pay is calculated by estimating the present value of the Group's probable future obligation arising from the retirement of its employees. TAS 19 Employee Benefits requires the Group's obligations under defined benefit plans to be developed using actuarial valuation methods. Accordingly, the actuarial assumptions used in calculating the total liabilities are as follows: the principal assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjustment for the effects of future inflation. Accordingly, as of December 31, 2025, the provisions in the accompanying financial statements have been calculated by estimating the present value of the probable future obligation arising from the retirement of employees. The provisions at the relevant reporting dates were calculated using a real net İsteğe bağlı işten ayrılma oranları da 0-15 yıl çalışanlar için %2,7 ve üzeri yıl çalışanlar için %0 olarak dikkate alınmıştır. discount rate of approximately 2.61%, derived based on assumptions of annual inflation of 24.75% and an interest rate of 28% (December 31, 2024: 2.61%). Voluntary employee turnover rates have also been taken into consideration as 2.7% for employees with 0–15 years of service and 0% for employees with more than 15 years of service.

The movement in the provision for employee termination benefits are as follows:

	2025	2024
Opening, January 1	**55.983**	**43.628**
Interest cost	**13.287**	9.738
Actuarial loss / (gain)	**(5.830)**	8.263
Service cost	**11.793**	13.418
Paid in the current year (-)	**(5.332)**	(1.844)
Monetary loss / (gain)	**(14.587)**	(17.220)
Closing, December 31	**55.314**	**55.983**

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

12. EMPLOYEE BENEFITS (CONTINUED)

Provision for seniority incentive premium:

The provision for seniority incentive premium represents a benefit granted to employees in accordance with the Group's policy, and the obligation accrued as of the reporting dates has been recognized by discounting it to its present value using the net discount rate.

The movement of performance and seniority encouragement premium provision is as follows:

	2025	2024
Opening, January 1	**13.261**	**53.799**
Interest cost	**2.837**	2.317
Actuarial loss / (gain)	**348**	(40.266)
Service cost	**4.507**	5.838
Paid in the current year (-)	**(1.362)**	(1.545)
Monetary loss / (gain)	**-**	(6.882)
Closing, December 31	**19.591**	**13.261**

The movement of provision for unused vacation is as follows:

	2025	2024
Opening, January 1	**9.488**	**8.857**
Service cost	**5.854**	3.850
Monetary loss / (gain)	**(2.808)**	(3.219)
Closing, December 31	**12.534**	**9.488**

13. OTHER ASSETS AND LIABILITIES

i) Other current assets

	December 31, 2025	December 31, 2024
Deferred VAT	**251.502**	283.517
Other	**137**	153
	251.639	**283.670**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

13. OTHER ASSETS AND LIABILITIES (CONTINUED)

ii) Other short term liabilities

	December 31, 2025	December 31, 2024
Mining tax accruals	**32.303**	29.794
	32.303	**29.794**

14. SHARE CAPITAL, RESERVES, AND OTHER EQUITY ITEMS

a) Paid in capital

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

	December 31, 2025		December 31, 2024	
	Share	Amount	Share	Amount
Shareholders	**(%)**	**(TL)**	**(%)**	**(TL)**
Batıçim Batı Anadolu Çimento Sanayii A.Ş.	**74,62**	**1.193.976**	74,62	1.193.976
Other	**25,38**	**406.024**	25,38	406.024
Nominal capital		**1.600.000**		1.600.000
Inflation adjustment differences		**7.874.917**		7.874.917
Adjusted capital		**9.474.917**		**9.474.917**

The Company is subject to the registered capital system. As of December 31, 2025, the Company's registered capital ceiling is TL 2,000,000 thousand.

Shares of the Company amounting to TL 14,956.13 are registered shares. Each share of the Company has a nominal value of TL 0.01. The capital consists of 160,000,000,000 shares, each with a nominal value of 0,01 TL, amounting to TL 1,600,000 thousand.

14. SHARE CAPITAL, RESERVES, AND OTHER EQUITY ITEMS (CONTINUED)

a) Paid in capital (continued)

The capital of the Company consists of Group A and Group B shares. In accordance with the Company's articles of association, holders of Group A shares have the following privileged rights:

All members of the Board of Directors are elected from among the candidates to be nominated by the majority of the holders of Group A shares.

Pursuant to the Communiqué Serial: II-14.1 on Principles of Financial Reporting in Capital Markets, published in the Official Gazette dated June 13, 2013 and numbered 28676 and entered into force thereupon, "paid-in capital", "restricted reserves appropriated from profit" and "share premiums" are required to be presented at the amounts recorded in the statutory books. During the implementation of such communiqué, differences arising from valuations (such as differences arising from inflation adjustments):

- "If arising from "paid-in capital" and not yet added to capital, under the line item "Differences arising from capital adjustment", to be presented immediately after "paid-in capital";
- "If arising from "restricted reserves appropriated from profit" and "share premiums" and not yet subject to profit distribution or capital increase, under "retained earnings/losses",

must be accounted for accordingly. Other equity items are presented with their values measured within the TAS framework.

Differences arising from capital adjustment may only be used for addition to share capital.

Public companies distribute dividends in accordance with the CMB's Dividend Communiqué No. II-19.1, which entered into force on February 1, 2014.

Entities distribute their profits by a resolution of the general assembly within the framework of the dividend distribution policies to be determined by their general assemblies and in accordance with the provisions of the applicable legislation. Under the relevant communiqué, no minimum distribution ratio has been prescribed for publicly traded companies listed on the stock exchange. Companies pay dividends in the manner set out in their articles of association or dividend distribution policies. In addition, dividends may be paid in equal or unequal installments, and cash dividend advances may be distributed out of the profit presented in the interim consolidated financial statements.

Under the TCC, unless the legal reserves required to be set aside and the dividend determined for shareholders under the articles of association or the dividend distribution policy are allocated, no resolution may be passed to set aside other reserves, carry profit forward to the following year, or distribute profit shares to usufruct certificate holders, members of the board of directors, employees of the company, or persons other than shareholders; moreover, unless the dividend determined for shareholders is paid in cash, no profit share may be distributed to such persons.

