ANNUAL REPORT

2025

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ A.Ş.
JANUARY 1, 2025 – DECEMBER 31, 2025
ANNUAL REPORT

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MANAGEMENT REVIEW & ANALYSIS

2025 performance, transformation process, and future expectations

MANAGEMENT REVIEW & ANALYSIS

Global Economic Outlook

2025 was a year in which growth in the global economy diverged across regions. According to the World Cement Global Outlook 2025 report, growth in cement demand remained limited. While demand increased primarily in developing economies, high interest rates and weaker construction activity in developed markets continued to weigh on demand. While the ongoing contraction in China's real estate sector remained a key factor shaping global demand, growth continued in markets such as India and Africa, supported by infrastructure investment. Persistently high interest rates and fluctuations in energy costs increased production costs, while the Russia–Ukraine war and developments in the Middle East continued to affect energy and logistics costs. Against this backdrop, cost management and operational efficiency emerged as key priorities across the industry.

Outlook of the Turkish Cement Industry

In contrast to the global outlook, the Turkish cement industry remained broadly stable in 2025. According to Türk Çimento's cumulative data as of December, production increased by 10.5%, domestic sales by 9.7%, and exports by 15.5%. A limited increase in average export prices has also been observed in parallel with the growth in export volume. Domestic demand was primarily driven by post-earthquake reconstruction activities, urban transformation projects, and infrastructure investments. Regionally, however, the Marmara and Aegean regions recorded a decline and underperformed relative to other regions. In other regions of Anatolia, demand remained more robust. This indicates that the industry continued to grow overall, although regional disparities persisted.

Market Share and Competitive Strength

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

In the Aegean Region, we continue to maintain our strong position in line with the overall performance of our cement group. Within this framework, in the Aegean Region, consolidated cement exports of our cement group accounted for 56.6% of total exports, while cement sales accounted for 59.9% of total sales. On a standalone basis, exports accounted for 59.3% of Batıçim's total sales, while domestic sales volumes to non-group customers accounted for 31.3%.

These results demonstrate that our performance on a volume basis is supported not only by our production strength, but also by the advantages provided by our port access and export capabilities..

Group Activities

When the performance of our cement group is assessed on a volume basis, total domestic sales declined modestly by 1.7% in 2025, while cement exports recorded strong growth of 26.7%.

On a standalone basis, Batıçim's total sales volume declined by 1.5% in 2025, while cement exports increased by 16.5%. On a standalone basis, Batısöke's total sales volume declined by a modest 1.9%, while cement exports recorded a notable increase of 65.7%. Meanwhile, our cement group's clinker exports increased by 52.7% by volume compared to the same period of the previous year, demonstrating the continued execution of our export-oriented strategy.

Our port segment, Batıliman, expanded its operational scale by reaching a handling volume of 5.1 million tons in 2025, while total revenue increased by 35% year on year to TRY 1.34 billion in Turkish lira terms. The 69% share of bulk cargo in total handled tonnage is directly attributable to our cement and clinker exports. Port revenues recorded strong growth, particularly in handling and terminal services, which increased by over 60% and 49%, respectively. Supported by its high-margin business model, this segment remained one of the key drivers of the Group's profitability.

In the ready-mixed concrete segment, sales volume contracted by approximately 12.5%. Despite this, pricing policies helped maintain revenue stability, resulting in a modest increase of 0.6% in total revenue.

Financial Performance

Our financial results for 2025 have demonstrated a balanced performance despite operational challenges. Total revenue amounted to TRY 14.3 billion, with cement and related products constituting the largest revenue stream at TRY 8.95 billion. Despite generating revenue of TRY 1.11 billion, the port segment made the strongest contribution to consolidated profitability, supported by its high-margin structure. Gross profit amounted to TRY 1.44 billion, while the net monetary gain of TRY 1.68 billion recognized under TMS 29 helped offset the effects of inflation on the balance sheet.

In terms of our financial structure, our paid-in capital was increased from TRY 180 million to TRY 5.58 billion through a capital increase completed during the year, while short-term debt was reduced by 69% to TRY 382 million. The net financial debt-to-equity ratio remaining at 22% underscores the sustainability of our strong balance sheet and liquidity management.

Based on the consolidated financial results, a disciplined approach to reducing financial debt was maintained throughout the year, resulting in significant progress in lowering financial obligations. The Group's total assets, which reached TRY 35.6 billion, and its strong equity base of TRY 24.8 billion continued to support the resilience of its consolidated balance sheet. As of year-end 2025, the net financial debt-to-EBITDA ratio stood at 4.05x.

Risk Management

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

Sustainability and Efficiency

Our sustainability approach is viewed as a strategic transformation driver that contributes directly to our financial performance, extending beyond operational efficiency and cost optimization. In this context, the alternative fuel utilization rate increased from 0.9% in 2023 to 14.5% in 2025, representing an approximately sixteen-fold increase. Going forward, the alternative fuel utilization rate is targeted to increase gradually, reaching 30% by 2035 and 60% by 2053. In this context, we continue to invest in infrastructure and enhance our procurement processes. Thanks to our waste heat recovery systems, 15.6% of our total electricity consumption was met through self-generated energy, directly contributing to lower energy costs. This rate is targeted to increase to 20% by 2035 and 25% by 2053. Furthermore, the share of sustainable products in our domestic sales reached 72%, contributing both to the optimization of our cost structure and to the enhancement of our value-added product portfolio. The share of low-carbon and blended products in our product portfolio is targeted to increase gradually, with the share of green product sales planned to reach 85% by 2035 and 100% by 2053.

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

In international sustainability assessments, the Company received a "B" rating in the CDP Climate Change and Water Security programs and an "A-" rating in the Supplier Engagement Assessment. In the Borsa Istanbul (BIST) Sustainability Index, our Company ranked among the top 12 out of 135 companies in its sector, placing in the top 9%, while Batısöke ranked 6th, placing in the top 4%. In addition, by joining the United Nations Global Compact, we further strengthened our commitments to environmental and social responsibility. This holistic approach enables our sustainability performance to translate into financial outcomes while creating a solid foundation for risk mitigation and long-term competitive advantage.

Consolidation and Transformation of Cement Operations

Our Company is implementing a gradual transformation process to bring its cement operations under a single structure, with the aim of enhancing operational efficiency and optimizing the use of its assets. In this context, the required applications to the Capital Markets Board (SPK) in relation to the restructuring process were submitted, and all regulatory approvals were obtained. In the first phase, the production assets in Bornova are planned to be consolidated under Batısöke, resulting in a more integrated and manageable production structure. At the same time, efforts are underway to evaluate our real estate assets in Bornova, with the objective of positioning these assets through real estate development models that will generate additional value, diversify the Group's activities, and make a significant contribution to EBITDA and profitability. As the process progresses, the commissioning of the grinding facility to be established at the Aliağa port site will enable production and logistics activities to be concentrated in closer proximity, generating cost advantages through a clinker-based transportation model. Upon completion of this transformation, the Company aims to reduce its operational burden, improve its cost structure, utilize resources more efficiently, and enhance its export capacity. Ultimately, the aim is to transition to a simpler, more focused, and stronger cash flow-generating structure that enhances the overall value of the Group companies.

Operational Actions

As part of our operational initiatives, the 1.7 million-ton grinding facility currently being established at the Aliağa port site will enable the integration of production and logistics processes, while the clinker transportation model is expected to deliver a cost advantage of USD 12–14 per ton. In addition, the WHR and alternative fuel investments to be commissioned at Batısöke are expected to generate an annual EBITDA contribution of USD 5–5.5 million.

Future Expectations

Based on our assessment for 2026, despite ongoing global political and economic uncertainties, cost pressures stemming from energy prices, and a high-interest-rate environment, the sector is expected to maintain a balanced and supportive outlook, supported by resilient domestic demand in Türkiye and continued demand across export markets. For the Company, mergers, operational simplification, cost optimization, and sustainability investments are expected to improve profitability and cash flow. In addition, greater diversification of operating revenues is expected to support further growth in EBITDA and profitability. Through the Bornova transformation and the Aliağa investment, the Group aims to evolve into a structure that operates with greater efficiency, generates stable cash flows, and manages its assets more effectively.

Against this backdrop, we remain firmly committed to our sustainable growth and value creation objectives, supported by our strong balance sheet, integrated business model, and strategic transformation initiatives.

BATIÇİM

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GENERAL MEETING AGENDAS & AUDITOR'S REPORT

Independent Auditor's Opinion on the General Meeting Agenda Items and the Annual Report

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ A.Ş. AGENDA OF THE SPECIAL GENERAL MEETING OF CLASS A SHAREHOLDERS

1. Opening of the Meeting and establishment of the Meeting Presidency;
2. Discussion and resolution of the determination of the nominees for the Board of Directors, pursuant to Article 7 of the Articles of Association, for submission to the approval of the General Assembly;
3. Closing.

AGENDA OF THE ORDINARY GENERAL MEETING OF BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ FOR THE 2025 FINANCIAL YEAR

1. Opening of the Meeting and establishment of the Meeting Presidency;
2. Reading and discussion of the Board of Directors' Annual Report for the 2025 Financial Year;
3. Reading of the Summary of the Independent Auditor's Report for the 2025 Financial Year;
4. Reading, discussion and approval of the consolidated financial statements for the 2025 Financial Year;
5. Reading, discussion and resolution of the Sustainability Report for the 2024 Financial Year, prepared in compliance with the Türkiye Sustainability Reporting Standards;
6. Discussion and resolution on the discharge of the members of the Board of Directors in respect of their activities and transactions during the 2025 Financial Year;
7. Discussion and resolution of the Board of Directors' proposal regarding the profit distribution for the 2025 Financial Year;
8. Submission to the approval of the General Assembly of the appointment made by the Board of Directors to fill the vacant Board membership pursuant to Article 363 of the Turkish Commercial Code;
9. Determination of the number and term of office of the members of the Board of Directors and election of the members of the Board of Directors;
10. Discussion and resolution on the remuneration of the members of the Board of Directors;
11. Discussion and resolution on the proposal of the Board of Directors regarding the appointment of the Independent Audit Company for the audit of the Annual Report of the Board of Directors for the 2025 Financial Year, in accordance with the Turkish Commercial Code and the Capital Markets Law;
12. Discussion and resolution on the proposal of the Board of Directors regarding the appointment of the Independent Audit Company for the audit of the Company's accounts and transactions for 2026, pursuant to the Turkish Commercial Code and the Capital Markets Law;
13. Discussion and resolution on the proposal of the Board of Directors regarding the appointment of the Independent Audit Company for the assurance of the Sustainability Reports for the 2024 and 2025 Financial Years, prepared in compliance with the Türkiye Sustainability Reporting Standards;
14. Discussion and resolution on the proposal of the Board of Directors regarding the appointment of the Independent Audit Company for the Sustainability Report for the 2026 Financial Year, prepared in compliance with the Türkiye Sustainability Reporting Standards;
15. Providing information on donations and contributions made during the 2025 Financial Year and discussion and resolution on the donation limit for the January 1, 2026 – December 31, 2026 Financial Year;
16. Providing information to the shareholders regarding the fact that, pursuant to the resolution of the Company's Board of Directors dated April 17, 2025, concerning the granting of the right to use the raw material licenses required for cement production owned by the Company to Batısöke Söke Çimento Sanayii T.A.Ş. ("Batısöke"), the performance by Batısöke of the activities currently carried out by the Company in such sites, and the continuation of the Company's participation in cement and clinker production activities through its subsidiary as of the relevant lease date, the amendment of Article 2 of the Company's Articles of Association titled "Trade Name of the Company" in the form attached hereto was deemed a material transaction by the Capital Markets Board ("SPK") pursuant to its resolution dated December 18, 2025 and numbered 65/2331, within the scope of Articles 23 and 29 of the Capital Markets Law and Article 4, paragraph 3 of the SPK's Communiqué No. II-23.3 on Material Transactions and Exit Rights (the "Communiqué"), and that shareholders who held shares in the Company as of April 17, 2025, the date on which the Board of Directors' resolution was publicly disclosed, and who attend the General Meeting and vote against the relevant agenda item by having their dissenting opinion recorded in the minutes, shall be entitled to exercise their exit right;

