

The image features a large, stylized logo at the top right that reads "BATISÖKE" in a bold, blue, sans-serif font. The letter "A" is uniquely designed with an orange square cutout. The background of the entire page is a photograph of an industrial facility, likely a refinery or chemical plant, with various structures, pipes, and a large dome. The image is framed by large, flowing, abstract shapes in shades of blue and orange that sweep across the top and left sides. In the bottom right corner, there is a black rectangular box containing the text "ACTIVITY REPORT" in white, uppercase letters, and below it, the year "2024" in a very large, white, bold font.

BATISÖKE

ACTIVITY REPORT

2024



BATISÖKE

ACTIVITY REPORT 2024

ORDINARY GENERAL ASSEMBLY MEETING//18 June 2025 Time: 14:45

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

Batisöke Söke Çimento Sanayii T.A.Ş. To the General Assembly

1) Opinion

Since we have audited the full set of financial statements for the accounting period of 1 January 2024 - 31 December 2024 of Batisöke Söke Çimento Sanayii Taş. ("Company") we have also audited the annual activity report for this accounting period.

In our opinion, the financial information included in the annual activity report of the board of directors and the examinations made by the Board of Directors about the status of the Company are consistent with the full set of financial statements audited and the information we obtained during the independent audit in all important aspects and reflect the truth.

2) Basis for Opinion

The independent audit we conducted was carried out in accordance with the Independent Auditing Standards (IASs), which are part of the Turkish Auditing Standards adopted within the framework of the regulations of the Capital Markets Board and published by the Public Oversight, Accounting and Auditing Standards Authority (POA). Our responsibilities under these Standards are explained in detail in the Responsibilities of the Independent Auditor for the Independent Audit of the Annual Activity Report of our report. We declare that we are independent of the Company in accordance with the Code of Ethics for Independent Auditors (Ethical Rules) published by the POA and the ethical provisions regarding independent auditing in the legislation of the Capital Markets Board and other relevant legislation. Other responsibilities related to ethics within the scope of the Code of Ethics and legislation have also been fulfilled by us. We believe that the independent audit evidence we obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3) Our Auditor's Opinion on Full Set Financial Statements

We have given a positive opinion on the full set of financial statements of the company for the accounting period of 1 January 2024 - 31 December 2024 in our auditor's report dated 4 April 2025.

4) Other Issues

The independent audit of the annual activity report of the Board of Directors of the company for the year ended 31 December 2023 was carried out by another independent audit company. The previous independent audit company gave a positive opinion in the independent audit report dated 4 April 2024 regarding the annual activity report of the Board of Directors of the Company for 2023.

5) Responsibility of the Board of Directors for the Annual Activity Report

The company management is responsible for the following in relation to the annual activity report in accordance with Articles 514 and 516 of the Turkish Commercial Code (TCC) No. 6102 and the Communiqué of the Capital Markets Board ("CMB") No. 11-14.1 "Communiqué on Financial Reporting in the Capital Markets" ("Communiqué"):

- a) It prepares the annual activity report within the first three months following the balance sheet day and submits it to the general assembly.
- b) It prepares the annual activity report in a way that reflects the flow of the group's activities for that year and its financial situation in all aspects in an accurate, complete, straightforward, truthful and honest manner. In this report, the financial position is evaluated according to the financial statements. The report also clearly indicates the development of the company and the risks it is likely to face. The evaluation of the board of directors regarding these issues is also included in the report.
- c) The activity report also includes the following:
 - Events of special importance that occur in the Company after the end of the activity year,
 - Research and development activities of the Company,
 - Financial benefits such as wages, premiums, bonuses, allowances, travel, accommodation and representation expenses, in-kind and cash facilities, insurances and similar guarantees paid to the members of the Board of Directors and senior managers.

The board of directors also takes into account the secondary legislation regulations made by the Ministry of Trade and the relevant institutions while preparing the activity report.

6) Responsibility of the Independent Auditor for the Independent Audit of the Annual Activity Report

Our aim is to give an opinion about whether the financial information included in the annual activity report within the framework of the provisions of the TCC and the Communiqué and the examinations made by the Board of Directors are consistent with the audited financial statements of the Company and the information we obtained during the independent audit and whether it reflects the truth and to prepare a report containing this opinion.

The independent audit we conducted was carried out in accordance with the regulations of the Capital Markets Board and the IASs. These standards require that the independent audit is planned and carried out in order to obtain reasonable assurance whether the financial information in the activity report and the examinations made by the Board of Directors are consistent with the financial statements and the information obtained during the audit and whether it reflects the truth.

Özgür Öney is the responsible auditor who carried out and concluded this independent audit.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK AŞ.

Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Özgür Öney, CPA

Responsible Auditor Izmir. 4 April 2025



BATISÖKE SÖKE ÇİMENTO SANAYİİ TÜRK ANONİM ŞİRKETİ ORDINARY GENERAL ASSEMBLY MEETING AGENDA

1. Opening and authorization for the formation of the Presidential Council and the signing of the General Assembly Meeting Minutes by the Presidential Council,
2. Reading, discussing and approving the company's balance sheet and profit and loss accounts for 2024 with the Activity Report of the Board of Directors and the reports of the Independent External Audit Agency,
3. Presentation of information about related party transactions,
4. Presentation of information about donations and aids made in 2024,
5. Information about the guarantees, pledges, mortgages given by the company in favor of third parties and the income or benefits obtained,
6. The members of the Board of Directors are acquitted separately for their activities, accounts and all kinds of other disposals in 2024,
7. Deciding on the fee to be paid to the Members of the Board of Directors,
8. Negotiating and taking decisions about the submission and approval of information about our company's Donation Policy and Information Policy,
9. Deciding about the upper limit of donations to be made in 2025,
10. Discussing the proposal of the Board of Directors on profit distribution and taking decisions,
11. Selection of the Independent External Audit Agency for the audit of our company's accounts and financial statements for 2025,
12. Allowing the Members of the Board of Directors in accordance with Articles 395 and 396 of the Turkish Commercial Code,
13. Within the framework of the provisions of the CMB Decision Body's decision numbered İ-SPK.22.9 (19 March 2025 and 16/531 s.k.) and the Decision dated 23 March 2025 and numbered 18/574 and the Communiqué on Revoked Shares numbered 11-22.1, submitting the share repurchase program accepted within the scope of the Board of Directors Decision dated 7 May 2025 and numbered 2025/737 to the partners,
14. Wishes and suggestions.

INFORMATION STIPULATED BY THE CAPITAL MARKETS BOARD

A- General Information

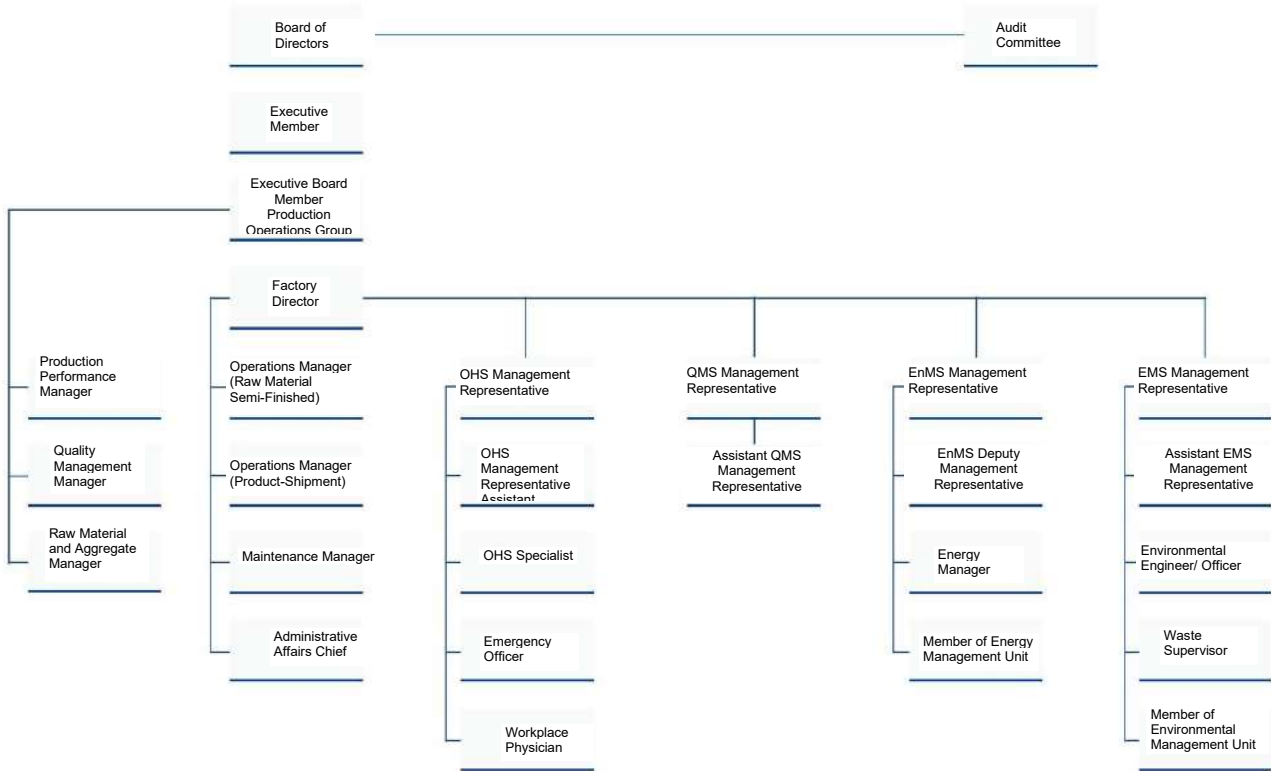
1-Reporting Period

01.01.2024 31.12.2024

2-

Trade Name	Batisöke Söke Çimento Sanayii T.A.Ş.
Trade Registry Number	5744/K-5900 (Central Registration System No: 0150001414500012
Contact details	
Headquarters (Factory]	Ankara Caddesi No: 335 Bornova İZMİR
Branch (Factory]	Atatürk Mah. Aydın Cad. No: 234 SÖKE İZMİR
Branch (Çavdır)	Fethiye Yolu Üzeri 5. Km. Çavdır Burdur
Telephone	0 232 478 44 00
Fax	0 232 478 44 44
E-Mail	info@batisoke.com.tr
Website address	www.batisoke.com.tr

3-Organizational Structure of the Company



4-Shareholder Structure, Capital Distribution and Privileged Shares

The company is subject to the registered capital system. The registered capital of the Company is 2.000.000.000 TL as of 31 December 2024 and this capital is divided into 200.000.000.000 shares with a nominal value of 1 kuruş each.

The amount of 14.956,13 TL of the company shares is written to the Group A name and the amount of 59.824,54 TL is written to the Group A bearer. The remaining shares are in Group B bearer writing. 1 Company share has a nominal value of 0.01 TL. The issued capital of the Company is 160.000.000.000 shares with a nominal value of 1 (one) kuruş each and is worth 1.600.000.000 TL.

The capital of the Company consists of Group A and Group B shares.

The issued capital and shareholding structure of the company as of 31 December 2024 and 31

Shareholding Structure	Share Rate (%)	31 December 2024	Share Rate (%)	31 December 2023
		Nominal Value (TL)		Nominal Value (TL)
Batıçim Batı Anadolu Çimento Sanayii A.Ş. Other	74,62 25,38	1.193.976.211,11 406.023.788,89	74,62 25,38	298.494.052,78 101.505.947,22
Total	100	1.600.000.000	100	400.000.000

Group A shareholders have the following privileges in accordance with the articles of association of the Company:

All of the Members of the Board of Directors are elected from among the candidates to be determined by the majority of the group A shareholders.

The Group A (Privileged) shares of the company as of 31 December 2024 are presented below.

Group	Registered / Bearer	Nominal Value of Each Share (TL)	Total Nominal Value (TL)	Capital Ratio (%)	Concession Type	Whether it is traded on the stock exchange
A	Registered	0,01	14956.13	0.001	Concession in the Election of Members in the Board of Directors	[Illegible]
A	Bearer	0,01	59.824,54	0,004	Concession in the Election of Members in the Board of Directors	[Illegible]

5-Information on the Board of Directors, Senior Managers and Number of Staff

Members of the Board of Directors are elected within the framework of the provisions of the Articles of

Board of Directors	Position	Whether or not an Independent Board Member
Sabit AYDIN	Chairman of the Board	Not an Independent Member
Gülant CANDAŞ	Vice Chairman of the Board of Directors	Not an Independent Member
Erdoğan GÖĞEN	Board Member	Not an Independent Member
Ömer Çağdaş SELVİ	Executive Board Member	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 (as of 02.072024)	Independent Member
Enis Turan ERDOĞAN	Independent Member of the Board of Directors (as of 27.09.2024)	Independent Member
Mustafa Teoman GÜRGAN	Independent Member of the Board of Directors (Until 26.09.2024)	Independent Member
ŞÜKRÜ Serdar BAĞCIOĞLU	Independent Member of the Board of Directors (Until 02.072024)	Independent Member

Changes in the Board of Directors During the Period

At the Ordinary General Assembly Meeting of the Company dated 02.07.2024, for year of 2023 it has been decided that for a period of 3 years, Mr. Sabit AYDIN, Mr. Gülant CANDAS, Mr. Ömer Çağdaş SELVI and Mr. Erdoğan GÖĞEN to be elected as members of the Board of Directors and Mr. Mehmet ŞAHNE, Mr. Ufuk Bala YÜCEL and Mr. Mustafa Teoman GÜRGAN as Independent Board Members.

At the Board of Directors Meeting of the Company dated 27.09.2024 it has been decided to elect Mr. Enis Turn ERDOĞAN as an Independent Board member who is going to be appointed instead of Mr. Mustafa Teoman GÜRGAN who quitted as of 26.09.2024.

Duties and Powers of Board Members

No changes have been made within the period regarding the duties and powers of the members of the Board of Directors.

The Chairman and Members of the Board of Directors have the duties and powers specified in the relevant articles of the Turkish Commercial Code and the Articles of Association of the Company.

Information on the Duties of Board Members and Managers Outside the Company and Declarations on the Independence of Board Members

Information on the Duties of the Board of Directors Member representatives and Managers Outside the Company is included in the Corporate Governance principles Compliance Report.

Number of Meetings of the Board of Directors during the Period and Participation Status of the Board Members in the said Meetings

The Board of Directors has met 23 times as of 01.01.2024-31.12.2024. The members of the Board of Directors participated in the meetings on a regular basis.

Evaluation of the Board of Directors on the Efficiency of the Committees and Working Principles, including the Committee Members of the Board of Directors Committees, the Frequency of Meetings, the Activities Carried Out

Within the body of the Board of Directors, the Audit Committee for the period 01.01.2024-31.12.2024 has met 4 times, the Corporate Governance Committee 3 times and the Early Risk Detection Committee 6 times. The members of the Board of Directors participated in the meetings on a regular basis. Working instructions for the committees are available on the website www.batisoke.com.tr.

Within the scope of healthy fulfillment of its duties and responsibilities and compliance with Corporate Governance principles, the Board of Directors of the Company has established the Audit Committee, Corporate Governance Committee and Early Risk Detection Committees and has published the operating principles of the committees on its website. Within the framework of the Corporate Governance Communiqué of the Capital Markets Board, the authority, duty and responsibility for the fulfillment of the duties stipulated for the Nomination Committee and the Wage Committee are also given to the Corporate Governance Committee.

Committee	Position	Name Surname	Qualification	Meeting Frequency
Audit Committee	Chairman of the Committee	Ufuk Bala YÜCEL	Independent Member	Minimum times a year, at least once every 3 months.
	Committee Member	Mehmet ŞAHNE	Independent Member	
Corporate Governance Committee	Chairman of the Committee	Enis Turan ERDOĞAN	Independent Member	At least once a year.
	Committee Member	Erdoğan GÜKEN	Non-Executive Member	
	Investor Relations Department Manager	Onur BAYRAM	Investor Relations and Management Reporting Supervisor	
Early Risk Detection Committee	Chairman of the Committee	Mehmet ŞAHNE	Independent Member	At least six times a year, once every 2 months.
	Committee Member	Ufuk Bala YÜCEL	Independent Member	

Senior Management	Position
Gülant CANDAS	Executive Member
Selçuk UÇAR	Executive Board Member and Head of Marketing and Concrete Group
Caner TÜRKYENER	Executive Board Member and Head of Production Operations Group
Reşat Bağış GÜNGÖR	Executive Board Member and Head of Financial Affairs Group

The number of personnel of our company is 356 as of 31 December 2024. (31 December 2023: 359)

Changes in Senior Management During the Period

There has been no change in Senior Management within the period 01.01.2024-31.12.2024.

6-Personnel and Workers Movements and Collective Bargaining Practices and Rights and Benefits Provided to Personnel and Workers

In-scope and out-of-scope personnel working in the company are subject to the Social Insurance and General Health Insurance Law No. 5510 in terms of social security and the Labor Law No. 4857 in terms of labor law.

Personal rights of out-of-scope personnel are carried out according to the service contracts signed between the company and the employee, and the personal rights of in-scope personnel are carried out according to the provisions of the collective bargaining agreement.

The new term Group Collective Bargaining Agreement negotiations between the Cement Industry Employers Union (ÇEİS), of which our company is also a member, and the T Çimse Labor Union have resulted in a 2-year agreement. In accordance with the Group Collective Bargaining Agreement signed on 01.01.2024 with a validity period of 31.12.2025;

- In the 1st year of the contract, 60% of the bare hour wages received by the workers working in the workplace on 01.01.2024 and whose employment contract continues on the date of signature of the collective bargaining agreement on 31.12.2023, effective from 01.01.2024,
- In the 2nd year of the contract; the bare hour wages received by the workers working in the workplace on 01.01.2025 and whose employment contract continues on 31.12.2024 will be increased by CPI + 3.
- In the event of an additional increase in the minimum wage during the year, except for the minimum wage determination in January, within the contract period (01.01.2024 31.12.2025), a rolling increase in the amount of the increase in the minimum wage (TL) will be made to the wages of the workers within the scope of the collective bargaining agreement.

In addition, as social assistance to Employees, 3,000 TL will be paid every month in the first year of the contract and this amount will be increased by CPI+ 3 in the second year and paid every month.

7-Corporate Governance Principles Compliance Report

The principles explained in the Corporate Governance Communiqué of the Capital Markets Board are applied.

8-Amendments to the Articles of Association

At the Extraordinary General Assembly Meeting of the Company held on 22.11.2023, with the permission letter of the Capital Markets Board dated 16.11.2023 and numbered E-29833736-110.0404-45303 and permission letter of the Turkish Ministry of Commerce dated 20.11.2023 and numbered E-50035491-431.02-00091101878 it has been adopted the amendment drafts regarding the amendment of the 6th (Capital), 9th (Board of Directors and Duration), 18th (General Assembly Meeting Procedure), 19th (Appointment of Proxy), 20th (Voting Procedure) and 25th (Date of Distribution of Profit) articles of the articles of association and the addition of 30th article (Compliance with Corporate Governance principles) to the Company's articles of association. The related amendments of articles of association were registered by the Izmir Trade Registry Directorate on 16.01.2024 and announced in the Turkish Trade Registry Gazette No. 11006 on 23.01.2024.

At the Ordinary General Assembly Meeting of the Company held on 02.07.2024 we the permission letter of the Capital Markets Board dated 24.05.2024 and numbered E-29833736-110.03.03-54468 and the permission letter of the Ministry of Commerce dated 28.06.2024 and numbered E-50035491-431.02-00097926933, the amendment draft of the articles of association regarding the amendment of the article 18 (General Assembly Meeting Procedure) has been adopted. The related amendment of articles of association was registered by the Izmir Trade Registry Directorate on 23.07.2024 and announced in the Turkish Trade Registry Gazette No. 11127 on 23.07.2024.

At the Extraordinary General Assembly Meeting of the Company held on 31.10.2024, the permission letter of the Capital Markets Board dated 25.09.2024 and numbered E-29833736-110.03.03-60234 and the permission letter of the Turkish Ministry of Commerce dated 30.09.2024 and numbered E-50035491-431.02-00101292616 the amendment draft of the articles of association regarding the amendment of the 3rd article (Purpose and Subject) has been adopted, the related amendment of the articles of association has been registered by the Turkish Izmir Trade Registry Directorate on 08.11.2024 and announced in the Turkish Trade Registry Gazette No. 11203 on 08.11.2024.

B- Financial Rights Provided to Board Members and Senior Executives, Total Amount of Financial Benefits provided such as Attendance Fee, Premiums, Bonuses, Dividends

The total amount of wages and similar benefits provided to the Company's senior managers for the period 01.01.2024 31.12.2024 is 1.417 Thousand TL (31.12.2023: 2.676 Thousand TL).

C- Research and Development Studies

The company has no Research and Development expenses for the period 01.01.2024 31.12.2024.

D- Activities and Important Developments Related to Activities

1-Investment Activities

The company has no significant investment in this period.

2-Internal Control System and Internal Audit Activities

The internal control system of the company is audited annually by the internal audit unit. The company management ensures the healthy operation of internal control.

3-Shares in Affiliates and Other Financial Assets

None.

4-Explanations on Private Audit and Public Audit

At the meeting of our Board of Directors dated April 29, 2024; in accordance with the principles of the Turkish Commercial Code No. 6102 and the Capital Markets Law No. 6362, it was decided to select DRT Bağımsız Denetim ve SMMM A.Ş. as the Independent Audit Firm to carry out its activities within the scope of the relevant regulations in these laws with the audit of the Financial Reports for the accounting period of 2024 and it was accepted at the Ordinary General Assembly Meeting of 2024 dated July 2, 2024.

The Full Certification Audit for the year 2024 is carried out by DRT Yeminli Mali Müşavirlik ve Bağımsız Denetim A.Ş.

5- General Assemblies

The Ordinary General Assembly Meeting of 2024 was held on 02.07.2024 and the Extraordinary General Assembly Meeting was held on 31.10.2024. The results of the meeting were registered in the Trade Registry. The results of the General Assembly Meeting were published on the Public Disclosure Platform (KAP), the Company's website(www.batisoke.com.tr) and the information portal of the Central Registry Agency (CRA) and presented to the partners.

6- Donations and Social Responsibility Projects

99 Thousand TL donations and aids were made within the period of 01.01.2024 31.12.2024.

E- Financial Situation

1-Summary of Financial Statements

The financial statements are prepared in accordance with the CMB Series II No: 14.1.

Summary Balance Sheet (Thousand TL)	31 December 2024	31 December 2023
Current Assets	1.867.935	2.295.415
Fixed Assets	10.904.591	10.448.466
Total Assets	12.772.526	12.743.881
Short-Term Liabilities	3.338.838	3.652.521
Long Term Liabilities	1.818.606	3.599.825
Equity	7615.082	5.491.535
Total Resources	12.772.526	12.743.881

Summary Income Statement (Thousand TL)	31 December 2024	31 December 2023
Revenue	4.272.310	5.951.416
Cost of Sales	(4.092.447)	(5.118.008)
Gross Profit (Loss)	179.863	833.408
Main Operating Profit (Loss)	(430.186)	(117.311)
Profit (Loss) Before Tax on Continuing Operations	(200.171)	44.015
Profit (Loss) for the Period of Continuing Operations	250.748	1.259.861
Other Comprehensive Income (Expense)	347.837	605.747
Total Comprehensive Income (Expense)	598.585	1.865.608

2- Profit Distribution Policy

Our Company's policy on profit distribution is based on the principle of distributing profit to the shareholders in the form of cash and/or bonus shares, not less than 5%, provided that the distributable profit calculated within the framework of the Capital Market Regulations and other relevant legislation is reviewed every year, taking into account the provisions of the Turkish Commercial Code, the Capital Market Legislation and our articles of association, unless there are extraordinary economic negativities in the national and international markets, unless there is a need for cash due to a large investment, and taking into account the financial position of our Company and profitability and cash situation.

The dividend shall be paid within the legal periods on the date decided by the General Assembly following the approval of the general assembly whose distribution is decided.

The dividend may be paid in equal or different installments, provided that it is decided at the general assembly meeting whose distribution is decided. The number of installments shall be determined by the general assembly or by the board of directors, provided that it is expressly authorized by the general assembly. There is no application for dividend distribution advance in our company.

3-Information on the Sector in which the Company operates

According to the data published by the Turkish Cement Manufacturers' Association, clinker production increased by 6.17%, clinker domestic sales increased by 14.52%, and clinker exports increased by 31.90% as of the end of December 2024. In the same period, cement production increased by 4.13%, cement domestic sales increased by 8.87%, and cement exports decreased by 14.62% throughout Turkey.

As of the end of December 2024 in the Aegean region, clinker production decreased by 8.04%, clinker domestic sales decreased by 46.98%, and clinker exports increased by 1.67% compared to the same period of the previous year. In the same period, cement production decreased by 6.43%, cement domestic sales decreased by 7.25%, and cement exports decreased by 7.61%.

4-Activities of the Company

Compared to the same period of the previous year, the company's clinker production decreased by 15.64%, clinker domestic market sales increased by 34.75%, and clinker exports decreased by 29.11%. Compared to the same period of last year; cement production decreased by 4.32%, cement domestic market sales decreased by 8.60%, and cement exports decreased by 4.14%.

F- Risks and Board of Directors' Assessment

1- Risk Management Policy

The company determines the risks that will jeopardize its existence, development and continuity, and manages the risks by taking the necessary measures regarding the identified risks. In this context, the Company established the Early Risk Detection Committee.

2-Early Detection of Risk Committee

The company established the said committee on 22.03.2013 and the committee consists of 2 members. The Committee has convened 6 times for the period 01.01.2024 – 31.12.2024 and submitted the reports it prepared to the Board of Directors.

G- Miscellaneous

1-Information on Legislation Changes That May Significantly Affect the Company's Activities

There are no legislative changes that may significantly affect the company's activities.

2-Information to Stakeholders

The amendment text of Article 6 of the articles of association of our Company, titled "Capital", regarding the increase of its issued capital from TL 400,000,000 to TL 1,200,000,000 (300%) within the registered capital ceiling of TL 2,000,000,000, increased by TL 1,200,000,000 (300%) to TL 1,600,000,000, was registered by the Izmir Trade Registry Directorate on 24.02.2025 and this issue was announced in the Turkish Trade Registry Gazette dated 2402.2025 and numbered 11278.

Batiçim Batı Anadolu Çimento Sanayii A.Ş., the main partner of our company, has notified our company by taking a Board of Directors Decision to purchase all the shares issued with the allocated sales method if the other receivable of 2.099.978.521,48 Turkish Lira from our company is used in the capital increase to be carried out before our company and followed under equity as capital advance, all of the priority rights within the scope of the shares it has in the capital increase and the allocated capital increase is made. With the notification, the said amount was included in the equity as capital advance in our company's records.

The shares of the company are traded in Borsa İstanbul A.Ş. (BIST) with the BSOKE code in Yıldız Pazar. Information on stocks is published on the economy pages of daily newspapers and on the internet portals of investment companies.

The company's reports and other information can be obtained from the following address [or](#) from the company's website at www.batisoke.com.tr.

Investor Relations Department Contact Information

All activities related to the shareholders are carried out within the Company's Budget and Reporting Directorate and their contact information is below.

Investor Relations Department Manager	
Name Surname	Onur BAYRAM
Date of Assignment	29.12.2023
Tel	0 (232) 478 44 00
E-mail Address	onurbayram@baticim.com.tr
Address	Ankara Caddesi No: 335 Bornova İZMİR
Licenses Owned	Capital Market Activities Level 3 License (License Document No: 928768), Corporate Governance Rating License (License Document No: 928840), Credit Rating License (License Document No: 929445), Derivative Instruments License (License Document No: 929962)

Investor Relations Department Member	
Name Surname	Adil ULUDAĞ
Date of Assignment	19.08.2020
Tel	0 (232) 478 44 00
E-mail Address	adiluludag@baticim.com.tr
Address	Ankara Caddesi No: 335 Bornova İZMİR

BATISÖKE CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

1. The principles explained in the Corporate Governance Communiqué of the Capital Markets Board are applied.

In the activity period ending on 31 December 2024, the corporate governance principles attached to the Corporate Governance Communiqué and the explanations regarding the non-compliance are included in the Corporate Governance Compliance Report ("CGCR") and Corporate Governance Information Form (CGIF).

In the future, efforts will continue to improve our corporate governance practices, including the better operation of the mechanisms within the framework of these principles in the corporate governance practices of the partnership and the voluntary principles that have not been put into practice in a limited number of cases.

Part I Shareholders

2. Relations Unit with Shareholders:

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 Member

Applications made verbally or in writing were answered.