Equity inflation adjustment differences and the carrying amounts of extraordinary reserves may be used for bonus capital increases, cash dividend distributions or offsetting losses. However, if equity inflation adjustment differences are used for cash dividend distribution, they will be subject to corporate tax.

Legal reserves and share premiums having the status of legal reserves within the framework of Article 466 of the Turkish Commercial Code are presented at their amounts in the statutory records. In this context, differences arising from inflation adjustments resulting from valuations made in accordance with TFRS principles, which as of the reporting date have not been subject to profit distribution or capital increase, have been associated with retained earnings/losses.

Under paragraph 1 of Article 519 of the new Turkish Commercial Code No. 6102, legal reserves are set aside as first-tier legal reserves at 5% of profit until they reach 20% of the paid-in/issued capital. After deducting the amount set aside as the first-tier legal reserve from profit, the first dividend is allocated to shareholders from the remaining amount. After the first-tier legal reserve and the first dividend have been set aside, the General Assembly is authorized, taking into account the Company's dividend distribution policy, to decide whether the remaining balance will be set aside as extraordinary reserves or distributed. Pursuant to subparagraph 3 of paragraph 2 of Article 519 of the new TCC, the secondtier legal reserve is set aside at an amount equal to one-tenth of the amount remaining after deducting a dividend equal to 5% of the issued/paid-in capital from the portion resolved to be distributed. No second-tier legal reserve is set aside where it is resolved to distribute bonus shares through the capitalization of profit.

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

14. SHARE CAPITAL, RESERVES, AND OTHER EQUITY ITEMS (CONTINUED)

b) Capital advance

Pursuant to the Board of Directors' resolutions of Batıçim Batı Anadolu Çimento Sanayii A.Ş., the parent company of the Group, dated January 1, 2025 and April 4, 2025, it was resolved that a portion of the short-term other payables due to Batıçim amounting to TL 2,617,010 in total, including the effects of inflation accounting, would be contributed to the Company as a capital advance.

c) Share premiums

As of December 31, 2025, it amounts to TL 17,545 thousand (December 31, 2024: TL 17,545 thousand).

d) Other comprehensive income and expenses that will not be reclassified to profit or loss

The movement schedules relating to the balances under accumulated other comprehensive income or expenses that will not be reclassified to profit or loss, presented under equity attributable to the parent, are as follows:

Actuarial gain (loss) fund on defined benefit plans:

	2025	2024
Opening balance, January 1	**(72.947)**	**(96.949)**
Current year remeasurement effect	**4.221**	32.003
Deferred tax effect	**(1.051)**	(8.001)
Closing balance, December 31	**(69.777)**	**(72.947)**

Revaluation gain / (loss) on tangible assets:

	2025	2024
Opening balance, January 1	**1.406.425**	**975.135**
Current year remeasurement effect	**230.323**	536.664
Deferred tax effect	**(68.766)**	(105.374)
Closing balance, December 31	**1.567.982**	**1.406.425**

e) Previous year profit / (loss):

There are differences between the amounts presented in the balance sheet prepared in accordance with the Tax Procedure Law and the amounts presented in the financial statements prepared in accordance with TAS/TFRS with respect to the items "Capital Adjustment Differences," "Share Premiums (Discounts)," "Restricted Reserves Appropriated from Profit," and "Other Reserves."

These differences have been reflected in the line item "Retained Earnings or Losses" in the TAS/TFRS financial statements, and details of such differences are presented below:

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

14. SHARE CAPITAL, RESERVES, AND OTHER EQUITY ITEMS (CONTINUED)

e) Previous year profit / (loss) (continued):

December 31, 2025							
	Capital adjustment differences	Share Premiums	Legal Reserves	Reserves Relating to Repurchased Shares	Reserves Relating to Repurchased Shares	Special Reserves	Extraordinary Reserves
According to TAS/TFRS Financial Statements	7.874.917	17.545	499.363	(2.756)	-	-	-
According to the Tax Procedure Law	6.117.563	15.106	451.449	-	102.190	40.940	2.447.716
Difference	1.757.354	2.439	47.914	(2.756)	(102.190)	(40.940)	(2.447.716)

December 31, 2024							
	Capital adjustment differences	Share Premiums	Legal Reserves	Reserves Relating to Repurchased Shares	Recognized Special Commodity Reserve	Special Reserves	Extraordinary Reserves
According to TAS/TFRS Financial Statements	7.874.917	17.545	490.752	(2.756)	-	-	-
According to the Tax Procedure Law	8.007.421	19.773	590.912	-	133.759	50.602	3.203.872
Difference	(132.504)	(2.228)	(100.160)	(2.756)	(133.759)	(50.602)	(3.203.872)

15. REVENUE AND COST OF SALES

Net sales

	January 1 – December 31, 2025	January 1 – December 31, 2024
Domestic sales	**3.575.605**	4.354.565
Export sales	**2.256.357**	1.364.173
Sales discounts (-)	**-**	(51.149)
Other discounts (-)	**(17.193)**	(75.463)
	5.814.769	**5.592.126**

The Group recognizes revenue from all sales of goods by satisfying its performance obligations at a point in time, thereby transferring control of the related goods to its customers.