17. Providing information to the shareholders that, within the framework of the Capital Markets Board's ("SPK") resolution dated December 18, 2025 and numbered 65/2331, in the event that the Exit Right is exercised pursuant to Article 14, paragraph 1 of the Communiqué, the Company will purchase the shares at a price of TRY 4.38 per share, and that details regarding the exercise of the Exit Right are set out in the Information Document;

18. Discussion and resolution on the amendment of Article 2 of the Company's Articles of Association titled "Trade Name of the Company" in the form attached hereto, subject to obtaining the approvals of the Capital Markets Board and the Ministry of Trade of the Republic of Türkiye;

19. Providing information to the shareholders regarding the Share Buyback Program;

20. Discussion and resolution on granting permission to shareholders holding management control, members of the Board of Directors, senior executives, and their spouses and relatives by blood or marriage up to the second degree, pursuant to Articles 395 and 396 of the Turkish Commercial Code, and providing information to the shareholders regarding the transactions carried out within this scope during 2025 in accordance with Principle 1.3.6 of the Corporate Governance Communiqué of the Capital Markets Board;

21. Providing information to the shareholders regarding the amendment to the Company's Remuneration Policy;

22. Providing information to the shareholders regarding transactions with Related Parties conducted during the 2025 Financial Year within the scope of the regulations of the Capital Markets Board;

23. Providing information to the General Assembly regarding the guarantees, pledges, mortgages and sureties granted by the Company in favor of third parties during the 2025 Financial Year, and any income or benefits derived therefrom, within the framework of the regulations of the Capital Markets Board;

24. Closing.

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

To The General Assembly Of
BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ A.Ş.

1. Qualified Opinion

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

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

2. Basis for Qualified Opinion

The Group's complete set of consolidated financial statements for the Financial Year from January 1, 2025 to December 31, 2025 was audited by another independent audit company, which expressed a qualified opinion in its independent auditor's report dated February 20, 2026.

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

Since the complete set of consolidated financial statements for the relevant period was audited by another independent audit company and a qualified opinion was expressed in the independent auditor's report dated February 20, 2026, we were unable to perform direct audit procedures regarding the matters forming the basis for that opinion or to obtain sufficient appropriate audit evidence thereon.

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

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

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

We have not expressed an opinion on the complete set of consolidated financial statements. However, in the independent auditor's report on the complete set of consolidated financial statements dated February 20, 2026 issued by the previous independent audit company, a qualified opinion was expressed due to the inability to determine the recoverable amount of the concession-related intangible assets owned by Batıçim Enerji Elektrik Üretim A.Ş., one of the Group's subsidiaries, and consequently, the inability to determine the effects of this matter on the financial statements.

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

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

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

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

c) The annual report also includes the following matters:
- Significant events of particular importance that occurred within the Group after the end of the Financial Year;
- The Group's research and development (R&D) activities;
- Financial benefits paid to board members and senior executives, including wages, bonuses, premiums, allowances, travel, accommodationand representation expenses, in-kind and cash benefits, insurance, and similar guarantees.

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

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

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

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

April 7, 2026, Ankara
ALİ OSMAN EFLATUN
Responsible Auditor

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

BATIÇİM

03

INFORMATION REQUIRED BY THE CAPITAL MARKETS BOARD

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

INFORMATION REQUIRED BY THE CAPITAL MARKETS BOARD

1. GENERAL INFORMATION

1.1. Reporting Period

January 1, 2025 – December 31, 2025

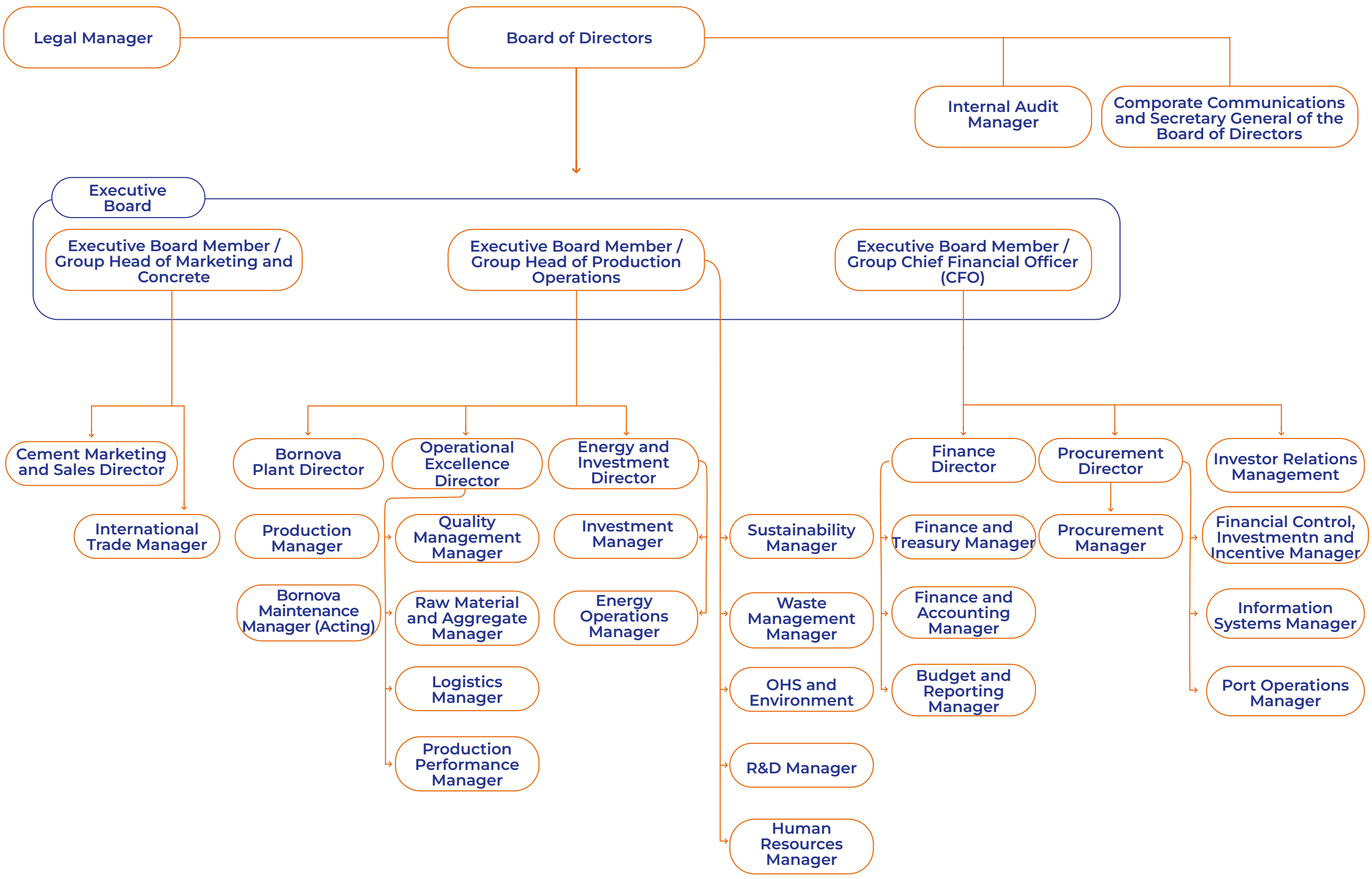
1.2. Company Profile

Trade Name : Batıçim Batı Anadolu Çimento Sanayii A.Ş.
Trade Registry Number : 9465 K-282 (Mersis No: 0150000304600010)

Contact Information
Headquarters, Plant : Ankara Caddesi No: 335 Bornova - İzmir
Phone : 0 232 478 44 00
Fax : 0 232 478 44 44
E-Mail : info@baticim.com.tr
Website : www.baticim.com.tr

2. Company's Organizational Structure

BATIÇİM ORGANIZATIONAL CHART



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3. Shareholding Structure, Capital Distribution and Privileged Shares

The Company is subject to the registered capital system. As of December 31, 2025, the Company's registered capital ceiling was TRY 10,000,000,000, divided into 1,000,000,000,000 shares, each with a nominal value of KR 0.01.

Shares of the Company with a total nominal value of TRY 48,000.00 are classified as Class A bearer shares. The remaining shares consist of Class B bearer shares. Each Company share has a nominal value of TRY 0.01. The Company's issued capital consists of 558,000,000,000 shares, each with a nominal value of 1 kuruş, totaling TRY 5,580,000,000.

The Company's share capital consists of Class A and Class B shares. All of the Company's shares are bearer shares.

The Company's shareholding structure as of December 31, 2025, and December 31, 2024, is presented below.

Shareholding Structure	December 31, 2025		December 31, 2024	
	Ownership Percentage (%) Percentage (%)	Nominal Value (TL)	Ownership Percentage (%)	Nominal Value (TL)
Çiftay İnşaat Taahhüt ve Tic. A.Ş.	38,07	2.124.516.285,4	39,72	71.502.868,14
KTLP Limited	7,35	410.329.723,45	5,7	10.266.357,95
İstanbul Portföy Yönetimi A.Ş. Pre-Ipo (Venture Capital Investment Fund)			11,96	21.534.239,93
İstanbul Portföy İkinci Serbest Fon (Second Hedge Fund)			6,75	12.141.297
Other	54,58	3.045.153.991,15	35,87	64.555.236,98
Total	**100**	**5.580.000.000**	**100**	**180.000.000**

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

• All members of the Board of Directors are elected from among the candidates proposed by the majority of Class A bearer shareholders.

• Each Class A share entitles its holder to 15 (fifteen) votes at the General Meetings.

• Provided that the first dividend is preserved, 10% of the net profit shall be distributed to the holders of Class A shares in proportion to their shareholdings.

• For the amendment of Articles 7 (excluding the first paragraph that defines the number of members of the Board of Directors), 8, 9, 10, 15, 18, 19, 24, 25, and 27 of the Articles of Association, the decision to dissolve the Company, the increase of the Company's capital by issuing more Class A bearer shares or new Class A registered shares than stated in Article 6 of the Articles of Association, the change in types, classes, or quantities of Class A bearer shares, and the conversion of issued or future Class B bearer or registered shares, or any other class of registered or bearer shares into Class A shares, or the exchange of Class A registered or bearer shares, it is required that the affirmative vote of at least 3/4 (three-fourths) of the Class A bearer shareholders be obtained for the decisions made at the General Meeting.

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

Class	Register/ Bearer	Nominal Value of Each Share (TL)	Total Nominal Value (TL)	Proportion to Capital (%)	Type of Privilege	Publicly Traded? (Yes/No)
A	Bearer	0,01	48.000,00	0,001	Privileges in the election of members to the Board of Directors, voting rights, and dividends	No, not publicly traded.