Activities carried out by the unit:

To respond to the written information requests of the shareholders about the company, except for the non-public, confidential and trade secret information about the company. To ensure that the general assembly meeting is held in accordance with the applicable legislation, articles of association and other internal regulations. To prepare the documents that the shareholders can benefit from at the general assembly meeting. To keep a record of the voting results and to send the reports on the results to the shareholders if requested. To observe and monitor all kinds of issues related to public disclosure, including the legislation and the company's information policy.

3. The non-trade secret information requests of the shareholders are evaluated and answered. In addition, important issues and financial statements are announced to the public and our partners through KAP in accordance with the legislation.

There is no regulation on the appointment of a special auditor in our articles of association. No request for the appointment of a special auditor has been received during the period.

4. The Ordinary General Assembly Meeting was held on July 2, 2024, with a quorum of 74.64%. The Extraordinary General Assembly Meeting was held on October 31, 2024 with a quorum of 77.71%. Shareholders and media representatives attended the meetings. It has been announced in Turkish Trade Registry Gazette within the legal period. In addition, a written notification has been made to the shareholder for the registered shares. In addition, the meeting invitations were announced in the KAP and information was given on this subject on our website.

The annual report and financial statements before the General Assemblies are explained in KAP and are also submitted to the examination of the shareholders at our company headquarters and on our website. In the General Assemblies, some shareholders used their right to ask questions and these questions were answered.

The minutes of our General Assembly meetings are on our website.

No agenda proposal has been given by the shareholders.

Donations and aids are presented to our partners in a separate agenda item at the general assembly meeting.

5. There is no privilege about the vote.
Our companies that are in mutual participation have not participated in the General Assembly. Minority shares are not represented in the management.

6. Profit distribution is made in accordance with Article 24 of our articles of association and in accordance with the regulations of the CMB. There is no privilege in profit distribution.
The distribution of profits is always carried out within the legal periods. Our profit distribution policy is included in the activity report.

7. There is no provision restricting the transfer of shares in the articles of association of the company.

Part II Public Disclosure and Transparency

8. We have an information policy and it is available on our company’s website.

Persons Responsible for the Disclosure Policy	
Onur BAYRAM	Investor Relations and Management Reporting Chief
Adil ULUDAĞ	Financial Affairs and Accounting Manager

9. The information listed in the principles is included in the activity report.

10. Corporate Governance principles Compliance Report is available on our website. Our company's internet address is [www. batisoke.com.tr](http://www.batisoke.com.tr).

Section III Stakeholders

11. Stakeholders are informed about matters related to the company through General Assembly meetings, web page and KAP.

Stakeholders can notify the necessary authorities within the company through the contact form on our website.

12. Stakeholders do not participate directly in management. However, from time to time, opinions are taken through mutual negotiations with stakeholders in order to direct studies on matters related to them.

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

- Finding the right person, placing him/her in the right job and ensuring the continuity of the efficient workforce in line with the goals and strategies of our group companies, regardless of religion, language, race and gender.
- To create a fair and happy working environment for our employees, to implement correct career planning together with their personal and professional development,
- In accordance with our corporate culture and values; to create a family of employees who are hardworking, honest and have a sense of belonging,
- To follow all developments related to human resources and to implement all innovations in line with the goals and policies of our group companies,
- To act in accordance with the principles of fair, transparent, objective and accountability in all systems applied by human resources,
- While doing all these, we aim to create a human resources structure that is sensitive to the environment and society.

14. Our company's Code of Ethics is available on its website.

15. The board of directors was elected for a period of 3 years until the end of July 2027.
It is not bound by certain rules that the members of the board of directors take on other duties outside the company.

Board of Directors:

Board of Directors		
Sabit AYDIN	Chairman of the Board	Executive Member
Gülant CANDAŞ	Vice Chairman of the Board of Directors	Executive Member
Erdoğan GÖĞEN	Board Member	Non-Executive Member
Ömer Çağdaş SELVİ	Board Member	Executive Member
Ufuk Bala YÜCEL	Board Member	Independent Member
Mehmet ŞAHNE	Board Member	Independent Member
Enis Turan ERDOĞAN	Board Member	Independent Member

Name Surname	Title	Background	Intra-Group Tasks
Sabit AYDIN	Chairman of the Board	Sabit Aydin was born in 1974 in Ankara. After finishing his education in 1994, he worked as a senior manager at Çiftay İnşaat Taahhüt ve Ticaret A.Ş., a family company.	He is the Chairman of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayi A.Ş.
Gülant CANDAŞ	Vice Chairman of the Board of Directors	He was born in 1960. He graduated from Ankara University, Faculty of Political Sciences, Department of Economics and Finance in 1982. After working in a family company for a while, he continued his business life in Akbank between 1986 and 2007. In 2007, he was appointed as the Chairman of the Board of Directors at Çiftay İnşaat Taahhüt ve Ticaret A.Ş. and various subsidiaries of Çiftay İnşaat Taahhüt ve Ticaret A.Ş.	He is the Vice Chairman of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayi A.Ş. and the Chairman of the Board of Directors of Batıçim Enerji Elektrik Üretim A.Ş., Batıçim Enerji Tопtan Satış A.Ş., Batıbeton Sanayi A.Ş., Batılman Liman İşletmeleri A.Ş. and Ash Plus Yapı Malzemeleri San.Tic. A.Ş.
Erdoğan GÖĞEN	Board Member	He was born in 1959 in Sivas. After graduating from the Department of Electrical Engineering at METU, he received his master's degree in the same department. In 1984-1996, he started its business life in TEK & TEİAŞ organization as the head of the department in TEİAŞ Operation and System Control department. He worked as director of energy production and infrastructure projects at BİL Enerji & Tepe Group. He served as the CEO of ITC İncesu Trading & Consulting AG and Kantur & Aktaş İnşaat Ticaret A.Ş. Since 2018, he continues his working life as the Chairman of the Board of Directors at VEGA Atık Yönetimi ve Enerji Ür. San. ve Tic. A.Ş. At the same time, since 2021 he continues his duty as as the Vice Chairman of the Board of Directors of Enerbes Elektrik Üretim Dan. San. ve Tic. A.Ş.	He is the member of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayi A.Ş. and the Vice Chairman of the Board of Directors of Batıçim Enerji Elektrik Üretim A.Ş., Batıçim Enerji Tопtan Satış A.Ş., Batıbeton Sanayi A.Ş., Batılman Liman İşletmeleri A.Ş. and Ash Plus Yapı Malzemeleri San.Tic. A.Ş.
Ömer Çağdaş SELVİ	Executive Board Member	He was born in 1977 in Akdağmadeni, Yozgat. He graduated from İstanbul Faculty of Law in 2001. He worked at Doğan Holding between 2001 and 2003, Garanti Bank between 2003 and 2005, Aksu Savaş Çalışkan Attorney Partnership between 2006 and 2013, Bilgiç Attorney Partnership between 2013 and 2016 and Selvi Ertekin Attorney Partnership between 2016 and 2022. He has been working at Selvi Attorney Partnership since 2022 and has experience in project financing, acquisition financing, banking law, capital markets, derivative transactions and mergers and acquisitions. He has been involved in the financing of many energy and infrastructure projects and procurement financing transactions and represented leading financial institutions and investors.	He is the member of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayi A.Ş., Batıçim Enerji Elektrik Üretim A.Ş., Batıçim Enerji Tопtan Satış A.Ş., Batıbeton Sanayi A.Ş., Batılman Liman İşletmeleri A.Ş. and Ash Plus Yapı Malzemeleri San.Tic. A.Ş.
Ufuk Bala YÜCEL	Independent Member of the Board of Directors	Ufuk Bala Yücel completed his undergraduate education at Boğaziçi University and his master's degree at Marmara University, Department of Banking and Insurance. He started his career at Uluslararası Endüstri ve Ticaret Bankası A.Ş.in 1987: after that, he worked as the "Corporate Banking Branch Manager" at Yapı ve Kredi Bankası A.Ş. between 1987-1999 and at Finansbank A.Ş. between 1999-2000. Then, he worked as "Loans Department Manager" between 2001-2007 and "Assistant General Manager" between 20082018 at the Industrial Development Bank of Turkey, and then as "Assistant General Manager Responsible for Loans and Law" between May 20192022 at the Development and Investment Bank of Turkey. Ufuk Bala Yücel served as a Member of the Board of Directors of various companies between the years of 2006 and 2014. Between 2014-2018, he worked as the Chairman of the Board of Directors of TSKB GYO A.Ş. He is still a member of the board of directors of different companies.	Independent Member of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş.
Mehmet ŞAHNE	Independent Member of the Board of Directors	Mehmet Şahne was born in 1967 in Ankara. He graduated from the Police Academy in 1989. In the last 10 years, he has worked as the Provincial Police Chief in Karaman, Mersin and Izmir, respectively. He left his job due to retirement.	Independent Member of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş.
Enis Turan ERDOĞAN	Independent Member of the Board of Directors	Enis Turan Erdoğan was born in Mersin in 1955. He graduated from the Department of Mechanical Engineering at İstanbul Technical University and completed his master's degree in Business Administration at Brunel University in the UK in 1979. Turan Erdoğan, who worked as a manager in various private sector companies after returning to Turkey, joined Vestel in 1988. Since this date, he has held various managerial positions in Vestel, and worked as the Chairman of Vestel Foreign Trade and Executive Member of the Board of Directors until 2013. Between January 2013 and September 2023, he worked as the CEO of Vestel Group of Companies. He served as the Chairman of TÜRKTRADE for two terms between the years of 2002- 2006 and became the first member elected to the Board of Directors of DIGITALEUROPE between 2010-2014.	Independent Member of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş.

16.Executive members constitute the agenda of the board of directors meetings. 23 board meetings were held during the period. The provisions of the TCC are applied in the meeting and decision quorums. The members of the board of directors have the right to declare their votes against and to record this in the minutes of the meeting. Each member of the board of directors has one vote at the meetings.

17.Audit Committee:

Audit Committee		
Ufuk Bala YÜCEL	Chairman of the Committee	Independent Member
Mehmet ŞAHNE	Committee Member	Independent Member

Corporate Governance Committee:

Corporate Governance Committee		
Enis Turan ERDOĞAN	Chairman of the Committee	Independent Member
Erdoğan GÖĞEN	Committee Member	Non-Executive Member
Onur BAYRAM	Investor Relations Department Manager	-

Early Detection of Risk Committee:

Early Risk Detection Committee		
Mehmet ŞAHNE	Chairman of the Committee	Independent Member
Ufuk Bala YÜCEL	Committee Member	Independent Member

In addition, the company has an executive committee.

In accordance with the CMB communiqué, one independent member is on both committees, due to the need for an independent board member to chair the committees to be formed within the board of directors other than the Audit Committee. In addition, due to their experience, other members other than independent members on the Corporate Governance and Early Detection of Risk Committees consist of the same names.

Since the Wage Committee and the Nomination Committee were not established within the Board of Directors, the Corporate Governance Committee also undertook the duties of these committees. The provisions of the CMB communiqué are complied with regarding the minimum meeting frequency criteria of the committees. Regulations and Procedures of the Audit Committee, Corporate Governance Committee and Early Detection of Risk Committee are available on our website.

18.A risk management and internal control system has been established within the company, the internal control unit prepares the annual work plan and announces it to the company units and continues to work in coordination with these units.

19.Production, sales and turnover targets are determined every year for our organizations operating in the cement, ready-mixed concrete, logistics and energy sectors. The board of directors discusses and approves the investment plans and budget studies prepared by the executive committee, obtains information on these issues at monthly meetings and monitors the studies.

20. The members of the board of directors receive a monthly fee.

21. The Company has not lent money, loaned or given bail or guarantee in favor of any member of the board of directors or senior manager.

Our Company's 2024 Corporate Governance Compliance Report (CGCR) and Corporate Governance Information Form (CGIF) prepared in accordance with the CMB's Decision dated 10.01.2019 and numbered 2/49 are also disclosed to the public on the corporate website (www.kap.govtr) of the Public Disclosure Platform, and the relevant documents can be accessed from the Company's Summary Information and Corporate Governance management pages on the Public Disclosure Platform, (www.kap.org.tr/tr/sirket-bilgileri/ozet/878-batisoke-soke-cimento-industry-t-a-s)

The Sustainability Compliance Report, which was prepared according to the formats determined by the Communiqué (II-17.1.a) on the Amendment to the Corporate Governance Communiqué (II-17.1.a) of the CMB on 2 October 2020 and the addition of the Sustainability principles and the Decision dated 23 June 2022 and numbered 34/977, is included in the annual report and is also disclosed to the public on our Company's corporate website (www.kap.govtr), and the relevant report can be accessed from the Company's Summary Information page on the Public Disclosure Platform, (www.kap.org.tr/tr/sirket-bilgileri/ozet/878-batisoke-soke-cimento-industry-t-a-s)

CORPORATE GOVERNANCE COMPLIANCE REPORT (URE)	YES	PARTIAL LY	NO	EXEMPT	INDIFFE RENT	DESCRIPTION
1.1. FACILITATING THE USE OF SHAREHOLDING RIGHTS						
1.1.2 Information and explanations that may affect the use of shareholding rights are currently available to investors on the partnership's corporate website.	X					
1.2. RIGHT TO INFORMATION AND REVIEW						
1.2.1 The company management has refrained from taking actions that make it difficult to carry out special audits	X					
1.3. GENERAL ASSEMBLY						
1.3.2 The Company has ensured that the agenda of the General Assembly is clearly stated and that each proposal is given under a separate heading.	X					
1.3.7 Persons who have the opportunity to access the partnership information in a privileged way have informed the board of directors to be added to the agenda in order to provide information to the general assembly about the transactions they have made on their behalf within the scope of the activity of the partnership.					X	There is no such issue.
1.3.8 Members of the board of directors, other relevant persons, officials and auditors who are responsible for the preparation of the financial statements are present at the general assembly meeting.	X					
1.3.10- In the agenda of the general assembly, the amounts of all donations and aids and those who benefit from them are included in a separate article.	X					
1.3.11 The General Assembly meeting was held publicly, including the stakeholders and the media, without the right to speak.	X					
1.4. VOTING RIGHT						
1.4.1 There are no restrictions and practices that make it difficult for shareholders to exercise their voting rights.	X					
1.4.2-The company has no shares with privileged voting rights.			X			The capital of the company consists of 14.956,13 TL of Group A registered shares and 59.824,54 TL of Group A bearer shares. All of the Members of the Board of Directors are elected from among the candidates to be determined by the majority of the group A shareholders.
1.4.3 The Company has not exercised its voting rights at the General Assembly of any partnership with which it has a mutual participation relationship, which brings the dominance relationship with it.	X					
1.5.1 The company has paid utmost attention to the use of minority rights.	X					
1.5.2- Minority rights are also granted to those who have a ratio less than one-twentieth of the capital with the articles of association and the scope of the minority rights has been extended by being regulated in the articles of association.			X			There is no regulation on minority rights in the Articles of Association of the Company, and the provisions of the Turkish Commercial Code and the Capital Markets Law and other legislation are applied.
1.6. THE RIGHT TO DIVIDEND						
1.6.1 The profit distribution policy approved by the general assembly is announced to the public on the partnership's corporate website.	X					
1.6.2 The profit distribution policy includes the minimum information that will allow the shareholders to foresee the profit distribution procedures and principles that the partnership will obtain in the future.	X					
1.6.3 The reasons for not distributing the profit and the use of the undistributed profit are specified in the relevant agenda item	X					
1.6.4 The board of directors has reviewed whether the interests of the shareholders and the interest of the partnership are balanced in the profit distribution policy.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT (URE)	YES	PARTIAL LY	NO	EXEMPT	INDIFFE RENT	DESCRIPTION
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 included in the corporate governance principle numbered 2.1.1.	X					
2.1.2- The shareholding structure (names, privileges, number and ratio of real person shareholders holding more than 5% of the issued capital) is updated at least every 6 months on the corporate website.	X					
2.1.4 The information on the company's corporate website has been prepared in foreign languages selected according to the need, so that it has the same content as Turkish.	X					
2.2. ACTIVITY REPORT						
2.2.1 The board of directors ensures that the annual activity report fully and accurately reflects the company's activities.	X					
2.2.2 The annual activity report contains all the elements included in the principle numbered 2.2.2.	X					
3.1. COMPANY POLICY REGARDING STAKEHOLDERS						
3.1.1 The rights of stakeholders are protected within the framework of relevant regulations, contracts and goodwill rules.	X					
3.1.3 Policies and procedures regarding the rights of stakeholders are published on the company's corporate website.	X					
3.1.4 Necessary mechanisms have been established for stakeholders to report illegal and ethically inappropriate transactions.	X					
3.1.5 The Company deals with conflicts of interest between stakeholders in a balanced way.	X					
3.2. SUPPORTING THE PARTICIPATION OF STAKEHOLDERS IN COMPANY MANAGEMENT						
3.2.1 The participation of employees in management is regulated by the articles of association or internal regulations.			X			In the Articles of Association of the company and the internal regulations of the company, the issue of participation of the employees in the management is not included.
3.2.2 Methods such as questionnaires / consultations have been applied to obtain the opinions of stakeholders in important decisions that have consequences for stakeholders.			X			Methods such as questionnaires / consultations have not been applied to obtain the opinions of stakeholders in important decisions that have consequences for stakeholders.
3.3. HUMAN RESOURCES POLICY OF THE COMPANY						
3.3.1 The company has adopted an equal opportunity employment policy and a succession planning for all key executive positions.	X					
3.3.2 Criteria for personnel recruitment have been determined in writing.	X					
3.3.3 The company has a Human Resources Development Policy and organizes trainings for employees within this scope.	X					
3.3.4 Meetings have been organized to inform the employees about the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 Decisions that may affect employees have been notified to themselves and their representatives. The opinions of the relevant unions were also taken on these issues.	X					
3.3.6 Job descriptions and performance criteria have been prepared in detail for all employees and announced to employees and used in remuneration decisions.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT (URF)	YES	PARTIAL LY	NO	EXEMPT	INDIFFE RENT	DESCRIPTION
3.3.7 Measures such as procedures, trainings, awareness raising, targets, monitoring and complaint mechanisms have been taken to prevent discrimination among employees and to protect employees against internal physical, mental and emotional ill-treatment.	X					
3.3.8 The company supports the freedom of association and the effective recognition of 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 has measured customer satisfaction and has operated with an unconditional understanding of customer satisfaction.	X					
3.4.2 In case of delay in processing the requests of the customer regarding the purchased goods and services, this situation is notified to the customers.	X					
3.4.3 The company is committed to quality standards regarding goods and services.	X					
3.4.4 The company has controls to protect the confidentiality of sensitive information of customers and suppliers within the scope of trade secrets.	X					
3.5.1 The board of directors has determined the Code of Ethical Conduct and published it on the company's corporate website.	X					
3.5.2 The partnership is sensitive to social responsibility. It has taken measures to prevent corruption and bribery.	X					
4.1. FUNCTION OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors ensures that strategies and risks do not threaten the long-term interests of the company and that an effective risk management is implemented.	X					
4.1.2-The agenda and minutes of the meeting reveal that the board of directors has discussed and approved the strategic goals of the company, determined the resources needed and the performance of the management has been audited.	X					
4.2. PRINCIPLES OF ACTIVITY OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors has documented its activities and submitted them to the shareholders.	X					
4.2.2-The duties and powers of the members of the board of directors are explained in the annual activity report.		X				Although it is stated in the activity report that the members of the board of directors have the powers specified in the Turkish Commercial Code and the articles of association regarding their duties and powers, no detailed regulation has been included.
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 activities.	X					
4.2.4 Information on the operation and effectiveness of the internal control system is given in the annual activity report.	X					
4.2.5 The duties of the chairman of the board of directors and the executive chairman (general manager) are separated and defined.	X					
4.2.7 The board of directors has worked closely with the investor relations department and the corporate governance committee to ensure the effective functioning of the investor relations department and the corporate governance committee and to resolve disputes between the company and the shareholders and to communicate with the shareholders.	X					
4.2.8 Regarding the defects of the members of the board of directors during their duties and the damage they will cause to the company, the Company has taken out manager liability insurance for a price exceeding 25% of the capital.			X			There is no manager liability insurance regarding the defects of the members of the board of directors during their duties and the damages they will cause in the company.

CORPORATE GOVERNANCE COMPLIANCE REPORT (URF)	YES	PARTIALLY	NO	EXEMPT	INDIFFE RENT	DESCRIPTION
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 In the board of directors of the company, it has established a policy to achieve this goal by setting a minimum target of 25% for the rate of female members. The board structure is reviewed annually and the nomination process is carried out in accordance with this policy.			X			In the board of directors, there is no policy regarding the minimum target of 25% for the rate of female members. The company has one female Board Member.
4.3.10 At least one of the members of the audit committee has 5 years of experience in auditing/accounting and finance.	X					
4.4. FORM OF MEETINGS OF THE BOARD OF DIRECTORS						
4.4.1 All members of the board of directors have physically or electronically participated in most of the meetings of the board of directors.	X					
4.4.2 The board of directors has defined a minimum period of time for the information and documents related to the issues on the agenda to be sent to all members before the meeting.	X					
4.4.3 The opinions of the member who cannot attend the meeting but conveys his/her opinions to the board of directors in writing are presented to the other members.			X			In this context, no situation has been experienced.
4.4.4 Each member of the board of directors has one vote.	X					
4.4.5 The conduct of the board meetings is documented in writing in the Company's internal regulations.	X					
4.4.6 -The meeting minutes of the board of directors reveal that all items on the agenda are discussed and the decision minutes are prepared to include opposing opinions.	X					
4.4.7 It is limited that the members of the board of directors take on other duties outside the company. The duties taken by the members of the board of directors outside the company are presented to the shareholders at the general assembly meeting.			X			There is no restriction on the members of the board of directors to take on other duties outside the company.
4.5. COMMITTEES FORMED WITHIN THE BOARD OF DIRECTORS						
4.5.5 Each member of the board of directors takes part in only one committee.			X			Committees are composed of at least one independent board member and other members deemed appropriate.
4.5.6-The committees invited the people they deemed necessary to get their opinions to the meetings and received their opinions.	X					
4.5.7 Information about the independence of the person/ organization from which the committee receives consultancy services is included in the annual activity report.			X			Consultancy services were not received by the committees.
4.5.8 A report on the results of the committee meetings was prepared and presented to the members of the board of directors.	X					
4.6. FINANCIAL RIGHTS PROVIDED TO MEMBERS OF THE BOARD OF DIRECTORS AND MANAGERS WITH ADMINISTRATIVE RESPONSIBILITY						
4.6.1 The board of directors has carried out a performance evaluation to evaluate whether it has effectively fulfilled its responsibilities.			X			No performance evaluation of the board of directors has been made.
4.6.4 The Company has not granted loans to any of the members of the board of directors or their managers with administrative responsibility, has not lent or extended the term of the loan, has not improved the conditions, has not granted loans under a personal loan title through third parties or has not given guarantees such as sureties in favor of them.	X					
4.6.5 The wages given to the members of the board of directors and managers with administrative responsibility are explained on a person-by-person basis in the annual activity report.		X				Salary, premium and similar benefits provided to senior managers are shared in the activity reports and are not disclosed on a person-by-person basis.

CORPORATE GOVERNANCE INFORMATION FORM (CGIF)	
1. SHAREHOLDERS	
1.1. Facilitating the Use of Shareholding Rights	
The number of investor conferences and meetings organized by the company during the year	Our company has not organized any conferences or meetings for investors except for the general assembly meeting.
1.2. Right to Information and Review	
Number of special auditor requests	There is no request for a special auditor.
The number of special auditor requests accepted at the general assembly meeting	There is no request for a special auditor.
1.3. General Assembly	
The link to the KAP announcement where the information requested under Principle 1.3.1 (a-d) is announced	https://www.kap.org.tr/tr/Bildirim/1314931
Whether the documents related to the general assembly meeting are submitted in English simultaneously with Turkish language	Not provided. Company announcements are published only in Turkish.
Within the scope of Principle 1.3.9, the approval of the majority of the independent members or the links of the KAP announcements related to the unanimous transactions of the participants	There is no Board of Directors decision taken or any announcement made within this scope.
The links of the KAP announcements related to the related party transactions carried out within the scope of Article 9 of the Corporate Governance Communiqué (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1279391
Links to KAP announcements related to common and continuous transactions carried out within the scope of Article 10 of the Corporate Governance Communiqué (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1279391
The name of the section on the company's corporate website where the policy on donations and grants is included	Investor Relations / Corporate Governance / Policies/ Donation Policy
The link to the KAP announcement where the general assembly report where the policy on donations and aids is accepted is included	None.
Article number regulating the participation of stakeholders in the general assembly in the articles of association	Article 15
Information about the stakeholders participating in the general assembly	There was no participation in the General Assembly Meeting held for 2023 in 2024 except for the shareholders. However, there is no restriction on the participation of stakeholders in the General Assembly.
1.4. Voting Rights	
Whether there is a privilege about the vote	No
If there is a privilege in the vote, privileged shareholders and voting rates	None.
Shareholding ratio of largest shareholder	74.62%
1.5. Minority Rights	
Whether the minority rights are expanded in the company's articles of association (in terms of content or ratio)	No
If the minority rights have been extended in terms of content and rate, specify the number of the relevant articles of association.	None.
1.6. Dividend Right	
Name of the section on the corporate website where the profit distribution policy is located	Investor Relations / Corporate Governance / Policies / Dividend Policy
If the Board of Directors proposes not to distribute the profit to the general assembly, the text of the report regarding the agenda item of the general assembly stating the reasons for this and the use of the undistributed profit	The proposal of the Company's Board of Directors on the distribution of 2023 profit was read. As stated in the decision taken by the Board of Directors dated 06.06.2024 and numbered 720, the proposal "872.801.767 (eight hundred seventy two million eight hundred one thousand seven hundred sixty seven) Turkish Lira, which is the net distributable profit for 2023, is not distributed through free capital increase or in cash, but all of it is allocated to extraordinary reserves" was read and voted by the Chairman of the Meeting inadvertently and then re-read with the correction "not distributed" made by the Chairman of the Meeting and submitted to the approval of the General Assembly. The proposal not to distribute the profit of the Board of Directors was unanimously accepted with 29.856.329.748,1096 positive votes against 0 negative votes.
In the event that the board of directors proposes not to distribute profits to the general assembly, the link to the KAP announcement containing the relevant general assembly minutes	https://www.kap.org.tr/tr/Bildirim/1314931
General Assembly Meetings	
Date of General Assembly	2.07.2024 / 31.10.2024
The number of additional disclosure requests submitted to the company regarding the general assembly agenda	0 / 0
Participation rate of shareholders in the general assembly	74.64% /77.71%
Proportion of shares directly represented	0.00% / 0.00%
Proportion of shares represented by proxy	74.64% /77.71%

CORPORATE GOVERNANCE INFORMATION FORM (CGIF)	
1. SHAREHOLDERS	
1.6. Dividend Right (continued)	
General Assembly Meetings	
The name of the section where the minutes of the general assembly meeting are included, showing the positive and negative votes regarding each agenda item on the Company's corporate website	"Investor Relations/General Assemblies/Ordinary General Assembly Minutes Investor Relations/General Assemblies/Extraordinary General Assembly Minutes"
The name of the section on the corporate website where all questions asked at the general assembly meeting and the answers provided to them are included	/ -
Article or paragraph number of the general assembly meeting minutes related to related parties	Article 3 / -
The number of people who have the opportunity to access the partnership information in a privileged way who have notified the board of directors (Insider list)	38 / 38
Link to the general assembly notice published in the KAP	" https://www.kap.org.tr/tr/Bildirim/1314931 https://www.kap.org.tr/tr/Bildirim/1356255 "
2. PUBLIC DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
The names of the sections where the information requested in the corporate governance principle numbered 2.1.1 is included on the corporate website	Investor Relations / Financial Information / Annual Financial Statements and Activity Reports
The section containing the list of real person shareholders who directly or indirectly own more than 5% of the shares on the corporate website	Investor Relations / Company Information / Shareholding Structure
The languages in which the corporate website is prepared	Turkish and English
2.2. Activity report	
The page numbers or section names where the information specified in the corporate governance principle numbered 2.2.2 is included in the annual report	
a) The page number or department name where the members of the board of directors and managers carry out their duties outside the company and the members' declarations of independence	Investor Relations / Financial Information / Annual Financial Statements and Activity Reports /December 2024 Activity Report / Corporate Governance Principles Compliance Report / Part-III Stakeholders / Article 15
b) Page number or section name OF the information regarding the committees formed within the Board OF Directors	Investor Relations / Financial Information / Annual Financial Statements and Activity Reports /December 2024 Activity Report / Corporate Governance Principles Compliance Report / Part-III Stakeholders / Article 17
c) The page number or department name of the information about the number of meetings of the board of directors during the year and the participation of the members in the meetings	Investor Relations / Financial Information / Annual Financial Statements and Activity Reports /December 2024 Activity Report/A General Information /Number of Meetings of the Board of Directors and the Status of the Board of Directors during the Period/ Article 5 and Activity Report / Corporate Governance Principles Compliance Report Part III Stakeholders / Article 17
ç) Page number or section name OF the information about the legislative changes that may significantly affect the company 'S activities	Investor Relations / Financial Information / Annual Financial Statements and Annual Reports /December 2024 Annual Report / G Other Issues /Information on Legislation Changes That May Significantly Affect the Company's Activities/ Article 1
d) The page number or section name of the information about the important lawsuits filed against the company and their possible consequences	Investor Relations / Financial Information / Annual Financial Statements and Activity Reports /December 2024 Footnotes / Litigation Provisions
e) The page number or section name of the information regarding the conflicts of interest between the company and the institutions it receives services such as investment consultancy and rating and the measures taken to prevent them	Our company has not received services from any institution about investment consultancy and rating.
f) The page number or section name OF the information regarding the mutual partnerships where the direct participation rate exceeds 5%	There are no mutual partnerships with a direct participation rate exceeding 5%.
g) The page number or section name of the information about the corporate social responsibility activities related to the social rights of the employees, vocational training and other company activities that have social and environmental consequences	Investor Relations / Financial Information / Annual Financial Reports and Activity Reports /December 2024 Activity Report / General Information / Personnel and Workers Movements and 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 where the compensation policy is included	Investor Relations / Corporate Governance / Policies / Compensation Policy
The number of judicial decisions finalized against the company due to the violation of employee rights	There is no finalized lawsuit against the company due to the violation of employee rights.
The title of the official related to the notification mechanism	None.
Information on access to the company 's notification mechanism	None.