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

15. REVENUE AND COST OF SALES (CONTINUED)

Cost of sales

	January 1 – December 31, 2025	January 1 – December 31, 2024
Raw material and supplies expenses	**(2.502.060)**	(2.384.257)
Production overhead	**(1.596.029)**	(1.921.368)
Depreciation and amortization expenses (Note 9)	**(760.062)**	(671.698)
Personnel expenses	**(413.403)**	(277.422)
Changes in semi-finished goods and finished goods	**(98.292)**	(87.577)
Mine site rehabilitation provision	**(42.252)**	(14.377)
	(5.412.098)	**(5.356.699)**

16. GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SALES, AND DISTRIBUTION EXPENSES

	January 1 – December 31, 2025	January 1 – December 31, 2024
a) General administrative expenses:		
Outsourcing expenses	**(124.972)**	(66.292)
Personnel expenses	**(73.627)**	(54.756)
Consultancy expenses	**(20.889)**	(13.191)
Tax expenses	**(14.715)**	(13.326)
Depreciation expenses (Note 9)	**(8.976)**	(8.507)
Fuel expenses	**(2.263)**	(1.338)
Other expenses	**(7.933)**	(31.636)
	(253.375)	**(189.046)**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

16. GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SALES, AND DISTRIBUTION EXPENSES (CONTINUED)

	January 1 – December 31, 2025	January 1 – December 31, 2024
b) Marketing, sales, and distribution expenses		
Export, transportation and loading expenses	**(470.463)**	(588.556)
Personnel expenses	**(11.045)**	(14.262)
Depreciation expenses (Note 9)	**(430)**	(1.221)
Other	**(15.868)**	(5.620)
	(497.806)	**(609.659)**

17. EXPENSES BY NATURE

	January 1 – December 31, 2025	January 1 – December 31, 2024
Raw material and supplies expenses	**(2.502.060)**	(2.384.257)
Production overhead	**(1.596.029)**	(1.921.368)
Depreciation expenses	**(769.468)**	(681.426)
Personnel expenses	**(498.075)**	(346.441)
Export, transportation and loading expenses	**(470.463)**	(588.556)
Outsourcing expenses	**(124.972)**	(66.292)
Changes in semi-finished and finished goods inventories	**(98.292)**	(87.577)
Mine site rehabilitation provision expense	**(42.252)**	(14.377)
Consultancy expenses	**(20.889)**	(13.191)
Tax expenses	**(14.715)**	(13.326)
Fuel expenses	**(2.263)**	(1.338)
Other	**(23.801)**	(37.255)
	(6.163.279)	**(6.155.404)**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

18. OTHER INCOME (EXPENSES) FROM OPERATING ACTIVITIES

a) Other income from operating activities

	January 1 – December 31, 2025	January 1 – December 31, 2024
Foreign exchange gains arising from operating activities	**101.410**	97.834
Reversal of provision	**765**	-
Discount interest income	**7.682**	35.101
Other (*)	**12.060**	58.807
	121.917	**191.742**

(*) A significant portion of the balance consists of scrap sales revenue.

b) Other expenses from operating activities

	January 1 – December 31, 2025	January 1 – December 31, 2024
Foreign exchange losses arising from operating activities	**(91.256)**	(148.336)
Deferred financing expenses	**-**	(12.487)
Other	**(24.490)**	(30.721)
	(115.746)	**(191.544)**

19. EXPENSES FROM INVESTING ACTIVITIES

	January 1 – December 31, 2025	January 1 – December 31, 2024
Loss on sale of property, plant and equipment	**(1.917)**	-
	(1.917)	-

20. FINANCIAL INCOME

	January 1 – December 31, 2025	1 Ocak - 31 Aralık 2024
Foreign exchange gainsi	**6.229**	23.277
Interest income	**9.965**	9.741
	16.194	**33.018**

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

21. FINANCIAL EXPENSES

	January 1 – December 31, 2025	January 1 – December 31, 2024
Foreign exchange losses	**(561.726)**	(873.684)
Interest expenses on bank loans	**(433.086)**	(561.120)
Interest expenses on payables to related parties	**(16.919)**	(504.036)
Interest cost related to employee benefits	**(15.545)**	-
Commission on letter of guarantee	**(12.422)**	(8.046)
Bank commission expenses	**(2.066)**	(827)
Other	**-**	(12.055)
	(1.041.764)	**(1.959.768)**

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Corporate tax

In Turkey, the corporate tax rate is 25% (it was also applied as 25% for corporate earnings relating to the 2024 taxation period). The corporate tax rate is applied to net corporate income determined by adding back expenses that are not deductible under tax legislation to commercial profit and deducting the exemptions and allowances provided for under the tax laws. Corporate tax is declared by the evening of the thirtieth day of the fourth month following the relevant year-end and is paid in a single installment by the end of that month.

	December 31, 2025	December 31, 2024
Current year corporate tax provision	**-**	-
Less: Prepaid taxes and funds	**1.466**	948
Current tax assets	**1.466**	**948**

Tax income / (expense) in the statement of profit or loss	January 1 – December 31, 2025	January 1 – December 31, 2024
Deferred tax income (expense)	**364.832**	590.218
	364.832	**590.218**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)

Deferred tax

	Taxable temporary differences		Deferred tax assets / (liabilities)	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Tangible and intangible assets	**2.390.871**	2.966.190	**597.718**	741.547
Tax losses carried forward	**2.899.336**	3.412.360	**724.834**	853.091
Interest incentive on cash capital increase	**892.446**	694.300	**223.112**	173.575
Mine site rehabilitation provision	**41.708**	41.896	**10.427**	10.474
Provisions for employee benefits	**87.422**	78.732	**21.860**	19.684
Other	**-**	8.282	**-**	2.057
Deferred tax assets	**6.311.783**	**7.201.760**	**1.577.951**	**1.800.428**
Tangible and intangible assets	**(3.714.413)**	(3.745.429)	**(774.755)**	(702.267)
Inventories	**(230.141)**	(316.746)	**(57.535)**	(79.186)
Other	**(7.116)**	-	**(1.779)**	-
Deferred tax liabilities	**(3.951.670)**	**(4.062.175)**	**(834.069)**	**(781.453)**
Deferred tax assets / (liabilities), net			**743.882**	**1.018.975**
Allowance for deferred tax assets			**-**	**(570.108)**
Deferred tax assets / (liabilities), net			**743.882**	**448.867**

The recoverable amount of deferred tax assets, in whole or in part, has been estimated under the current circumstances. In making this assessment, the 5-year projections prepared by the Group's management as the foreseeable future and the timing of the reversal of taxable temporary differences have been taken into consideration.