3.2. Information on the Board of Directors, Senior Management, and Personnel Count

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

BOARD OF DIRECTORS FOR THE YEAR 2025*				Meeting Attendance Rate**
Yönetim Kurulu	Role	Start Date of Duty	End Date of Duty	
Sabit AYDIN	Chair of the Board of Directors	August 17, 2021		100%
Gülant CANDAŞ	Vice Chair of the Board of Directors	August 17, 2021	November 11, 2025	100%
Coşkun KILIÇ	Vice Chair of the Board of Directors (As of November 24, 2025)	December 18, 2024		100%
Ömer Çağdaş SELVİ	Executive Member of the Board of Directors	August 17, 2021		100%
Mehmet Gökalp ÖZKÖK	Member of the Board of Directors	November 24, 2025		100%
Erdoğan GÖĞEN	Member of the Board of Directors	August 17, 2021	June 13, 2025	100%
Ufuk Bala YÜCEL	Independent Member of the Board of Directors	February 6, 2022		100%
Mehmet ŞAHNE	Independent Member of the Board of Directors	July 2, 2024		100%
Enis Turan ERDOĞAN	Independent Member of the Board of Directors	September 27, 2024		100%

*You can access the Board of Directors Competency Matrix on page 52.
**The Company held 47 Board of Directors meetings during 2025 and adopted a total of 47 resolutions at these meetings.

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

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

3.3. Changes in the Board of Directors During the Period

The Company accepted the request of Mr. Gülant Candaş, Vice Chair of the Board of Directors, to resign from his position on the Board of Directors, as submitted in his resignation letter dated November 11, 2025.

Pursuant to the resolution of the Board of Directors dated November 24, 2025, it was resolved to appoint Mr. Coşkun Kılıç, who was serving as a member of the Board of Directors, as Vice Chair of the Board of Directors, and to appoint Mr. Mehmet Gökalp Özkök as a member of the Board of Directors to serve until the first General Assembly meeting.

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

During the period, with respect to the duties and authorities of the members of the Board of Directors, Mr. Coşkun Kılıç, who was serving as a member of the Board of Directors, was appointed as Vice Chair of the Board of Directors pursuant to the resolution of the Board of Directors dated November 24, 2025.

The Chair and Members of the Board of Directors are vested with the duties and authorities set forth in the relevant provisions of the Turkish Commercial Code and the Company's Articles of Association.

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

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

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

The Board of Directors held a total of 47 meetings during the period from January 1, 2025 to December 31, 2025. Members of the Board of Directors regularly attended the meetings. The attendance rates of the members of the Board of Directors at meetings are presented under Section 3.2 of the Annual Report.

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

During the period from January 1, 2025 to December 31, 2025, the Audit Committee met 4 times, the Corporate Governance Committee met 3 times, and the Early Detection of Risk Committee met 6 times. Members of the Board of Directors regularly attended the meetings. The working guidelines for the committees are available on the website: **www.baticim.com.tr**

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

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

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

3.8. Senior Management

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

As of December 31, 2025, the total number of personnel in our Company is 405 (December 31, 2024: 394 employees). The total number of personnel in the Group is 1,013 (December 31, 2024: 1,020 employees).

3.8.1. Changes in Senior Management During the Period

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

4. Legal Disclosures

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

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

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

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

- In the first year of the Agreement, the basic hourly wages received as of December 31, 2025 by employees who were employed at the workplace as of January 1, 2026 and whose employment contracts remained in effect on the date of execution of the Collective Labor Agreement shall be increased by 35%, effective January 1, 2026; and

- In the second year of the Agreement, the basic hourly wages received as of December 31, 2026 by employees who are employed at the workplace on January 1, 2027 and whose employment contracts remain in effect shall be increased by the CPI rateplus 3 percentage points.

- During the term of the Agreement (January 1, 2026 – December 31, 2027), if the minimum wage is increased during the year in addition to the minimum wage adjustment made in January, a lump-sum increase equal to the amount of such increase in the minimum wage (in Turkish Lira) shall be applied to the wages of employees covered by the Collective Labor Agreement.

In addition, as a social benefit provided to employees, a gross amount of TRY 7,200 shall be paid monthly during the first year of the Agreement. In the second year, this amount shall be increased by the CPI rate plus 3 percentage points and paid on a monthly basis.

4.2. Corporate Governance Principles Compliance Report

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

The 'Corporate Governance Rating Report' for our Company has been completed by SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş., which is authorized by the Capital Markets Board to conduct Corporate Governance Principles Compliance Ratings. Our previous Corporate Governance Rating score of 88.58 (8.86 out of 10), which was announced on July 26, 2024, was revised to 89.02 (8.90 out of 10) as of July 23, 2025.

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

4.3. Amendments to the Company's Articles of Association

The amendment text of Article 6 of the Company's Articles of Association, titled "Share Capital of the Company", relating to the increase of the Company's issued share capital from TRY 180,000,000 (one hundred eighty million) to TRY 5,580,000,000 (five billion five hundred eighty million) through a 3,000% bonus capital increase funded from internal resources, which was approved by the Capital Markets Board, was registered by the İzmir Trade Registry Directorate on February 14, 2025, and announced in the Turkish Trade Registry Gazette dated February 14, 2025 and numbered 11272.

The increase of the Company's registered capital ceiling from TRY 800,000,000 (eight hundred million) to TRY 10,000,000,000 (ten billion), effective for the period 2025–2029, and the corresponding amendment to Article 6 of the Articles of Association titled "Share Capital of the Company" were registered by the İzmir Trade Registry Directorate on June 24, 2025. This matter was announced in the Turkish Trade Registry Gazette dated June 24, 2025 and numbered 11357.

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

Total benefits provided to members of the board of directors and senior executives amounted to TRY 38,617,000 as of December 31, 2025. (December 31, 2024: TRY 27,629,000).

4.5. Research and Development Activities

The Company did not incur any research and development expenses during the period from January 1, 2025 to December 31, 2025.

4.6. Litigation and Legal Expenses

Within the scope of the legal proceedings conducted by the Company, total legal expenses amounted to approximately TRY 33.1 million. This amount comprised litigation and court expenses, court fees, and attorneys' fees paid to lawyers, consultants, and counsel representing opposing parties in connection with the relevant cases. This amount does not include compensation payments related to legal proceedings or payments made pursuant to settlement agreements.

The aforementioned matters primarily consist of routine disputes and are closely monitored by the Company. As a matter of prudence, aprovision of approximately TRY 11.3 million has been recognized.

5. Activities and Material Developments Related to the Activities

5.1. Investing Activities

No material investments were made by the Company during the period from January 1, 2025 to December 31, 2025.

5.2. Internal Control System and Internal Audit Activities

RISK MANAGEMENT

Risk management activities at Batıçim Batı Anadolu Çimento Sanayii A.Ş. are structured in line with corporate governance principles and are regarded as one of the key management tools supporting the sustainability of the Company's operations and the maintenance of its financial and operational stability. To ensure the effective management of risks across the Group, the Three Lines of Defense model, aligned with international best practices, is adopted and risk management processes are carried out within the framework of this model.

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

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

Operational and Process Risks

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

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

Financial Risks

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

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

Strategic Risks

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

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

Compliance Risks

Due to the highly regulated nature of the industry in which the Company operates, regulatory compliance constitutes a key area of risk management. Within this framework, environmental legislation, occupational health and safety regulations, and other legal requirements are closely monitored, and appropriate compliance measures are implemented.

Relevant policies and procedures are implemented to fulfill environmental obligations, effectively manage occupational health and safety practices, and ensure compliance with industry regulations, while compliance processes are reviewed on a regular basis.

Climate and Environmental Risks

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

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

Assessment of Climate-Related Risks and Opportunities

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

The outcomes of the workshop were reviewed at the Sustainability Committee meeting held on December 12, 2025 and subsequently referred to the agenda of the Early Detection of Risks Committee to ensure that climate-related risks and opportunities are addressed within the framework of the Company's enterprise risk management approach.

In its assessments, the Early Detection of Risks Committee emphasized that climate-related risks should be monitored within the Company's risk inventory and that identified opportunities should be integrated into the Company's strategic planning processes.

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

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

6. Risks and the Board of Directors' Assessment

6.1. Risk Management Policy

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

6.2. Early Detection of Risks Committee

The Company established the committee on March 22, 2013, and it consists of 2 members. The Committee convened six times during the periodfrom January 1, 2025 to December 31, 2025 and submitted its reports to the Board of Directors.

7. Subsidiaries, Direct Interests in Financial Assets

Trade Name	Principal Activity	Place of Incorporation and Operation	Sermayedeki Pay Oranı (%)	
			December 31, 2025	December 31, 2024
Batısöke Söke Çimento Sanayii T.A.Ş.	Clinker and Cement Production and Sales	Aydın, Türkiye	74,62	74,62
Batıçim Enerji Elektrik Üretim A.Ş.	Electricity Generation and Sales	Aydın, Türkiye	100,00	100,00
Batıbeton Sanayi A.Ş.	Ready-mixed Concrete Production and Sales	İzmir, Türkiye	100,00	100,00
Batıliman Liman İşletmeleri A.Ş.	Port Operations and Management	İzmir, Türkiye	90,00	90,00
Ege İş Madencilik Sanayi ve Ticaret A.Ş.	Purchase and Sale of Construction Materials	İzmir, Türkiye	100,00	-

7.1. Report on Relations with Affiliated Companies

REPORT ON RELATIONS WITH AFFILIATED COMPANIES PREPARED PURSUANT TO ARTICLE 199 OF THE TURKISH COMMERCIAL CODE

The Report on Relations with our Controlling Shareholders, prepared pursuant to Article 199 of the Turkish Commercial Code, was approved by the Board of Directors at its meeting held on April 7, 2026. The conclusion section of the report reads as follows: Pursuant to Article 199 of the Turkish Commercial Code No. 6102, which entered into force on July 1, 2012, the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş. is required to prepare a report on the Company's relations with its controlling shareholders and companies affiliated with its controlling shareholders during the relevant financial year and the preceding financial year, and to include the conclusion section of such report in the Annual Report.

The disclosures regarding transactions conducted by Batıçim Batı Anadolu Çimento Sanayii A.Ş. with related parties are presented in Note 7 to the financial statements. As the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş., we have concluded that, in all transactions carried out by the Company with its controlling shareholders and the subsidiaries of its controlling shareholders during 2025, appropriate consideration was received in each case based on the circumstances and conditions known to us at the time the transaction was entered into or the measure was taken, omitted or refrained from. We further concluded that no action taken or omitted was capable of causing loss to the Company and, accordingly, no transaction or measure requiring any offsetting action was identified.

8. Disclosures Regarding Special Audits and Public Audits

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

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

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

9. General Meetings

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

10. Donations Made and Social Responsibility Projects

The total amount of donations and contributions made by the Company during the period from January 1, 2025 to December 31, 2025 was TRY 6,054,000. Donations and contributions were made to foundations, associations, educational institutions, and other official entities.

11. Financial Position

11.1. Summary of Financial Statements

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

Summary Balance Sheet (Thousand of TL)	December 31, 2025	December 31, 2024
Current Assets	5.185.641	5.987.966
Fixed Assets	30.388.294	30.425.169
Total Assets	35.573.935	36.413.135
Short-term Liabilities	5.075.112	5.376.075
Long-term Liabilities	5.724.291	5.940.857
Equity	24.774.532	25.096.203
Total Liabilities and Equity	35.573.935	36.413.135

Summary Income Statement (Thousand of TL)	December 31, 2025	December 31, 2024
Revenue	14.289.483	17.592.197
Cost of sales	(12.849.997)	(15.504.828)
Gross Profit (Loss)	1.439.486	2.087.369
Operating Profit (Loss)	(88.634)	737.356
Profit (Loss) Before Tax from Continuing Operations	(397.053)	452.279
Profit (Loss) for the Period from Continuing Operations	(210.757)	168.503
Other Comprehensive Income (Expense)	(74.697)	1.363.801
Total Comprehensive Income (Expense)	(285.454)	1.532.304

12. Profit Distribution Policy

The Company's profit distribution policy is based on the provisions of the Turkish Commercial Code, the Capital Markets Legislation and the Articles of Association. Subject to the absence of extraordinary adverse economic conditions in domestic and international markets, significant cash requirements arising from major investments, and taking into account the Company's financial position, profitability and cash flow, the distributable profit calculated in accordance with the Capital Markets Regulations and other applicable legislation is reviewed annually, and dividend distribution is determined in line with the following principles:

In the event that a dividend distribution is resolved, dividends shall, as a matter of principle, be distributed to shareholders in cash and/or in the form of bonus shares at a rate of not less than 5%.