CORPORATE GOVERNANCE INFORMATION FORM (CGIF)	
3. STAKEHOLDERS	
3.2. Supporting Stakeholders' Participation in Company Management	
The name of the section on the corporate website where the internal regulations regarding the participation of employees in the management bodies are included	None.
Management bodies where employees are represented	Union.
3.3. Human Resources Policy of the Company	
The role of the board in developing a succession plan for key executive positions	Except for company and market conditions, the Board of Directors has no specified role.
The name of the section on the corporate website where the human resources policy includes the criteria of equal opportunity and personnel recruitment or a summary of the relevant articles of the policy	Investor Relations / Corporate Governance / Policies / Human Resources Policy
Whether there is a share acquisition plan	There is no share acquisition plan
Name of the section on the corporate website where the human resources policy includes measures to prevent discrimination and ill-treatment or a summary of the relevant articles of the policy	Investor Relations / Corporate Governance / Policies / Human Resources Policy
Number of judicial decisions finalized against the company due to liability for occupational accidents	There are no finalized lawsuits against the company regarding occupational accidents.
3.5. Code of Ethics and Social Responsibility	
Name of the section on the corporate website where the ethics policy is located	Investor Relations / Corporate Governance / Policies / Business Ethics Rules and Working Principles
The name of the section of the corporate social responsibility report on the corporate website. If there is no corporate social responsibility report, the measures taken on environmental, social and corporate governance issues	Environmental / Environmental Activities / Waste Management / Carbon Footprint
Measures taken to combat all forms of corruption, including extortion and bribery	Batisöke Board Members, employees and all third parties must refrain from any behavior and action that may put Batisöke under suspicion within the scope of corruption. It is forbidden to receive or give all kinds of cash/non-cash benefits that may fall within the scope of corruption, regardless of the public or private sector. During the general operation of the company's activities, no transaction starts in any department and is finalized by the same department. Therefore, an internal control mechanism that constantly controls one another has been established in the works and transactions carried out between departments.
4. BOARD OF DIRECTORS I	
4.2. Operating Principles of the Board of Directors	
Date of the most recent board performance evaluation	No study has been carried out for the performance evaluation of the board of directors.
Whether independent experts are used in the performance evaluation of the board of directors	No
Whether all members of the board of directors are released	Yes
The names of the members of the board of directors delegated to him with the distribution of duties and the content of the said powers	At the Board of Directors meeting held with the agenda of the distribution of duties after the General Assembly meeting; Sabit Aydın Chairman of the Board of Directors, Gülant CANDAS Vice Chairman of the Board of Directors, Ömer Çağdaş SELVİ Officer Member of the Board of Directors
Number of reports submitted by the internal control unit to the audit board or other relevant committees	3
The name or page number of the section where the evaluation of the effectiveness of the internal control system is included in the activity report	Investor Relations / Financial Information / Annual Financial Reports and Activity Reports /December 2024 Activity Report /Important Developments Regarding DF Activities and Activities/ Internal Control System and Internal Audit Activities / Article 2 and Activity Report / Corporate Governance Principles Compliance Report / Article 18
Name of the chairman of the board	Sabit AYDIN
Name of chief executive/ general manager	There is no Chief Executive Officer of our company. Mr. Gülant CANDAS is in the position of Managing Director of the company,
Link to the KAP announcement where the reason for the chairman of the board of directors and the executive chairman/general manager to be the same person	-
Link to the KAP announcement that the defects of the members of the board of directors during their duties and the damage they will cause to the company are insured for a price exceeding 25% of the company's capital	There is no manager liability insurance for the faults of the members of the board of directors during their duties and the damages they will cause in the company. However, there is no obligation in accordance with the legislation.
The name of the section on the corporate website where information is given about the diversity policy to increase the proportion of women board members	None.
Number and proportion of female members	The number of female members is one. The rate is 14%.

CORPORATE GOVERNANCE INFORMATION FORM (CGIF)							
Structure of the Board of Directors							
Name/ Surname of the Board Member	Whether or not he is in charge of execution	Whether or not it is an Independent Member	Date of First Election to the Board of Directors	Link to the KAP Announcement Including the Declaration of Independence	Whether the Independent Member has been evaluated by the Nomination Committee	Whether or not it is a member that has lost its independence	Has At Least 5 Years of Experience in Auditing, Accounting and/or Finance
SABİT AYDIN	Officer in charge of execution	Not an independent member	17.08.2021	-	Not evaluated	Indifferent	No
GÜLANT CANDAS	Officer in charge of execution	Not an independent member	17.08.2021	-	Not evaluated	Indifferent	Yes
ERDOĞAN GÖĞEN	Not in Charge of Execution	Not an independent member	17.08.2021	-	Not evaluated	Indifferent	Yes
ÖMER CAĞDAŞ SELVİ	Officer in charge of execution	Not an independent member	17.08.2021	-	Not evaluated	Indifferent	No
UFUK BALA YÜCEL	Not in Charge of Execution	Independent member	6.10.2022	-	Evaluated	No	Yes
MEHMET ŞAHNE	Not in Charge of Execution	Independent member	2.07.2024	-	Evaluated	No	No
ENİS TURAN ERDOĞAN	Not in Charge of Execution	Independent member	27.09.2024	-	Evaluated	No	Yes

CORPORATE GOVERNANCE INFORMATION FORM (CGIF)	
4. BOARD OF DIRECTORS -I	
4.4. Form of Board Meetings	
Number of board meetings held physically or electronically during the reporting period	The Board of Directors convened 23 times in 2024.
Average attendance rate at board meetings	97%
Whether an electronic portal is used to facilitate the work of the board	Yes
In accordance with the working principles of the board of directors, how many days before the meeting the information and documents are presented to the members	5 Days
The name of the section on the corporate website where information about the internal regulations in which the board meetings are determined to be held is included	Investor relations / Company Information / Articles of Association How the board meetings will be held, Article 11 of the Company's Articles of Association Under the title of Board Meetings.
The upper limit determined in the policy limiting the members to take on other duties outside the company	There are no restrictions under the statutory legislation or the Articles of Association of the Company.
4.5. Committees Established within the Board of Directors	
The page number where the information regarding the board committees is included in the activity report or the name of the relevant department	Activity Report / Corporate Governance principles Compliance Report Part III Stakeholders / Article 17
The link to the KAP announcement where the working principles of THE committee are announced	-

Committees of the Board of Directors				
Names of Board Committees	Name of the Committee Specified as "Other" in the First Column	Name and Surname of Committee Members	Whether or not he is the Chairman of the Committee	Whether or not he is a member of the Board of Directors
Corporate Governance Committee	-	ENİS TURAN ERDOĞAN	Yes	Member OF the Board OF Directors
Corporate Governance Committee	-	ERDOĞAN GÖĞEN	No	Member OF the Board OF Directors
Corporate Governance Committee	-	ONUR BAYRAM	No	Not a board member
Audit Committee	-	UFUK BALA YÜCEL	Yes	Member OF the Board OF Directors
Audit Committee	-	MEHMET ŞAHNE	No	Member OF the Board OF Directors
Early Risk Detection Committee	-	MEHMET ŞAHNE	Yes	Member OF the Board OF Directors
Early Risk Detection Committee	-	UFUK BALA YÜCEL	No	Member OF the Board OF Directors

4. BOARD OF DIRECTORS III					
4.5. Committees Formed within the Board of Directors -II					
Indicate the section of the activity report or corporate website, audit committee, where information about its activities is provided (page number or name of section)		Investor relations / Company Information / Articles of Association How the board meetings will be held, Article 11 of the Company's Articles of Association Under the title of Board Meetings.			
Indicate the section of the activity report or corporate website where information is given about the activities of the corporate governance committee (page number or name of section)		Activity Report / Corporate Governance principles Compliance Report Part III Stakeholders / Article 17			
Indicate the section of the activity report or corporate website where information is given about the activities of the nomination committee (page number or name of section)		Activity Report / Corporate Governance principles Compliance Report Part III Stakeholders / Article 17			
Indicate the section of the activity report or corporate website where information is given about the activities of the early detection of risk committee (page number or name of section)		Activity Report / Corporate Governance principles Compliance Report Part III Stakeholders / Article 17			
Indicate the section of the activity report or corporate website where information on the activities of the compensation committee is provided (page number or name of section)		Activity Report / Corporate Governance principles Compliance Report Part III Stakeholders / Article 17			
4.6. Financial Rights Provided to Board Members and Managers with Administrative Responsibility					
The page number or section name where the information regarding the operational and financial performance targets OF the activity report and whether they have been achieved		Activity Report / D Activities and Important Developments Related to Activities			
Name of the section of the corporate website where the remuneration policy for executive and non-executive members is included		www.batisoke.com.tr / Investor Relations / Corporate Governance / Policies / Wage Policy			
The page number or section name where the activity report indicates the wages given to the members of the board of directors and managers with administrative responsibility and all other benefits provided		Annual Report / B Total Amount of Financial Benefits Provided to Board Members and Senior Managers, Provided Dues, Wages, Premiums, Bonuses, Dividends			
Committees of the Board of Directors -II					
Names of Board Committees	Name of the Committee Specified as "Other" in the First Column	Proportion of Managers Not in Charge of Execution	Proportion of Independent Members on the Committee	Number of Physical Meetings Held by the Committee	Number of Reports Submitted by the Committee to the Board of Directors on its Activities
Audit Committee	-	100%	100%	4	4
Corporate Governance Committee	-	100%	33%	3	3
Early Risk Detection Committee	-	100%	100%	6	6

SUSTAINABILITY COMPLIANCE REPORT	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION
	YES	PARTIALLY	NO	INDIFFERENT		
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Objectives						
A1.1. Priority environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the partnership board.	X				Environmental, social and corporate risks and impacts management is provided within the scope of the Integrated Management System. In addition, OHS, Environment and Sustainability Department was established in 2024, and the Sustainability Committee authorized by the board of directors as of 2024 determines priority environmental, social and corporate governance (ESG) issues, targets, risks and opportunities and works are carried out. Risks and opportunities have been disclosed to the public with the "STAKEHOLDER PARTICIPATION PLAN" and will also be shared with the Sustainability Report to be published in 2025.	https://www.batianadolu.com/upload/pdf/management/policies-documents/paydas_katilim_plani.pdf BATI ANADOLU GROUP OF COMPANIES STAKEHOLDER PARTICIPATION PLAN Page; 6-9 "Significance analysis"
A1.1. ESG policies by the board of directors of the partnership (e.g.: Environmental Policy, Energy Policy, Human Rights and Employee Policy, etc.) and disclosed to the public.	X				The sustainability policies implemented by the Bati Anadolu Group of Companies within the scope of its sustainability vision can be accessed on its website.	https://www.batianadolu.com/sustainability/environment https://www.batianadolu.com/sustainability/social https://www.batianadolu.com/sustainability/management
A1.2. Short and long-term goals determined within the scope of ESG policies have been announced to the public.		X			It is partially mentioned in the Bati Anadolu 2023 Sustainability Report. Short, medium and long-term goals will be published with the Sustainability Report in 2025.	https://www.batianadolu.com/upload/pdf/surdurulebilirlik/bati-anadolu_sr_2024.pdf
A2. Implementation/Monitoring						
A2.1. The committees and/or units responsible for the execution of ESG policies and the highest level responsible persons in the partnership related to ESG issues and their duties have been determined and announced to the public.	X				The Sustainability Committee and the Sustainability Sub-Committee of the Board of Directors were established. The Working Principles of the Sustainability Committee have been announced to the public on our website. It is shared with the public through the Sustainability Report with detailed information and the governance structure for the follow-up, management and business conduct and integration of ESG (Environmental, Social and Governance) issues.	2023 Bati Anadolu Sustainability Report, Pg; 29 "SUSTAINABILITY GOVERNANCE MODEL" https://www.batianadolu.com/upload/pdf/management/policies-documents/surdurulebilirlik_komitesi_calisma_esaslari.pdf
A2.1. The activities carried out within the scope of the policies have been reported to the board of directors at least once a year by the responsible committee and/or unit.	X				Sustainability Committee and Sustainability Sub-Committee have been established under the Board of Directors. The Sustainability Committee acts within the framework of the Working Principles and reports to the Board of Directors at least twice a year.	https://www.batianadolu.com/upload/pdf/management/policies-documents/surdurulebilirlik_komitesi_calisma_esaslari.pdf
A2.2. Implementation and action plans have been created and made public in line with ESG objectives.	X				Bati Anadolu Group of Companies has created its Sustainability Strategy in line with the ESG objectives and shared the practices and actions carried out within this scope in the Sustainability Report.	2023 Bati Anadolu Sustainability Report, Pg; 31,32 "SUSTAINABILITY STRATEGY and PRIORITIES"
A2.3. With the ESG Key Performance Indicators (KPIs), the level of reaching these indicators on a yearly basis has been disclosed to the public.	X				The key performance indicators defined by the Bati Anadolu Group of Companies in line with the ESG objectives are shared in the Sustainability Report published.	2023 Bati Anadolu Sustainability Report, Pg; 86-93 "PERFORMANCE INDICATORS"
A2.4. Activities to improve sustainability performance for business processes or products and services have been disclosed to the public.	X				Bati Anadolu Group of Companies publishes the Sustainability Report and discloses its practices and performance in the field of sustainability to the public.	2023 Bati Anadolu Sustainability Report, Pg; 86-93 "PERFORMANCE INDICATOR"

SUSTAINABILITY COMPLIANCE REPORT	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION
	YES	PARTIAL	NO	INDIFFERENT		
A. GENERAL PRINCIPLES						
A3. Reporting						
A3.1. Information on the sustainability performance, objectives and actions of the partnership is given in an understandable, accurate and sufficient way in the activity reports.	X				Bati Anadolu Group of Companies publishes the Sustainability Report and discloses its practices and performance in the field of sustainability to the public.	2023 Bati Anadolu Sustainability Report, Pg; 86-93 "PERFORMANCE INDICATOR"
A3.2. Information on which of the United Nations (UN) 2030 Sustainable Development Goals its activities are related to has been made public by the Partnership.	X				Bati Anadolu Group of Companies has determined the Sustainable Development Goals that it contributes to and aims to increase its contribution in line with the prioritization matrix and value chain analysis. The studies carried out in this context are included in the Sustainability Report published.	2023 Bati Anadolu Sustainability Report, ; 34-35 "CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS"
A3.3. Cases that are filed and/or concluded against the ESG issues, that are important in terms of ESG policies and/or that will significantly affect the activities have been disclosed to the public.	X				The cases regarding the ESG issues of the Bati Anadolu Group of Companies are included in the Sustainability Report performance tables published. There is no case.	2023 Bati Anadolu Sustainability Report, Pg; 89-91 "ENVIRONMENTAL INDICATORS"
A4. Verification						
A4.1. The ESG Key Performance measurements of the partnership have been verified by an independent third party and disclosed to the public.	X				The targets and performance values for ESG performance are audited annually by third-party independent auditors within the scope of Integrated Management Systems. In addition, the conformity assessment of compliance with the Environmental Legislation at the national level is also carried out and recorded by the evaluations made by the Ministry of Environment, Urbanization and Climate Change. Verified data of the last 2 years have been published with the Sustainability Report.	2023 Bati Anadolu Sustainability Report, Pg; 59 "TOWARDS ZERO CARBON"; Pg; 74 "INTEGRATED MANAGEMENT SYSTEMS"
B. ENVIRONMENTAL PRINCIPLES						
B1. The partnership has disclosed its policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management to the public.	X				Quality, Environment, Occupational Health and Safety and Energy Management Systems have been established and certified. Management systems are maintained in an integrated manner, and the policy and other documentation within this scope are implemented in an integrated manner in accordance with international product and management standards. It has been disclosed to the public with the Sustainability Report.	2023 Bati Anadolu Sustainability Report, Page 74-75 "INTEGRATED MANAGEMENT SYSTEMS; MANAGEMENT SYSTEMS POLICY"
B2. Regarding the environmental reports prepared to provide information on environmental management, the scope of the report, the reporting period, the reporting date, and the restrictions on the reporting conditions have been disclosed to the public.	X				The obligations within the scope of the Environmental Legislation (such as notification of greenhouse gas reports, notification of wastes, emission confirmation measurements, periodic measurements of waste incineration) are fulfilled within the periods specified in the legislation and the necessary notifications are made on time without interruption. It has been disclosed to the public with the Sustainability Report.	2023 Bati Anadolu Sustainability Report, Pages 56-70 "RESPECT FOR THE PLANET"
B4. Environmental goals included in the award criteria within the scope of performance incentive systems on the basis of stakeholders (such as board members, managers and employees) have been announced to the public.		X			Environmental targets have been included in performance incentive systems within the scope of Competency-Based Performance Evaluation in 2024. However, information on these award criteria has not been disclosed to the public.	-
B5. It has been disclosed to the public how primarily identified environmental problems are integrated into business goals and strategies.	X				In line with the prioritization analysis carried out with the participation of stakeholders, the Bati Anadolu Group of Companies has associated environmental priorities with its business goals and strategies, and the said information has been shared with the public in the Sustainability Report.	2023 Bati Anadolu Sustainability Report, Pg; 31-35 "SUSTAINABILITY STRATEGY and PRIORITIES"

SUSTAINABILITY COMPLIANCE REPORT	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION
	YES	PARTIAL	NO	INDIFFERENT		
B. ENVIRONMENTAL PRINCIPLES						
B 7. It has been disclosed to the public how environmental issues are managed and integrated into business goals and strategies, including suppliers and customers throughout the partnership value chain, including the operation process.	X				Information on the environmental management approach, business goals and strategies of the Bati Anadolu Group of Companies, which covers its suppliers and stakeholders throughout the value chain, is explained in the Sustainability Report.	2023 Bati Anadolu Sustainability Report Pg; 70,71 "SUPPLY CHAIN MANAGEMENT"
B8. Whether the relevant organizations and non-governmental organizations are involved in the policy-making processes on the environment and the collaborations with these institutions and organizations have been disclosed to the public.	X				Bati Anadolu Group of Companies shares its cooperation with the relevant institutions and non-governmental organizations and the participation of these organizations in the policy-making processes in its senior management reports and discloses them to the public through the Sustainability Report.	2023 Bati Anadolu Sustainability Report; Pg; 33 "STAKEHOLDER COMMUNICATION"; Pg; 85 "MEMBERSHIPS"
B9. Environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity effects)) have been disclosed to the public in a periodically comparable way.	X				Direct (Category 1) and indirect emissions from corporate activities (Categories 2, 3, 4, 5 and 6) are calculated under the ISO 14064 Greenhouse Gas Calculation and Reporting Standard. The emissions for the years 2022 and 2023 have been verified by a third-party independent verifier certified by TURKAK within the framework of the ISO 14064-1 Greenhouse Gas Emissions Verification and Reporting Standard. It has been disclosed to the public with the Sustainability Report.	2023 Bati Anadolu Sustainability Report; Pg; 59 "GREENHOUSE GAS and OTHER AIR EMISSIONS"
B10. The details of the standard, protocol, methodology and base year used to collect and calculate the data have been disclosed to the public.	X				The collection of information about the data and the calculations are made within the framework of the relevant legal legislation and standards. It has been disclosed to the public with the Sustainability Report.	2023 Bati Anadolu Sustainability Report; Pg; 59 "GREENHOUSE GAS and OTHER AIR EMISSIONS"
B11. The increase or decrease in environmental indicators for the report year compared to previous years has been disclosed to the public.	X				Environmental Indicators have been disclosed to the public with the Sustainability Report compared to previous years.	2023 Bati Anadolu Sustainability Report; Pg; 59 "GREENHOUSE GAS and OTHER AIR EMISSIONS"; Pg; 89-91 "ENVIRONMENTAL INDICATORS"
B12. Short and long-term goals have been determined to reduce environmental impacts, and these goals and progress according to the goals determined in previous years have been announced to the public.		X			Progress in previous years has been explained. Short and long-term targets will be announced to the Public with the Sustainability Report to be published in 2025.	2023 Bati Anadolu Sustainability Report; Pg; 89-91 "ENVIRONMENTAL INDICATORS"
B13. A strategy to combat the climate crisis has been established and the planned actions have been announced to the public.	X				The strategy to combat the climate crisis has been determined and the planned actions have been announced to the public in the Sustainability Report.	2023 Bati Anadolu Sustainability Report; Pages 56-70 "RESPECT FOR THE PLANET"
B14. Programs or procedures have been created and disclosed to the public in order to prevent or minimize the potential negative impact of products and/or services on the environment.	X				In line with its sustainability strategic priorities, the Bati Anadolu Group of Companies focuses on the protection of natural resources with innovative products and operational improvements and develops programs to reduce its environmental footprint. It is disclosed to the public with the Sustainability Report.	2023 Western Anatolia Sustainability Report; Pages 56-70 "RESPECT FOR THE PLANET"
B14. Actions have been taken to reduce the greenhouse gas emissions of third parties (e.g. suppliers, subcontractors, dealers, etc.) and these actions have been disclosed to the public.	X				Promotional studies are carried out to reduce greenhouse gas emissions of third parties and are disclosed to the public with the Sustainability Report.	2023 Bati Anadolu Sustainability Report Pg; 70,71 "SUPPLY CHAIN MANAGEMENT"
B15. Environmental benefits/gains and cost savings provided by initiatives and projects to reduce environmental impacts have been disclosed to the public.	X				In order to reduce the environmental impact, the environmental benefits and gains provided by the initiatives and projects have been disclosed to the public with the Sustainability Report published in 2024.	2023 Bati Anadolu Sustainability Report; Pages 56-70 "RESPECT FOR THE PLANET"

SUSTAINABILITY COMPLIANCE REPORT	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION
	YES	PARTIALLY	NO	INDIFFERENT		
B. ENVIRONMENTAL PRINCIPLES						
B16. Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data have been disclosed to the public as Scope-1 and Scope-2.	X				It has been disclosed to the public with the Sustainability Report.	2023 Batı Anadolu Sustainability Report; Pg: 59 "GREENHOUSE GAS and OTHER AIR EMISSIONS"; Pg: 89-91 "ENVIRONMENTAL INDICATORS"
B17. The public has been informed about the electricity, heat, steam and cooling produced in the reporting year.	X				Electricity production in the waste heat plant is constantly monitored and reported to the management. It has been disclosed to the public with the Sustainability Report.	2023 Batı Anadolu Sustainability Report; Pg: 64,65 "ENERGY MANAGEMENT and ALTERNATIVE FUELS"
B18. Studies have been carried out to increase the use of renewable energy and to switch to zero or low-carbon electricity and have been disclosed to the public.	X				Green energy produced in the waste heat facility has been registered with the IREC and has been disclosed to the public with the Sustainability Report.	2023 Western Anatolia Sustainability Report; Pg: 64,65 "ENERGY MANAGEMENT and ALTERNATIVE FUELS"
B19. Renewable energy production and use data have been disclosed to the public.	X				Green energy produced in the waste heat plant is registered with IREC and disclosed to the public.	2023 Batı Anadolu Sustainability Report; pp: 64,65 "ENERGY MANAGEMENT and ALTERNATIVE FUELS"; pp: 89-91 "ENVIRONMENTAL INDICATORS"
B20. Energy efficiency projects have been carried out and the amount of energy consumption and emission reduction obtained through energy efficiency projects have been disclosed to the public.	X				Details of energy efficiency projects and energy consumption and emission reduction amounts have been disclosed to the public with the published Sustainability Report.	2023 Batı Anadolu Sustainability Report; Pg: 60-65 "TOWARDS ZERO CARBON"
B21. Water consumption, amounts of water withdrawn, recycled and discharged from underground or above ground, if any, sources and procedures have been disclosed to the public.	X				The studies, objectives and annual performance-based data of the Batı Anadolu Group of Companies in the field of water management have been disclosed to the public in the Sustainability Report.	2023 Batı Anadolu Sustainability Report; Pg: 68 "water and WASTEWATER MANAGEMENT"; Pg: 89-91 "ENVIRONMENTAL INDICATORS"
B22. It has been disclosed to the public whether operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).				X	In our country, the legal regulation processes regarding the carbon pricing system have not been completed yet.	-
B23. Carbon credit information accumulated or purchased during the reporting period has been disclosed to the public.		X			In our company, carbon credits accumulated with the energy produced from waste heat are certified with VCS. It has been disclosed to the public with the Sustainability Report.	2023 Batı Anadolu Sustainability Report; Pg: 65 "ENERGY MANAGEMENT and ALTERNATIVE FUELS"
B24. If carbon pricing is applied within the partnership, its details have been disclosed to the public.				X	In our country, the legal regulation processes regarding the carbon pricing system have not been completed yet.	-
B25. The platforms where the partnership discloses its environmental information have been disclosed to the public.	X				Disclosed to the public in the Sustainability Report.	2023 Batı Anadolu Sustainability Report; Pg 89-91 "ENVIRONMENTAL INDICATORS"
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.1. The Corporate Human Rights and Employee Rights Policy has been established to cover the Universal Declaration of Human Rights, ILO Conventions approved by Turkey and other relevant legislation, and those responsible for the implementation of the policy have been determined and the policy and those responsible have been disclosed to the public.	X				Batı Anadolu Group of Companies Human Rights Policy is available. It is publicly disclosed on the website and in the Sustainability Report.	https://www.batianadolu.com/upload/pdf/social/politics/insan-haklari-politikasi.pdf Batı Anadolu 2023 Sustainability Report; Pg: 36-56; "PEOPLE FIRST"