As of the reporting dates, the maturity breakdown of nominal tax losses carried forward and the estimated expiry dates are as follows:

	December 31, 2025	December 31, 2024
December 31, 2025	**-**	483.049
December 31, 2026	**280.742**	367.470
December 31, 2027	**443.418**	580.400
December 31, 2028	**964.775**	1.262.856
December 31, 2029	**549.021**	718.585
December 31, 2030	**661.380**	-
	2.899.336	**3.412.360**

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)

Deferred tax (continued)

Under Law No. 6637 on the Amendment of Certain Laws and Decree Laws, published in the Official Gazette dated April 7, 2015, as of July 1, 2015, for cash capital increases in capital companies and for the portion of paid-in capital contributed in cash in newly established capital companies, 50% of the amount calculated until the end of the relevant accounting period, by taking into account the weighted average annual interest rate applied to commercial loans announced by the Central Bank of the Republic of Turkey, may be deducted from the corporate tax base. Pursuant to Decision No. 2015/7910 published in the Official Gazette dated December 31, 2017, the 50% rate is increased by:

a) 25 points for publicly held joint stock companies whose shares are traded on the stock exchange, if as of the last day of the year in which the deduction is utilized, the ratio of the nominal amount of shares tracked as eligible for stock exchange trading at the Central Securities Depository of Turkey (Merkezi Kayıt Kuruluşu A.Ş.) to the registered paid-in or issued capital is 50% or less; and by 50 points if such ratio exceeds 50%;

b) An additional 25 points, limited to the fixed investment amount included in the investment incentive certificate, where the cash-increased capital is used for investments in manufacturing and industrial facilities holding an investment incentive certificate and the machinery and equipment related to such facilities, and/or in land and plot investments allocated to the construction of such facilities.

With the amendment introduced by Law No. 7417 dated July 5, 2023, the right to benefit indefinitely from the interest deduction on cash capital increases has been limited to the accounting period in which the resolution on the capital increase, or in the case of initial incorporation the articles of association, is registered, and the following four accounting periods. In addition, pursuant to paragraph thirteen of Provisional Article 15 added to the Corporate Income Tax Law by Law No. 7414, taxpayers that had previously made capital increases and had started to benefit from the deduction were granted the right to continue benefiting from the deduction for five more accounting periods, including the 2024 period,
regardless of the number of periods in which they had benefited from the deduction in prior years. Amounts of deduction accrued during the period in which the right to benefit from the deduction exists, but which could not be utilized in the relevant periods due to insufficient taxable profit, may still be used as deductions even after the expiry of the five-year period. There is no time limitation in this respect.

The movement in the net deferred tax assets / (liabilities) balance is as follows:

	2025	2024
Opening balance as of January 1	**448.867**	(27.976)
Recognized in the statement of profit or loss	**364.832**	590.218
Charge to other comprehensive income	**(69.817)**	(113.375)
December 31	**743.882**	**448.867**

23. EARNING/LOSS PER SHARE

	January 1 – December 31, 2025	January 1 – December 31, 2024
Net profit / (loss) attributable to equity holders of the parent	**(120.381)**	328.206
Weighted average number of shares outstanding	**160.000.000**	160.000.000
Earnings / (loss) per 100 shares with a nominal value of TL 1	**(0,0752)**	**0,2051**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

23. EARNING/LOSS PER SHARE (CONTINUED)

Earnings / (loss) per share is determined by dividing net profit by the weighted average number of shares outstanding during the relevant year. Companies may increase their capital by distributing shares to existing shareholders from retained earnings in proportion to their shareholdings ("Bonus Shares"). In the calculation of earnings per share, such bonus shares are treated as issued shares. Accordingly, the weighted average number of shares used in the earnings per share calculation is determined by applying the issuance of bonus shares retrospectively.

24. RELATED PARTY DISCLOSURES

As of December 31, 2025 and 2024, the balances of receivables from and payables to related parties, together with a summary of significant transactions carried out with related parties during the year, are presented below:

Details of trade and non-trade receivables from related parties as of December 31, 2025 are as follows:

		Receivables		Payables
		Short term		Short term
Balances with related parties	**Trade**	**Non-trade**	**Trade**	**Non-trade**
Batıçim Batı Anadolu Çimento Sanayii A.Ş. (*) (1)	-	744	44.677	-
Batıbeton Sanayi A.Ş.(2)	80.448	1.270	-	-
Batıçim Enerji Toptan Satış A.Ş. (2)	-	-	9.002	-
Batıliman Liman İşletmeleri A.Ş. (2)	-	-	101.342	-
Çiftay İnşaat Taahhüt Ve Tic. A.Ş. (3)	159.037	6.455	677	-
	239.485	8.469	155.698	-

(*) The non-trade payables of a financing nature obtained from Batıçim are payable on demand and bear interest at a market rate, which is reviewed every three months.

As of December 31, 2024, the details of trade and non-trade receivables from related parties are as follows:

		Receivables		Payables
		Short term		Short term
Balances with related parties	**Trade**	**Non-trade**	**Trade**	**Non-trade**
Batıçim Batı Anadolu Çimento Sanayii A.Ş. (1)	-	-	21.529	2.466.976
Batıbeton Sanayi A.Ş.(2)	119.938	497	-	-
Batıçim Enerji Toptan Satış A.Ş. (2)	-	9.698	-	-
Batıliman Liman İşletmeleri A.Ş. (2)	-	-	188.666	-
	119.938	10.195	210.195	2.466.976

1. Parent company
2. Other companies controlled by the parent company
3. Related party

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

24. RELATED PARTY DISCLOSURES (CONTINUED)

			January 1 – December 31, 2025
Transactions with related parties	**Purchases of goods or services**	**Sale of goods**	**Other income (expense)**
Batıbeton Sanayi A.Ş.(2)	169	563.948	19.148
Batıçim Batı Anadolu Çimento Sanayii A.Ş. (1) (*)	89.026	716.262	16.675
Batıçim Enerji Toptan Satış A.Ş. (2)	36.828	-	-
Batıliman Liman İşletmeleri A.Ş. (**) (2)	256.848	-	-
Çiftay İnşaat Taahhüt Ve Tic. A.Ş. (3)	5.615	193.827	-
	388.486	1.474.037	35.823

(*) The Group's sales of goods arise from export-registered sales. Other expenses consist of interest expenses.
(**) It consists of port service expenses received from Batıliman.