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

Dividends may be paid in installments, either in equal or varying amounts, provided that this is resolved during the general meeting in which the distribution is decided. The number of installments shall be determined by the General Assembly or, if expressly authorized by the General Assembly, by the Board of Directors.

Our Company does not have any practice regarding advance dividend distribution.

13. Information on the Sector in Which the Company Operates

According to data published by the Turkish Cement Manufacturers' Association, as of the end of December 2025, cement production in Türkiye increased by 10.46% compared to the same period of the previous year, while domestic cement sales and cement exports increased by 9.66% and 15.49%, respectively. During the same period, clinker production increased by 6.71%, while domestic clinker sales and clinker exports increased by 12.98% and 32.93%, respectively.
In the Aegean Region, where the Company maintains a strong market position, cement production increased by 2.16% as of the end of December 2025 compared to the same period of the previous year, while domestic cement sales decreased by 2.58% and cement exports increased by 32.70%. During the same period, clinker production increased by 6.98%, while domestic clinker sales and clinker exports increased by 18.09% and 37.77%, respectively.

14. Company Activities

Based on Batıçim's standalone data, clinker export volumes increased by 202.16% in 2025 compared to the same period of the previous year. During the same period, cement sales and cement export volumes increased by 1.5% and 16.50%, respectively. As a result of these developments, total cement sales volume decreased by 1.53% compared to the same period of the previous year.

14.1. Subsidiaries

Batısöke Söke Çimento Sanayii T. A.Ş.

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

Batıbeton Sanayi A.Ş.

While sales volumes in the ready-mixed concrete operations declined, revenues increased by 0.6% as a result of pricing policies..

Batıliman Liman İşletmeleri A.Ş.

Compared to the same period of the previous year, total cargo throughput increased by 6.62%, while handling revenue rose by approximately 60%.

Batıçim Enerji Elektrik Üretim A.Ş.

As of the end of 2025, the Company's electricity sales to end consumers decreased by 90.56% compared to the same period of the previous year, following a strategic decision taken in 2025 to focus exclusively on serving group companies within the Batı Anadolu Group.

Batıçim Enerji Toptan Satış A.Ş.

The Company did not generate electricity in 2025. The primary reason for this was insufficient rainfall during the period and the resulting drought, which prevented the formation of the conditions necessary for hydroelectric power generation.

15. Sustainability Initiatives

The Company continues its sustainability initiatives in line with its low-carbon production, resource efficiency and circular economy approach. Within this framework, the alternative fuel substitution rate increased from 0.9% in 2023 to 14.5% in 2025, representing an approximately sixteen-fold increase. Through waste heat recovery facilities that convert waste heat generated during production processes into energy, 15.6% of the Company's total electricity consumption in 2025 was met through recovered energy. During the same period, the share of sustainable products reached 47% of total sales and 72% of domestic sales. At Batısöke, sustainable products accounted for 56.3% of total sales and 73% of domestic sales. Within the scope of alternative raw material utilization and industrial symbiosis practices, the alternative raw material substitution rate reached 7.4%. Furthermore, thanks to the integrated structure established between the cement plants and ready-mixed concrete facilities, approximately 340 thousand tons of waste have been reintroduced into production processes over the last three years. Additionally, 99.8% of operational waste was recovered, reinforcing the Company's commitment to resource efficiency and the circular economy. To support the sustainability transformation of the supply chain, sustainability-related training was provided to 97% of permanent subcontractors and 100% of employees. In addition, 93% of approved suppliers were transitioned to a digital platform, enhancing transparency and traceability across the supply chain.

The Company continues to implement strategic investments and corporate governance practices to enhance its sustainability performance. Within this framework, investments have been initiated at Batısöke for a Refuse-Derived Fuel (RDF) preparation and feeding facility, as well as an additional 4 MW Waste Heat Recovery (WHR) power generation plant aimed at strengthening the existing recovery infrastructure. These facilities are planned to be commissioned in 2026. In 2025, the Company was included in CDP for the first time and demonstrated its commitment to improving climate performance across the value chain by achieving a "B" score in the Climate Change and Water Security programs and an "A-" score in the Supplier Engagement Assessment. In the Borsa Istanbul Sustainability Index evaluations, the Company ranked among the top 12 out of 135 companies in its sector, placing it in the top 9%, while Batısöke ranked 6th, placing it in the top 4%. Additionally, by joining the United Nations Global Compact (UN Global Compact) in 2025, the Company further strengthened its commitment to upholding globally recognized principles in the areas of human rights, labour standards, environmental protection and anti-corruption.

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

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

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

The Company's 2025 TSRS-Compliant Sustainability Report has been prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS), pursuant to the regulations of the Public Oversight, Accounting and Auditing Standards Authority of the Republic of Türkiye (KGK), and has undergone mandatory sustainability assurance. The report can be accessed via the following link: **www.batianadolu.com/upload/pdf/baticim-tsrs_25.pdf**

16. Other Matters

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

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

16.2. Information for Stakeholders

Group companies Batıçim, Batısöke and Batıbeton have entered into an agreement with Euler Hermes to obtain trade receivables insurance as part of their commercial receivables risk management strategy. The policy will become effective on January 1, 2026, following the completion of all required signatures.

Batıçim and Batısöke currently maintain export credit insurance policies with Türk Eximbank. In addition, an agreement has been reached for Batıçim, Batısöke and Batıbeton to participate in the Türk Eximbank Domestic Receivables Insurance Program in order to insure commercial receivables risks arising from their domestic credit sales. The policies will become effective upon completion of all required signatures.

All shares in ASH Plus, a subsidiary of the Group, previously held by Batıçim have been acquired by Batısöke. Pursuant to the Board of Directors' resolution dated January 27, 2026, the company's trade name was changed to Ecowest Atık Yönetim A.Ş., and the change was registered with the trade registry on February 3, 2026.

On January 22, 2026, Batıçim Batı Anadolu Çimento Sanayi A.Ş. applied to the Capital Markets Board (SPK) for the conversion of its shares with a nominal value of TRY 352,000,000 held in the capital of its subsidiary, Batısöke Söke Çimento Sanayii T.A.Ş., into a publicly tradable status in order to facilitate potential sales. Subject to the approval of the application, it is planned that the proceeds to be generated from any limited and gradual sales may be used to finance the Company's financial obligations and renewable energy investments.

In its letter dated December 22, 2025 and numbered E-29833736-110.03.03-83106, the Capital Markets Board (SPK) notified the Company that the proposed amendment to Article 2 of the Articles of Association, titled “Trade Name of the Company”, should be regarded as a material transaction and that shareholders would be entitled to an appraisal right at a price of TRY 4.38 per share. The Company will ensure that the procedures relating to the appraisal right are carried out in compliance with the applicable legislation, and the proposed amendment to the Articles of Association will be submitted for the information of shareholders at the first General Assembly meeting.

The Environmental Impact Assessment (EIA) process for the Company’s planned Clinker Grinding and Packing Plant investment in Aliağa, İzmir, with a total annual capacity of 3.5 million tonnes, has been successfully completed, and the affirmative decision was officially notified to the Company through document no. 14229630 dated December 3, 2025. The investment will be implemented in two phases, with the first phase having an annual capacity of 1.75 million tonnes. The plant’s proximity to the port is expected to reduce logistics costs and support export operations.

Pursuant to the Capital Markets Board’s Principle Decision dated March 19, 2025 and numbered 16/531, the Company’s Board of Directors resolved to initiate a Share Buyback Program, allocate funds of up to TRY 150,000,000 for this purpose, and submit the program for the information of shareholders at the first General Assembly meeting.

Pursuant to the authority granted under Article 6 of its Articles of Association, the Group’s subsidiary Batısöke applied to the Capital Markets Board (SPK) on October 15, 2025 for the approval of the issuance certificate relating to the increase of its issued share capital of TRY 1,600,000,000, through a private placement against a previously contributed capital advance amounting to TRY 2,099,978,521.48, with the pre-emptive rights of shareholders other than Batıçim being restricted.

The proposed amendment to increase the registered capital ceiling of the Group’s subsidiary Batısöke from TRY 2,000,000,000 to TRY 38,000,000,000 for the period 2025–2030 has been approved by the Capital Markets Board (SPK) and the Ministry of Trade of the Republic of Türkiye. The amendment will be submitted for shareholders’ approval at the first General Assembly meeting to be held during the year and will become effective upon registration.

The Company’s shares are traded on the Star Market of Borsa Istanbul (BIST) under the ticker symbol BTCIM. Information on the shares is published in the business sections of daily newspapers and on the websites of investing companies. The Company’s annual reports and other information can be obtained from the Company’s website at **www.baticim.com.tr**

04

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

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

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

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

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

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

SECTION I - SHAREHOLDERS

2. Shareholder Relations Department:

Shareholder Relations Unit			
Meriç ONARGAN	Phone: 232 478 44 00	mericonargan@baticim.com.tr	Department Manager
Emir VURAL	Phone: 232 478 44 00	emirvural@baticim.com.tr	Department Member

Verbal or written inquiries have been responded to. Activities

Conducted by the Department:

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

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

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

4. During the reporting period, the Ordinary General Meeting was held on June 18, 2025, with shareholders representing 43.17% of the share capital in attendance. An announcement was published in the Turkish Trade Registry Gazette within the legal timeframe. In addition, written notification was made to the shareholder for registered shares. In addition, meeting invitations were announced on the Public Disclosure Platform (PDP), and information was also provided on the Company's website.

Prior to the General Meetings, financial statements and all other information and documents related to the relevant topics were disclosed on the Public Disclosure Platform (PDP) and made available for shareholders' review at the Company headquarters and on the Company's website. Some shareholders exercised their right to ask questions at the General Meetings, and these questions were answered.

The minutes of our General Meetings are available on the Company's website. No agenda

proposals were submitted by the shareholders.

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

5. According to Article 19 of the Company's Articles of Association, each Class A privileged share grants its owner 15 voting rights, while each Class B share grants its owner 1 voting right.

Our Group companies involved in cross-shareholding did not attend the General Meeting. Minority shares are not represented in the management.

6. Profit distribution is carried out in accordance with Article 24 of the Company's Articles of Association and in compliance with the Capital Markets Board regulations.

Pursuant to Article 24(c) of the Articles of Association, 10% of the net profit is distributed to the holders of Class A privileged shares, subject to the payment of the first dividend.

Profit distribution is always carried out within the legal timeframes.

Our profit distribution policy is included in the annual report.

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

SECTION II - PUBLIC DISCLOSURE AND TRANSPARENCY

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

Individuals responsible for the disclosure policy

Individuals Responsible for the Disclosure Policy	
Meriç ONARGAN	Investor Relations Manager
Emir VURAL	Head of Budget and Reporting

8. The Corporate Governance Principles Compliance Report is available on the Company's website. Our Company's website address is **www.baticim.com.tr**

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

SECTION III - STAKEHOLDERS

10. Stakeholders are informed about matters concerning the Company that are of interest to them through General Meetings, the web page and the Public Disclosure Platform (PDP).

Stakeholders can notify the necessary contact persons within the Company through the contact form available on our website.

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

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

Finding the right people, placing them in the right job, and ensuring the continuity of a productive workforce without discrimination based on religion, language, race, or gender, in line with the goals and strategies of our Group companies,

Creating a fair and happy working environment for our employees and implementing an accurate career planning along with their personal and professional development,

Creating an employee family that is hardworking, honest, and has a developed sense of belonging in accordance with our corporate culture and values,

Following all developments related to Human Resources and implementing all innovations in line with the goals and policies of our Groupcompanies,

To uphold the principles of fairness, transparency, objectivity and accountability across all human resources systems and practices, while fostering a human resources structure that demonstrates responsibility toward the environment and society.