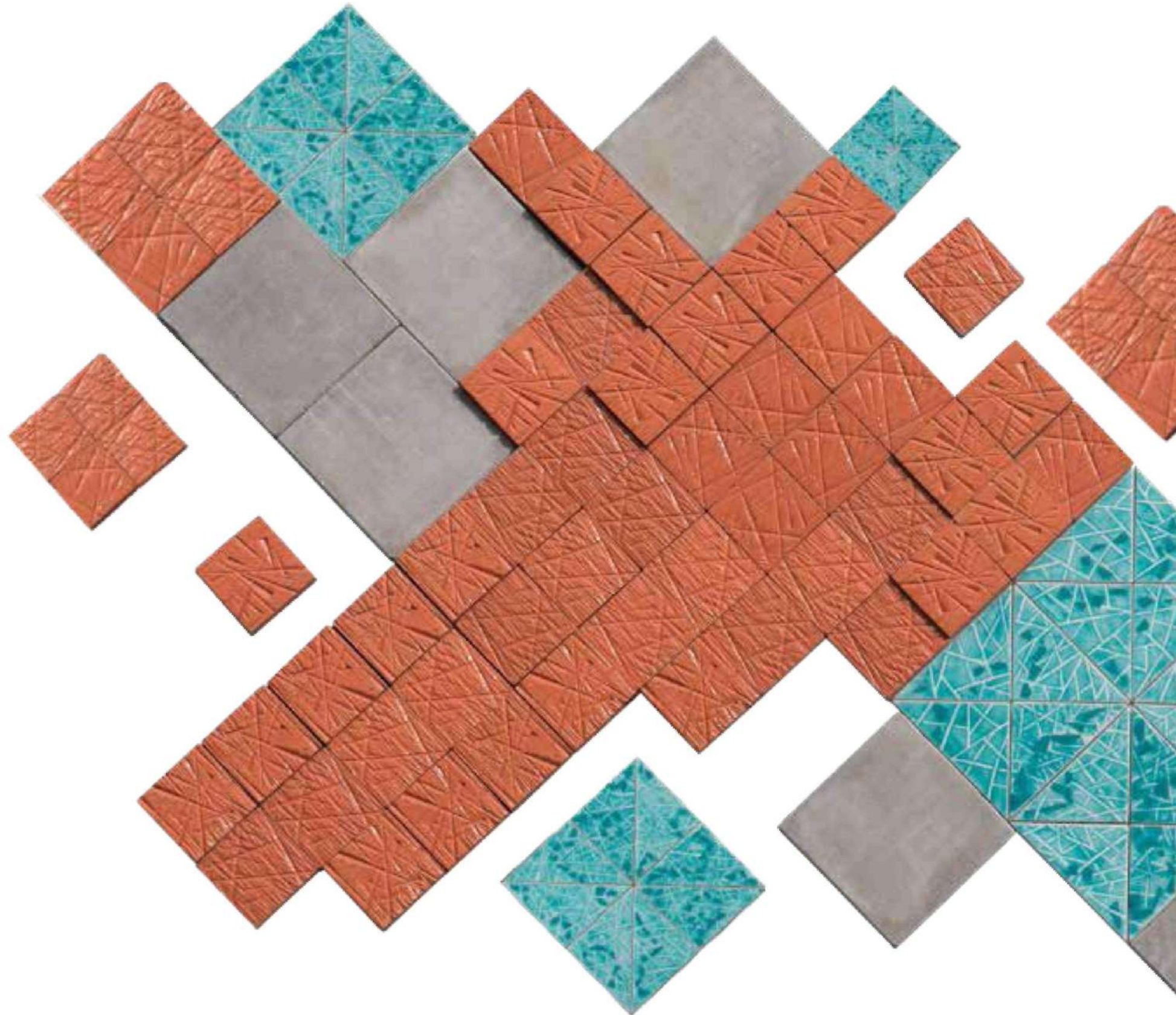
SUSTAINABILITY COMPLIANCE REPORT		COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION
		YES	PARTIAL	NO	INDIFFERENT		
C. SOCIAL PRINCIPLES							
C1. Human Rights and Employee Rights							
C1.2. Fair workforce, improvement of working standards, women's employment and inclusion (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc.) are included in the policy.	X					Bati Anadolu Group of Companies has a "Sustainable Procurement and Responsible Procurement Policy" and a "Human Rights Policy" and is published on its website and made available to the public.	https://www.batianadolu.com/upload/pdf/policies/surdurulebilir_tedarik_ve_sorumlu_satin_alma_politikasi.pdf https://www.batianadolu.com/upload/pdf/social/politics/insan-haklari-politikasi.pdf
C1.3. The measures taken throughout the value chain have been disclosed to the public regarding the observation of certain economic, environmental, social factors sensitive segments (low-income segments, women, etc.) or minority rights/equal opportunities.	X					Bati Anadolu Group of Companies observes human rights in all its activities by adopting the "Sustainable Procurement and Responsible Procurement Policy", "Diversity, Equality and Inclusion Policy" and "Human Rights Policy". With these policies, "Business Ethics and Working Principles" are published on the website and made available to the public. In addition, the contact information of the Ethics Committee is also available on the website. All these practices are included in the Sustainability Report.	Bati Anadolu 2023 Sustainability Report; Pg: 36-56 "PEOPLE FIRST"; Pg: 83 "BUSINESS ETHICS" https://www.batianadolu.com/upload/pdf/policies/bati_anadolu_grubu_cesitlilik_esitlik_ve_kapsayicilik_politikasi.pdf https://www.batianadolu.com/surdurulebilirlik/ethics_principles https://www.batianadolu.com/upload/pdf/social/policy/insan-haklari-politikasi.pdf https://www.batianadolu.com/upload/pdf/policies/surdurulebilir_tedarik_ve_sorumlu_satin_alma_politikasi.pdf
C1.4. Developments related to practices that prevent and correct discrimination, inequality, human rights violations, forced labor and child labor have been disclosed to the public.	X					Bati Anadolu Group of Companies protects human rights in all its activities by adopting the "Sustainable Procurement and Responsible Procurement Policy", "Diversity, Equality and Inclusion Policy" and "Human Rights Policy". With these policies, "Business Ethics and Working Principles" have been published on the website and made available to the public. In addition, the contact information of the Ethics Committee is also available on the website. All these practices are included in the Sustainability Report.	"Bati Anadolu 2023 Sustainability Report; Pg: 36-56 "" HUMAN FIRST ""; Pg: 83 ""BUSINESS ETHICS"" https://www.batianadolu.com/upload/pdf/policies/bati_anadolu_grubu_cesitlilik_esitlik_ve_kapsayicilik_politikasi.pdf https://www.batianadolu.com/surdurulebilirlik/etik_ilkeler https://www.batianadolu.com/upload/pdf/sosyal/politika/insan-haklari-politikasi.pdf https://www.batianadolu.com/upload/pdf/policies/surdurulebilir_tedarik_ve_sorumlu_satin_alma_politikasi.pdf "
C1.5. Investment (training, development policies), compensation, benefits, right to unionization, work/ life balance solutions and talent management issues are included in the employee rights policy.	X					Bati Anadolu Group of Companies protects human rights in all its activities by adopting the "Human Rights Policy". With these policies, "Business Ethics and Working Principles" have been published on the website and made available to the public. In addition, competency-based performance evaluation studies are carried out on talent management. All these practices are included in the Sustainability Report.	"Western Anatolia 2023 Sustainability Report; Pg: 36-56 "" HUMAN FIRST "" Pg: 83 ""BUSINESS ETHICS"" https://www.batianadolu.com/upload/pdf/sosyal/politika/insan-haklari-politikasi.pdf https://www.batianadolu.com/surdurulebilirlik/etik_ilkeler "

SUSTAINABILITY COMPLIANCE REPORT	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION
	YES	PARTIALLY	NO	INDIFFERENT		
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.5. Dispute resolution processes have been determined by creating mechanisms for employee complaints and dispute resolution.	X				Solution processes have been determined in Business Ethics and Working Principles. In addition, a platform has been created through the "Solution Center Process" website communication section on the website where all employees, customers, business partners and visitors can submit complaints, opinions, suggestions, satisfaction and solution requests. All notifications are integrated into the Corporate Management Software Program and the process is managed through the system. This process ensures that incoming notifications are automatically forwarded to the relevant unit managers through the system. The relevant directors are obliged to take action within 24 hours of receiving the notice. The process also allows users to report anonymously, allowing feedback to be shared in privacy.	Bati Anadolu 2023 Sustainability Report; Pg: 83 "BUSINESS ETHICS" https://www.batianadolu.com/sustainability/ethics_principleshttps://www.baticim.com.tr/contact
C1.5. Activities carried out within the reported period to ensure employee satisfaction have been disclosed to the public.		X			Employee satisfaction, employee feedback and individual interviews are followed up and instant actions are taken when necessary. In 2024, an Employee Engagement survey was conducted with an independent research company in order to measure employee engagement. It will be made public with the Sustainability Report to be published in 2025.	-
C1.6. Occupational health and safety policies have been created and disclosed to the public.	X				It has been published on the website within the scope of the Integrated Management System Policy. It publishes its activities in this field in the Sustainability Report.	Bati Anadolu 2023 Sustainability Report; Pg: 36-56 "PEOPLE FIRST" https://www.batianadolu.com/upload/pdf/yonetisim/politikalar-belgeler/entegre-yonetim-sistemleri.pdf
C1.6. Measures taken to prevent occupational accidents and protect health and accident statistics have been disclosed to the public.	X				Bati Anadolu Group of Companies awareness studies conducted to prevent occupational accidents and protect health are published on various platforms (such as meetings, digital platform). Accident statistics are monitored and presented in management reports. The number of days without a accident is published on the digital panel at the entrance of the facility. It publishes its activities and statistical information in this field in the Sustainability Report.	Bati Anadolu 2023 Sustainability Report; Pg: 36-56 "PEOPLE FIRST"; Pg: 92-93 "SOCIAL PERFORMANCE"
C1.7. Personal data protection and data security policies have been established and disclosed to the public.	X				Bati Anadolu Group of Companies has created "Information Security Policy" and "Personal Data Protection and Privacy Policy" in the field of personal data protection and data security and made them available to the public. The activities carried out in this area are published through Sustainability Reports.	Bati Anadolu 2023 Sustainability Report; Pg: 76 "INFORMATION TECHNOLOGIES" https://www.batianadolu.com/upload/pdf/yonetisim/politikalar-belgeler/bilgi-guvenligi-politikas%C4%B1.pdf https://www.baticim.com.tr/yasal-bilgi-iler/kisisel-verilerin-korunmasi-ve-gizlilik-politikasi
C1.8. Ethics policy has been established and disclosed to the public.	X				Bati Anadolu Group of Companies Business Ethics and Working Principles are available and Ethics committee contact information is available on the website. Disclosed to the public in the Sustainability Report.	Bati Anadolu 2023 Sustainability Report; Pg: 83 "BUSINESS ETHICS" https://www.batianadolu.com/surdurulebilirlik/etik_ilkeler
C1.9. Studies within the scope of social investment, social responsibility, financial inclusion and access to financing are explained.	X				It publishes its activities in this field in its Sustainability reports.	Bati Anadolu 2023 Sustainability Report; Pg: 36-56 "PEOPLE FIRST"
C1.10. Informative meetings and training programs have been organized for employees on ESG policies and practices.	X				It publishes its activities in this field in its Sustainability reports.	Bati Anadolu 2023 Sustainability Report; Pg: 36-56 "PEOPLE FIRST"

SUSTAINABILITY COMPLIANCE REPORT	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION
	YES	PARTIALLY	NO	INDIFFERENT		
C. SOCIAL PRINCIPLES						
C2. Stakeholders, International Standards and Initiatives						
C2.1. Customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed to the public.	X				It manages customer satisfaction within the framework of the Bati Anadolu Group of Companies Integrated Management Systems Policy. Research and practices that increase customer satisfaction are carried out within the scope of the customer complaint evaluation instruction. In addition, measurement and evaluation are carried out within the scope of the customer satisfaction survey instruction. The relevant process is followed up in the management reports. In addition, a platform has been created through the "Solution Center Process" website communication section on the website where all employees, customers, business partners and visitors can submit complaints, opinions, suggestions, satisfaction and solution requests. All notifications are integrated into the Corporate Management Software Program and the process is managed through the system. This process ensures that incoming notifications are automatically forwarded to the relevant unit managers through the system. The relevant directors are obliged to take action within 24 hours of receiving the notice.	Bati Anadolu 2023 Sustainability Report; Pg:33 "STAKEHOLDER COMMUNICATION" https://www.batianadolu.com/upload/pdf/yonetisim/politikalar-belgeler/entegre-yonetim-sistemleri.pdf https://www.baticim.com.tr/contact
C2.2. Information about the communication with the stakeholders (which stakeholder, subject and frequency) has been disclosed to the public.	X				Within the scope of the Sustainability Report, detailed information was provided about the communication with the stakeholders.	Bati Anadolu 2023 Sustainability Report; Pg:33 "STAKEHOLDER COMMUNICATION"
C2.3. International reporting standards adopted in reporting are explained.	X				Bati Anadolu Group of Companies publishes the 'Sustainability Report' in accordance with the 2021 version of the GRI Standards.	Bati Anadolu 2023 Sustainability Report; Pg:3 "ABOUT THE REPORT"
C2.4. The principles adopted regarding sustainability, the international organizations, committees and principles to which it is a signatory or member have been disclosed to the public.	X				The responsibility undertaken and the activities carried out by the Bati Anadolu Group of Companies are explained to the public in the Sustainability Report.	Bati Anadolu 2023 Sustainability Report; Pg:3 "ABOUT THE REPORT"
C2.5. Improvements have been made and studies have been carried out to take part in the sustainability indices of Borsa Istanbul and/ or international index providers.			X		Studies will be started in 2025.	-
D. CORPORATE GOVERNANCE PRINCIPLES						
D1. The opinions of stakeholders were consulted in determining measures and strategies in the field of sustainability.	X				Bati Anadolu Group of Companies collected stakeholder opinions with the online significance survey for the prioritization matrix, which forms the basis of the determination of sustainability strategies with selected stakeholder groups. Strategies in the field of sustainability have been determined by conducting a company prioritization matrix study.	Bati Anadolu 2023 Sustainability Report; Pg: 31,32 "SUSTAINABILITY STRATEGY and PRIORITIES"
D2. Studies have been carried out to raise awareness about social responsibility projects, awareness activities and trainings and the issue of sustainability and its importance.	X				It publishes its activities in this field in its Sustainability reports.	Bati Anadolu 2023 Sustainability Report; Pg: 36-56 "PEOPLE FIRST"

TABLE OF CONTENTS

Statement of financial position	42-43
Profit or loss and other comprehensive income statement	44
Statement of changes in equity	45
Cash flow statement	46
Notes to the financial statements	48



INDEPENDENT
REPORT TO THE
ASSEMBLY OF
ÇİMENTO SANAYİİ
ŞİRKETİ;

AUDITOR'S
GENERAL
BATISÖKE
ANONİM

A) INDEPENDENT AUDIT OF FINANCIAL STATEMENTS

1)Opinion

We have audited the financial statements of Batisöke Söke Çimento Sanayii Taş ("Company") dated 31 December 2024 and the financial statements for the accounting period ending on the same date consisting of profit or loss and other comprehensive income statement, equity change statement and cash flow statement and financial statement footnotes including the summary of significant accounting policies.

In our opinion, the attached financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2024 and its financial performance and cash flows for the accounting period ending on the same date in accordance with the Turkish Financial Reporting Standards (TFRs).

2)Basis for Opinion

The independent audit we conducted was carried out in accordance with the Independent Auditing Standards (IASs), which are part of the Turkish Auditing Standards adopted within the framework of the regulations of the Capital Markets Board and published by the Public Oversight, Accounting and Auditing Standards Authority (POA). Our responsibilities under these Standards are described in detail in the Independent Auditor's Responsibilities for the Independent Audit of the Financial Statements section of our report. We declare that we are independent of the Company in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) published by the POA and the ethical provisions in the Capital Markets Board legislation and other relevant legislation regarding the independent audit of financial statements. Other responsibilities related to ethics within the scope of the Code of Ethics and legislation have also been fulfilled by us. We believe that the independent audit evidence we obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3)Key Audit Issues

According to our professional judgment, key audit issues are the most important issues in the independent audit of the financial statements for the current period. Key audit issues have been addressed within the framework of the independent audit of the financial statements as a whole and in forming our opinion on the financial statements, and we do not express a separate opinion on these issues.

Key Audit Issue	How this issue was addressed in the audit
<p>Recognition of Tangible Fixed Assets by Revaluation Method</p> <p>In its financial statements dated 31 December 2024, the Company measured the lands and lands and machinery, facilities and devices at their fair values based on the results of the valuation studies carried out by an independent valuation institution authorized by the CMB as of 31 December 2024 and the value increase of 329.500 thousand TL after the tax effect regarding the relevant assets was recognized in the tangible fixed asset revaluation increases accounts under other comprehensive income accounts. It is important for our audit that the processes and valuation studies in the recognition of these transactions in the financial statements contain significant expertise, reasoning and assumptions and therefore, it has been determined by us as a key audit subject. Detailed explanations about tangible fixed assets are given in Note 2 and Note 9.</p>	<p>During our audit, the following audit procedures have been applied for the measurement of tangible fixed assets in accordance with the revaluation model:</p> <p>Regarding the revaluation studies of tangible fixed assets, the competencies, competencies and impartiality of the real estate valuation experts appointed by the management have been evaluated by us. In our audit, the appropriateness of the methods used by the valuation experts in the said valuation reports, which constitute the basis for the fair values of the relevant tangible fixed assets measured according to the revaluation model, has been evaluated.</p> <p>An external expert has been included with the studies of the valuation experts of another organization in order to check the suitability of the assumptions used by the independent valuation experts during the valuation with market data. In this context, as a result of the studies and examinations carried out by the experts on the said real estate valuation calculations, we have evaluated whether the fair value appreciated by the valuation experts is within an acceptable range.</p> <p>The appropriateness of the valuation method used has been evaluated and checked together with the intended use of the relevant machinery and devices. In addition, within the scope of the above-mentioned special recognitions, we have questioned the appropriateness of the information in the financial statements and explanatory notes in accordance with TAS 16.</p>

4) Other Issues

The financial statements of Batisöke Söke Çimento Sanayii TA.Ş. for the accounting period ended 31 December 2023 were audited by another independent audit company and a positive opinion was given on these financial statements on 4 April 2024.

5) Responsibilities of the Management and Those Responsible for Senior Management regarding Financial Statements

The company management is responsible for the preparation of the financial statements in accordance with TFRs, the presentation of them in a fair manner and the internal control it deems necessary to prepare them in a way that does not contain significant errors due to error or fraud.

While preparing the financial statements, the management is responsible for evaluating the ability of the Company to maintain its continuity, explaining the issues related to continuity when necessary, and using the principle of continuity of the business unless it has the intention or obligation to liquidate the Company or terminate the commercial activity.

Those responsible for senior management are responsible for the supervision of the Company's financial reporting process.

6) Responsibilities of the Independent Auditor Regarding the Independent Audit of Financial Statements

In an independent audit, we, the independent auditors, have the following responsibilities:

Our aim is to obtain reasonable assurance as to whether the financial statements as a whole contain significant errors due to error or fraud and to prepare an independent auditor's report containing our opinion. Reasonable assurance given as a result of an independent audit carried out in accordance with the regulations of the Capital Markets Board and the IASs is a high level of assurance, but does not guarantee that a significant error will always be detected. Errors can be caused by error or fraud. These errors are considered significant if it is reasonably expected that the errors, alone or collectively, will affect the economic decisions of the users of the financial statements based on these statements.

As a requirement of an independent audit carried out in accordance with the regulations of the Capital Markets Board and the IASs, we use our professional judgment and maintain our professional skepticism throughout the independent audit. Accordingly by us:

- The risks of "significant error" due to error or fraud in the financial statements are determined and evaluated; audit procedures that respond to these risks are designed and implemented and sufficient and appropriate audit evidence is obtained to provide a basis for our opinion (The risk of not being able to detect a significant error due to fraud is higher than the risk of not being able to detect a significant error due to error since fraud may include collusion, fraud, intentional negligence, false declaration or violation of internal control).
- Audit-related internal control is evaluated not to give an opinion on the effectiveness of the company's internal control, but to design appropriate audit procedures.
- It is evaluated whether the accounting policies used by the management are appropriate and whether the accounting estimates and related explanations are reasonable.
- Based on the audit evidence obtained, it is concluded whether there is a significant uncertainty about the events or conditions that may cause serious doubt about the ability of the Company to maintain its continuity and the appropriateness of the management's use of the principle of continuity of the business. If we conclude that there is a significant uncertainty, we need to draw attention to the relevant explanations in the financial statements in our report or to give an opinion other than a positive opinion if these explanations are insufficient. Our conclusions are based on the audit evidence obtained until the date of the independent auditor's report. However, future events or conditions may end the continuity of the Company.
- It is evaluated whether the financial statements, including the explanations, reflect the general presentation, structure and content and the transactions and events that form the basis of these statements in a way that provides fair presentation.
- In order to give an opinion on the financial statements, sufficient and appropriate audit evidence is obtained about the financial information about the businesses or operating segments within the Company. We are responsible for the direction, supervision and execution of the company audit. We are solely responsible for the audit opinion we give.

Among other things, we report the planned scope and timing of the independent audit and the significant audit findings to the senior management, including the significant internal control deficiencies we found during the audit.

We have informed those responsible for senior management that we have complied with the ethical provisions regarding independence. In addition, we have communicated all relations and other issues that can be considered to have an effect on independence and, if any, the relevant measures to those responsible for senior management.

Among the issues reported to the senior management, we identify the most important issues in the independent audit of the financial statements for the current period, namely key audit issues. In cases where the legislation does not allow the subject to be disclosed to the public or in very exceptional cases where it is reasonably expected that the negative consequences of the public disclosure will exceed the public interest of the public disclosure, we may decide not to report the relevant issue in our independent auditor's report.

B) REPORT ON OTHER OBLIGATIONS ARISING FROM THE LEGISLATION

The Auditor's Report on the Early Risk Detection System and Committee issued in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code No. 6102 ("TCC") was submitted to the Board of Directors of the Company on April 4, 2025.

In accordance with the fourth paragraph of Article 402 of the TCC no significant issue has been found that the bookkeeping order and financial statements of the Company in the accounting period of 1 January - 31 December 2024 are not in accordance with the provisions of the TCC and the Company's articles of association regarding financial reporting.

In accordance with the fourth paragraph of Article 402 of the TCC the Board of Directors made the necessary explanations within the scope of the audit and gave the requested documents.

Özgür Öney is the responsible auditor who carried out and concluded this independent audit.
DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK AŞ.

Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Özgür Öney, CPA

Responsible Auditor Izmir, 4 April 2025

Batisöke Söke Çimento Sanayii T.A.Ş.
Profit or loss and other comprehensive income statement for the period from 1 January to 31 December 2024

	NOT E	CURRENT PERIOD INDEPENDENTLY AUDITED 31 DECEMBER 2024	PREVIOUS PERIOD INDEPENDENTLY AUDITED 31 DECEMBER 2023
Assets			
Current assets			
Cash and cash equivalents	3	32.532	30.437
Trade receivables			
Trade receivables from related parties	5, 24	91.631	173.405
Trade receivables from non-related parties	5	744.500	759.803
Other receivables			
Other receivables from related parties	6, 24	7.789	8.075
Other receivables from non-related parties	6	110	5.122
Inventories	7	728.338	1.051.475
Prepaid expenses	8	45.591	68.608
Assets related to current period tax	22	724	342
Other current assets	13	216.720	198.148
Total current assets		1.867.935	2.295.415
Fixed assets			
Other receivables			
Other receivables from non-related parties	6	688	1.306
Tangible fixed assets	9	10.551.775	10.432.430
Right-of-use assets	10	6.962	7.878
Intangible fixed assets	10	2.231	2.823
Prepaid expenses	8	-	4.029
Deferred tax asset	22	342.935	-
Total non-current assets		10.904.591	10.448.466
Total assets		12.772.526	12.743.881

The following footnotes form an integral part of the financial statements.

Batisöke Söke Çimento Sanayii T.A.Ş.
Profit or loss and other comprehensive income statement for the period from 1 January to 31 December 2024

	NOTE	CURRENT PERIOD INDEPENDENTLY AUDITED 31 DECEMBER 2024	PREVIOUS PERIOD INDEPENDENTLY AUDITED 31 DECEMBER 2023
Liabilities			
Short-term liabilities			
Short-term borrowings	4	421.391	585.182
Short-term portions of long-term borrowings	4	350.595	560.134
Liabilities arising from leasing	4	1.274	2.574
Trade payables			
Trade payables to related parties	5, 24	160.586	181.109
Trade payables to non-related parties	5	444.450	795.113
Payables under employee benefits	12	15.139	18.754
Other payables			
Other payables to related parties	6, 24	1.884.737	1.299.770
Other payables to non-related parties	6	9.770	9.556
Deferred income	8	25.642	181.594
Short-term provisions			
Other short-term provisions		2.492	1.651
Other short-term liabilities	13	22.762	17.084
Total short-term liabilities		3.338.838	3.652.521
Long-term liabilities			
Long-term borrowings	4	1.720.928	3.464.204
Other financial liabilities	4	5.520	657
Long-term provisions			
Long-term provisions for employee benefits	12	60.150	81.200
Other long-term provisions	11	32.008	32.397
Deferred tax liability	22	-	21.367
Total long-term liabilities		1.818.606	3.599.825
Total liabilities		5.157.444	7.252.346
Equity			
Paid-in capital	14	1.600.000	400.000
Capital adjustment differences	14	5.638.711	5.322.529
Reversed shares (-)		(2.105)	(1.634)
Premiums on shares (discounts)	14	13.404	4.153
Accumulated other comprehensive income (expenses) not to be reclassified to profit or loss			
Increase in revaluation of tangible fixed assets	14	1.074.490	744.990
Defined benefit plans remeasurement gains (losses)	14	(55.703)	(74.040)
Reserves on retained earnings		374.928	374.928
Retained earnings (losses)		(1.279.391)	(2.539.252)
Net profit for the period		250.748	1.259.861
Total equity		7.615.082	5.491.535
Total resources		12.772.526	12.743.881

The following footnotes form an integral part of the financial statements

Batisöke Söke Çimento Sanayii T.A.Ş.
Profit or loss and other comprehensive income statement for the period from 1 January to 31 December 2024

(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

PROFIT OR LOSS PORTION	NOTE	CURRENT PERIOD INDEPENDENTLY AUDITED	PREVIOUS PERIOD INDEPENDENTLY AUDITED
		1 JANUARY – 31 DECEMBER 2024	1 JANUARY – 31 DECEMBER 2023
Revenue	15	4.272.310	5.951.416
Cost of sales	15	(4.092.447)	(5.118.008)
Gross profit from business activities		179.863	833.408
Gross profit		179.863	833.408
General administrative expenses	16	(144.429)	(178.586)
Marketing, sales and distribution expenses	16	(465.771)	(370.510)
Other income from main operations	18	146.488	291.453
Other expenses from main operations	18	(146.337)	(693.076)
Main activity (loss)		(430.186)	(117.311)
Income from investment activities	19	-	513
Operating (loss) before financing income (expense)		(430.186)	(116.798)
Financing income	20	25.225	87.938
Financing expenses	21	(1.497.237)	(3.127.921)
Net monetary gain (loss)	25	1.702.027	3.200.796
Profit (loss) before tax from continuing operations		(200.171)	44.015
Continuing operations tax income			
Deferred tax income	22	450.919	1.215.846
Profit for the period from continuing operations		250.748	1.259.861
Earnings per share	23	0.1567	3.1497
Other comprehensive income (expense) part			
They will not be reclassified to profit or loss			
Increase (decrease) in revaluation of tangible fixed assets	9	410.004	832.253
Increase (decrease) in revaluation of tangible fixed assets, tax effect	22	(80.504)	(202.132)
Defined benefit plans remeasurement gains (losses)	12	24.450	(32.499)
Defined benefit plans remeasurement gains (losses), tax effect	22	(6.113)	8.125
Other comprehensive income		347.837	605.747
Total comprehensive income		598.585	1.865.608

The following footnotes form an integral part of the financial statements

Batisöke Söke Çimento Sanayii T.A.Ş.
Statement of changes in equity for the period from 1 January to 31 December 2024

(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

	Paid-in Capital	Capital adjustment differences	Reversed shares	Share issuance premiums / discounts	Accumulated other comprehensive income or expenses not to be reclassified to profit or loss		Accumulated profits			Total equity
					Increase/ decrease in revaluation of tangible fixed assets	Defined benefit plans remeasureme nt gains (losses)	Reserves on retained earnings	Retained earnings (losses)	Net profit (loss) for the period	
Balance as of 1 January 2023 (beginning of period)	400.000	5.322.529	(1.634)	4.153	123.613	(49.666)	374.928	(2.644.346)	96.350	3.625.927
Transfers	-	-	-	-	(8.744)	-	-	105.094	(96.350)	-
Total comprehensive income	-	-	-	-	630.121	(24.374)	-	-	1.259.861	1.865.608
Profit for the period	-	-	-	-	-	-	-	-	1.259.861	1.259.861
Other comprehensive income (expense)	-	-	-	-	630.121	(24.374)	-	-	-	605.747
Balance as of 31 December 2023 (end of period)	400.000	5.322.529	(1.634)	4.153	744.990	(74.040)	374.928	(2.539.252)	1.259.861	5.491.535
Balance as of January 1, 2024 (beginning of period)	400.000	5.322.529	(1.634)	4.153	744.990	(74.040)	374.928	(2.539.252)	1.259.861	5.491.535
Transfers	-	-	-	-	-	-	-	1.259.861	(1.259.861)	-
Total comprehensive income	-	-	-	-	329.500	18.337	-	-	250.748	598.585
Profit (loss) for the period	-	-	-	-	-	-	-	-	250.748	250.748
Other comprehensive income (expense)	-	-	-	-	329.500	18.337	-	-	-	347.837
Capital increase	1.200.000	316.182	(471)	9.251	-	-	-	-	-	1.524.962
Balance as of 31 December 2024 (end of period)	1.600.000	5.638.711	(2.105)	13.404	1.074.490	(55.703)	374.928	(1.279.391)	250.748	7.615.082