			January 1 – December 31, 2024
Transactions with related parties	**Purchases of goods or services**	**Sale of goods**	**Other income (expense)**
Batıbeton Sanayi A.Ş.(2)	251	531.931	40.469
Batıçim Batı Anadolu Çimento Sanayii A.Ş. (1)	59.562	305.654	498.363
Batıçim Enerji Toptan Satış A.Ş. (2)	47.948	-	314
Batıliman Liman İşletmeleri A.Ş. (*) (2)	278.238	-	-
	385.999	837.585	539.146

(*) It consists of port service expenses received from Batıliman.

1. Parent company
2. Other companies controlled by the parent company
3. Related party

Compensation of key management personnel:
The Group's key management personnel consist of the members of the Board of Directors and the members of the Executive Board. Benefits provided to key management personnel include salaries, bonuses, health insurance and benefits such as transportation. The benefits provided to key management personnel during the year are as follows:

	December 31, 2025	December 31, 2024
Salaries, bonuses and social benefits	7.937	5.794
Seniority incentive bonuses, other benefits and payments	982	108
	8.919	5.902

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

25. EXPLANATIONS ON NET MONETARY POSITION GAINS/(LOSSES)

Non-monetary Items	December 31, 2025
Statement of Financial Position Items	
Inventories	**5.529**
Prepaid Expenses	**14.084**
Property, Plant and Equipment	**3.173.086**
Intangible Assets	**689**
Right-of-Use Assets	**2.151**
Deferred Tax Asset	**105.941**
Paid-in Capital	**(2.236.206)**
Share Premiums (Discounts)	**(4.141)**
Other Comprehensive Income	**(314.727)**
Treasury Shares (-)	**650**
Capital Advance	**(517.031)**
Restricted Reserves Appropriated from Profit	**(115.824)**
Retained Earnings / Losses from Previous Years	**317.772**
Statement of Profit or Loss Items	
Revenue	**(538.163)**
Cost of Sales	**735.566**
General Administrative Expenses	**21.265**
Marketing, Selling and Distribution Expenses	**50.080**
Other Operating Income	**(23.250)**
Other Operating Expenses	**22.944**
Finance Income	**(3.690)**
Finance Expenses	**187.888**
Net Monetary Position Gains / (Losses)	**884.613**

26. NATURE AND LEVEL OF RİSKS ARİSİNG FROM FİNANCİAL İNSTRUMENTS

a) Credit risk:

Credit risk is defined as the risk that one party to a financial instrument will fail to fulfil its contractual obligation, resulting in a financial loss to the Group. The Group seeks to reduce credit risk by conducting its transactions only with counterparties that are creditworthy and, where possible, obtaining adequate collateral. The credit risks to which the Group is exposed are monitored on an ongoing basis.

Trade receivables comprise a large number of customers, particularly in the construction sector. Credit evaluations are performed continuously based on customers' trade receivable balances, and collateral is obtained for receivables where deemed necessary.

The allowance for doubtful receivables for financial assets is determined based on past collection default experience.

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26. NATURE AND LEVEL OF RİSKS ARİSİNG FROM FİNANCİAL İNSTRUMENTS (CONTINUED)

a) Credit risk (continued):

As of December 31, 2025 and 2024, the analysis of credit risk exposure by type of financial instrument is as follows:

December 31, 2025

	Receivables		Other receivables			
	Trade receivables					
	Related parties	Third parties	Related parties	Third parties	Deposits in bank	Total
Maximum credit risk exposure as of the reporting date (A+B+C+D+E) (*)	**239.485**	**936.644**	**8.469**	**2.994**	**55.121**	**1.242.713**
- Portion of maximum exposure secured by collateral, etc. (**)	**-**	**1.063.341**	**-**	**-**	**-**	**1.063.341**
A. Net carrying amount of financial assets that are neither past due nor impaired	**239.485**	**533.722**	**8.469**	**2.994**	**55.121**	**839.791**
B. Carrying amount of financial assets whose terms have been renegotiated and which would otherwise be considered past due or impaired	**-**	**-**	**-**	**-**	**-**	**-**
C. Net carrying amount of assets that are past due but not impaired	**-**	**262.108**	**-**	**-**	**-**	**402.922**
D. Net carrying amounts of impaired assets						
-Past due (gross carrying amount)	**-**	**4.846**	**-**	**-**	**-**	**4.846**
-Impairment (-)	**-**	**(4.846)**	**-**	**-**	**-**	**(4.846)**
E. Off-balance sheet items containing credit risk						

(*) In determining the amount, elements that enhance credit quality, such as collateral obtained, have not been taken into account.
(**) The collateral consists of letters of guarantee obtained from customers.

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(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

26. NATURE AND LEVEL OF RİSKS ARİSİNG FROM FİNANCİAL İNSTRUMENTS (CONTINUED)

a) Credit risk (continued):

December 31, 2024

	Receivables		Other receivables			
	Trade receivables					
	Related parties	Third parties	Related parties	Third parties	Deposits in bank	Total
Maximum credit risk exposure as of the reporting date (A+B+C+D+E) (*)	**119.938**	**974.493**	**10.195**	**1.045**	**42.582**	**1.148.253**
- Portion of maximum exposure secured by collateral, etc. (**)	-	**468.489**	-	-	-	**468.489**
A. Net carrying amount of financial assets that are neither past due nor impaired	**119.938**	**842.880**	**10.195**	**1.045**	**42.582**	**1.016.640**
B. Carrying amount of financial assets whose terms have been renegotiated and which would otherwise be considered past due or impaired	-	-	-	-	-	-
C. Net carrying amount of assets that are past due but not impaired	-	**131.613**	-	-	-	**131.613**
D. Net carrying amounts of impaired assets						
-Past due (gross carrying amount)	-	**2.524**	-	-	-	**2.524**
-Impairment (-)	-	**(2.524)**	-	-	-	**(2.524)**
E. Off-balance sheet items containing credit risk	-	-	-	-	-	-

(*) In determining the amount, elements that enhance credit quality, such as collateral obtained, have not been taken into account.
(**) The collateral consists of letters of guarantee obtained from customers.

b) Liquidity risk

The Board of Directors has ultimate responsibility for liquidity risk management. The Board of Directors has established an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity requirements. The Group manages liquidity risk by regularly monitoring forecast and actual cash flows and by ensuring the continuity of sufficient funds and borrowing reserves through matching the maturities of financial assets and liabilities.