13. The Code of Ethics can be found on the website.

14. The Code of Ethics can be found on the website.

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

16. The members of the Board of Directors were elected for a three-year term ending on July 2, 2027.

The independent members of the Board of Directors were also elected for a three-year term ending on July 2, 2027.

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

Board of Directors	Role	Independent Member of the Board of Directors? (Yes/No)
Sabit AYDIN	Chair of the Board of Directors	No, not an Independent Member
Gülant CANDAŞ	Vice Chair of the Board of Directors (Until November 11, 2025)	No, not an Independent Member
Coşkun KILIÇ	Vice Chair of the Board of Directors (As of November 24, 2025)	No, not an Independent Member
Ömer Çağdaş SELVİ	Executive Member of the Board of Directors	No, not an Independent Member
Mehmet Gökalp ÖZKÖK	Member of the Board of Directors (As of November 24, 2025)	No, not an Independent Member
Ufuk Bala YÜCEL	Independent Member of the Board of Directors	Independent Member
Mehmet ŞAHNE	Independent Member of the Board of Directors	Independent Member
Enis Turan ERDOĞAN	Independent Member of the Board of Directors	Independent Member

First Name and Last Name	Title	Biography	Positions Held Within the Group
Sabit AYDIN	Chair of the Board of Directors	Sabit Aydın was born in Ankara in 1974. After completing his education in 1994, he held various senior executive positions at his family-owned company, Çiftay İnşaat Taahhüt ve Ticaret A.Ş. Since 2007, he has served as Chair of the Board of Directors of Z A Hazır Beton İnşaat Sanayi ve Ticaret A.Ş. and Z A Madencilik Sanayi ve Ticaret A.Ş.	Within the Batı Anadolu Group of Companies, he currently serves as Chair of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş., Batısöke Söke Çimento Sanayii T.A.Ş., Batıliman Liman İşletmeleri A.Ş., Batıenerji Elektrik Üretim A.Ş., Batıbeton Sanayi A.Ş., and Batıçim Enerji Toptan Satış A.Ş.
Coşkun KILIÇ	Vice Chair of the Board of Directors	Coşkun Kılıç served as the Chair of the Board of Directors and a Member of the Board of Directors at SunExpress between 2012 and 2015. He served as CFO (Chief Financial Officer) at Türk Havayolları A.O. (THY) between 2006 and 2016. He was a founding shareholder of THY-OPET, a jet fuel supplier, and served as a Member of its Board of Directors. He also served as a Member of the Board of Directors of THY Teknik A.Ş., a technical maintenance company. Before joining THY, he served as Deputy General Manager and Member of the Board of Directors of the Pension Fund of the Republic of Türkiye from 2004 to 2006. He began his professional career at the Board of Account Experts of the Ministry of Finance, where he served as Chief Account Expert from 1992 to 2002. Between 2017 and 2024, he served as an Executive Board Member of Erciyas Holding, while concurrently serving as a Member of the Board of Directors of Özbal Çelik Boru, Bimaş Bisiklet and Erciyas Vagon A.Ş. Kılıç is an active entrepreneur and a founding shareholder of Eduka Botanik Peyzaj Mimarlık A.Ş. and Bioakva Ltd. Şti. He is also a Sworn-in Certified Public Accountant and an Independent Auditor.	Within the Batı Anadolu Group of Companies, he has been serving as Vice Chair of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş.since November 24, 2025.

First Name and Last Name	Title	Biography	Positions Held Within the Group
Ömer Çağdaş SELVİ	Executive Member of the Board of Directors	He was born in Akdağmadeni, Yozgat, in 1977. He graduated from Istanbul University Faculty of Law in 2001. He worked at Doğan Holding from 2001 to 2003, Garanti Bankası from 2003 to 2005, Aksu Savaş Çalışkan Law Firm from 2006 to 2013, Bilgiç Law Firm from 2013 to 2016, and Selvi Ertekin Law Firm from 2016 to 2022. Since 2022, he has been practicing at Selvi Law Partnership and has extensive experience in project finance, acquisition finance, banking law, capital markets, derivatives, and mergers and acquisitions. He has advised on the financing of numerous energy and infrastructure projects and acquisition finance transactions, representing leading financial institutions and investors.	Within the Batı Anadolu Group of Companies, he serves as a Member of the Board of Directors of · Batısöke Söke Çimento Sanayii T.A.Ş., · Batıçim Enerji Elektrik Üretimi A.Ş., · Batıçim Enerji Toptan Satış A.Ş., · Batıbeton Sanayi A.Ş., · Batıliman Liman İşletmeleri A.Ş., and · Ash Plus Yapı Malzemeleri San. Tic. A.Ş.
Mehmet Gökalp ÖZKÖK	Member of the Board of Directors	He was born in Adana in 1975. He completed his secondary and high school education at TED Ankara College and holds degrees in Commerce and Management from Bilkent University and in Public Administration from Anadolu University's Open Education Faculty. He began his career in 1997 as a Protocol Officer at the General Directorate of BOTAŞ and, until 2009, held administrative positions within various international project teams at BOTAŞ, most notably the Baku–Tbilisi–Ceyhan Crude Oil Pipeline Project. He joined İZGAZ İzmit Gaz Dağıtım A.Ş., an ENGIE subsidiary, as Deputy General Manager in 2009 and served as General Manager between October 2015 and August 2020. During the same period, within the ENGIE Türkiye organization, he held the positions of Group Head of Human Resources, Group Head of Information Technologies, and Group Head of Regulatory and Stakeholder Relations. He also served as Chief Executive Officer and Country Manager from February 2019 to August 2020. During his tenure, he served on the Boards of Directors of İZGAZ İzmit Gaz Dağıtım A.Ş., Baymina Enerji A.Ş., Uni-Mar Enerji Yatırımları A.Ş., the Turkish Natural Gas Distributors Association (GAZBİR), and Batı Anadolu Çimento Sanayi A.Ş. (BATIÇİM). He joined Çiftay İnşaat Taahhüt ve Ticaret A.Ş. in August 2020 and has since been serving as General Manager.	He holds no other positions within the Batı Anadolu Group of Companies.
Ufuk Bala YÜCEL	Independent Member of the Board of Directors	Ufuk Bala Yücel holds a bachelor's degree from Boğaziçi University and a master's degree in Banking and Insurance from Marmara University. Yücel began her professional career at Uluslararası Endüstri ve Ticaret Bankası A.Ş. in 1987. He subsequently served as Corporate Banking Branch Manager at Yapı ve Kredi Bankası A.Ş. from 1987 to 1999 and at Finansbank A.Ş. from 1999 to 2000. She subsequently served as Manager of the Loans Department at Türkiye Sınai Kalkınma Bankası A.Ş. from 2001 to 2007 and as Assistant General Manager from 2008 to 2018. From 2019 to May 2022, she served as Deputy General Manager responsible for Loans and Legal Affairs at Türkiye Kalkınma ve Yatırım Bankası A.Ş. She served as a Member of the Board of Directors of various companies between 2006 and 2014 and as Chair of the Board of Directors of TSKB GYO A.Ş. between 2014 and 2018. She currently serves as a board member for various companies.	Within the Batı Anadolu Group of Companies, she serves as an Independent Member of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş.
Mehmet ŞAHNE	Independent Member of the Board of Directors	Mehmet Şahne was born in Ankara in 1967. In 1989, he graduated from the Police Academy. During the past decade, he served successively as Provincial Police Chief of Karaman, Mersin, and İzmir. He left his duty due to retirement.	Within the Batı Anadolu Group of Companies, she serves as an 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 1955 in Mersin. He graduated from the Department of Mechanical Engineering at Istanbul Technical University and completed a master's degree in Business Administration at Brunel University London in 1979. After returning to Türkiye, he held managerial positions at various private sector companies before joining Vestel in 1988. Having held various managerial positions at Vestel, Erdoğan served as Head of Foreign Trade and Executive Member of the Board of Directors until 2013. He served as CEO of the Vestel Group from January 2013 to September 2023. He served as President of TÜRKTRADE for two terms between 2002 and 2006 and became the first member elected to the Board of Directors of DIGITALEUROPE between 2010 and 2014.	Within the Batı Anadolu Group of Companies, she serves as an Independent Member of the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii A.Ş.

17. The agenda for Board meetings is prepared by the executive members of the Board of Directors. During the period, 47 Board meetings were held. The provisions of the Turkish Commercial Code are applicable for Board meetings and quorums. Members of the Board of Directors have the right to declare a dissenting vote and to record this in the minutes of the meeting. Each member of the Board of Directors has 1 vote in the meetings.

18. Audit Committee:

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

Corporate Governance Committee:

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

Early Detection of Risks Committee:

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

The Company also has an executive board in place.

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

Since the Remuneration Committee and the Nomination Committee have not been established within the Board of Directors, the Corporate Governance Committee has also taken on their responsibilities.

Compliance with the applicable provisions of the Communiqué published by the Capital Markets Board is ensured regarding the minimum meeting frequency criteria for the committees.

The Regulations and Procedures of the Audit Committee, Corporate Governance Committee, and Early Detection of Risk Committee are available on the Company's website.

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

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

21. The members of the Board of Directors receive a monthly remuneration.

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

Pursuant to the Capital Markets Board's Resolution No. 2/49 dated 10 January 2019, the Company's 2025 Corporate Governance Compliance Report and Corporate Governance Information Form are also publicly disclosed on the corporate website of the Public Disclosure Platform**(www.kap.gov.tr)'**The relevant documents may also be accessed through the Company Information Summary and Corporate Governance pages of the Public Disclosure Platform **(https://www.kap.org.tr/tr/sirket-bilgileri/ozet/877-baticim-bati-anadolu-cimento-sanayii-a-s)**.