The following footnotes form an integral part of the financial statements

Batisöke Söke Çimento Sanayii T.A.Ş.
Cash flow statement for the accounting period from 1 January to 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

	NOTE	CURRENT PERIOD INDEPENDENTLY AUDITED 1 January 31 December 2024	PREVIOUS PERIOD INDEPENDENTLY AUDITED 1 January 31 December 2023
A. Cash flows from operating activities		349.621	222.770
Profit (loss) for the period			
Profit for the period from continuing operations (I)		250.748	1.259.861
Adjustments related to reconciliation of net profit (loss) for the period (II)		329.416	(298.157)
Adjustments related to depreciation and amortization expense	9, 10	520.598	457.992
Adjustments related to impairment (cancellation)			
Adjustments related to inventory impairment (cancellation)	7	12.005	(43.503)
Adjustments related to provisions			
Adjustments related to (cancellation of) provisions for employee benefits	12	26.862	47.113
Adjustments related to litigation and/or penalty provisions (cancellations)		1.349	1.652
Adjustments related to other provisions (cancellations)	11	10.984	21.258
Adjustments related to interest (income) and expenses			
Adjustments related to interest income	20	(7.442)	(15.385)
Adjustments related to interest expenses	21	813.765	869.110
Unearned finance income from term purchases	18	(26.817)	(106.692)
Deferred financing expense arising from term sales	18	9.540	99.341
Adjustments related to unrealized foreign currency translation differences		666.165	2.240.354
Adjustments related to loss (gain) arising from the disposal of tangible fixed assets	19	-	(513)
Adjustments related to tax (income) expense	22	(450.919)	(1.215.846)
Adjustments related to monetary loss / (gain)	-	(1.246.674)	(2.653.038)
Changes in working capital (III)		(227.572)	(676.493)
Adjustments related to decrease (increase) in trade receivables		123.894	(401.922)
Adjustments related to decrease (increase) in other operating receivables			
Decrease (increase) in other operating receivables from related parties		285	2.215
Decrease (increase) in other operating receivables from non-related parties		5.630	(2.570)
Adjustments related to decreases (increases) in inventories		172.570	15.905
Decrease (increase) in prepaid expenses		23.017	126.212
Change in deferred income		(155.952)	20.938
Adjustments related to increase (decrease) in trade payables		(380.726)	(507.571)
Increase (decrease) in payables within the scope of employee benefits		(3.616)	3.750
Adjustments related to increase (decrease) in other operating payables			
Increase (decrease) in other operating payables to non-related parties		214	(5.583)
Adjustments related to other increase (decrease) in working capital			
Decrease (increase) in other operating assets		(18.566)	67.100
Increase (decrease) in other liabilities related to activities		5.678	5.033
Cash flows from operations (I+II+III)		352.592	285.211
Payments made within the scope of provisions for employee benefits	12	(2.589)	(62.300)
Tax refunds (payouts)	22	(382)	(141)

Batisöke Söke Çimento Sanayii T.A.Ş.
Cash flow statement for the accounting period from 1 January to 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

	NOTE	CURRENT PERIOD INDEPENDENTLY AUDITED 1 January 31 December 2024	PREVIOUS PERIOD INDEPENDENTLY AUDITED 1 January 31 December 2023
B. Cash flows from investing activities		(78.897)	(113.798)
Cash inflows from sale of tangible and intangible fixed assets			
Cash inflows from sale of tangible fixed assets		-	9.228
Cash outflows from acquisition of tangible and intangible fixed assets			
Cash outflows from acquisition of tangible fixed assets	9	(82.872)	(106.083)
Cash outflows from acquisition of intangible fixed assets	10	(54)	-
Cash advances and payables	8	4.029	(16.943)
C. Cash flows from financing activities		(260.592)	(157.244)
Cash inflows from borrowing			
Cash inflows from loans	4	762.309	933.650
Cash outflows related to debt payments			
Cash outflows related to loan repayments	4	(2.259.419)	(1.544.322)
Increase (decrease) in other payables from related parties		1.358.399	1.080.677
Interest received	20	7.442	15.385
Interest paid	4	(440.234)	(635.736)
Capital increase		304.518	-
Cash inflows from share issuance		8.780	-
Cash outflows related to lease liabilities	4	(2.387)	(6.898)
D. Monetary gain (loss) effect on cash and cash equivalents		(9.355)	(49.980)
E. Effect of foreign currency translation differences on cash and cash equivalents		1.318	32.472
Net increase (decrease) in cash and cash equivalents (A+B+C+D+E)		2.095	(65.780)
F. Cash and cash equivalents at the beginning of the period	3	30.437	96.217
Cash and cash equivalents at the end of the period (A+B + C + D+E+F)	3	32.532	30.437

The following footnotes form an integral part of the financial statements

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

1. ORGANIZATION AND FIELD OF ACTIVITY OF THE GROUP

Batisöke Söke Çimento Sanayii T.A.Ş. (the "Company") was established in 1955 in Aydın, Turkey in accordance with the provisions of the Turkish Commercial Code.

The head office address of the company is Ankara Caddesi No: 335, Bornova, İzmir and its production activities are carried out by Atatürk Mahallesi Aydın Caddesi No: 234, Soke, Aydın. In addition, the Company has a milling and packaging facility in Çavdır, Burdur.

The company is registered with the Capital Markets Board ("CMB") and its shares have been traded in Borsa İstanbul Anonim Şirketi ("Borsa İstanbul") since 2000. The main and final main partner of the company is Batıçim Batı Anadolu Çimento Sanayii A.Ş. ("Batıçim"), which holds the control with a share of 74.62%. Explanations on the capital structure of the company are given in Note 14.

The actual field of activity of the Company is the production and sale of clinker and cement and the number of personnel of the Company as of 31 December 2024 is 356 (31 December 2023: 359).

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basic principles of presentation

The Company keeps and prepares its legal books and legal financial statements in accordance with the accounting principles determined by the Turkish Commercial Code ("TCC") and tax legislation.

The accompanying financial statements have been prepared in accordance with the Communiqué Serial II, No: 14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette dated June 13, 2013 and numbered 28676 and in accordance with Article 5 of the Communiqué, TFRSs promulgated by POA are taken as basis. In addition, it was presented in accordance with the TMS taxonomy published by the POA on July 3, 2024.

According to Article 5 of the Communiqué, the companies that report according to the CMB legislation apply the Turkish Accounting Standards /Turkish Financial Reporting Standards published by the POA and their annexes and interpretations ("TAS/TFRs").

In accordance with the revaluation model within the scope of TAS 16, the financial statements are prepared on a historical cost basis except for the lands and plots and machinery and equipment asset groups measured at their fair value. In determining the historical cost, the fair value of the amount paid for the assets is generally taken as a basis.

Functional and reporting presentation currency

In accordance with the effects of TAS 21 Exchange Rate Change in the preparation of its financial statements, the Company determines the currency (functional currency) valid in the basic economic environment in which it operates and prepares its financial statements according to that currency. The functional currency of the company is determined as Turkish Lira ("TL"). The financial position and operating results of the Company are expressed in TL, which is the functional (current) currency of the Company and the presentation currency for the financial statements.

Adjustment of financial statements in periods of high inflation

The financial statements and the related amounts for the previous periods are restated for the changes in the general purchasing power of the functional currency and as a result, they are expressed in the unit of measurement valid at the end of the reporting period in accordance with TAS 29 "Financial Reporting in High

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.1 Basic principles of the presentation (continued)

TAS 29 is applied to the financial statements of each entity whose functional currency is the currency of a high inflation economy, including the financial statements. In the event of high inflation in an economy, TAS 29 requires the financial statements of an entity whose functional currency is the currency of a high-inflation economy to be expressed in the unit of measurement in force at the end of the reporting period.

As of the reporting date, since the cumulative change in the overall purchasing power of the last three years according to the Consumer Price Index ("CPI") figure is over 100%, enterprises operating in Turkey are required to apply the TAS 29 "Financial Reporting in High Inflation Economies" standard in the reporting periods ending on or after 31 December 2023.

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

However, in accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29, starting from the annual financial reports of the accounting periods ending as of 31 December 2023.

In this context, the financial statements dated 31 December 2024 are presented by adjusting them according to the inflation effect within the scope of the accounting principles specified in TAS 29.

The following table shows 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
31 December 2024	2.684.55	1.00000	291%
31 December 2023	1.859,38	1.44379	268%
31 December 2022	1.128,45	2.37897	156%

The outlines of TAS 29 indexing transactions are as follows:

- As of the reporting date, all items other than those expressed in current purchasing power are indexed using the relevant correction coefficients. The amounts of previous years were also indexed in the same way.
- Monetary assets and liabilities are not indexed because they are expressed in current purchasing power at the date of the statement of financial position. Monetary items are items to be received or paid in cash and cash.
- Fixed assets, affiliates and similar assets are indexed at their historical costs, provided that they do not exceed their market values. Depreciations were similarly adjusted. The amounts included in the equity are rearranged as a result of the application of general price indices in the periods when these amounts are included in the Company or within the Company.

Batisöke Söke Çimento Sanayii T.A.Ş.

Notes to the financial statements as of 31 December 2024

(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.1 Basic principles of the presentation (continued)

All the items in the profit or loss statement, except those that have an effect on the profit or loss statement of the profit or loss statement affected by the indexation of the non-monetary items in the financial statement, are indexed with the coefficients calculated over the periods when the income and expense accounts are reflected in the financial statements for the first time.

Gains or losses arising from general inflation in the net monetary position are the difference of the adjustments made in non-monetary assets, equity items and profit or loss statement accounts. These gains or losses on the net monetary position are included in the profit or loss.

The effect of inflation on the Company's net monetary asset position in the current period is recorded in the net monetary position gains/(losses) account in the profit or loss statement (Note 25).

The effect of the implementation of the TAS 29 "Financial Reporting in High Inflation Economies" standard is summarized below:

Reorganization of the Statement of Financial Position

The amounts in the financial statement that are not expressed in the valid measurement unit at the end of the reporting period are rearranged. Accordingly, monetary items are not restated because they are expressed in the current currency at the end of the reporting period. Non-monetary items are required to be rearranged unless they are shown at the end of the reporting period over their current amounts.

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

Reorganization of the Profit or Loss Statement

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

The cost of sold inventories was adjusted using the rearranged inventory balance.

Depreciation and amortization expenses are adjusted by using rearranged balances of tangible fixed assets, intangible fixed assets and right of use assets.

Rearrangement of Cash Flow Statement

All items in the cash flow statement are expressed in units of measurement valid at the end of the reporting period.

Non-monetary items acquired or undertaken before January 1, 2005, when the definition of the Turkish lira as the currency of a high-inflation economy was terminated, and equities put into operation or formed before this date were subject to adjustment in the CPI according to the change from January 1, 2005 to December 31, 2024.

In addition, during the reporting period when TAS 29 is applied for the first time, the provisions of the Standard are applied by assuming that there is always high inflation in the relevant economy. Therefore, the opening balance sheet dated 1 January 2022 at the beginning of the comparative earliest period has been adjusted for inflation in order to form the basis for the subsequent reporting periods.

Batisöke Söke Çimento Sanayii T.A.Ş.

Notes to the financial statements as of 31 December 2024

(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.1 Basic principles of the presentation (continued)

The inflation-adjusted amount of the previous years' profits/losses item in the statement of financial position dated 1 January 2022 is obtained from the balance sheet equation that should be after the adjustment of the other items of the said statement according to inflation.

Business continuity:

The financial statements have been prepared on the basis of the continuity of the business under the assumptions that the Company will benefit from its assets and fulfill its obligations in the year following the reporting date and in the natural flow of its activities.

As of 31 December 2024, the Company's short-term liabilities (1.884.737 TL consists of non-trade payables to related parties) exceeded its current assets by 1470.903 TL and its total equity reached 7615.082 TL, including the net period profit of 250.748 TL for the current year ending on the same date. Note 29 As explained in the events after the balance sheet date, Batıçim Batı Anadolu Çimento Sanayii A.Ş., the main partner of the Company, has notified the Company by taking a Board of Directors Decision to use its receivable of 2.099.979 TL in total, 1.878701 TL of which is from its non-trade receivables to related parties as of 31 December 2024, together with the principal and interest amounts of 2025 from the company, in the capital increase to be carried out before the Company (paid capital increase or allocated capital increase) and to follow under equity as capital advance, to use all of the pre-emptive rights within the scope of the shares it has in the capital increase and to purchase all the shares issued with the allocated sales method. With the notification, the said amount was included in the equity as capital advance in the Company's records in 2025. After this transaction, the Company's current assets will be 407.798 TL more than its short-term liabilities.

The total equity of the company, which has reached a positive level as a result of the implementation of TAS 29 inflation accounting, which entered into force in 2023, and the measures taken in 2024 to ensure the sustainable continuity of the significant cash flow obtained in 2024 and the business plans for the next period are given below.

As previously announced to the public, a process has been initiated for Batılman Liman İşletmeleri A.Ş., which is a group company, to offer its shares to the public by capital increase and/or joint sale method, and within the framework of the cash flow to be formed after these transactions, some of them are considered to be used in the early payment of Batisöke's existing refinancing loan or other loans within the framework of the purpose stated above. It is aimed to reduce the exchange rate difference and interest expenses that may occur due to foreign currency in the future by reducing the loan debt. It is aimed to gradually reduce the refinancing loan balance and improve the interest rate in Batisöke.

The company management predicts that it will be sufficient in fulfilling short-term obligations and reducing the refinancing loan before maturity, considering the net cash flows and cash flows to be created outside the above-mentioned activity, which are envisaged to be obtained within the framework of consolidated business plans and cash flow projections except for the energy segment prepared for the Batıçim Group by independent expert institutions appointed by the lenders as a requirement of the refinancing contract.

The main partner Batıçim Management made the main money and interest payments for the current period on time regarding the refinancing loan signed to include the financial borrowings of Batisöke, which is a subsidiary, and also preferred to make early loan repayments before the maturity regarding the refinancing loan.

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.1 Basic principles of the presentation (continued)

Finally, the Company's main partner Batıçim has declared that they will provide the necessary financial and operational support if they need to meet these short-term obligations as of the date of approval of the financial statements and that they have the necessary and sufficient financial resources as of the date of signing the letter of support dated 4 April 2025 in order to provide this support.

Within the framework of all these evaluations, the financial statements of the Company dated 31 December 2024 have been prepared in accordance with the principle of continuity of the business.

Approval of financial statements:
The financial statements have been approved by the Board of Directors and authorized to be published on April 4, 2025. The General Assembly has the authority to change the financial statements.

2.2 Changes in accounting and reporting standards

New and revised standards and interpretations

The accounting policies based on the preparation of the financial statements for the period ended 31 December 2024 have been applied in a manner consistent with those used in the previous year, except for the new and amended TFRs and TFRs interpretations effective as of 1 January 2024, which are summarized below. The effects of these standards and interpretations on the Company's financial position and performance are described in the relevant paragraphs.

i) *New standards in force as of 31 December 2024 and amendments and interpretations to existing previous standards*

TAS 1 (Amendments)	Classification of Liabilities as Short or Long Term ⁽¹⁾
TFRs 16 (Amendments)	Lease Obligation in Sale and Lease Back Transaction
TAS 1 (Amendments)	Long-Term Liabilities Including Loan Agreement Terms ⁽¹⁾
TAS 7 and TFRs 7 (Amendments)	Supplier Financing Agreements ⁽¹⁾
TSRS 1	General Requirements for Disclosure of Financial Information Related to Sustainability
TSRS 2	Climate Related Disclosures ⁽¹⁾

(1) *Effective from accounting periods beginning after 7 January 2024*

Since the company meets the criteria specified in the Board decision, it is within the scope of application. For the companies within the scope, there is no obligation to provide comparative information in the first reporting period and the sustainability report of the first year may be published after the financial reports for that period. It is aimed to publish the company's full TSRS-compliant report in August 2025, as it is obliged to be declared within 2025, provided that it does not exceed nine months.

The company has applied the above-mentioned new standards and changes, and these new standards and changes do not have a significant effect on the current period and comparative previous periods. For this reason, the comparative financial statements of the previous period have not been rearranged in accordance with the principle of materiality.

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.2 Changes in accounting and reporting standards (continued)

ii) *Standards and amendments published as of 31 December 2024 but not yet effective*
The Company has not yet implemented the following standards and the following amendments and interpretations to existing previous standards that have not yet entered into force:

TFRS17	Insurance Contracts ⁽²⁾
TFRs 17 (Amendments)	First Application of TFRs 17 and TFRs 9 with Insurance Contracts Comparative Information ⁽¹⁾
TAS 21 (Amendments)	Lack of Barterability ⁽¹⁾

(1) *Effective from accounting periods beginning after January 7, 2025*
(2) *Effective from accounting periods beginning after 7 January 2026*

The company will evaluate the effects of the above-mentioned changes on its operations and apply them from the effective date. The effect of the application of the above standards and interpretations on the financial statements of the Company in the future periods is evaluated.

2.3 Comparative information and adjustment of previous period financial statements

The accompanying financial statements are prepared comparatively with the previous period in order to determine the financial position, performance and cash flow trends of the Company. In order to ensure comparability when the presentation or classification of the items of the financial statements changes, the financial statements of the previous period are reclassified accordingly and an explanation is made regarding these issues. The accounting policies based on the preparation of the financial statements are the same as the accounting policies based on the latest annual financial statements.

2.4 Summary of key accounting policies

Revenue

Revenues are measured at the fair value of the amount of the receivable that has been or will be collected. Net sales are shown by deducting the estimated and realized return, discount, commission, turnover premiums and sales-related taxes from the sales amount of the goods.

Sale of goods

Revenue related to performance obligations in the nature of a commitment to transfer goods or services is recognized as it fulfills its performance obligation by transferring goods or services to its customer. In the sale of goods, when the control of the asset is in the hands of the customers, the asset is transferred and the revenue is recognized. This usually happens when the asset is delivered to the customer. However, in cases where an asset with alternative use is not created for the Company and the Company has a legally enforceable collection right on the payment to be made against the act completed until that day, the Company transfers the control of the goods to the time and records the revenue as the production takes place.

Batisöke Söke Çimento Sanayii T.A.Ş.

Notes to the financial statements as of 31 December 2024

(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

While evaluating the transfer of the control of the goods or services sold to the customer,

- a) The right to collect the goods or services of the company,
- b) Ownership of the customer's legal ownership of goods or services,
- c) Transfer of possession of goods or services,
- d) The ownership of significant risks and rewards arising from the ownership of goods or services by the customer,
- e) It takes into account the conditions of the customer's acceptance of the goods or service.

At the beginning of the contract, the company evaluates whether there are different performance obligations that need to be allocated. There is no significant service component determined in the customer contracts of the company. If there is an important financing element in the company's 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 main operations on the basis of accrual.

Dividend and interest income

Dividend income from share investments is recognized when the right to receive dividends arises (as long as the Company will receive economic benefits and it is possible to measure the income reliably) and is recognized under income from investment activities.

Interest income from financial assets is recorded as long as the Company will receive economic benefits and it is possible to measure the income reliably. Interest income is accrued in the relevant period at the effective interest rate that reduces the remaining principal balance and the estimated cash inflows from the relevant financial asset during the expected life to the carrying value of the asset in question and is recognized under income from investment activities.

Related parties

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

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

- The person in question,
- i. In the event that the reporting entity has control or joint control power over it,
- ii. If it has a significant impact on the reporting entity,
- iii. In the event that the reporting entity or a parent of the reporting entity is a member of the key executive personnel.

(b) If any of the following conditions exists, the entity is considered to be associated with the reporting entity:

- i. if the entity and the reporting entity are members of the same group,
- ii. if the entity is an affiliate or joint venture of the other entity (or a member of a group of which the other entity is also a member),
- iii. If both businesses are joint ventures of the same third party,
- iv. if one of the entities is a joint venture of a third party and the other entity is an affiliate of the said third party,
- v. if there are post-employment benefit plans for the employees of the entity, the reporting entity or an entity related to the reporting entity. If the reporting entity itself has such a plan, it is associated with the reporting entity in the sponsoring employers,

Batisöke Söke Çimento Sanayii T.A.Ş.

Notes to the financial statements as of 31 December 2024

(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

- vi. the entity is controlled or jointly controlled by a person identified in article (a),
- vii. In the event that a person defined in subparagraph (i) of Article (a) has a significant influence on the entity or is a member of the key executive personnel of the entity (or the parent of this entity).

related party transactions are transactions in which resources, services and liabilities are transferred between related parties, regardless of whether they are for a price. In the financial statements, the shareholders of the Company, the companies owned by them, their managers and other groups known to be related are defined as related companies, it is assumed that the registered values of the receivables from related parties and the payables to related parties are equivalent to the fair value of the assets and payables.

Inventories

Inventories are measured by the adjusted cost of TL expressed in purchasing power on 31 December 2024 or the lower of its net realizable value. Costs, including some of the fixed and variable general production expenses, are valued according to the method suitable for the class to which the inventories are affiliated and mostly according to the weighted average method. Net realizable value is obtained by deducting the estimated completion cost from the estimated sales price in ordinary commercial activity and the sum of the estimated costs to be incurred to realize the sale. When the net realizable value of the inventories falls below its cost, the inventories are reduced to their net realizable value and reflected as an expense in the profit or loss statement in the year when the impairment occurs. In cases where the conditions that previously caused the inventories to be reduced to the net realizable value lose their validity or it is proven that there is an increase in the net realizable value due to changing economic conditions, the allocated impairment provision is canceled, the canceled amount is limited to the previously allocated impairment amount.

Right-of-use assets

The Company recognizes the right of use assets on the date of the commencement of the lease agreement (for example, as of the date when the relevant asset is suitable for use). Right of use assets are calculated by deducting accumulated depreciation and impairment losses from the adjusted acquisition cost expressed in the purchasing power of TL on 31 December 2024. In case of revaluation of financial lease payables, this figure is also corrected.

The cost of the right-of-use asset includes the following:

- (a) the first measurement amount of the lease obligation,
- (b) the amount obtained by deducting all rental incentives received from all rental payments made on or before the date the rental actually started, and
- (c) All initial direct costs incurred by the Company.

Unless the transfer of the ownership of the underlying asset to the Company at the end of the lease period is reasonably finalized, the Company depreciates the right of use asset from the date of actual start of the lease until the end of the useful life of the underlying asset.

Right-of-use assets are subject to impairment assessment.

Lease liabilities

The company measures the rental obligation over the current value of the unpaid rental payments on the date the rental actually started.

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

The lease payments included in the measurement of the lease liability at the date of the actual commencement of the lease consist of the following payments to be made for the right of use of the underlying asset during the lease term, which are outstanding at the date of the actual commencement of the lease:

- (a) Fixed payments,
- (b) variable rental payments based on an index or ratio, the first measurement of which is made using an index or ratio on the date the rental actually started,
- (c) Amounts expected to be paid by the Company within the scope of residual value commitments
- (d) The exercise price of this option if the Company is reasonably confident that it will exercise the purchase option; and
- (e) Penalty payments for termination of the lease, if the lease term indicates that the Company will use an option to terminate the lease.

Variable rental payments that are not based on an index or ratio are recorded as expenses in the period in which the event or condition that triggered the payment occurs.

The Company determines the revised discount rate for the remaining part of the rental period as this rate if the implied interest rate in the rental can be easily determined; if it cannot be easily determined, it is the alternative borrowing interest rate of the Company on the date of re-evaluation.

After the date the lease actually started, the company measures the lease obligation as follows:

- (a) Increases the book value to reflect the interest on the rental obligation, and
- (b) It reduces the book value to reflect the rental payments made.

In addition, in the event of a change in the lease term, a change in the fixed lease payments in essence, or a change in the evaluation of the underlying asset purchase option, the value of the financial lease liabilities is re-measured.

Tangible fixed assets

In accordance with the TMS16 revaluation model, tangible assets are shown over the carried values after deducting the accumulated depreciation and accumulated impairment from the adjusted acquisition cost values expressed in the purchasing power of TL on 31 December 2024, except for the lands and plots for use measured at their fair value. The cost value of the tangible asset consists of the purchase price, import taxes and non-refundable taxes/fees, and the expenses incurred to make the tangible asset ready for use.

Lands and parcels are not depreciated, assets under construction for administrative purposes or other purposes not currently determined are shown by deducting the impairment loss, if any, from their cost values. Assets that require a significant amount of time to be made ready for use and sale are defined as qualifying assets, and the borrowing costs incurred until the said qualifying assets are ready for use are capitalized. When the construction of these assets is completed and they are ready for use, they are classified in the relevant tangible asset item. Such assets are depreciated when they are ready for use, as in the depreciation method used for other fixed assets.

Effective from 31 December 2017, the Company decided to apply the revaluation model for its lands and parcels under tangible fixed assets and changed its accounting policy prospectively within the scope of TFRs. In addition, the Company has changed its accounting policy to be a revaluation model within the machinery and equipment asset group as of 30 September 2022. The fair value studies of the tangible fixed assets measured in accordance with the revaluation model of the company have been carried out by a licensed real estate valuation company authorized by the CMB.

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

As of 31 December 2024, the Company has renewed the revaluation measurements of its lands and plots and machinery and equipment. These assets have been reflected in the financial statements dated 31 December 2024 based on their fair values in the current valuation reports prepared by a real estate valuation company authorized by the CMB.

In accordance with the revaluation model, the valuation differences between the adjusted cost value expressed in the purchasing power of TL on 31 December 2024 and its fair value are recognized as net of the deferred tax effect in the "Tangible fixed asset revaluation and measurement gains (losses)" account under the equity through other comprehensive income/expense accounts. In the event of the disposal of a revalued asset, the portion of the revaluation fund related to the sold asset is transferred directly to the loss of the previous year. On the other hand, as a part of the increase in value is used by the entity, it is transferred to the profit/loss of the previous year.

Expenses such as repair and maintenance incurred after the use of the tangible fixed asset are recorded as expenses in the period in which they are incurred. If the expenditures made provide an economic value increase in the future use of the relevant tangible fixed asset, these expenditures are added to the cost of the asset and depreciated during the remaining economic life.

The frequency of revaluations depends on the indicators that there is a significant change in the tangible fixed asset items subject to revaluation.

If the carrying amount of an asset has increased as a result of revaluation, this increase is recognized in other comprehensive income and is recognized directly in the equity account group under the name of revaluation increase in value. However, a revaluation value increase is recognized in the profit or loss statement to the extent that the same asset reverses the revaluation value decrease previously associated with profit or loss.

If the carrying amount of an asset has decreased as a result of revaluation, this decrease is recognized as an expense. However, this decrease is recognized in other comprehensive income in relation to this asset to the extent of the scope of all kinds of receivables balance in revaluation surplus. This decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

When a tangible asset is disposed of or its use or sale is not expected to provide economic benefit in the future, it is excluded from the statement of financial position. When these assets are sold or disposed of, income (expenses) from investment activities are recognized in the income statement of profit or loss arising from the net carrying amount of the relevant tangible asset.

Except for land and plots and investments made, the cost amounts of tangible fixed assets are depreciated using the linear depreciation method according to their expected useful lives. Expected useful life, residual value and depreciation method are reviewed every year for the possible effects of changes in estimates and are recognized prospectively if there is a change in estimates.

Duration (Year)	
Underground and aboveground layouts	15-30
Buildings	10-50
Flooring and fixtures	2-20
Plant, machinery and equipment	2-22
Vehicles	4-10
Other tangible fixed assets (mining assets)	10-30

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Intangible fixed assets

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

Those with a limited life from the purchased intangible assets are shown with the amount of TL after deducting the accumulated amortization and accumulated impairment from the adjusted acquisition cost values expressed in the purchasing power on 31 December 2024. These assets are amortized using the linear depreciation method according to their expected useful lives. Expected useful life residual value and depreciation method are reviewed every year for the possible effects of changes in estimates and are recognized prospectively if there is a change in estimates. Those with an unlimited life from the purchased intangible assets are shown with the amount after deducting the accumulated impairment from the cost values.

When an intangible asset is disposed of or used or sold, it is excluded from the statement of financial position if no economic benefit is expected in the future. Profit or loss arising from the exclusion of an intangible asset from the statement of financial position is calculated as the difference between the net collections from the disposal of assets and their carrying amounts, if any. This difference is recognized in the profit or loss statement when the relevant asset is excluded from the statement of financial position.