The following table shows the maturity profile of the Group's non-derivative financial liabilities. Nonderivative financial liabilities are presented on an undiscounted basis and based on the earliest dates on which they are required to be paid. Interest payable on such liabilities is included in the table below.

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(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

26. NATURE AND LEVEL OF RİSKS ARİSİNG FROM FİNANCİAL İNSTRUMENTS (CONTINUED)

b) Liquidity risk (continued):

December 31, 2025

Contractual terms	Book value	Contracted cash outflow (I+II+III+IV)	Less than 3 months (I)	3 - 12 months(II)	1 – 5 years (III)	More than 5 years (IV)
Non derivative financial						
Liabilities						
Bank loans	3.011.464	2.981.560	359.813	540.232	1.633.111	448.403
Lease liabilitiesr	5.520	9.536	894	2.682	5.960	-
Trade payables	1.141.723	1.141.723	1.141.723	-	-	-
Other payables to non-related parties	21.905	21.905	21.905	-	-	-
Other financial liabilities	-	-	-	-	-	-
	4.180.612	4.154.724	1.524.335	542.914	1.639.071	448.403

December 31, 2024

Contractual terms	Book value	Contracted cash outflow (I+II+III+IV)	Less than 3 months (I)	3 - 12 months(II)	1 – 5 years (III)	More than 5 years (IV)
Non derivative financial						
Liabilities						
Bank loans	3.013.884	4.381.004	46.196	1.068.013	2.396.395	870.400
Lease liabilities	8.893	17.786	1.437	3.867	12.482	-
Trade payables	791.946	791.946	791.946	-	-	-
Other payables to non-related parties	2.466.976	-	-	-	-	-
Other financial liabilities	12.788	12.788	12.788	-	-	-
Lease liabilities	249.183	256.387	256.387	-	-	-
	6.543.670	5.459.911	1.108.754	1.071.880	2.408.877	870.400

26. NATURE AND LEVEL OF RİSKS ARİSİNG FROM FİNANCİAL İNSTRUMENTS (CONTINUED)

c) Market risk:

Foreign currency risk management

The Group is mainly exposed to foreign exchange risk in U.S. Dollars and Euros. The following table shows the Group's sensitivity to a 10% increase and decrease in U.S. Dollar and Euro exchange rates. The 10% rate is the rate used when reporting foreign exchange risk to key management personnel within the Group and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency-denominated monetary items at yearend and shows the effects of a 10% change in exchange rates at year-end on such items. This analysis covers loans obtained from external sources, as well as loans used for the Group's overseas operations where the borrowing and utilizing parties have a functional currency other than the currency of the loan. A positive amount indicates an increase in profit or loss and in other equity items.

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(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

	December 31, 2025			December 31, 2024		
	TL	US		TL	US	
	Equivalent	Dollar	Euro	Equivalent	Dollar	Euro
1.Trade receivables	**439.964**	**10.265**	**-**	287.121	6.218	-
2a. Monetary financial assets (including cash and bank accounts)	**14.774**	**10**	**285**	20.948	446	7
2b. Non-monetary financial assets	**-**	**-**	**-**	-	-	-
3. Other	**99.671**	**1.830**	**420**	27.082	564	21
4. Current assets (1+2+3)	**554.409**	**12.105**	**705**	335.151	7.228	28
5. Trade payables	**-**	**-**	**-**	-	-	-
6a. Monetary other liabilities	**-**	**-**	**-**	-	-	-
6b. Non-monetary other liabilities	**-**	**-**	**-**	-	-	-
7. Other	**-**	**-**	**-**	-	-	-
8. Non-current assets (5+6+7)	**-**	**-**	**-**	-	-	-
9. Total assets (4+8)	**554.409**	**12.105**	**705**	335.151	7.228	28
10. Trade payables	**455.862**	**8.463**	**1.846**	343.151	6.666	722
11. Financial liabilities	**676.841**	**15.471**	**272**	982.415	21.309	-
12a. Monetary other liabilities	**-**	**-**	**-**	-	-	-
12b. Non-monetary other liabilities	**-**	**-**	**-**	-	-	-
13. Current liabilities (10+11+12a+12b)	**1.132.703**	**23.934**	**2.118**	1.325.566	27.975	722
14. Trade payables	**-**	**-**	**-**	-	-	-
15. Financial liabilities	**1.930.877**	**40.699**	**3.695**	2.252.563	48.859	-
16a. Monetary other liabilities	**-**	**-**	**-**	-	-	-
16b. Non-monetary other liabilities	**-**	**-**	**-**	-	-	-
17. Long term liabilities (14+15+16a+16b)	**1.930.877**	**40.699**	**3.695**	2.252.563	48.859	-
18. Total liabilities (13+17)	**3.063.580**	**64.633**	**5.813**	3.578.129	76.834	722
19. Net asset/(liability) position of off-balance sheet (19a-19b)	**-**	**-**	**-**	-	-	-
19a. Amount of off-balance sheet foreign currency-denominated derivative instruments with positive fair value	**-**	**-**	**-**	-	-	-
19b. Amount of off-balance sheet foreign currency-denominated derivative instruments with negative fair value	**-**	**-**	**-**	-	-	-
20. Net foreign currency asset/(liability) (9-18+19)	**(2.509.171)**	**(52.528)**	**(5.108)**	(3.242.978)	(69.606)	(694)
21. Net foreign currency asset/(liability) position of monetary items (TFRS7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)						
(=1+2a+5+6a-10-11-12a-14-15-16a)	**(2.608.842)**	**(54.358)**	**(5.528)**	(3.270.060)	(70.170)	(715)
22. Total fair value of financial instruments used for foreign exchange hedging	**-**	**-**	**-**	-	-	-
23. Amount of hedged portion of foreign currency assets	**-**	**-**	**-**	-	-	-
24. Amount of hedged portion of foreign currency liabilities	**-**	**-**	**-**	-	-	-
25. Export	**1.599.547**	**37.938**	**16.162**	1.364.173	33.128	-
26. Import	**195.771**	**-**	**4.066**	563.916	430.824	6.270