Following the inclusion of the Sustainability Principles through the Communiqué on Amendments to the Corporate Governance Communiqué (II-17.1.a), published by the Capital Markets Board (CMB) on 2 October 2020, the Sustainability Compliance Report prepared in accordance with the formats prescribed by the CMB's Resolution No. 34/977 dated 23 June 2022 is included in the annual report and is also publicly disclosed on the Company's corporate website and (www.kap.gov.tr). The relevant report may also be accessed through the Company Information Summary page of the Public Disclosure Platform **(https://www.kap.org.tr/tr/sirket-bilgileri/ozet/877-baticim-bati-anadolu-cimento-sanayii-a-s).**

05

CORPORATE GOVERNANCE COMPLIANCE REPORT

Compliance disclosures regarding corporate governance practices

Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exempt	Not applicable	Disclosure
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2 - Up-to-date information and disclosures that may affect the exercise of shareholders' rights are made available to investors on the corporate website of the Company.	X					
1.2.RIGHT TO REQUEST INFORMATION AND REVIEW						
1.2.1-The Company management has refrained from taking any actions that make it difficult to conduct special audits.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The Company has ensured that the General Meeting agenda is clearly stated and that each proposal is given under a separate item.	X					
1.3.7 - Individuals with privileged access to Company information have informed the Board of Directors about the items to be added to the General Meeting agenda, providing details of transactions conducted on their behalf within the scope of the Company's activities.					X	There is no such item.
1.3.8 - The members of the Board of Directors, other related individuals, authorized persons who are responsible for preparing the financial statements and auditors were present at the general meeting..	X					
1.3.10-The amounts of all donations and contributions and the beneficiaries of such donations and contributions are included in a separate item on the agenda of the general meeting	X					
1.3.11 - The General Meeting was open to the public, includng stakeholders and media representatives, without the right to speak.	X					
1.4. VOTING RIGHTS						
1.4.1 - There are no restrictions or practices that hinder shareholders from exercising their voting rights.	X					
1.4.2-The Company does not have any shares with privileged voting rights.			X			TRY 48,000 of the Company's share capital consists of rivileged Class A bearer shares. Class A shares carry privileges with respect to the election of members of the Board of Directors, voting rights, and dividend distribution.
1.4.3 - The Company has not exercised its voting rights in the general meeting of any company with which it has crossshareholding relationship that also entails a controlling relationship.	X					
1.5. MINORITY RIGHTS						
1.5.1- The Company has exercised utmost diligence in facilitating the exercise of minority rights.	X					
1.5.2-Minority rights are also recognized for shareholders holding less than one-twentieth of the share capital, and the scope of these rights is extended by the Articles of Association.			X			The Company's Articles of Association do not contain any provisions on minority rights; therefore, the provisions of the Turkish Commercial Code, the Capital Markets Law, and other relevant regulations apply.
1.6. RIGHT TO DIVIDEND						
1.6.1 - The profit distribution policy approved by the General Assembly is publicly disclosed on the corporate website of the Company.	X					
1.6.2 - he profit distribution policy contains the minimum information necessary for shareholders to predict the procedures and principles of distributable profit and dividend distribution for future periods.	X					
1.6.3 - The reasons for not distributing dividends and the utilization of undistributed profit are stated in the relevant agenda item.	X					
1.6.4 - The Board of Directors has reviewed whether the profit distribution policy balances the interests of shareholders with those of the Company.	X					

Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exempt	Not applicable	Açıklama
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions that make it difficult to transfer shares.	X					
2.1. CORPORATE WEBSITE						
2.1.1 - The Company's corporate website contains all the elements listed in the corporate governance principle numbered 2.1.1.	X					
2.1.2- Shareholding structure (including the names of natural person shareholders holding more than 5% of the issued share capital, their privileges, number of shares, and ownership ratios) is updated on the corporate website at least every six months.	X					
2.1.4 - The information on the Company's corporate website is also prepared in foreign languages chosen based on need, ensuring that the content in those languages is identical to that in Turkish.	X					
2.2. ANNUAL REPORT						
2.2.1 - The Board of Directors ensures that the annual report fully and accurately reflects the Company's activities.	X					
2.2.2 - The annual report includes all elements of principle 2.2.2.	X					
3.1. COMPANY POLICY ON STAKEHOLDERS						
3.1.1- Stakeholders' rights are protected in accordance with applicable regulations, contractual provisions, and in good faith.	X					
3.1.3 - Policies and procedures regarding the rights of stakeholders are published on the corporate website of the Company.	X					
3.1.4 - Necessary mechanisms have been established for stakeholders to report transactions that violate applicable regulations or ethical standards..	X					
3.1.5 - The Company manages conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING STAKEHOLDERS' PARTICIPATION IN COMPANY MANAGEMENT						
3.2.1 - Employee participation in management is governed by the Articles of Association or internal regulations.			X			The Company's Articles of Association and internal regulations do not contain provisions regarding employee participation in management.
3.2.2 - Methods such as surveys and consultations have been implemented to gather stakeholder opinions on key decisions that may affect them.			X			The Company did not employ any methods, such as surveys or consultations, to obtain the views of stakeholders on significant decisions that affect their interests..
3.3. COMPANY'S HUMAN RESOURCES POLICY						
3.3.1 - The Company has adopted an equal opportunity employment policy along with succession planning for all key management positions.	X					
3.3.2 - The criteria for personnel recruitment are defined in writing.	X					
3.3.3 - The Company has a Human Resources Development Policy and organizes training activities for employees.	X					
3.3.4 - Meetings were held to inform employees about the Company's financial position, wages, career planning, training, and health matters.	X					
3.3.5 - Decisions that may affect employees are communicated to them and their representatives. The relevant trade unions were also consulted on these matters.	X					
3.3.6 - Job descriptions and performance criteria were prepared in detail for all employees, communicated to them, and utilized in wage decisions.	X					

Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exempt	Not applicable	Disclosure
3.3.7 - Measures such as procedures, training activities, awarenessraising campaigns, targets, monitoring, and complaint mechanisms have been implemented to prevent discrimination among employees and protect them from physical, mental, and emotional mistreatment within the Company.	X					
3.3.8 - The Company supports freedom of association and effectively recognizes the right to collective bargaining.	X					
3.3.9 - A safe working environment is provided for employees.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1- The Company measures customer satisfaction and operates with an unwavering commitment to ensuring customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in processing their requests for purchased goods and services.	X					
3.4.3 - The Company is committed to quality standards for goods and services.	X					
3.4.4 - The Company has implemented controls to safeguard the confidentiality of sensitive information related to customers and suppliers within the framework of trade secrets.	X					
3.5. CODE OF ETHICS AND SOCIAL RESPONSIBILITY						
3.5.1 - The Board of Directors has established the Code of Ethics and published it on the Company's corporate website.	X					
3.5.2- The Company is dedicated to social responsibility. It has taken measures to prevent corruption and bribery.	X					
4.1. THE FUNCTION OF THE BOARD OF DIRECTORS						
4.1.1- The Board of Directors ensures that strategies and risks do not jeopardize the Company's long-term interests and that effective risk management measures are implemented.	X					
4.1.2- Meeting agendas and minutes indicate that the Board of Directors discusses and approves the Company's strategic goals, identifies the necessary resources, and monitors management performance.	X					
4.2. OPERATING PRINCIPLES OF THE BOARD OF DIRECTORS						
4.2.1- The Board of Directors has documented its activities and provided this information to the shareholders.	X					
4.2.2- The duties and authorities of the members of the Board of Directors are detailed in the annual report.		X				Although the annual report states that the members of the Board of Directors have the powers granted under the Turkish Commercial Code and the Articles of Association with respect to their duties and authorities, no detailed explanation is provided.
4.2.3 - The Board of Directors has established an internal control system appropriate to the scale of the Company and the complexity of its operations.	X					
4.2.4- Information regarding the operation and effectiveness of the internal control system is included in the annual report.	X					
4.2.5 - The duties of the Chair of the Board of Directors and the Chief Executive Officer (i.e., General Manager) are clearly defined and segregated.	X					
4.2.7- The Board of Directors ensures the effective functioning of the Investor Relations Department and the Corporate Governance Committee, and has worked in close cooperation with these bodies in maintaining communication with shareholders and resolving disputes between the Company and its shareholders.	X					
4.2.8 - The Company has taken out directors' and officers' liability insurance against losses that may be incurred as a result of faults of the members of the Board of Directors in the performance of their duties, with an insured amount exceeding 25% of the Company's share capital.		X				The Company has obtained a Directors' and Officers' Liability Insurance policy with a total liability limit of USD 5,000,000, covering osses that may be incurred by the Company due to faults of the members of the Board of Directors in the performance of their duties. However, the policy does not provide coverage at a level exceeding 25% of the Company's share capital.

BATIÇIM

Corporate Governance Compliance Report (CRF)	Yes	Partially	No	Exempt	Not applicable	Açıklama
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The Company has set a minimum target of 25% female representation on the Board of Directors and has established a policy to achieve this target. The composition of the Board of Directors is reviewed annually, and the nomination process is conducted in accordance with this policy.			X			There is no policy in place regarding a minimum target of 25% female representation on the Board of Directors. The Company has one female member of the Board of Directors.
4.3.10 - At least one member of the audit committee must have a minimum of 5 years of experience in audit, accounting, or finance.	X					
4.4. FORMAT OF BOARD OF DIRECTORS MEETINGS						
4.4.1 - All members of the Board of Directors attended the majority of Board meetings, either in person or electronically.	X					
4.4.2 - The Board of Directors has established a minimum timeframe for sending information and documents related to agenda items to all members before the meeting.	X					
4.4.3 - The opinions of members who could not attend the meeting but submitted their views in writing to the Board of Directors were shared with the other members.					X	There have been no instances in this regard.
4.4.4 - Each member of the Board of Directors has one vote.	X					
4.4.5 - The conduct of board meetings is documented in writing through internal regulations.	X					
4.4.6 - The minutes of Board meetings demonstrate that all agenda items are duly discussed, and the resolution records are prepared so as to include any dissenting opinions.	X					
4.4.7 - The ability of Board members to assume other roles outside the Company is restricted. The external roles of the members of the Board of Directors were presented to the shareholders at the general meeting.			X			There are no restrictions on Board members assuming other roles outside the Company.
4.5. COMMITTEES ESTABLISHED BY THE BOARD OF DIRECTORS						
4.5.5 - Each member of the Board serves on only one committee.			X			The Committees are composed of at least one independent member of the Board of Directors and such other members as deemed appropriate.
4.5.6- The Committees invited individuals they deemed necessary to the meetings to provide input and gathered their opinions.	X					
4.5.7 - Information on the independence of the individual or organization providing consultancy services to the Committee is included in the annual report.					X	The Committees did not receive any consultancy services.
4.5.8 - Reports on the outcomes of Committee meetings were prepared and submitted to the Board of Directors..	X					
4.6. FINANCIAL BENEFITS PROVIDED TO BOARD MEMBERS AND EXECUTIVES WITH ADMINISTRATIVE RESPONSIBILITIES						
4.6.1 - The Board of Directors conducted a board performance evaluation to assess the effectiveness with which it fulfilled its responsibilities.			X			There has been no performance evaluation of the Board of Directors.
4.6.4 - The Company has not provided any loans or credit to any member of the Board of Directors or executive officers with administrative responsibility, nor has it extended the maturity of any loan, improved its terms, arranged personal loans through third parties, or provided guarantees or other security in their favor.	X					
4.6.5 - The remuneration of the Board members and executives with administrative responsibilities is disclosed on an individual basis in the annual report.		X				Salaries, bonuses, and similar benefits provided to senior executives are disclosed in the annual reports, but not on an individual basis.

06

CORPORATE GOVERNANCE INFORMATION FORM

Board of Directors, Committees and Shareholding Information

Corporate Governance Information Form (CGIF)	
1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholder Rights	
Number of investor conferences and meetings organized by the Company throughout the year	Our Company did not organize any conferences or meetings for investors, except for the general meeting.
1.2. Right to Request Information and Review	
Number of special auditor requests	There is no special auditor request.
Number of special auditor requests accepted at the general meeting	None.
1.3. General Assembly	
Link to the PDP announcement disclosing the information requested under Principle 1.3.1 (a-d)	https://www.kap.org.tr/tr/Bildirim/1449977
Whether the documents related to the general meeting were provided in English simultaneously with the Turkish documents	Not provided. Company announcements and disclosures are published only in Turkish.
Links to PDP disclosures regarding transactions that lack the approval of the majority of independent members or the unanimous vote of those attending, as outlined in Principle 1.3.9	There is no transaction of this nature.
Links to PDP disclosures regarding related party transactions under Article 9 of the Communiqué on Corporate Governance (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1442625
Links to PDP disclosures regarding recurrent and ongoing transactions under Article 10 of the Communiqué on Corporate Governance (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1442625
The name of the section on the Company's corporate website that includes the policy on donations and contributions	Investor Relations / Corporate Governance / Donation Policy
Link to the PDP disclosure containing the minutes of the general meeting where the policy on donations and contributions was approved	None.
Number of the article in the Articles of Association regarding the attendance of stakeholders at the general meeting	Article 15
Information on stakeholders who attended the general meeting	There was no participation in the 2024 General Meeting held in 2025, other than that of the shareholders. However, there are no restrictions on the attendance of stakeholders in the General Meeting.
1.4. Voting Rights	
Whether there are any voting privileges	Yes
If there are privileged voting rights, the privileged shareholders and their voting ratios	Preferred shares are bearer shares.
Percentage of shares of the largest shareholder	38,07%
1.5. Minority Rights	
Whether minority rights are extended (in terms of content or ratio) in the Company's Articles of Association	No
If minority rights have been extended in terms of content and ratio, please specify the number of the relevant article in the Articles of Association.	None
1.6. Right to Dividend	
The name of the section on the corporate website that includes the profit distribution policy	Investor Relations / Corporate Governance / Policies / Profit Distribution Policy
In the event that the Board of Directors proposes to the General Assembly not to distribute the profit, the text of the minutes related to the General Meeting agenda item stating the reasons for this decision and the use of the undistributed profit	As the Company incurred a net loss of TRY 25,329,000 for the 2024 financial year and its operations for the year resulted in a loss, the proposal not to distribute any dividends was submitted to the General Assembly for approval. The Board of Directors' proposal not to distribute dividends was adopted by majority vote, with votes representing TRY 219,214,032,250.70 in favor and votes representing TRY 21,768,268,900.00 against.
Link to the PDP disclosure with the relevant minutes of the general meeting if the Board of Directors proposed to the General Assembly not to distribute any profit	https://www.kap.org.tr/tr/Bildirim/1449977
General Meetings	
Date of the General Meeting	June 18, 2025
Number of requests for additional disclosures regarding the agenda items of the general meeting	0
Shareholders' attendance rate at the general meeting	43,17%
Percentage of shares represented directly	0,02%
Percentage of shares represented by proxy	43,15%