The estimated economic lives of tangible and intangible fixed assets for depreciation are as follows:

	Duration (Year)
Rights	3-15
Assets subject to special depletion	5

Impairment of intangible fixed assets other than tangible fixed assets and goodwill

The Company examines the book value of its tangible and intangible fixed assets to determine whether there is an impairment in its assets at each reporting date. In the event of impairment of assets, the recoverable amount of the assets, if any, is measured in order to determine the amount of impairment. In cases where the recoverable amount of an asset cannot be measured, the Company measures the recoverable amount of the cash-generating unit related to the asset. If a reasonable and consistent allocation basis is determined, the Company's assets are distributed to the cash-generating units. Where this is not possible, the Company's assets are distributed to the smallest cash-generating units to determine a reasonable and consistent allocation basis.

In cases where the recoverable amount of an asset (or cash-generating unit) is lower than its book value, the book value of the asset (or cash-generating unit) is reduced to its recoverable amount, and in cases where the relevant asset is not measured with the revalued amount, the impairment loss is recognized directly in profit or loss. In this case, impairment loss is considered as revaluation value decrease.

In the event of cancellation of the impairment loss in the following periods, the book value of the asset (or the relevant cash-generating unit) is increased to correspond to the updated estimated amount for the recoverable amount. The increased book value should not exceed the book value that will be reached if the impairment loss for the asset (or the relevant cash-generating unit) in the previous periods has not been allocated. Unless the asset is shown at a revalued amount, the reversal of impairment loss is recognized directly in profit or loss. Cancellation of impairment loss of a revalued asset is considered as revaluation increase.

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Borrowing costs

In the case of assets that require a significant amount of time to be made ready for use and sale (qualifying assets), the borrowing costs directly associated with the purchase, construction or production are included in the cost of the asset until the relevant asset is made ready for use or sale.

Borrowing costs consist of other financing costs incurred depending on borrowing, especially interest. When the company borrows outside its own functional currency TL for general purposes and some of these funds are used for the financing of a qualifying asset, the amount of borrowing costs that can be capitalized is determined with the help of a borrowing rate to be used to determine the real borrowing costs that will arise if the expenditures made on the relevant asset are made in TL. The borrowing rate in question refers to the borrowing cost that will arise if the borrowing is in TL under the same maturity and conditions as an alternative to the borrowings made for the construction of special assets. Financial investment income obtained by temporarily evaluating the unspent part of the investment-related loan in financial investments is deducted from the borrowing costs eligible for capitalization. All other borrowing costs together with the part determined not to be capitalizable are recorded as financing expenses in the profit or loss statement in the period in which they occur.

Financial instruments

A financial instrument is all contracts that reveal both the financial asset of a business and the financial liability or equity instrument of another business.

A financial asset:

- Cash and cash equivalents,
- A contractual right to receive cash or other financial assets from another business,
- A contractual right to exchange financial instruments from another business under possible favorable conditions,
- All assets that are the equity instruments of another business.

A financial liability:

- Providing cash or other financial assets to another business, or
- It is an obligation based on a contract regarding the exchange of financial assets with another company under possible adverse conditions.

When a financial asset or liability is first recognised, it is measured at the fair value cost of the consideration given (for the asset) or received (for the liability) for the relevant asset or liability.

Effective interest method

It is the method of valuation of financial instruments with amortized cost and distribution of the relevant interest income to the related period. Effective interest rate is the rate that reduces the estimated cash to be collected in the future during the expected life of the financial instrument or, if appropriate, in a shorter period of time, to the net present value of the relevant financial asset.

Financial assets

Classification

The Company recognizes its financial assets in two classes as "recognized at amortized cost" and "reflected in the fair value difference other comprehensive income statement". Classification is made on the basis of the business model used by the business for the management of financial assets and the characteristics of the contractual cash flows of the financial asset. The company classifies its financial assets at the time of purchase.

Batisöke Söke Çimento Sanayii T.A.Ş.

Notes to the financial statements as of 31 December 2024

(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Except in cases where the business model used by the company in the management of financial assets changes, financial assets are not reclassified after their initial recognition; In the case of a business model change, financial assets are reclassified on the first day of the following reporting period after the change.

Recognition and Measurement

"financial assets measured at amortized cost" are non-derivative financial assets held within the scope of a business model aimed at collecting contractual cash flows and containing cash flows that include interest payments arising only from the principal and principal balance on certain dates in the contract terms. The Company's financial assets recognized at the amortized cost include "cash and cash equivalents", "trade receivables", "other receivables" and "financial investments", the relevant assets are measured at their fair values at their initial recognition in the financial statements; In subsequent recognitions, they are measured at their discounted prices using the effective interest rate method, and the gains and losses resulting from the valuation of non-derivative financial assets measured at their amortized cost are recognized in the income statement.

"Financial assets whose fair value difference is reflected in other comprehensive income" are non-derivative financial assets held within the scope of a business model aimed at collecting contractual cash flows and selling the financial asset and in which there are cash flows containing only interest payments arising from the principal and principal balance on certain dates in the contract terms, from the gains or losses arising from the relevant financial assets, impairment gains or losses and those other than exchange rate difference income or expenses are reflected in other comprehensive income. In the event that these assets are sold, valuation differences classified in other comprehensive income are classified in previous years' profits. For investments in equity-based financial assets, the Company may irrevocably prefer the method of reflecting subsequent changes in fair value to other comprehensive income during the first time in the financial statements. In the event that the said preference is made, the dividends obtained from the relevant investments are recognized in the income statement.

Exclusion from the Financial Statement

When the rights related to the cash flows arising in accordance with the contract related to financial assets expire or when the Company transfers the ownership of all risks and returns related to this financial asset with a trading transaction, it removes the said financial asset from its records. All kinds of rights created or held in the financial assets transferred by the Company are recognized as a separate asset or liability.

Impairment

Impairment of financial assets and contract assets is calculated with the "Expected Credit Loss" (ECL) model. The impairment model is applied to amortized cost financial assets and contract assets.

Provisions for losses are measured on the following basis;

- 12-month ECLs: are ECLs arising from possible default events within 12 months after the reporting date.
- Lifetime ECLs: are ECLs arising from all possible default events during the expected life of a financial instrument.

Lifetime ECL measurement is applied if the credit risk related to a financial asset at the reporting date increases significantly after the first recognition moment, in all other cases where the relevant increase is not experienced, the 12-month ECL calculation has been applied.

Batisöke Söke Çimento Sanayii T.A.Ş.

Notes to the financial statements as of 31 December 2024

(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

The Company may determine that if the credit risk of the financial asset has a low credit risk at the reporting date, the credit risk of the financial asset has not increased significantly. However, the lifetime SEE measurement (simplified approach) is always valid for trade receivables and contract assets without an important financing element.

Trade Receivables

Trade receivables that have fixed and determinable payments and are not traded in the market are classified in this category. Receivables (trade and other receivables, bank balances, cash and others) are shown by deducting impairment at their discounted cost using the effective interest method. Interest income is calculated and recorded according to the effective interest rate method, except when the rediscount effect is not significant.

Cash and Cash Equivalents

Cash and cash equivalents are other short-term investments with high liquidity that have cash on hand, demand deposits and maturities of less than 3 months or 3 months, can be easily converted into cash and do not carry the risk of significant value change (Footnote 3).

Financial liabilities

Financial liabilities are measured at their fair value at the time of initial recognition, and transaction costs that can be directly associated with the assumption of the relevant financial liability are added to the fair value.

Effects of exchange rate change

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

During the preparation of the financial statements, transactions in foreign currencies (currencies other than TL) are recorded based on the exchange rates at the date of the transaction. Currency-indexed monetary assets and liabilities in the financial statement are converted into Turkish Lira using the exchange rates valid at the reporting date. Among the non-monetary items monitored at fair value, those recorded in foreign currency are converted into TL based on the exchange rates at the date of determination of the fair value. Non-monetary items in foreign currency, measured in historical costs, are not subject to re-translation.

Exchange differences are recognized in the profit or loss statement in the period in which they occur, except for exchange differences related to special assets being built for future use and treated as an adjustment to interest costs on payables denominated in foreign currency and included in the cost of such assets.

Earnings/(loss) per share

Earnings (losses) per share specified in the profit or loss statement are found by dividing the net period profit (loss) by the weighted average number of stocks available in the market during the year.

In Turkey, companies can increase their paid-in capital through "bonus shares" distributed to their shareholders from previous years' profits. Such "bonus share" distributions are considered as issued shares in the calculation of earnings (losses) per share. Therefore, the weighted average number of shares used in these calculations is found by taking into account the retrospective effects of these stock distributions.

When there are changes in the number of paid-for issued shares due to the cash capital increase in the paid-in capital, the weighted average number of issued ordinary shares for the current period to be used in the calculation of earnings (losses) per share is calculated by taking into account the date of the capital increase.

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Events after the reporting date

Events after the reporting date include all events between the reporting date and the date of authorization and approval for the publication of the financial statements, even if they occur after the public disclosure of any announcement or other selected financial information regarding the net period profit or loss.

In the event that events requiring adjustment after the reporting date occur, the Company shall adjust the amounts included in the financial statements in accordance with this new situation. The issues that arise after the reporting date that does not require correction are explained in the footnotes according to the degree of importance.

Provisions, contingent assets and liabilities

Provision is allocated in the financial statements if there is a current liability arising from past events, the liability is likely to be fulfilled and the amount of said liability can be estimated reliably.

The amount allocated as a provision is calculated by considering the risks and uncertainties related to the liability and estimating the expenditure to be made to fulfill the liability as of the balance sheet date in the most reliable way. When the depreciation of money over time becomes significant, provisions are reflected with the reduced value of possible future expenses at the reporting date. Provisions are reviewed at each reporting date and necessary arrangements are made to reflect the best estimates of the management.

Contingent assets and liabilities

Contingent liabilities are current liabilities arising from past events and not fully under the control of the enterprise, whose existence can be confirmed by the future occurrence of one or more events that are not of a definite nature or arising from past events; but not reflected in the financial statements for the following reasons:

- (i) In order to fulfill the obligation, resources containing economic benefits are not likely to leave the business, or
- (ii) The amount of the liability cannot be measured reliably enough.

Contingent assets are assets arising from past events and not fully under the control of the enterprise and whose existence will be confirmed by the future occurrence of one or more events that are not of a definite nature.

Since the presentation of contingent assets in the financial statements may result in the recognition of an income that can never be obtained, these assets are not included in the financial statements. However, if the income is almost certain to be obtained, the relevant asset is not a conditional asset and is reflected in the financial statements.

Provision for mining site rehabilitation

Costs of rehabilitation, rehabilitation and closure of mining sites; It is the reflection of the provision for expenses that are most likely to be spent during the closure and rehabilitation of mines to the financial statements over their cost values as of the reporting date. Changes arising from changes in management estimates used in the calculation of the provision for the rehabilitation, rehabilitation and closure of mining sites are reflected in the costs of the rehabilitation, rehabilitation and closure of mining sites.

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

On the other hand, the costs of rehabilitation, rehabilitation and closure of mining sites are amortized using the lower of the depreciation rate found by dividing the remaining economic lives of the relevant mine or the amount of mining on the basis of the amount extracted from the relevant open pit during the period by the reserve amount on the basis of the visible and processable remaining amount of the open pit. Within the scope of the current programs, the costs incurred for the prevention of environmental pollution and the protection of the environment are reflected in the profit or loss statement as an expense in the period in which they occur.

Taxes calculated on corporate earnings

Tax expense covers current period tax expense and deferred tax expense. The tax is included in the income statement, provided that it is not related to a transaction directly recognized under the equity. Otherwise, the tax is also recognized under equity together with the relevant transaction.

Current corporate tax

The tax expense for the period is calculated by taking into account the tax laws in force in Turkey, the country where the Company operates as of the date of the statement of financial position. According to the Turkish tax legislation, institutions whose legal or business centers are located in Turkey are subject to corporate tax. The tax liability for the current year is calculated over the taxable part of the period's profit. Taxable profit differs from the profit included in the income statement because it excludes items that can be taxed or deducted from the tax in other years. The current tax liability of the company is calculated using the legalized or significantly legalized tax rate as of the balance sheet date.

The corporate tax rate in Turkey is 25% (applied as 25% for corporate earnings for the taxation period of 2023). The corporate tax rate is applied to the net corporate income to be found as a result of adding the expenses that are not accepted as deductions in accordance with the tax laws to the commercial earnings of the institutions and deducting the exceptions and discounts in the tax laws. The corporate tax is declared until the evening of the thirtieth day of the fourth month following the end of the relevant year and is paid in a single installment until the end of the relevant month.

Companies calculate a provisional tax at the rate of 25% on their quarterly financial profits and declare it until the 17th day of the second month following that period and pay it until the evening of the 17th day. The provisional tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated over the corporate tax return to be given the following year. If there is a paid provisional tax amount despite the deduction, this amount can be refunded in cash or deducted from any other financial debt to the state.

According to the Corporate Tax Law, the financial losses shown on the declaration can be deducted from the corporate tax base of the period, provided that they do not exceed 5 years. Statements and related accounting records can be examined by the tax office within five years.

Dividend payments made to real persons who are resident and non-resident in Turkey and legal persons who are not resident in Turkey, except for those who are not responsible for corporate tax and income tax and those who are exempt, are subject to 10% income tax.

Dividend payments made from companies residing in Turkey to joint stock companies residing in Turkey are not subject to income tax. In addition, income tax is not calculated if the profit is not distributed or added to the capital. As of 31 December 2024 and 2023, the tax provision was allocated within the framework of the current tax legislation.



2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Deferred tax

Deferred tax liability or asset is determined by calculating the temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the statutory tax base calculation by taking into account the tax effects according to the balance sheet method. Deferred tax liabilities are calculated for all taxable temporary differences, while deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly likely to benefit from these differences by obtaining taxable profit in the future. These assets and liabilities are not recognized if the temporary difference, goodwill or other assets and liabilities related to the transaction that does not affect commercial or financial profit/loss are included in the financial statements for the first time (except for business combinations).

The deferred tax calculation used a 25% tax rate for temporary differences expected to occur/close in 2024 and beyond.

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and affiliates and shares in joint ventures, except when the Company can control the disappearance of temporary differences and this difference is unlikely to disappear in the near future. Deferred tax assets arising from taxable temporary differences associated with such investments and shares are calculated on the condition that it is highly likely to benefit from these differences by obtaining sufficient taxable profit in the near future and it is likely that the related differences will disappear in the future.

The registered value of the deferred tax asset is reviewed as of each balance sheet date. The registered value of the deferred tax asset is reduced to the extent that it is unlikely to obtain a financial profit that will allow the benefit of some or all of it to be obtained.

Deferred tax assets and liabilities are calculated over the legalized or significantly legalized tax rates (tax regulations) as of the balance sheet date, which are expected to be valid in the period when the assets will be realized or the obligations will be fulfilled. When calculating deferred tax assets and liabilities, the tax results of the methods estimated by the Company to recover the book value of its assets or fulfill its liabilities as of the balance sheet date are taken into account.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax assets and current tax liabilities, or if these assets and liabilities are associated with income tax collected by the same tax authority or if the Company intends to pay by clarifying the current tax assets and liabilities.

Deferred tax income or expense is included in the profit or loss of the period where the deferred tax is not related to a transaction directly recognized under the equity. If the deferred tax arises from a transaction recognized under equity, it is recognized under the relevant equity item.

While the deferred tax liability is calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated in the financial statements provided that it is highly likely to benefit from these differences by obtaining taxable profit in the future. If there is sufficient taxable temporary difference and these differences are expected to be closed in the periods when the financial loss arising from tax assets is carried forward, it is considered likely that there will be enough financial profit to benefit from the deductible temporary differences and the related tax assets are included in the financial statements in the period when the deductible tax difference occurs.

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.4 Summary of significant accounting policies (continued)

Deferred tax assets and deferred tax liabilities are mutually offset, provided that they are subject to the tax legislation of the same country and if there is a legally enforceable right to offset current tax assets from current tax liabilities. Deferred tax assets or liabilities are classified as long-term in the financial statements.

Employee benefits

Long-term provisions recognized in the financial statements regarding the benefits provided to employees consist of severance pay, seniority incentive premium liabilities incurred in accordance with the employment contracts in force for employees and accumulated leave liability provisions.

According to the current laws and collective bargaining agreements in Turkey, severance pay is paid in case of retirement or dismissal. In accordance with TAS 19 Employee Benefits Standard, such payments are considered as defined pension benefit plans. The Company calculated the provision for severance pay in the financial statements using the "Projection Method" and based on the experience gained in the past years in completing the company's personnel service period and qualifying for severance pay and recorded its discounted value as of the balance sheet date.

In calculating the provisions for the benefits provided to employees, the company makes various assumptions such as discount rate, inflation rate, real salary increase rate, and the possibility of leaving voluntarily. Actuarial loss/gain arising from the measurement of provisions for severance pay and severance incentive obligations considered as defined benefit plans in accordance with TAS 19 is recognized in the other comprehensive income/expense statement.

Liabilities arising from unused leave rights defined as long-term provisions provided to employees are recognized and recognized in the periods when they are entitled.

Capital and dividends

Ordinary shares are classified as equity. Dividends distributed over ordinary shares are recorded by deducting them from the accumulated profit in the period when the dividend decision is taken.

Premiums on shares

Share premiums represent the difference arising from the sale of the subsidiary or affiliate shares held by the Company at a price higher than their nominal price or the difference between the nominal values and fair values of the shares issued by the Company related to the companies acquired.

Reversed shares

If the company purchases its own shares, the cost costs, including the parts exceeding the nominal values of these shares, are deducted from the equity and presented as "Reversed shares". Profits or losses obtained from the transactions of the company related to the shares repurchased in this way are also recognized under equity.

Cash flow statement

In the cash flow statement, cash flows for the period are classified and reported based on operating, investment and financing activities. Cash flows from operating (main) activities show the cash flows related to the Company's main operations. Cash flows related to investment activities show the cash flows used and obtained by the Company in its investment activities (tangible and intangible fixed assets and financial investments). Cash flows related to financing activities indicate the resources used by the Company in its financing activities and the repayments of these resources.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS
(CONTINUED)

2.4 Summary of significant accounting policies (continued)

Clarification

Financial assets and liabilities are shown by clarifying in the statement of financial position if they have a legal right and sanction power to offset and if they intend to collect/pay or concurrently conclude these assets and liabilities on a net basis.

2.5 Significant accounting evaluations, estimates and assumptions

In the preparation of the financial statements, the Company's management is required to make assumptions and estimates that will affect the reported amounts of assets and liabilities and determine the possible liabilities and commitments as of the date of the financial statements and the amounts of income and expenses as of the reporting period. Realized results may differ from estimates. Their estimates are regularly reviewed, necessary corrections are made and reflected in the comprehensive income statement in the period in which they are realized. However, actual results may differ from these results.

The assumptions made by considering the main sources of the estimates that may have a significant effect on the amounts reflected in the financial statements and the estimates that may occur at the date of the financial statements are as follows:

Deferred tax

The Company recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the legal financial statements of the taxable TL adjusted for purchasing power on 31 December 2024 and the TFRs financial statements prepared in accordance with TAS 29.

Deferred tax liabilities are calculated for all taxable temporary differences, while deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly likely to benefit from these differences by obtaining taxable profit in the future.

Deferred tax assets and liabilities are calculated at the legalized tax rates (tax regulations) as of the balance sheet date, which are expected to be valid in the period in which the assets will be realized or the liabilities will be fulfilled. When calculating deferred tax assets and liabilities, the tax results of the methods estimated by the Company to recover the book value of its assets or fulfill its liabilities as of the balance sheet date are taken into account.

The Company has deferred tax assets and liabilities consisting of carried financial losses that can be deducted from future profits, tax assets arising from cash capital increase and other deductible temporary differences. The partially or completely recoverable amount of deferred tax assets is estimated under current conditions. During the evaluation, the 5-year projection prepared by the Company's management as a foreseeable future and the timing of the recovery of taxable temporary differences were taken into account. If the company has taxable temporary differences sufficient to deduct the deductible temporary differences in relation to the same tax administration in the period in which the deductible temporary differences are expected to be reversed or in the periods in which it is possible to use the financial loss due to the deferred tax asset, the related deferred tax asset is recognized in the periods in which the deductible temporary differences arise (Note 22).

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

2. PRINCIPLES REGARDING THE PRESENTATION OF FINANCIAL STATEMENTS
(CONTINUED)

2.5 Important accounting evaluations, estimates and assumptions (continued)

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

The Company recognizes the lands and plots and machinery and equipment under tangible fixed assets according to the revaluation model at their fair values within the scope of TAS 16. The Company works with independent valuation companies authorized by the Capital Markets Board in Turkey to determine the fair values of these assets. Relevant revaluation studies for land and lands and machinery and equipment asset groups were carried out on 31 December 2024 and within the framework of the provisions of TAS 29, inflation-adjusted real fair value increases / decreases were recognized in other comprehensive income (expense) accounts in the accompanying financial statements. During the determination of the fair values of the said tangible fixed assets, evaluations have been made by taking into account the current status of the relevant assets, market conditions and the most efficient use method (Notes 9 and 27).

Useful lives of tangible and intangible fixed assets

The Company's management estimates and regularly reviews the useful economic lives of its depreciable assets described in Note 2.4 at the initial recognition date of the asset. The company determines the useful life of an asset by considering the estimated benefit of that asset. This assessment is based on the Company's experiences with similar assets. When determining the useful life of an asset, the Company also takes into account the situation where the assets become technically and/or commercially unusable as a result of changes or developments in the market.

Provision for mining site rehabilitation

The company calculates a provision for mining site rehabilitation within the scope of restoring the lands degraded by mining activities based on stone and soil to nature. In the calculation of the provision, he makes assumptions by taking the opinions of the technical personnel. As a result of these studies, explanations about the provisions for bringing mining sites to nature are given in Note 11. Mine site rehabilitation provisions are re-evaluated within the framework of the studies and additional costs envisaged to be incurred in each reporting period and the provision is recognized in the cost of sales accounts as the cost of restoring the period expense to nature (Note 11).

Provisions for Severance and Severance Incentive Compensation

Severance pay and severance incentive premium obligations are determined by actuarial calculations based on a number of assumptions, including discount rates, future salary increases and employee turnover rates. Because these plans are long-term, these assumptions contain significant uncertainties. Details of the provisions for employee benefits are included in Note 12.

2.6 Reporting of financial information by departments

Since the main field of activity of the company is single, there are no reportable sections other than the geographical group. All significant assets of the company, production activities and distribution channels are located in Turkey. The information used by the management to evaluate its performance and decide on the allocation of resources is made by considering the general financial information of the Company and the geographical grouping is determined by considering the geographies where the sales are made. Company management

It does not follow the operating results separately except for the revenue details specified in Note 15. For this reason, the performance criterion other than revenue cannot be explained for geographical sections.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

3. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash	4	6
Cash in the bank		
Demand deposits	18.066	15.990
Term deposit	14.462	14.441
Cash and cash equivalents	32.532	30.437

As of 31 December 2024 and 2023, the details of the deposits with a maturity of less than three months are as follows:

Currency	Interest rate (%)	Due date	Original amount of TL	31 December 2024
TL	46.5 – 48.5	January 2025	14.462	14.462

Currency	Interest rate (%)	Due date	Original amount of TL	31 December 2023
TL	25 40	January 2024	14.441	14.441

4. FINANCIAL BORROWINGS

	31 December 2024	31 December 2023
Short-term bank loans	231.044	256.914
Short-term portion of long-term bank loans	350.595	560.134
Short-term portion of long-term lease liabilities	1.274	2.574
Long-term bank loans	1.720.928	3.464.204
Long-term lease liabilities	5.520	657
Letter of credit borrowings	190.347	328.268
	2.499.708	4.612.751

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

4. FINANCIAL BORROWINGS (CONTINUED)

Currency type	Type of interest	Interest rate	Original foreign currency amount	31 December 2024 TL equivalent
Short-term borrowings				
US Dollars	Fixed	8.5% 9.5	5.952	209.610
TL	Fixed	50%	21.434	21.434
Short-term portion of long-term bank loans				
US Dollars	Variable	SOFR 6M + 5.75%	1.609	56.687
US Dollars	Variable	SOFR 6M + %3,25	662	23.327
US Dollars	Variable	6M SOFR + 7.93%	7.682	270.581
Long-term borrowings				
US Dollars	Fixed	8.75%	1.386	48.817
US Dollars	Variable	SOFR 6M + %3,25	441	15.520
US Dollars	Variable	6M SOFR + 7.93%	47.032	1.656.591
Borrowings related to letter of credit transactions				
US Dollars	Fixed	7.18% 7.71%	5.404	190.347
				2.492.914

				31 December 2023 Try equivalent
Short-term borrowings				
US Dollars	Fixed	10.75%11.5%	6.034	256.913
Short-term portion of long-term bank loans				
US Dollars	Variable	6M Libor +5.75%	1.664	70.873
US Dollars	Variable	6M Libor+7.5%	11.211	477.342
US Dollars	Fixed	8.75%	280	11.919
Long-term borrowings				
US Dollars	Variable	6M Libor +5.75%	1.550	65.998
US Dollars	Variable	6M Libor+7.5%	78.053	3.323.451
US Dollars	Fixed	8.75%	1.756	74.756
Borrowings related to letter of credit				
US Dollars	Fixed	7.18% 7.71%	5.404	190.347
				4.609.520

As of 31 December 2024 and 2023, the principal repayment plan of the long-term bank loans is as follows:

	31 December 2024	31 December 2023
1-2 years	298.230	313.354
2-3 years	283.366	484.746
3-4 years	279.244	484.746
4-5 years	287.489	484.746
Over 5 years	572.599	1.696.612
	1.720.928	3.464.204

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

4. FINANCIAL BORROWINGS (CONTINUED)

Liquidity and exchange rate risk incurred by the company in relation to its financial debts are explained in Note 26.

The movement statements of the financial borrowings for the years ended as of 31 December 2024 and 2023 are as follows:

	2024	2023
Opening, 1 January	4.612.751	5.542.890
Intraday inflows	762.309	933.650
Principal payments	(2.259.419)	(1.544.322)
Change in interest accruals	(11.546)	14.281
Exchange rate difference	667.483	2.230.320
Cash outflows related to lease liabilities	(2.387)	(6.898)
Payables arising from new leases	6.943	8.142
Monetary loss / (gain)	(1.276.426)	(2.565.312)
Closing, December 31	2.499.708	4.612.751

5. TRADE RECEIVABLES AND PAYABLES

a) Short-term trade receivables

The details of the Company's trade receivables as of the reporting dates are as follows:

	31 December 2024	31 December 2023
Current accounts, net	547.391	587.509
Notes receivable and cheques	197.109	172.294
trade receivables from related parties (Note 24)	91.631	173.405
	836.131	933.208

The maturity of trade receivables is 1-2 months on average (31 December 2023:1-2 months).

As of 31 December 2024, the company has a doubtful trade receivable of 1.928 TL (31 December 2023:2.509 TL). As of 31 December 2024, the Company has a trade receivable of 100.551 TL overdue between 0-30 days (31 December 2023: 80.077 TL).

The company's collateral, pledges and mortgages and credit risk disclosures regarding trade receivables are given in Notes 11 and 26, respectively.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

5. TRADE RECEIVABLES AND PAYABLES (CONTINUED)

b) Short-term trade payables

As of the reporting date, the details of the company's trade debts are as follows:

	31 December 2024	31 December 2023
Trade payables, net	444.450	795.113
trade payables to related parties (Note 24)	160.586	181.109
	605.036	976.222

As of 31 December 2024, there are letters of credit in the form of guarantees opened with the banks for the purchase of raw materials in the amount of 195.871 Thousand TL corresponding to 5.561 Thousand USD in the commercial payables account (31 December 2023: a total of 447,579 Thousand TL for 8,291 Thousand US Dollars and 1,771 Thousand Euros).

Trade payables have an average maturity of 1-2 months (31 December 2023:1-2 months).

6. OTHER RECEIVABLES AND PAYABLES

a) Other short-term receivables

	31 December 2024	31 December 2023
non-trade receivables from related parties (Note 24)	7.789	8.075
Other receivables	110	5.122
	7.899	13.197

b) Other long-term receivables

	31 December 2024	31 December 2023
Deposits and guarantees given	688	1.306
	688	1.306

c) Other short-term payables

	31 December 2024	31 December 2023
other payables to related parties (Note 24)	1.884.737	1.299770
Taxes and funds payable	9.770	9,556
	1,894,507	1.309.326

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

7. INVENTORIES

	31 December 2024	31 December 2023
raw materials and supplies	112.648	164.579
Semi-finished products	246.625	310.943
Finished Goods	-	2.590
Other inventories	381.070	573.363
Provision for inventory impairment (-)	(12.005)	-
	728.338	1.051.475

Other inventories consist of auxiliary materials, operating materials and spare parts used in production-related maintenance and repair processes related to the Company's main activities.