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

26. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

c) Market risk (continued):

Foreign exchange sensitivity analysis table

		December 31, 2025
		Profit / (loss) effect before tax
	Foreign currency appreciation	**Foreign currency depreciation**
When USD changes by 10% against TL		
1 - USD net asset/liability	**(225.148)**	**225.148**
2- Amount hedged from USD risk (-)	**-**	**-**
3- USD net effect (1 +2)	**(225.148)**	**225.148**
When Euro changes by 10% against TL		
4 - Euro net asset/liability	**(25.769)**	**25.769**
5 - Amount hedged from Euro risk (-)	**-**	**-**
6- Euro net effect (4+5)	**(25.769)**	**25.769**
Total (3 + 6)	**(250.917)**	**250.917**

		December 31, 2024
		Profit / (loss) effect before tax
	Foreign currency appreciation	**Foreign currency depreciation**
When USD changes by 10% against TL		
1 - USD net asset/liability	**(320.962)**	**320.962**
2- Amount hedged from USD risk (-)	**-**	**-**
3- USD net effect (1 +2)	**(320.962)**	**320.962**
When Euro changes by 10% against TL		
4 - Euro net asset/liability	**(3.335)**	**3.335**
5 - Amount hedged from Euro risk (-)	**-**	**-**
6- Euro net effect (4+5)	**(3.335)**	**3.335**
Total (3 + 6)	**(324.297)**	**324.297**

(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

26. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk

The Group's loans at fixed and variable interest rates expose the Group to interest rate risk. Such risk is managed by the Group. Hedging strategies are regularly reviewed to ensure alignment with interest rate expectations and the defined level of risk. The objective is to establish the optimum hedging strategy by both reviewing the balance sheet position and keeping interest expenses under control under different interest rate scenarios.

The Group's interest rate position table as of December 31, 2025 and 2024 is presented below:

	2025	2024
Fixed rate instruments		
Financial assets	**32.133**	**18.930**
Financial liabilities	**731.527**	**375.209**
Floating rate instruments		
Financial liabilities	**2.285.457**	**2.896.717**
Financial liabilities to related parties	**-**	**2.466.976**

d) Capital risk management

In capital management, the Group aims, on the one hand, to ensure the continuity of its operations and, on the other hand, to maximize its profit by using the balance between debt and equity in the most efficient manner.

The Group's capital structure consists of borrowings, including the loans disclosed in Note 6, and equity items comprising cash and cash equivalents, issued capital, reserves and retained earnings, respectively.

The Group's Board of Directors reviews the capital structure twice a year. During these reviews, the Board assesses the cost of capital together with the risks associated with each class of capital. Based on the recommendations made by the Board, the Group aims to maintain a balanced capital structure.

Consistent with other companies in the industry, the Group monitors capital on the basis of the leverage ratio. This ratio is calculated as net financial debt divided by total equity. Net financial debt is derived by deducting cash and cash equivalents from total financial borrowings. Total capital is calculated as the sum of "Equity" in the statement of financial position and net debt.

	December 31, 2025	December 31, 2024
Total financial liabilities	**3.016.984**	**5.738.902**
Less: Cash and cash equivalents	**(55.121)**	(42.582)
Net financial liabilities	**2.961.863**	5.696.320
Total equity	**12.627.481**	9.967.517
Net financial liabilities/total equity ratio	**0,235**	**0,571**

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

27. FAIR VALUE DISCLOSURES

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial instruments

The estimated fair values of financial instruments have been determined by the Group using current market information and appropriate valuation methods. However, judgment is required in interpreting market data for the purpose of estimating fair value. Accordingly, the estimates used may differ from the values that the Group could obtain from current market transactions.

The following methods and assumptions have been used in estimating the fair values of financial instruments for which fair value can be determined:

Financial Assets

It is assumed that the fair values of foreign currency denominated balances translated at the exchange rates prevailing at the reporting date approximate their carrying amounts. Cash and cash equivalents are presented at their fair values. Due to their short-term nature, the fair values of trade receivables and receivables from related parties are assumed to approximate their carrying amounts. Financial investments quoted on the stock exchange are presented at their fair values determined based on Borsa Istanbul market data as of the reporting date.

Financial Liabilities

Trade payables, payables to related parties and other monetary liabilities are estimated to be presented at amounts approximating their fair values together with their discounted carrying amounts, and it is assumed that the fair values of foreign currency denominated balances translated at the exchange rates prevailing at the reporting date approximate their carrying amounts.

The fair values of short-term bank loans and other monetary liabilities are considered to approximate their carrying amounts due to their short-term nature. Since the interest rates of long-term variable-rate bank loans are updated to reflect changing market conditions, the fair values of these loans are considered to represent their carrying amounts. When long-term fixed-rate bank loans are measured using the fixed interest rates effective at the statement of financial position date, their fair values are observed to be close to their carrying amounts.

Levels of Fair Value Measurement

The classifications of the Group's financial assets and liabilities in respect of fair value are as follows:

- First level: Financial assets and liabilities have been measured based on quoted market prices in active markets for identical assets and liabilities.
- Second level: Financial assets and liabilities have been measured using inputs, other than the quoted market prices included in first level, that are directly or indirectly observable in the market for the relevant asset or liability.
- Third level: Financial assets and liabilities have been measured using inputs that are not based on observable market data in determining the fair value of the asset or liability.

As of December 31, 2025 and 2024, the Group has no financial assets measured at fair value in the statement of financial position.

Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

27. FAIR VALUE DISCLOSURES (CONTINUED)

Non-Financial Assets

Real estate appraisal reports prepared by a real estate appraisal company authorized by the CMB are used to determine the fair values of land measured at fair value, determine the fair values of machinery and equipment at market approach and fair value approach on the financial statements.

It is defined as the determination of the value of the real estate to be appraised, using the appropriate comparison criteria, by applying the necessary adjustments on the sales prices of the real estate that has been recently sold and similar to the real estate to be appraised, again according to these criteria.