Corporate Governance Information Form (CGIF)	
1. SHAREHOLDERS	
1.6. Right to Dividend (Continued)	
The name of the section on the Company's corporate website that includes the minutes of the general meeting, detailing both affirmative and dissenting votes on each agenda item	Investor Relations/General Meetings/Minutes of Ordinary General Meetings
The name of the section on the corporate website that includes all questions raised at the general meeting and the corresponding answers provided	-
Article or paragraph number of the minutes of the general meeting regarding related parties	Article 3
Yönetim kuruluna bildirimde bulunan imtiyazlı bir şekilde ortaklık bilgilerine ulaşma imkanı bulunan kişi sayısı (İçeriden öğrenenler listesi)	38
Link to the general assembly notice published on PDP	https://www.kap.org.tr/tr/Bildirim/1449977
2. PUBLIC DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Names of the sections on the corporate website that include information required by Corporate Governance Principle 2.1.1.	Investor Relations / Financial Information / Annual Financial Statements and Annual Reports
Name of the section on the corporate website containing the list of individual shareholders who directly or indirectly hold more than 5% of the shares	Investor Relations / Company Information / Shareholding Structure
Languages in which the corporate website is available	Turkish and English
2.2. Annual Report	
Page numbers or section headings in the annual report where the information specified in Corporate Governance Principle 2.2.2 is included	
a) Page number(s) or section heading(s) containing the Roles of the members of the Board of Directors and executives carried out outside the Company and declarations on the independence of the members of the Board of Directors	Investor Relations / Financial Information / Annual Financial and Activity Reports / Annual Report / Corporate Governance Principles Compliance Report / Section-III Stakeholders / Article 16
b) Page number(s) or section heading(s) containing information on the committees established by the Board of Directors	Investor Relations / Financial Information / Annual Financial and Activity Reports / Annual Report / A- General Information / Committee Members of the Board of Directors' Committees, Meeting Frequency, Working Principles Including Activities Conducted and the Board of Directors' Assessment of Committee Effectiveness / Article 5 and Annual Report / Corporate Governance Principles Compliance Report Section III Stakeholders / Article 18
c) Page number(s) or section heading(s) containing information on the number of meetings held by the Board of Directors during the year and the attendance of Board members at such meetings	Investor Relations / Financial Information / Annual Financial and Activity Reports / Activity Report / KYBF - 4.4. The Form of Board of Directors Meetings / Articles 1 and 2 / Structure of the Board of Directors / A - General Information / 5- Information on the Board of Directors, Senior Management, and Personnel Count
ç) Page number(s) or section heading(s) containing information on regulatory changes which may materially affect Company activities	Investor Relations / Financial Information / Annual Financial Reports and Annual Reports / Annual Report / G- Other Matters / Information on Regulatory Changes That May Materially Affect the Company's Activities / Article 1
d) Page number(s) or section heading(s) containing information on material legal proceedings brought against the Company and their possible outcomes	Investor Relations / Financial Information / Annual Financial and Activity Reports / Notes to the Financial Statements / Provisions for Litigation
e) Page number(s) or section heading(s) containing information on conflicts of interest between the Company and the institutions that provide services such as investment consultancy and rating services and the measures taken to prevent them	The Company has not received any services from any institution regarding investment consultancy or rating services.
f) Page number(s) or section heading(s) containing information on the subsidiaries with which the Company has a cross-shareholding relationship with a direct capital participation rate exceeding 5%	There are no subsidiaries with which the Company has a crossshareholding relationship with a direct capital participation rate exceeding 5%.
g) Page number(s) or section heading(s) containing information on corporate social responsibility activities related to social rights and vocational training of employees and other company activities that have social and environmental consequences	Investor Relations / Financial Information / Annual Financial and Activity Reports / Annual Report / A- General Information / Personnel and Labor Movements, Collective Bargaining Practices, and Rights and Benefits Provided to Employees and Workers / Article 6
3. STAKEHOLDERS	
3.1. Company Policy on Stakeholders	
The name of the section on the corporate website that includes the compensation policy	Investor Relations / Corporate Governance / Policies / Compensation Policy
Number of judicial decisions finalized against the Company due to violation of employee rights	There are six final and binding court decisions rendered against the Company due to violations of employee rights.
Title of the official in charge of the whistleblowing mechanism	Our company's Ethics Committee consists of the Legal Manager, Internal Audit Manager, and Human Resources Manager.

Corporate Governance Information Form (CGIF)	
3. STAKEHOLDERS	
3.1. Company Policy on Stakeholders (Continued)	
Information on access to the Company's whistleblowing mechanism	Notifications and reports concerning ethical principles and rules are received through the Ethics Committee and Ethics Hotline operating within the Company. Submissions sent to etik@batianadolu.com.tr are reviewed by the Ethics Committee, which carries out the necessary investigation and follow-up actions.
3.2. Supporting Stakeholders' Participation in Company Management	
The name of the section on the corporate website that includes the regulations on the employees' participation in the Company's management bodies	None.
Management bodies where employees are represented	Trade Union.
3.3. Company's Human Resources Policy	
The role of the Board of Directors in developing a succession plan for key executive positions	The Board of Directors does not have a defined role outside the Company and market conditions.
Title of the section on the corporate website containing the Human Resources Policy, including the principles of equal opportunity and recruitment criteria, or a summary of the relevant provisions of such policy	www.baticim.com.tr / Human Resources / Our Human Resources Policy
Whether there is an employee share ownership plan	There is no employee share ownership plan in place.
The name of the section on the corporate website that includes the human resources policy on measures to prevent discrimination among employees and protect them from mistreatment or a summary of the relevant articles of the HR policy	www.baticim.com.tr / Human Resources / Our Human Resources Policy; - In line with the objectives and strategies of our Group Companies, our Human Resources policy is to recruit the right people for the right positions without discrimination based on religion, language, race, or gender, ensure the continuity of a productive workforce, provide a fair and positive working environment, support employees' personal and professional development through effective career planning, build a workforce aligned with our corporate culture and values, monitor developments in the field of Human Resources and implement relevant innovations, and maintain a human resources structure that is sensitive to the environment and society.
Number of judicial decisions finalized against the Company due to liability related to	There are no finalized lawsuits against the Company related to occupational accidents.
3.5. Code of Ethics and Social Responsibility	
The name of the section on the corporate website that includes the code of ethics policy	Yatırımcı İlişkileri / Kurumsal Yönetim / Politikalar / İş Etiği Kuralları ve Çalışma Esasları
The name of the section on the corporate website that includes the corporate social responsibility (CSR) report. If there is no corporate social responsibility report, measures taken on environmental, social and corporate governance issues	www.baticim.com.tr / Environment / Environmental Activities / Waste Management / Carbon Footprint
Measures to combat all forms of corruption, including extortion and bribery	Members of the Board of Directors of Batıçim, its employees, and all third parties must refrain from any conduct or actions that may give rise to any suspicion of corruption involving Batıçim. Regardless of the public or private sector, it is prohibited to receive or give any kind of cash or non-cash benefits that may be perceived as corruption. During the general operation of the Company's activities, no transaction may be initiated and concluded by the same department. Therefore, an internal control mechanism has been established to continuously monitor operations and transactions between departments.
4. BOARD OF DIRECTORS-I	
4.2. Operating Principles of the Board of Directors	
Date of the last performance evaluation of the Board of Directors	There has not been any activity related to performance evaluation of the Board of Directors.
Whether independent experts were utilized in performance evaluation of the Board of Directors	No
Whether all board members are discharged	Yes
Names of the members of the Board of Directors to whom authority has been delegated, along with the content of those authorities	Following the General Meeting, at the Board of Directors meeting held to determine the distribution of duties, Mr. Sabit AYDIN was elected Chair of the Board, Mr. Gülant CANDAŞ Vice Chair of the Board, and Mr. Coşkun KILIÇ Executive Member of the Board. The Company subsequently accepted the request of Mr. Gülant Candaş, Vice Chair of the Board, to resign from his position as a member of the Board of Directors, as stated in his resignation letter dated November 11, 2025. By the Board of Directors' resolution dated November 24, 2025, Mr. Coşkun Kılıç, who was then serving as a Board Member, was appointed Vice Chair of the Board, and Mr. Mehmet Gökalp Özkök was appointed as a Board Member to serve until the first General Meeting.

Corporate Governance Information Form (CGIF)	
4. BOARD OF DIRECTORS-I	
4.2. Operating Principles of the Board of Directors (Continued)	
Number of reports submitted by the internal control unit to the audit committee or other relevant committees	4
The section heading(s) or page number(s) of the annual report that includes the assessment on the effectiveness of the internal control system	Annual Report / D- Company Activities and Material Developmentsrelated to These Activities / Internal Control System and Internal Audit Activities / Article 2 and Annual Report / Corporate Governance Principles Compliance Report / Article 19
Name of the Chair of the Board of Directors	Sabit AYDIN
Name of the Chief Executive Officer/General Manager	The Company does not have a Chief Executive Officer or a General Manager. The Company has only an executive board.
Link to the PDP disclosure stating the reason for the Chair of the Board of Directors and the Chief Executive Officer/General Manager being the same person	The Company does not have a Chief Executive Officer or a General Manager. The Company has only an executive board.
Link to the PDP disclosure regarding obtaining an executive liability insurance for an amount exceeding 25% of the Company's share capital for any damages the members of the Board of Directors may cause to the Company due to potential defaults while carrying out their duties	https://www.kap.org.tr/en/Announcement/1554918 The Company has put in place a Directors and Officers Liability Insurance policy with a total liability limit of USD 5,000,000 to cover losses that may be incurred by the Company as a result of faults committed by members of the Board of Directors in the performance of their duties. However, the policy does not provide coverage at a level exceeding 25% of the Company's share capital.
The name of the section on the corporate website that provides information on the diversity policy to increase female representation on the Board of Directors	None.
Number and percentage of women members of the Board	The number of women members is one. The percentage is 14%.