As of 31 December 2024, there is an insurance coverage of approximately 178.336 Thousand TL equivalent to 5.063 Thousand USD on stocks (31 December 2023: 215,191 Thousand TL).

The movement table of provision for inventory impairment is as follows:

	2024	2023
Opening, 1 January	-	43.503
Provisions allocated during the period	12.005	-
Discontinued provisions	-	(43.503)
Closing, December 31	12.005	-

8. PREPAID EXPENSES AND DEFERRED INCOME

a) Short-term prepaid expenses

	December 31, 2024	December 31, 2023
Advances given for stock purchase	41.305	60.890
Expenses for future months	4.286	7.713
Other	-	5
	45.591	68.608

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

8. PREPAID EXPENSES AND DEFERRED INCOME (CONTINUED)

b) Long-term prepaid expenses

	31 December 2024	31 December 2023
Advances given for the purchase of fixed assets	-	4.029
	-	4.029

c) Liabilities arising from customer contracts

	31 December 2024	31 December 2023
Order advances received	25.642	181.594
	25.642	181.594

9. TANGIBLE FIXED ASSETS

	January 1, 2024	Additions	Outputs	Transfers	Revaluation Effect	December 31, 2024
Cost:						
Lands and parcels	2.988.554	-	-	-	351.955	3.340.509
Underground and aboveground layouts	734.772	-	-	-	-	734.772
Buildings	4.192.531	-	-	-	-	4.192.531
Machinery, plant and equipment (*)	3.820.176	4.740	-	136.991	(228.838)	3.733.069
Vehicles	12.093	1.075	-	-	-	13.168
Flooring and fixtures (*)	698.070	3.059	-	30.406	-	731.535
Other tangible fixed assets	20.213	-	-	-	-	20.213
Investments in progress	109.903	73.998	-	(28.835)	-	155.066
	12.576.312	82.872	-	138.562	123.117	12.920.863
Accumulated depreciation:						
Underground and aboveground layouts	(520.494)	(26.960)	-	-	-	(547.454)
Buildings	(1.075.200)	(97.013)	-	-	-	(1.172.213)
Machinery, plant and equipment	-	(286.887)	-	-	286.887	-
Vehicles	(8.464)	(1.519)	-	-	-	(9.983)
Flooring and fixtures	(519.511)	(99.714)	-	-	-	(619.225)
Other tangible fixed assets	(20.213)	-	-	-	-	(20.213)
	(2.143.882)	(512.093)	-	-	286.887	(2.369.088)

(*) Refers to fire bricks in the amount of 109.869 TL and spare parts in the amount of 28.693 TL, which are transferred from stocks to fixed assets and accounted for in the current period.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

9. TANGIBLE FIXED ASSETS (CONTINUED)

	January 01, 2023	Additions	Outputs	Transfers	Revaluation Effect	31 December 2023
Cost:						
Lands and parcels	2.770.035	-	-	-	218.519	2.988.554
Underground and aboveground layouts	734.772	-	-	-	-	734.772
Buildings	4.192.483	48	-	-	-	4.192.531
Machinery, plant and equipment (*)	3.362.999	7.534	-	148.986	300.657	3.820.176
Vehicles	14.222	1.902	(4.031)	-	-	12.093
Flooring and fixtures (*)	620.562	8.821	(8.709)	77.396	-	698.070
Other tangible fixed assets	20.213	-	-	-	-	20.213
Investments in progress	171.111	87.778	-	(148.986)	-	109.903
	11.886.397	106.083	(12.740)	77.396	519.176	12.576.312
Accumulated depreciation:						
Underground and aboveground layouts	(493.534)	(26.960)	-	-	-	(520.494)
Buildings	(978.188)	(97.012)	-	-	-	(1.075.200)
Machinery, plant and equipment	(62.522)	(250.556)	-	-	313.078	-
Vehicles	(11.158)	(1.331)	4.025	-	-	(8.464)
Flooring and fixtures	(441.723)	(77.788)	-	-	-	(519.511)
Other tangible fixed assets	(20.213)	-	-	-	-	(20.213)
	(2.007.338)	(453.647)	4.025	-	313.078	(2.143.882)
Net book value	9.879.059	(8.715)			832.253	10.432.430

(*) Refers to overhead bricks, which are transferred from stocks to fixed assets and accounted for in the current period.

The Company has recognized the lands and plots and machinery, facilities and devices measured in accordance with the TMS16 revaluation model among tangible fixed assets as of 31 December 2024, taking into account the current valuation reports prepared by a licensed valuation company by the CMB.

As of 31 December 2024, the company has a mortgage of 400 million USD 1st degree and 2.6 billion TL 2nd degree on its tangible fixed assets, respectively (31 December 2023: 400 Million US Dollars 1st degree and 2.6 Billion TL 2nd degree mortgages). Details of additional guarantees, pledges and mortgages given within the scope of the refinancing agreement signed by the company on 28 February 2022 are explained in Note 11.

There is an insurance coverage of approximately 2.527060 thousand TL equivalent to 71.744 thousand USD on tangible fixed assets (31 December 2023: approximately 3.050.575 thousand TL equivalent to 71.744 thousand USD).

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

9. TANGIBLE FIXED ASSETS (CONTINUED)

	1 January 31 December 2024	1 January-31 December 2024
Tangible fixed assets	512.093	453.647
Intangible fixed assets	646	768
Right-of-use assets	7,859	3.577
	520,598	457,992
	1 January 31 December 2024	1 January-31 December 2024
Cost of sales	513.166	448.575
Sales and marketing costs	933	99
General administrative expenses	6.499	9.318
	520.598	457.992

10. INTANGIBLE FIXED ASSETS AND RIGHT-OF-USE ASSETS

a) Intangible fixed assets

	January 1, 2024	Additions	Outputs	31 December 2024
Cost:				
Rights	28.598	54	-	28.652
Assets subject to special depletion	12.952	-	-	12.952
	41.550	54	-	41.604
Accumulated amortization:				
Rights	(25.775)	(646)	-	(26.421)
Assets subject to special depletion	(12.952)	-	-	(12.952)
	(38.727)	(646)	-	(39.373)
Net book value	2.823			2.231

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

a) Intangible fixed assets (continued)

	January 01, 2024	Additions	Outputs	December 31, 2023
Cost:				
Rights	28.598	-	-	28.598
Assets subject to special depletion	12.952	-	-	12.952
	41.550	-	-	41.550
Accumulated amortization:				
Rights	(25.007)	(768)	-	(25.775)
Assets subject to special depletion	(12.952)	-	-	(12.952)
	(37.959)	(768)	-	(38.727)
Net book value	3.591			2.823

As of 31 December 2024, the company does not have a pledge or mortgage on intangible fixed assets (31 December 2023: None).

b) Right-of-use assets

	January 1, 2024	Additions	Outputs	December 31, 2024
Cost:				
Vehicles	14.630	6.943	-	21.573
Accumulated depreciation (-):				
Vehicles	(6.752)	(7.859)	-	(14.611)
Net book value	7.878			6.962

	January 01, 2023	Additions	Outputs	December 31, 2023
Cost:				
Vehicles	6.488	8.142	-	14.630
Accumulated depreciation (-):				
Vehicles	(3.175)	(3.577)	-	(6.752)
Net book value	3.313			7.878

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

11. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Long-term provisions

The details of the provision for the rehabilitation of the mine site for the years ended as of 31 December 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Provision for mining site rehabilitation	32.008	32.397
	32.008	32.397

The movement table of the mine site rehabilitation provision for the years ended as of 31 December 2024 and 2023 is as follows:

	2024	2023
January 1	32.397	25.985
Current period expense, net	10.984	21.258
Monetary loss / (gain)	(11.373)	(14.846)
31 December	32.008	32.397

The company is a provision expense for mining site rehabilitation within the scope of restoring the degraded lands to nature within the scope of cement activities considered as a mining segment based on stone and soil, and the related period expense is included in the cost of sales as the cost of restoring to nature.

b) Guarantees, pledges and mortgages

As of 31 December 2024 and 2023, the Company's TRI details are as follows:

	December 31, 2024	December 31, 2023
A. Total amount of guarantees, pledges and mortgages (GPM) given on behalf of its own legal entity (*)	14.318.663	17.394.802
B. Total amount of GPM given in favor of the partnerships included in the scope of full consolidation	-	-
C. Total amount of GPM given to secure the debt of other third parties for the purpose of conducting ordinary commercial activities	-	-
D. Total amount of other GPMs given (* *)	48.000	69.302
i. Total amount of GPMs given in favor of the main partner	-	-
ii. Total amount of GPM given in favor of other group companies not within the scope of Articles B and C	48.000	69.302
iii. Total amount of GPMs given in favor of third parties not covered by Article C	-	-
Total GPMs given	14.366.663	17.464.104
Ratio of other GPMs to total equity	0.63%	1.26%

(*) Within the scope of the "Refinancing Agreement" signed with the consortium banks (Emlak Katılım, Halk Bank, İş Bank, TSKB, Vakıf Katılım, Vakıfbank, Ziraat Bank, Ziraat Katılım), a mortgage of 400 Million US Dollars 1st degree and 2.6 Billion TL 2nd degree has been established on the immovables belonging to Batıçim and Batisöke in the capacity of "Borrowers" and Batılıman and Batıbeton in the capacity of "Guarantor", respectively, and a commercial movable pledge has been established on the movable properties in the same amount and order.
(* *) Group companies consist of sureties given in relation to Batıçim Enerji Toptan, Batıbeton and Batılıman.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

11. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES
(CONTINUED)

	December 31, 2024	December 31, 2023
Mortgages and pledges given	14.089.320	17.031.671
Letters of guarantee given	152.415	192.096
Letters of Credit	76.928	171.035
Total	14.318.663	17.394.802

The details of the bank letters of guarantee given by the company to various financial and non-financial institutions are as follows:

	December 31, 2024	December 31, 2023
Letters of guarantee given in relation to Eximbank loan	108.827	154.184
Letters of guarantee given to suppliers	39.751	34.570
Letters of guarantee given to public institutions	3.246	2.636
letters of guarantee given to the executive directorate	591	706
Total	152.415	192.096

Guarantees received

The collateral breakdown received by the Company as of 31 December 2024 and 2023 is as

	December 31, 2024	December 31, 2023
Letters of guarantee received (*)	357.919	320.284
	357.919	320.284

(*) Consists of bank letters of guarantee received from customers

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

12. EMPLOYEE BENEFITS

a) Payables within the scope of employee benefits)

	December 31, 2024	December 31, 2023
Social security premiums payable	8.113	11.917
Wages to be paid to personnel	7.026	6.837
	15.139	18.754

b) Long-term provisions for employee benefits

	December 31, 2024	December 31, 2023
Provision for severance pay	42.770	33.331
Provision for seniority incentive premium	10.131	41.102
Provision for unused leave pay	7.249	6.767
	60.150	81.200

Provision for severance pay

According to the Turkish Labor Law, the Company is obliged to pay severance pay to each employee who has completed at least one year of service and retired after 25 years of work (58 years for women and 60 years for men), whose employment relationship has been terminated, who has been called up for military service or who has passed away. As of 31 December 2024, the severance pay to be paid is subject to 46.655.42 TL (31 December 2023: 23489,83 TL) ceiling. As of January 1, 2025, the severance pay ceiling has been updated to TL (January 1, 2024: 35058,58 TL).

The severance pay obligation is not legally subject to any funding. The provision for severance pay is calculated by estimating the present value of the Company's possible future liability amount arising from the retirement of employees. TAS 19 Employee Benefits stipulates that the company's obligations are developed using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows; The main assumption is that the maximum liability amount for each service year will increase in parallel with inflation. Therefore, the applied discount rate refers to the expected real rate after the correction of future inflation effects. Thus, as of 31 December 2024, provisions in the attached financial statements are calculated by estimating the present value of the possible liability of the employees arising from their retirement.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

12. EMPLOYEE BENEFITS (CONTINUED)

Provision for severance pay (continued)

the provisions on the relevant reporting dates were calculated by using the real net discount rate obtained as approximately 2.61% according to the assumptions of 24.75% annual inflation and 28% interest rate (31 December 2023: 2.55%). Optional turnover rates were also taken into account as 2.7% for those working for 0-15 years and 0% for those working for more than 0 years.

Movement table of severance pay provision:

	2024	2023
Opening, 1 January	33.331	80.360
Interest cost	7.440	12.915
Actuarial loss / (gain)	6.313	17.379
Cost of service	10.251	10.922
Payments during the period (-)	(1.409)	(58.442)
Monetary loss / (gain)	(13.156)	(29.803)
Closing, December 31	42.770	33.331

As of 31 December 2024, the sensitivity analyzes of the important assumptions used in the calculation of severance pay provision are as follows:

Sensitivity level	Net discount rate		Circulation rate related to the likelihood of earning seniority	
	0.5% bps decrease	0.5% basis point increase	0.5% bps decrease	0.5% basis point increase
Rate	2.11%	3.11%	96.43%	97.43%
Change in provision for severance pay (TL)	4.573	(4.049)	(1.280)	1.336

Provision for seniority incentive premium

Seniority incentive is a benefit provided to employees in accordance with the Company's policy, and the value incurred as of the reporting dates has been recognized by reducing it to its current value with the net discount rate.

The movement table of provision for seniority incentive premium is as follows:

	2024	2023
Opening balance, January 1	41.102	26.974
Interest cost	1.770	4.606
Actuarial loss / (gain)	(30.763)	15.120
Cost of service	4.460	15.563
Payments during the period	(1.180)	(3.858)
Monetary loss / (gain)	(5.258)	(17.303)
Closing balance, December 31	10.131	41.102

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

12. EMPLOYEE BENEFITS (CONTINUED)

The movement table of provision for unused leave pay is as follows:

	2024	2023
Opening, 1 January	6.767	7.147
Cost of service	2.941	3.107
Monetary loss / (gain)	(2.459)	(3.487)
Closing, December 31	7.249	6.767

13. OTHER ASSETS AND LIABILITIES

i) Other current assets

	December 31, 2024	December 31, 2023
Deferred value added tax ("VAT")	216.603	198.036
Other	117	112
	216.720	198.148

ii) Other short-term liabilities

	December 31, 2024	December 31, 2023
Mining tax accruals	22.762	17.084
	17.084	198.148

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

14. CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Paid-in capital

The Company's paid-in capital structure at 31 December 2024 and 2023 is as follows:

Partners	Share rate (%)	December 31, 2024 Share amount (TL)	Share rate (%)	December 31, 2023 Share amount (TL)
Batiçim Batı Anadolu Çimento Sanayii A.Ş.	74,62	1.193.976	74.62	298,494
Other	25.38	406.024	25.38	101.506
Nominal capital (*)		1.600.000		400.000
Inflation correction difference		5.638.711		5.322.529
Adjusted capital		7.238.711		5.722.529

(*) 304.518 TL of the capital increase made in the current period has been met in cash and 895.482 TL has been met by transferring to the capital from the payables account to related parties.

The company is subject to the registered capital system. The registered capital of the company is 2.000.000 TL as of 31 December 2024.

The amount of 14.956,13 TL of the shares of the company is written to the name. 1 Company share has a nominal value of 0.01 TL. The capital amount is 160.000.000.000 shares with a nominal value of 1 (one) cent each and is worth 1.600.000 Thousand TL.

The capital of the company consists of Group A and Group B shares.
Group A shareholders have the following privileges in accordance with the articles of association of the Company:
All of the Members of the Board of Directors are elected from among the candidates to be determined by the majority of the group A shareholders.

Serial published and enacted in the Official Gazette dated June 13, 2013 and numbered 28676: In accordance with the "Communiqué on the Principles of Financial Reporting in Capital Markets" No. 11-14.1, "Paid-in capital", "Restricted reserves allocated from profit" and "Share premiums" must be shown over the amounts in the legal records. Differences in valuations during the implementation of the said communiqué (such as differences arising from inflation adjustment):

- If it is arising from the "Paid-in capital" and has not yet been added to the capital, with the "Capital adjustment differences" item to be opened after the "Paid-in capital" item;
- "Previous years' profit/loss" if it arises from "Restricted reserves allocated from profit" and "Share issuance premiums and has not yet been subject to profit distribution or capital increase", should be associated. Other equity items are shown with their amounts valued within the framework of TAS.

Capital adjustment differences have no use other than being added to the capital.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

Public companies make their dividend distributions in accordance with the CMB's Dividend Communiqué No. 11-19.1, which entered into force on February 1, 2014.

Partnerships distribute their profits within the framework of the profit distribution policies to be determined by the general assembly and in accordance with the provisions of the relevant legislation. Within the scope of the aforementioned communiqué, no minimum distribution rate has been determined for publicly traded partnerships. Companies pay dividends as specified in their articles of association or profit distribution policies. In addition, the dividends may be paid in equal or different installments and a cash dividend advance may be distributed over the profit in the interim financial statements.

Unless the reserves required to be allocated according to the TCC and the profit share determined for the shareholders in the articles of association or profit distribution policy are allocated; it cannot be decided to allocate another reserve, to transfer the profit to the next year and to distribute a share from the profit to the usufruct holders, members of the board of directors, partnership employees and persons other than the shareholder, and no share from the profit can be distributed to these persons unless the profit share determined for the shareholders is paid in cash.

Equity inflation adjustment differences and the registered values of extraordinary reserves can be used in free capital increase; cash profit distribution or loss offset. However, equity inflation adjustment differences will be subject to corporate tax if they are used in cash profit distribution.

Legal reserves and share issuance premiums in the legal reserve status within the framework of Article 466 of the Turkish Commercial Code are shown with the amounts in the legal records. In this context, differences arising from inflation adjustments that arise in the valuations made within the framework of IFRS principles and are not subject to profit distribution or capital increase as of the report date are associated with previous years' profit/losses.

According to the provision of the first paragraph of Article 519 of the New TCC No. 6102, legal reserves are allocated as I. ordinary legal reserves until 5% of the "profit" reaches 20% of the paid/issued capital. After deducting the amount allocated as the first reserve from the "profit", the first dividend is allocated to the shareholders from the remaining amount. After the first legal reserve and the first dividend are allocated, the General Assembly is authorized to decide on the allocation or distribution of the remaining balance as extraordinary reserve, taking into account the Company's profit distribution policy. II. The legal reserve is allocated as one tenth of the amount found after deducting 5% of the profit share of the capital deducted/ paid from the part decided to be distributed in accordance with the 3rd subparagraph of paragraph 2 of Article 519 of the New TCC. If it is decided to distribute free shares through the addition of profit to the capital, II. legal reserves are not allocated.

b) Premiums related to shares

It refers to the difference between the nominal amount of the newly issued shares due to the capital increase and the sales amount. As of 31 December 2024, it is 13.404 thousand TL (31 December 2023:4.153 thousand TL).

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

c) Other comprehensive income and expenses not to be reclassified to profit or loss

The movement statements of the value increase / (decrease) transferred directly to the shareholders' equity without being associated with the profit or loss statement are as follows:

Defined benefit plans actuarial gain (loss) fund:

	2024	2023
Opening balance, January 1	(74.040)	(49.666)
Current period remeasurement effect	24.450	(32.499)
Deferred tax effect	(6.113)	8.125
Closing balance, December 31	(55.703)	(74.040)

Tangible fixed assets revaluation increase (decrease) fund

	2024	2023
Opening balance, January 1	744.990	123.613
Current period remeasurement effect	410.004	832.253
Deferred tax effect	(80.504)	(202.132)
Transfer to previous year profit (loss) accounts related to current period depreciation effect	-	(8.744)
Closing balance, December 31	1.074.490	744.990

d) Retained earnings / (losses):

The amount of net distributable period profit and other resources that may be subject to profit distribution in the legal records of the company as of the reporting date is stated below.

	December 31, 2024	December 31, 2023
Net profit (loss) for the period	(566.996)	(1.313.647)
Extraordinary reserves	2.447.716	1.904476
Special funds / reserves	38.659	7,748
Retained earnings (losses)	(3.645.253)	(2.836.235)
Total	(1.725.874)	(2.237.658)

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

d) Retained earnings / (losses). • (continued)

In accordance with the Tax Procedure Law and the related Communiqué published in the Official Gazette dated December 30, 2023 and numbered 32415 (2. In accordance with the Tax Procedure Law and the related Communiqué published in the Official Gazette dated December 30, 2023 and numbered 32415 (2. Repeated), the balance sheet as of December 31, 2024 prepared in accordance with the Tax Procedure Law has been adjusted for the application of inflation accounting by using the Producer Price Index (PPI) published by the Turkish Statistical Institute, and the accompanying financial statements have been adjusted for inflation in accordance with TAS 29 by using the Consumer Price Index (CPI) published by the Turkish Statistical Institute, and consequently, the amounts for the current and previous reporting period are expressed in terms of the purchasing power at December 31, 2024. Due to the use of different indices in the Tax Procedure Law and TAS 29 inflation accounting application and the fact that the amounts of the previous reporting periods in the TAS 29 application were corrected and brought to the purchasing power of 31 December 2024, differences have occurred between the amounts in the balance sheet prepared in accordance with the Tax Procedure Law regarding the items "Capital Adjustment Differences", "Premiums (Discounts) Regarding Shares", "Restricted Reserves Allocated from Profit" and "Other Reserves" and the amounts in the financial statements prepared in accordance with TAS/ TFRs.

These differences are reflected in the "Retained Earnings or Losses" item in the TAS/TFRs financial statements and these differences are detailed below:

December 31, 2024	Capital Adjustment Differences	Premiums on Shares	Legal Reserves	Reserves related to repurchased shares	Recorded Commodity Special Provision	Special Reserves	Extraordinary Reserves
According to TAS/TFRs Financial Statements	5.638.711	13.404	374.928	(2.105)	-	-	-
According to the Tax Procedure Law	6.117563	15.106	451.449	-	102.190	38.659	2.447716
Difference*	(478.852)	(1.702)	(76.521)	(2.105)	(102.190)	(38.659)	(2.447716)

December 31, 2023	Capital Adjustment Differences	Premiums on Shares	Legal Reserves	Reserves related to repurchased shares	Recorded Commodity Special Provision	Special Reserves	Extraordinary Reserves
According to TAS/TFRs Financial Statements	5.322.529	4.153	374.928	(1.634)	-	-	-
According to the Tax Procedure Law	4671.073	4.556	351.256	-	79.510	7.748	1.904476
Difference*	651.456	(403)	23.672	(1.634)	(79.510)	(7.748)	(1.904476)

15. REVENUE AND COST OF SALES

Net sales

	1 January-31 December 2024	1 January-31 December 2023
Domestic sales	3.326.830	4208.599
Overseas sales	1.042.210	1.802.643
Sales discounts (-)	(39.077)	(1.328)
Other discounts (-)	(57.653)	(58.498)
	4272310	5951416

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

15. REVENUE AND COST OF SALES (CONTINUED)

The Company recognizes revenue by transferring control of all performance obligations related to the sale of goods to its customers at a certain point in time.

	1 January 31 December 2024	1 January 31 December 2023
Expenses for raw materials and supplies	(1.821.541)	(2.488.694)
General production expenses	(1.467.901)	(1.717.042)
Depreciation and amortization expenses (Note 9)	(513.166)	(448.575)
Personnel expenses	(211.947)	(386.638)
Change in semi-finished goods and inventories (Note 7)	(66.908)	(55.801)
Provision for mine rehabilitation	(10.984)	(21.258)
	(4.092.447)	(5.118.008)

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

	1 January 31 December 2024	1 January 31 December 2023
a) General administrative expenses:		
Outsourced benefits	(50.646)	(48.940)
Personnel expenses	(41.833)	(40.067)
Tax expenses	(10.181)	(51.709)
Consultancy expenses	(10.078)	(7.280)
Depreciation expenses (Note 9)	(6.499)	(9.318)
Fuel expenses	(1.022)	(1.569)
Other expenses (*)	(24.170)	(19.703)
	(144.429)	(178.586)

(*) Other expenses consist of vehicle maintenance expenses, travel expenses, office expenses and landscaping expenses

	1 January 31 December 2024	1 January 31 December 2023
b) Marketing, sales and distribution expenses:		
Export, freight/shipping and loading expenses	(449.649)	(354.320)
Personnel expenses	(10.896)	(6.022)
Depreciation expenses (Note 9)	(933)	(99)
Other	(4.293)	(10.069)
	(465.771)	(370.510)

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

17. EXPENSES ACCORDING TO THEIR QUALIFICATIONS

	1 January 31 December 2024	1 January 31 December 2023
Expenses for raw materials and supplies	(1.821.541)	(2.488.694)
General production expenses	(1.467.901)	(1.717.042)
Depreciation expenses	(520.598)	(457.992)
Personnel expenses	(264.676)	(432.726)
Export, transportation and loading expenses	(449.649)	(354.320)
Change in semi-finished and finished stocks	(66.908)	(55.801)
Outsourced benefits	(50.646)	(48.940)
Tax expenses	(10.181)	(51.709)
Expense for provision for rehabilitation cost	(10.984)	(21.258)
Consultancy expenses	(10.078)	(7.280)
Fuel expenses	(1.022)	(1.569)
Other	(28.463)	(29.773)
	(4.702.647)	(5.667.104)

18. OTHER INCOME / (EXPENSES) FROM MAIN OPERATIONS

a) Other income from main operations

	1 January 31 December 2024	1 January 31 December 2023
Income from late interest	26.817	106.692
Foreign exchange gain from operations	74.744	179.437
Other (*)	44.927	5.324
	146.488	291.453

(*) A significant part of the balance consists of scrap sales revenues.

b) Other expenses from main operations

	1 January 31 December 2024	1 January 31 December 2023
Foreign exchange losses arising from operations	(113.327)	(580.134)
Deferred financing expenses	(9.540)	(99.341)
Other	(23.470)	(13.601)
	(146.337)	(693.076)

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

19. INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

	1 January 31 December 2024	1 January 31 December 2023
Income from investment activities:		
Profit from sale of tangible fixed assets	-	513
	-	513

20. FINANCING INCOME

	1 January 31 December 2024	1 January 31 December 2023
Income from exchange rate difference	17.783	72.553
Interest income	7.442	15.385
	25.225	87.938

21. FINANCING EXPENSES

	1 January 31 December 2024	1 January 31 December 2023
Exchange rate difference expenses	(667.483)	(2.230.320)
Interest expenses on bank loans	(428.688)	(629.392)
Interest expenses from payables to related parties	(385.077)	(219.093)
Commission expenses of letter of guarantee	(6.147)	(8.312)
Bank Commission expenses	(632)	(2.661)
Interest expenses on letter of credit borrowings	-	(20.625)
Other	(9.210)	(17.518)
	(1.497.237)	(3.127.921)

22. INCOME TAXES (INCLUDING DEFERRED ASSETS AND LIABILITIES)

Corporate tax

The corporate tax rate in Turkey is 25% (applied as 25% for corporate earnings for the taxation period of 2023). The corporate tax rate is applied to the net corporate income to be found as a result of adding the expenses that are not accepted as deductions in accordance with the tax laws to the commercial earnings of the institutions and deducting the exceptions and discounts in the tax laws. The corporate tax is declared until the evening of the thirtieth day of the fourth month following the end of the relevant year and is paid in a single installment until the end of the relevant month.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

The Domestic Minimum Corporate Tax, published in the Official Gazette dated August 2, 2024, has entered into force as of January 1, 2025. As of 31 December 2024, this practice has no effect on the financial statements.

	December 31, 2024	December 31, 2023
Provision for corporate tax for the current period	-	-
Minus: Prepaid taxes and funds	724	342
Assets related to current period tax	724	342
Tax income / (expense) on profit or loss statement	1 January 31 December 2024	1 January 31 December 2023
Deferred tax income (expense)	450.919	1.215.846
	450.919	1.215.846

Deferred tax

As of 31 December 2024, 25%, which is the tax rate used in the calculation of deferred tax assets and liabilities, has been used.

	Taxable temporary differences		Deferred tax assets (liabilities)	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Tangible and intangible fixed assets	2.266.130	3.809.406	566.532	952.351
Taxable financial losses carried forward	2.606.998	3.253.576	651.750	813.394
Interest incentive for cash capital increase	530.436	599.392	132.609	149.848
Provision for rehabilitation of mining sites	32.008	32397	8002	8100
Provisions for employee benefits	60.150	81.200	15.038	20.300
Effect of amortized cost method on receivables and payables	-	16334	-	4083
Inventory impairment				
Other	6327	(18.124)	1579	(4.531)
Deferred tax assets	5.502.049	7.774.181	1.375.510	1.943.545
Tangible and intangible fixed assets	(2.861.458)	(2.450.187)	(536.523)	(459.409)
Inventories	(241.990)	(355.481)	(60.497)	(88.871)
Deferred tax liabilities	(3.103.448)	(2.805.668)	(597.020)	(548.280)
Deferred tax assets / (liabilities), net			778.490	1.395.265
Provision for deferred tax assets			(435.555)	(1.416.632)
Deferred tax assets / (liabilities), net			342935	(21.367)

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

Deferred tax (continued)

The partially or completely recoverable amount of deferred tax assets is estimated under current conditions. During the evaluation, the 5-year projection prepared by the Company's management as a foreseeable future and the timing of the recovery of taxable temporary differences were taken into account. The Company has reviewed the deferred tax effects arising as of the reporting date regarding the carried financial losses and temporary differences arising from inflation accounting according to the provisions of the Tax Procedure Law, which it foresees to be available IN accordance with the financial profit projections prepared for the foreseeable future period, and has not recognized deferred tax for the non-recoverable part in the foreseeable period.