Those comparable to the real estate in question are analysed by comparing them in order of priority in terms of property rights, financing, sales conditions, after-sales expenditures, market conditions, location and physical characteristics. Quantitative and qualitative techniques are applied in the corrections to be made. In the case of sufficient and reliable data, it can be applied in the valuation of all types of real estate, and in the case of data, it is accepted as the most appropriate approach to determine the value.

In the revaluation of the company's machinery and equipment value appraisal was made using the "market approach" and "cost approach" method. In the market approach method, after it is concluded that there is sufficient sales data for the assets, the value is appraised by comparing the sales of similar assets in the market or by comparing the prices requested and the offers. Market research was conducted on other items, and current and second-hand values were checked. Subsequently, market research was conducted on other items to check their current values and second-hand values. The reliability of the information provided by third parties was confirmed by the valuation expert through verification from different sources and by conducting sectoral research.

In the cost approach method, the actual costs incurred by the business in purchasing or constructing the assets are accepted as the substitute value. From this value, the remaining value is appraised as the fair value after estimating the value losses (depreciations) due to physical wear and tear, and functional and economic obsolescence.

December 31, 2025	Fair value level as of reporting date		
	Level 1	Level 2	Level 3
	TL	TL	TL
Land	-	**4.193.464**	-
Machinery, plant and equipment	-	**4.844.586**	-
	-	**9.038.050**	**-**

In the determination of the fair values of land and machinery and equipment measured at fair value under the revaluation model in the financial statements, the real estate valuation reports prepared by a real estate appraisal company authorized by the CMB have been taken as a basis, and the relevant study was updated as of December 31, 2025.

28. EXPLANATİONS ON GAİNS/(LOSSES) ON NET MONETARY POSİTİON

The Group's disclosure regarding the fees for services provided by independent audit firms, prepared in accordance with the Board Decision of the POA published in the Official Gazette (duplicate issue) dated March 30, 2021, and based on the principles of preparation set out in the POA's letter dated August 19, 2023, is as follows:

	January 1 - December 31, 2025	January 1 - December 31, 2024
Independent audit fee for the reporting period	**1.575**	**2.437**
	1.745	**2.749**

29. SUBSEQUENT EVENTS

The trade name of the Company's subsidiary, ASH Plus Yapı Malzemeleri Sanayi ve Ticaret A.Ş., was changed to Ecowest Atık Yönetim A.Ş. upon registration with the trade registry on February 3, 2026, pursuant to the board of directors' resolution dated January 27, 2026. The negotiations for the new term Group Collective Bargaining Agreement, initiated on December 24, 2025 between the Cement Industry Employers' Union of Turkey (ÇEİS), of which the Group is a member, and the Turkey Çimse-İş Union, were concluded with an agreement on February 2, 2026. The Group has reached an agreement with Euler Hermes to enter into a receivables insurance contract for the purpose of managing trade receivables risk. The relevant policy will enter into force on January 1, 2026 following the completion of signatures. The Group has an overseas receivables insurance policy in effect with Türk Eximbank and, in addition, has reached an agreement to participate in the Türk Eximbank Domestic Receivables Insurance program in order to secure trade receivables risks arising from its domestic deferred sales. The policy will enter into force following the completion of signatures.

DIVIDENT DISTRIBUTION OF BATISÖKE SÖKE ÇİMENTO SAN. TÜRK A.Ş. FOR 2025 (TL)

1	**Paid-Up/Issued Capital**	**1,600,000,000**	
2	**Total Legal Reserve Fund (According to legal records)**	**10,313,318.57**	
	Information relating to preferences, if any on dividend distribution according to articles of association	None	
		According to CMB	According to Legal Records (LR)
3	**Profit for the Period**	-485,213,000.00	- 618,275,860.39
4	**Taxes Payable (-)**	364,832,000.00	
5	**Net Profit for the Period (=)**	-120,381,000.00	- 618,275,860.39
6	**Losses from Previous Years (-)**		- 4,212,248,843.40
7	**General Legal Reserve Fund (-)**		
8	**NET DISTRIBUTABLE PROFIT (=)**	-120,381,000.00	- 4,830,524,703.79
9	**Donations of the Year (+)**	1,307,664.06	1,307,664.06
10	**Net Distributable Profit of the Period Including Donations**	-119,073,335.94	- 4,829,217,039.73
11	**First Dividend to Shareholders**		
	- Cash		
	- Bonus Share		
12	**Dividends Paid to Privileged Shareholders**		
13	**Other Distributed Dividend**		
	- To the Members of the Board		
	- To the Employees		
	- To the Others Who are not Shareholder		
14	**Dividend Distributed to the Owners of Dividend Right Certificate**		
15	**Secondary Dividend to Shareholders**		
16	**General Legal Reserve Fund**		
17	**Statutory Reserves**		
18	**Special Reserves**		
19	**Extraordinary Reserves**		
20	**Other Resources that Assumed to be Distributed**		
	- Retained Earnings from Previous Years		
	- Extraordinary Reserves		
	- Other Reserves Distributable Under Law and Articles of Association		
21	**General Legal Reserve Fund for Other Resources that Assumed to be Distributed**		
	- Reserve Fund from Prior Years' Profits		
	- Reserve Fund from Extraordinary Reserves		
	- Reserve Fund from Other Distributable Reserves Under Law and Articles of Association		

2025 DIVIDEND SHARE RATES TABLE

	GROUP	TOTAL DISTRIBUTED NET DIVIDEND AMOUNT		TOTAL DISTRIBUTED DIVIDEND AMOUNT / NET DISTRIBUTABLE PROFIT	NET DIVIDEND CORRESPONDING TO ONE SHARE WITH A NOMINAL VALUE OF TL 1	
		CASH (TL)	BONUS SHARE (TL)	RATE (%)	AMOUNT (TL)	RATE (%)
NET	A	0,00	0,00	0,00	0,00	0,00
	B	0,00	0,00	0,00	0,00	0,00
	TOTAL	0	0	0	0	0

BATISÖKE