	December 31, 2024	December 31, 2023
December 31, 2024	-	195.491
December 31, 2025	369.043	369.043
December 31, 2026	280.742	280.742
December 31, 2027	443.418	443.418
December 31, 2028	964.805	964.805
December 31, 2029	548.990	-
	2.606.998	2.253.499

As of 31 December 2024, the Company has recognized a deferred tax asset of TL 348,804 Thousand by taking into account the closing periods of taxable temporary differences arising from tangible fixed assets after index adjustments in TAS 29 and VUK taxable financial records, taxable profit estimates in 5-year projections and the amounts of financial losses carried and their end lives in the table above.

Within the scope of the "Law on the Amendment of Certain Laws and Decrees" published in the Official Gazette dated 7 April 2015, 50% of the amount calculated until the end of the relevant accounting period can be deducted from the corporate tax base, taking into account the weighted annual average interest rate applied to the commercial loans announced by the CBRT over the cash capital increases in the capital companies and the cash covered part of the paid-in capital in the newly established capital companies as of 1 July 2015. The followings should be applied to the 50%, with the decision numbered 2015/7910 published in the Official Gazette dated 31 December 2017;

- a) Of the public capital companies whose shares are traded on the stock exchange, as of the last day of the year in which the discount is benefited, the nominal amount of the shares monitored as tradable shares before the Central Registry Agency is 25 points for those whose paid-in or issued capital rate is 50% and less, and 50 points for those above 50%,
- b) In the event that the capital increased in cash is used in the production and industrial facilities with investment incentive certificate and the machinery and equipment investments of these facilities and/or the land and land investments allocated to the construction of these facilities, the said discount is applied by adding 25 points limited to the fixed investment amount in the investment incentive certificate.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

Deferred tax (continued)

With the amendment made by the Law dated 5 July 2023 and numbered 7417, the right to indefinitely benefit from the interest reduction in cash capital increase is limited to the fiscal period in which the decision on the capital increase or the articles of association are registered at the first establishment stage and the four fiscal periods following this period. With the Law No. 7414, also with the thirteenth paragraph of the provisional Article 15 added to the Corporate Tax Law, it is stipulated that the taxpayers who have previously increased their capital and started to benefit from the discount will continue to benefit from the discount for five more accounting periods, including the 2024 period, regardless of the number of periods in which they benefited from the discount in the past. Among the discount amounts earned during the period of the right to benefit from the discount, the amounts that cannot be discounted in the relevant periods due to the inadequacy of the income can be subject to the discount after the five-year period has expired. There is no time limit in this regard.

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

	2024	2023
1 January balance	(21.367)	(1.043.206)
Deferred tax income (expense) recorded in the profit or loss statement	450.919	1215846
Tax income (expense) related to other comprehensive income accounts	(86.617)	(194.007)
31 December	342935	(21.367)

The reconciliation between the tax expense found by applying the legal tax rate to the profit before tax and the tax expense shown in the total income statement, including the deferred tax expense:

	1 January 31 December 2024	1 January 31 December 2023
Profit (loss) before tax from continuing operations	(200.171)	44.015
Effective legal tax rate in force	25%	25%
Calculated tax income (expense)	50.043	(11.004)
Effect of interest incentive on cash capital increase	(17.239)	24.640
Effect of non-deductible expenses	(4.501)	(127.904)
Effect of non-taxable monetary gain / (loss) and other adjustments	422.616	1330114
Total tax income (expense) reported in the profit or loss statement	450.919	1215846

(*) Article 32415 (2) of the Tax Procedure Law dated 30/12/2023 and 32415 (2. Repeated), it consists of the deferred tax effect of the temporary differences created by the adjustments made regarding inflation accounting.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

23. EARNINGS (LOSSES) PER SHARE

	1 January 31 December 2024	1 January 31 December 2023
Weighted average number of issued ordinary shares with a nominal value of TL 0.01	160.000.000	40.000.000
Net profit/(loss) for the period (try)	250.748	1259861
Earnings / (loss) per share (For Group A and B shares with a nominal value of 1 TL)	0.1567	3.1497

24. RELATED PARTY DISCLOSURES)

As of 31 December 2024 and 2023, the balances of receivables from and payables to related parties from related parties and the summary of significant transactions with related parties during the period are presented below:

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

Balances with related parties	Short-term receivables		Payables Short-term	
	Comm	Non-commercial	Commercial	Non-commercial
Batiçim Batı Anadolu Çimento Sanayii A.Ş. (*) (1)	-	-	16.4	1.884.737
BATİBETON SANAYİ A.Ş. (2)	91.631	380	-	-
BATIÇİM ENERJİ wholesale Inc. (2)	-	7.409	-	-
Batılıman Liman İşletmeleri A.Ş. (2)	-	-	144.1	-
	91.631	7.789	160.586	1.884.737

(*) Non-commercial debts in the nature of financing from Batiçim are on demand and interest is accrued at the market interest rate by reviewing every 3 months.

As of 31 Decemb 2023, the details of commercial and non-commercial receivables from the related parties are as follows:

Balances with related parties	Comm	Receivables Short-term non-commercial		Payables Short-term Non-trade	
		Comm	Non-commercial	Comm	Non-trade
Batiçim Batı Anadolu Çimento Sanayii A.Ş. (1)	51.322	2.053	112.220	1.299.770	-
BATİBETON SANAYİ A.Ş. (2)	122.083	462	9.938	-	-
BATIÇİM ENERJİ wholesale Inc. (2)	-	5.560	56	-	-
Batılıman Liman İşletmeleri A.Ş. (2)	-	-	58.895	-	-
	173.405	8.075	181.109	1.299.770	-

(1)Parent partner
(2)Other companies controlled by the parent company



Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

24. RELATED PARTY DISCLOSURES) (CONTINUED)

Transactions with related parties	Purchases of goods or	Goods sales	1 January – 31 December 2024 Other income (expense)
BATİBETON SANAYİ A.Ş. (2)	192	406.388	30.918
Batiçim Batı Anadolu Çimento Sanayii A.Ş. (1) (*)	45.504	233.516	380.742
BATIÇİM ENERJİ wholesale Inc. (2)	36.632	-	240
Batılıman Liman İşletmeleri A.Ş. (* *) (2)	212.570	-	-
	294.898	639.904	411.900

(*) The Company's sales of goods are due to export registered sales. Other expenses consist of interest expenses. (* *) It consists of port service expenses received from Batılıman.

Transactions with related parties	Purchases of goods or	Goods sales	January 1 – December 31, 2023 Other income (expense)
BATİBETON SANAYİ A.Ş. (2)	174	336.947	20.725
Batiçim Batı Anadolu Çimento Sanayii A.Ş. (1)	10.974	332.352	127.633
BATIÇİM ENERJİ wholesale Inc. (2)	18.205	-	-
Batılıman Liman İşletmeleri A.Ş. (*) (2)	138.771	-	-
	168.124	669.299	148.358

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

(1)Parent partner
(2)Other companies controlled by the parent company

Benefits for senior managers:

It consists of the senior executives of the Company, the Chief Executive Officer and its members. The benefits provided to senior managers include benefits such as wages, premiums, health insurance and transportation. Benefits for senior managers during the period are as follows:

	December 31, 2024	December 31, 2023
Wages, bonuses, benefits	1.334	1.701
Severance incentive bonus, other benefits and payments	83	975
	1.417	2.676



Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

Non-Monetary Items	December 31, 2024
Statement of Financial Position Items	
Inventories	7.297
Prepaid Expenses	282
Tangible Fixed Assets	461.087
Intangible Fixed Assets	1.991
Right of Use Assets	1.043
Deferred Tax Asset	292.974
Paid-in Capital	520.247
Reserves on Retained Earnings	8.955
Retained Earnings/Losses	108.283
Statement of Profit or Loss Items	
Revenue	(567.590)
Cost of Sales	633.467
General Administrative Expenses	14.853
Marketing, Sales and Distribution Expenses	40.657
Other Income from Main Operations	(23.250)
Other Expenses from Main Operations	22.944
Financing Revenues	(3.690)
Financing Expenses	187.888
Other Comprehensive Income Statement Items	
Defined Benefit Plans Re-measurement Gains (Losses)	(5.411)
Net Monetary Position Gains (Losses)	1.702.027

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

26. QUALITY AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Credit risk:

The risk of a financial loss to the Company due to the failure of one of the parties to the financial instrument to fulfill its contractual obligation is defined as credit risk. The company strives to reduce credit risk by conducting its transactions only with creditworthy parties and, where possible, by obtaining adequate collateral. The credit risks incurred by the company are constantly monitored.

Trade receivables cover a large number of customers, especially in the construction sector. Credit evaluations are made continuously on the commercial receivables balances of the customers and guarantees are obtained for the receivables when deemed necessary.

The provision for doubtful receivables for financial assets is determined on the basis of past experience of non-collection.

As of 31 December 2024 and 2023, the credit risk analysis exposure by financial instrument types is as follows:

December 31, 2024

	Receivables		Other receivables		Deposits in banks	Total
	Related parties	Other parties	Related parties	Other parties		
Maximum credit risk exposure as of the reporting date (A+B+C + D+E) (*)	91.631	744.500	7.789	110	32.528	876.558
The part of the maximum risk secured by collateral, etc. (* *)	-	357.919	-	-	-	357.919
A. Net book value of financial assets that are not overdue or impaired	91.631	643.949	7.789	110	32.528	776.007
B. Book value of financial assets that have been renegotiated, otherwise will be considered overdue or impaired	-	-	-	-	-	-
C. Net book value of assets that are overdue but not impaired	-	100.551	-	-	-	100.551
D. Net book values of impaired assets						
-Overdue (gross book value)	-	1.928	-	-	-	1.928
-Impairment (-)	-	(1.928)	-	-	-	(1.928)
E. Items with off-balance sheet credit risk						

(*) In determining the amount, factors that increase credit reliability such as guarantees received are not taken into account.
(* *) Guarantees consist of letters of guarantee received from customers

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

a) Credit risk: (continued)

December 31, 2023

	Receivable		Other receivables		Deposits in banks	Total
	Related parties	Other parties	Related parties	Other parties		
Maximum credit risk exposure as of the reporting date (A+B+C + D+E) (*)	173.405	759.804	8.075	5.122	30.431	976.837
The part of the maximum risk secured by collateral, etc. (* *)	-	320.284	-	-	-	320.284
A. Net book value of financial assets that are not overdue or impaired	173.405	679.727	8.075	5.122	30.431	896.760
B. Book value of financial assets that have been renegotiated, otherwise will be considered overdue or impaired	-	-	-	-	-	-
C. Net book value of assets that are overdue but not impaired	-	80.077	-	-	-	80.077
D. Net book values of impaired assets	-	2.509	-	-	-	2.509
-Impairment (-)	-	(2.509)	-	-	-	(2.509)
E. Items with off-balance sheet credit risk	-	-	-	-	-	-

(*) In determining the amount, factors that increase credit reliability such as guarantees received are not taken into account.
(* *) Guarantees consist of letters of guarantee received from customers

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

b) Liquidity risk:

The main responsibility for liquidity risk management belongs to the board of directors. The board of directors has established an appropriate liquidity risk management for the short, medium and long-term funding and liquidity requirements of the Company's management. The Company manages liquidity risk by regularly monitoring the estimated and actual cash flows and ensuring the continuation of sufficient funds and borrowing reserves by matching the maturities of financial assets and liabilities.

The table below shows the maturity distribution of the Company's non-derivative financial liabilities. Non-derivative financial liabilities are prepared without discounting and on the basis of the earliest dates to be paid. The interests to be paid on these liabilities are included in the table below.

31 December 2024

Maturities under the contract	Book value	Total cash outflows in accordance with the contract (I+II+III)	Less than 3 months (I)	Between 3 - 12 months (II)	Between 1 – 5 years and above (III)	More than 5 years (IV)
Non-derivative financial liabilities						
Bank loans	2.302.567	3.347.029	35.293	815.948	1.830.814	664.974
Payables from leasing transactions	6.794	13.588	1.098	2.954	9.536	-
Trade payables	605.036	605.036	605.036	-	-	-
Other payables to related parties (*)	1.884.737	-	-	-	-	-
Other payables to non-related parties	9.770	9.770	9.770	-	-	-
Other financial liabilities	190.347	195.876	195.876	-	-	-
	4.999.251	4.171.299	847.073	818.902	1.840.350	664.974

(*) Non-commercial debts in the nature of financing from Batıçim are on demand and interest is accrued at the market interest rate by reviewing every 3 months.

December 31, 2023

Maturities under the contract	Book value	Total cash outflows in accordance with the contract (I+II+III)	Less than 3 months (I)	Between 3 - 12 months (II)	Between 1 – 5 years and above (III)	More than 5 years (IV)
Non-derivative financial liabilities						
Bank loans	4.281.252	6.596.040	308.754	1.042.431	3.075.613	2.169.242
Payables from leasing transactions	3.231	3.559	881	1.991	687	-
Trade payables	976.222	992.304	992.304	-	-	-
Other payables to related parties (*)	1.299.770	-	-	-	-	-
Other payables to non-related parties	9.556	9.556	9.556	-	-	-
Other financial liabilities	328.267	340.525	230.202	110.323	-	-
	6.898.298	7.941.984	1.541.697	1.154.745	3.076.300	2.169.242

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

c) Market risk:

Exchange rate risk management

The Company is exposed to foreign exchange risk mainly in US Dollars and Euros. The table below shows the Company's sensitivity to the 10% increase and decrease in US Dollar and Euro exchange rates. The rate of 10% is the rate used in the reporting of exchange rate risk within the Company to senior managers, and this rate refers to the possible change expected by the management in exchange rates. Sensitivity analysis covers only monetary items in open foreign currency at the end of the year and shows the effects of the 10% exchange rate change of these items at the end of the year. This analysis includes outsourced loans as well as loans other than the functional currency of the parties that receive and use the loan used for foreign activities within the Company. Positive value refers to the increase in profit/loss and other equity items.

	December 31, 2024			December 31, 2023		
	TL equivalent	US Dollars	Euro	TL equivalent	US Dollars	Euro
1. Trade receivables	219.357	6.218	-	260.319	6.124	-
2a. Monetary financial assets (including cash, bank accounts)	16.004	446	7	12.643	297	1
2b. Non-monetary financial assets	-	-	-	-	-	-
3. Other	20.690	564	21	12.619	134	148
4. Current assets (1+2+3)	256.051	7.228	28	285.581	6.555	149
5. Trade receivables	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Fixed assets (5+6+7)	-	-	-	-	-	-
9. Total assets (4+8)	256.051	7.228	28	285.581	6.555	149
10. Trade payables	262.163	6.666	722	500.313	10.191	1.409
11. Financial liabilities	750.552	21.309	-	1.145.316	26.899	-
12a. Other monetary liabilities	-	-	-	-	-	-
12b. Other non-monetary liabilities	-	-	-	-	-	-
13. Short-term liabilities (10+11+12a+12b)	1.012.715	27.975	722	1.645.629	37.090	1.409
14. Trade payables	-	-	-	-	-	-
15. Financial liabilities	1.720.928	48.859	-	3.464.204	81.359	-
16a. Other monetary liabilities	-	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-	-
17. Long-term liabilities (14+15+16a+16b)	1.720.928	48.859	-	3.464.204	81.359	-
18. Total liabilities (13+17)	2.733.643	76.834	722	5.109.833	118.449	1.409
19. Net asset/ (liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-	-	-	-
19a. Amount of off-balance sheet foreign currency derivatives with active character	-	-	-	-	-	-
19b. Amount of off-balance sheet foreign currency derivative products with passive character	-	-	-	-	-	-
20. Net foreign currency (liability)/asset position (9-18+19)	(2.477.592)	(69.606)	(694)	(4.824.252)	(111.894)	(1.260)
21. Monetary items net foreign currency (liability)/ asset position (TFRS7. B23) (=1+2a+5 +6a-10-11-12a-14-15-16a)	(2.498.282)	(70.170)	(715)	(4.836.871)	(112.028)	(1.408)
22. Total fair value of financial instruments used for foreign currency hedge	-	-	-	-	-	-
23. Amount of hedged portion of foreign currency assets	-	-	-	-	-	-
24. Amount of hedged portion of foreign currency liabilities	-	-	-	-	-	-
25. Export	1.042.210	33.128	-	1.453.024	42.754	-
26. Import	430.824	430.824	6.270	605.492	17.908	-

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

Exchange rate sensitivity analysis table

Valuation of foreign currency		31 December 2024 Profit (loss) effect before tax Depreciation of foreign currency
In case of10% appreciation of USD against TL		
US \$1 net asset / liability	(245.211)	245.211
2 Hedged portion from USD risk (-)	-	-
3 US Dollars net effect (1 +2)	(245.211)	245.211
In case of10% appreciation of Euro against TL		
4 EUR net asset / liability	(2.548)	2.548
5 Portion hedged from EUR risk (-)	-	-
6 EUR net effect (4+5)	(2.548)	2.548
Total (3 + 6)	(247.759)	(247.759)

Valuation of foreign currency		31 December 2023 Pre-tax profit (loss) effect Depreciation of foreign currency
In case of10% appreciation of USD against TL		
US \$1 net asset / liability	(476.485)	(476.485)
2 Hedged portion from USD risk (-)	-	-
3 US Dollars net effect (1 +2)	(476.485)	(476.485)
In case of10% appreciation of Euro against TL		
4 EUR net asset / liability	(5.940)	5.940
5 Portion hedged from EUR risk (-)	-	-
6 EUR net effect (4+5)	(5.940)	5.940
Total (3 + 6)	(482.425)	482.425

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

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

Interest risk

Borrowing of the Company at fixed and variable interest rates exposes the Company to interest rate risk. The risk in question is managed by the Company. Hedging strategies are regularly evaluated to be compatible with the interest rate expectation and the defined risk. Thus, it is aimed to create an optimal hedging strategy, to review the position of the balance sheet and to keep interest expenditures under control at different interest rates.

As of 31 December 2024 and 2023, the Company's interest position table is as follows:

	2024	2023
Fixed-interest financial instruments		
Financial assets	14.462	14.441
Financial liabilities	286.655	346.819
Financial instruments with variable interest rates		
Financial liabilities	2.213.053	4.265.932
Financial payables to related parties	1.884.737	1.299.770

d) Capital risk management

The company aims to increase its profits by using the balance of debt and equity in the most efficient way while trying to ensure the continuity of its activities in capital management.

The capital structure of the Company consists of debts including the loans described in note 4, and equity items including cash and cash equivalents, issued capital, reserves and previous year earnings, respectively.

The board of directors of the Company examines the capital structure twice a year. During these reviews, the board evaluates the risks associated with each class of capital together with the cost of capital. Based on the recommendations made by the board, the company aims to keep its capital structure in balance.

The company examines the capital according to the leverage ratio, which is consistent with other companies in the industry. The said ratio is calculated by proportioning the net financial debt to the total equity. Net financial debt is obtained by deducting cash and cash equivalents from total financial borrowings. Total capital is calculated by adding the net debt with the "Equity" item in the statement of financial position.

	December 31, 2024	December 31, 2023
Total financial payables	4.384.445	5.912.521
Minus: Cash and cash equivalents	(32.532)	(30.437)
Net financial debt	4.351.913	5.882.084
Total equity	7.615.082	5.491.535
Net financial debt / total invested capital ratio	0.571	1.071

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

27. FAIR VALUE DISCLOSURES

Fair value is defined as the price to be obtained from the sale of an asset or to be paid in the transfer of a debt in a normal transaction between market participants at the measurement date.

Financial instruments

The estimated fair values of financial instruments have been determined by the Company using existing market information and appropriate valuation methods. However, reasoning is required in the interpretation of market data for the purpose of fair value estimation. Therefore, the estimates used may differ from the values that the Company can obtain in current market transactions.

The following methods and assumptions have been used to estimate the fair values of financial instruments whose fair value can be determined:

Financial assets

It is accepted that the fair values of the balances based on foreign currency translated with the exchange rates formed as of the reporting date approach their recorded values. Cash and cash equivalents are shown at their fair values. It is assumed that the fair values of the receivables from trade and related parties approach their book values because they are short-term. The fair value of the financial investments registered in the stock exchange is determined based on the market data of Borsa Istanbul at the reporting date.

Financial liabilities

It is estimated that trade payables, payables to related parties and other monetary liabilities are shown at approximately their fair values with their discounted recorded values, and it is accepted that the fair values of the balances based on foreign currency translated with the exchange rates at the reporting date approach their recorded values.

It is predicted that the fair values of short-term bank loans and other monetary debts are close to their recorded values because they are short-term. Since the interest rates of long-term variable-interest bank loans are updated by taking into account changing market conditions, it is thought that the fair values of these loans express the value they carry. When long-term fixed interest bank loans are evaluated at the fixed interest rate valid as of the balance sheet date, it is seen that their fair value is close to the carried value.

Fair value levels

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

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

As of 31 December 2024 and 2023, there are no financial assets measured at fair value in the statement of financial position.

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

27. FAIR VALUE DISCLOSURES (CONTINUED)

Non-financial assets

In the real estate valuation reports used to determine the fair values of the immovables measured by the Company according to the revaluation model, the values appreciated by independent and CMB licensed valuation experts were mainly determined according to the peer comparison for lands and plots, market approach and cost model for machinery, facilities and devices.

It is defined as the determination of the value of the real estate to be valued by using the appropriate comparison criteria and applying the necessary adjustments to the sales prices of the real estate that has been recently sold and will be valued. Those that are comparable with the said real estate are analyzed by comparing them in the context of ownership rights, financing, sales conditions, after-sales expenses, market conditions, location and physical characteristics, respectively. Quantitative and qualitative techniques are applied in the corrections to be made. It is considered the most appropriate approach to determine the value if there is sufficient and reliable data and can be applied in the valuation of all kinds of immovables.

In the revaluation of the company's machinery, facilities and devices, value assessment was made using the "market value approach" and "cost approach" method. In the market value approach method, the fair value was determined for the assets by deducting the depreciation/depreciation share based on the current second-hand market values and current unused market values. Market research was carried out on other items and their current values and second-hand values were checked. The reliability of the information provided by third parties has been confirmed by the valuation expert from different sources and checked by conducting sectoral research.

In the cost approach method, the costs actually incurred by the enterprise in the purchase or construction of the assets were accepted as replacement value. Over this value, the value losses (depreciations) due to physical wear and tear, functional and economic obsolescence are estimated and the remaining value is appraised as the fair value.

December 31, 2024	Fair value level as of the reporting date		
	1. Level TL	2. Level TL	3. Level TL
Lands and plots	-	3.340.509	-
Machinery, plant and equipment	-	-	3.733.069
	-	3.340.509	3.733.069

Batisöke Söke Çimento Sanayii T.A.Ş.
Notes to the financial statements as of 31 December 2024
(All amounts are shown as Thousand TL on the basis of the purchasing power of the Turkish Lira ("TL") as of 31 December 2024 unless otherwise stated.)

27. FAIR VALUE DISCLOSURES (CONTINUED)

In accordance with the revaluation model in the financial statements, the real estate valuation reports prepared by the real estate valuation company authorized by the CMB have been taken as a basis in determining the fair value of the lands and plots and machinery equipment and the relevant study has been updated as of 31 December 2024.

The methods used to determine the fair values of the lands and plots measured at fair value and important unobservable assumptions are as follows:

				December 31, 2024
	Valuation method	Important inputs	Data range	Weighted average
Tangible fixed assets				
Lands and plots	Market approach	Precedent sales price (TL /m2)	234 4.442	3.127

28. FEES FOR SERVICES RECEIVED FROM THE INDEPENDENT AUDITOR/INDEPENDENT AUDIT INSTITUTION

The Company's explanation of the fees for the services provided by the independent audit institutions based on the POA letter dated 19 August 2023, which the POA prepared in accordance with the Board Decision published in the repeated Official Gazette on 30 March 2021, is as follows:

	1 January 31 December 2024	1 January 31 December 2023
Independent audit fee for the reporting period	1.862	1.847
Fees for tax consultancy services	238	250
	2.100	2.097

29. EVENTS AFTER THE BALANCE SHEET DATE

The Capital Markets Board approval of Article 6 of the Company's articles of association titled "Capital" regarding the increase of the Company's issued capital from TL 400,000 to TL 1,200,000 (300%) within the registered capital ceiling of TL 2,000,000 was obtained and the amendment text was registered by the Izmir Trade Registry Directorate on February 24, 2025, and this issue was announced in the Turkish Trade Registry Gazette dated February 24, 2025 and numbered 11278.

Batiçim Batı Anadolu Çimento Sanayii A.Ş., the main partner of our company, has notified our company by taking a Board of Directors Decision to purchase all the shares issued with the allocated sales method if the other receivable of 2.099.979 Turkish Lira from our company is used in the capital increase to be carried out before our company and followed under equity as capital advance, all of the priority rights within the scope of the shares it has in the capital increase and the allocated capital increase is made. With the notification, the said amount was included in the equity as capital advance in the Company's records in 2025.

BATISÖKE SÖKE ÇİMENTO SANAYİİ T. A.Ş. PROFIT DISTRIBUTION TABLE FOR 2024 (TL)			
1	Paid / Issued Capital	1.600.000.000.00	
2	Total Legal Reserves (According to Legal Records)	10.313.318.57	
	If there is a privilege in the distribution of profit in accordance with the articles of association, information about the privilege in question	There is no privilege in Profit Distribution.	
		According to CMB	According to Legal Records (1 B)
3	Profit for the Period	(200.171.000)	566.996.313)
4	Taxes Payable (-)	450.919.000	-
5	NET PROFIT FOR THE PERIOD	250.748.000	(566.996.313)
6	Accumulated Losses (-)	-	-
7	General Legal Reserves (-)	-	-
8	NET DISTRIBUTABLE PERIOD PROFIT	250.748.000	(566.996.313)
9	Donations During the Year	99.000	99.000
10	NET DISTRIBUTABLE PERIOD PROFIT WITH DONATIONS TO BE CALCULATED FOR THE FIRST DIVIDENT ADDED	250.847.000	(566.897.313)
11	First Dividend to Shareholders	-	-
	Cash	-	-
	Free of charge	-	-
	Total	-	-
12	Dividends Distributed to Preferred Shareholders	-	-
13	Dividends to Board Members, Employees, etc.	-	-
14	Dividends Distributed to Usufructuary Shares Holders	-	-
15	Second Dividend to Shareholders	-	-
16	General Legal Reserves (-)	-	-
17	Statutory Reserves	-	-
18	Special Reserves	-	-
19	EXTRAORDINARY RESERVE	250.748.000	-
20	Other Resources Foreseen to be Distributed	-	-
	Previous Year's Profit	-	-
	Extraordinary Reserves	-	-
	Cash	-	-
	Free of charge	-	-
	Total	-	-
	Other Distributable Reserves in accordance with the Law and the Articles of Association	-	-

INFORMATION ABOUT THE DIVIDEND RATE DISTRIBUTED							
DIVIDEND INFORMATION PER SHARE							
GROUP	ON THE PROFIT FOR THE PERIOD		TOTAL DIVIDEND AMOUNT	DIVIDEND CORRESPONDING TO 1 TL NOMİNAL VALUE SHARE			
	CASH	FREE OF CHARGE		CASH	FREE OF CHARGE	TOTAL AMOUNT (TL)	RATE (%)
GROSS A (privileged)							
GROSS B							
TOTAL							
NET A (privileged)							
NET B							
TOTAL							
THE RATIO OF THE DISTRIBUTED PROFIT SHARE TO THE NET DISTRIBUTABLE PERIOD PROFIT WITH DONATIONS ADDED							
DIVIDEND AMOUNT DISTRIBUTED TO SHAREHOLDERS (TL)				THE RATIO OF THE PROFIT SHARE DISTRIBUTED TO THE SHAREHOLDERS TO THE NET DISTRIBUTABLE PROFIT FOR THE PERIOD WITH DONATIONS ADDED (%)			

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