Corporate Governance Information Form (CGIF)							
Structure of the Board of Directors							
First Name and Last Name of the Board Member	**Whether Commissioned as an Executive Officer**	**Whether an Independent Member Independent Member**	**Date of First Election to the Board of Directors**	**Link to the PDP Disclosure of Independence Declaration**	**Whether the Independent Member is Evaluated by the Nomination Committee**	**Whether any Member Lost Their Status of Independence**	**Whether the Member Has at Least Five Years of Experience in Auditing, Accounting and/or Finance**
SABİT AYDIN	Executive Officer	No, not an Independent Member	August 17, 2021	-	Not applicable	Not applicable	No
ÖMER ÇAĞDAŞ SELVİ	Executive Officer	No, not an Independent Member	August 17, 2021	-	Not applicable	Not applicable	No
COŞKUN KILIÇ	Not an Executive Officer	No, not an Independent Member	December 18, 2024	-	Not applicable	Not applicable	Yes
MEHMET GÖKALP ÖZKÖK	Not an Executive Officer	No, not an Independent Member	November 24, 2025	-	Not applicable	Not applicable	Yes
UFUK BALA YÜCEL	Not an Executive Officer	Independent Member	October 6, 2022	https://kap.org.tr/tr/Bildirim/1160829	Değerlendirildi	No	Yes
MEHMET ŞAHNE	Not an Executive Officer	Independent Member	July 2, 2024	https://kap.org.tr/tr/Bildirim/1315021	Değerlendirildi	No	No
ENİS TURAN ERDOĞAN	Not an Executive Officer	Independent Member	September 27, 2024	https://kap.org.tr/tr/Bildirim/1356273	Değerlendirildi	No	Yes

Corporate Governance Information Form (CGIF)	
4. BOARD OF DIRECTORS-II	
4.4. Format of Board of Directors Meetings	
Number of Board meetings held physically or electronically during the reporting period	The Board of Directors held a total of 47 meetings during 2025.
Average attendance rate at the Board of Directors meetings	100%
Whether an electronic portal is used to facilitate the activities of the Board of Directors	Yes
In accordance with the working principles of the Board of Directors, how many days prior to the meeting the information and documents are presented to the members	5 Days
The name of the section on the corporate website that contains information about the internal regulations determining how the Board of Directors meetings are conducted	www.baticim.com.tr / Investor Relations / Articles of Association, "The format of the Board of Directors meetings is set out in Article 9 of the Articles of Association of our Company. Articles of Association of our Company under the title, Board of Directors Meetings."
The upper limit defined in the policy that restricts members from taking on other roles outside the Company	There are no restrictions in the Company's Articles of Association or as required by legal regulations.
4.5. Committees Established by the Board of Directors	
Page number(s) or section heading(s) of the annual report where information on the Board committees is presented	Annual Report / Corporate Governance Principles Compliance Report, Section-III Stakeholders / Article 17
Link to the PDP disclosure of the committees' working principles	https://kap.org.tr/tr/Bildirim/1310499

Corporate Governance Information Form (CGIF)

Committees Established by the Board of Directors-I

Names of the Board Committees	Name of the Committee Indicated as "Other" in the First Column	First Name and Last Name of the Committee Members	Whether a Committee Chair Has Been Elected	Yönetim Kurulu Üyesi Olup Olmadığı
Corporate Governance Committee	-	**ENİS TURAN ERDOĞAN**	Yes	Board Member
Corporate Governance Committee	-	**MEHMET ŞAHNE**	No	Board Member
Corporate Governance Committee	-	**MERİÇ ONARGAN**	No	Not a Board Member
Audit Committee	-	**UFUK BALA YÜCEL**	Yes	Board Member
Audit Committee	-	**MEHMET ŞAHNE**	No	Board Member
Early Detection of Risks Committee	-	**MEHMET ŞAHNE**	Yes	Board Member
Early Detection of Risks Committee	-	**UFUK BALA YÜCEL**	No	Board Member

4. BOARD OF DIRECTORS-III	
4.5. Committees Established by the Board of Directors-II	
Specify where the activities of the audit committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	www.baticim.com.tr / Investor Relations / Corporate Governance / Regulations / Audit Committee Regulation
Specify where the activities of the corporate governance committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	www.baticim.com.tr / Investor Relations / Corporate Governance / Regulations / Corporate Governance Committee Regulation
Specify where the activities of the nomination committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	www.baticim.com.tr / Investor Relations / Corporate Governance / Regulations / Corporate Governance Committee Regulation / Nomination Committee
Specify where the activities of the early detection of risks committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	www.baticim.com.tr / Investor Relations / Corporate Governance / Regulations / Early Detection of Risks Committee Regulation
Specify where the activities of the remuneration committee are presented in the annual report or corporate website (i.e., page number(s) or section headings(s) containing such information)	www.baticim.com.tr /Investor Relations / Corporate Governance / Regulations / Corporate Governance Committee Regulation / Remuneration Committee

Corporate Governance Information Form (CGIF)	
4. BOARD OF DIRECTORS-III	
4.6. Financial Benefits Provided to Board Members and Executives with Administrative Responsibilities	
Page number(s) or section heading(s) of the annual report containing information about operational and financial performance targets and whether they have been achieved	Annual Report / D- Company Activities and Material Developments
The name of the section on the corporate website that includes the remuneration policy regarding executive and non-executive members	www.baticim.com.tr / Investor Relations / Corporate Governance / Board Committees / Corporate Governance Committee / Corporate Governance Committee Regulation / Remuneration Committee
Page number(s) or section heading(s) of the annual report containing information on the remuneration and all other benefits provided to board members and executives with administrative responsibilities	Annual Report / B- Total Amount of Financial Benefits such as Allowances, Salaries, Premiums, Bonuses, Dividends, and Other Financial Benefits Provided to Board Members and Senior Executives

Corporate Governance Information Form (CGIF)

Committees Established by the Board of Directors-II

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

07

SUSTAINABILITY COMPLIANCE REPORT

Environmental, social, and governance-focused sustainability disclosures

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

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

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

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
B. ENVIRONMENTAL PRINCIPLES						
B14. Programs or procedures have been established and publicly disclosed to prevent or minimize the potential negative impacts of products and/or services on the environment.	X				The Company's environmental impacts and related targets under the "Respect for the Planet" strategy have been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 83-103 "Respecting the Planet"
B14. Actions have been taken to reduce greenhouse gas emissions generated by third parties (e.g., suppliers, subcontractors and dealers), and these actions have been publicly disclosed.		X			Initiatives encouraging third parties to reduce their greenhouse gas emissions are being implemented and have been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 105-107 "Sustainable Supply Chain Management"
B15. Environmental benefits/gains and cost savings from initiatives and projects aimed at reducing environmental impacts have been publicly disclosed	X				Within the scope of the Integrated Management Systems, targets are established to reduce environmental impacts, monitored through performance scorecards under the ISO 14001 Management System, and the resulting benefits and performance outcomes are regularly reported to senior management. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 83-103 "Respecting the Planet"
B16. Data on energy consumption (e.g., natural gas, diesel, gasoline, LPG, coal, electricity, heating, and cooling) have been publicly disclosed as Scope 1 and Scope 2 emissions.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 86 "Combating Climate Change"
B17. Public disclosures have been made regarding the electricity, heat, steam, and cooling generated in the reporting year.	X				Data on electricity generated by the waste heat recovery power plant has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 141 "Environmental Performance Indicators"
B18. Efforts were made to increase the use of renewable energy and transition to net-zero or low-carbon electricity, and this information has been publicly disclosed.	X				Data on electricity generated by the waste heat recovery power plant has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page141 "Environmental Performance Indicators"
B19. Renewable energy production and utilization data have been publicly disclosed.	X				Data on electricity generated by the waste heat recovery power plant has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 141 "Environmental Performance Indicators"
B20. Energy efficiency projects have been implemented, and the reductions in energy consumption and emissions achieved through these projects have been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 90-92 "Energy Management"
B21. Water consumption, along with the amount of water withdrawn from underground or above ground (if applicable), as well as the quantities recycled and discharged, along with their sources and procedures, have beenpublicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 98 "Water Management", Page 143 "Environmental Performance Indicators"

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
B. ÇEVRESEL İLKELER						
B22. Whether the Company's operations or activities are included in any carbon pricing system (e.g., Emissions Trading System, Cap & Trade, or Carbon Tax) has been publicly disclosed.				X	The Emissions Trading System has not yet been implemented in Türkiye.	
B23. Information on carbon credits accumulated or purchased during the reporting period has been publicly disclosed.	X				In 2023, the carbon credits accumulated through energy generated from waste heat were certified under the Verified Carbon Standard (VCS).	2023 Sustainability Report, Page 67 "Carbon Credit"
B24. If carbon pricing is implemented within the Company, the details have been publicly disclosed.				X	The Emissions Trading System has not yet been implemented in Türkiye.	
B25. Information on the platforms through which the Company discloses environmental information has been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report..	2024 Sustainability Report, Pages 140-146 "Environmental Performance Indicators"
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.1. A Corporate Human Rights and Employee Rights Policy has been established in line with the Universal Declaration of Human Rights, the ILO Conventions ratified by Türkiye, and other relevant legislation; the individuals responsible for its implementation have been designated, and both the policy and the responsible individuals have been publicly disclosed.	X				The Batı Anadolu Group of Companies has a Human Rights Policy in place. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 69 "Protection of Employee Rights"
C1.2. Taking into account supply chain and value chain impacts, the Company's Employee Rights Policy addresses fair labour practices, the improvement of working standards, women's employment, and inclusion, including a commitment to nondiscrimination on grounds such as gender, race, religion, language, marital status, ethnic origin,sexual orientation, gender identity, family responsibilities, trade union activities, political opinion, disability, and social or cultural differences.	X				The Batı Anadolu Group of Companies has a Sustainable Procurement Policyand a Responsible Purchasing Policy in place. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 105 "Sustainable Supply Chain Management"
C1.3. Measures implemented across the value chain to protect the rights of vulnerable segments of society affected by specific economic, environmental, and social factors (e.g., low-income groups, women) as well as minority rights and equal opportunities have been publicly disclosed.	X				The Batı Anadolu Group of Companies has a Diversity, Equity and Inclusion Policy in place. In addition, a Code of Business Ethics and Working Principles is in effect, and the contact details of the Ethics Committee are available on the Company's website. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 70 "Diversity, Equity and Inclusion", Page 123 "Code of Business Ethics" https://www.batianadolu.com/upload/pdf/business_ethics_rules_and_working_principles.pdf https://www.batianadolu.com/upload/pdf/social/policies/baticim_diversity_equaliy.pdf

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Kısmen	No	İlgisiz		
C. SOCIAL PRINCIPLES						
C1.4. Developments related to preventive and corrective measures aimed at preventing discrimination, inequality,human rights violations, forced labour, and child labour have been publicly disclosed.	X				The Batı Anadolu Group of Companies has a Diversity, Equity and Inclusion Policy in place. In addition, a Code of Business Ethics and Working Principles is in effect, and the contact details of the Ethics Committee are available on the Company's website. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 70 "Diversity, Equity, and Inclusion" https://www.batianadolu.com/upload/pdf/social/policies/baticim_diversity_equaliy.pdf https://www.batianadolu.com/upload/pdf/social/policies/baticim_diversity_equaliy.pdf
C1.5. The Company's Employee Rights Policy covers investments in employees (including training and development policies) compensation, employee benefits, the right to unionize, work-life balance initiatives, and talent management.	X				These commitments are set out in the Batı Anadolu Group of Companies' Integrated Management Systems Policy, Code of Business Ethics and Working Principles, and Human Rights Policy. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 69 "Protection of Employee Rights", Pages 72-75 "Continuous Improvement"
C1.5. Mechanisms for addressing employee complaints and resolving disputes have been established, and dispute resolution processes have been defined.	X				The Batı Anadolu Group of Companies has established mechanisms through its Code of Business Ethics and Working Principles and its Resolution Center process. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 123 "Code of Business Ethics", Page 126 "Reporting Mechanisms and Safeguards"
C1.5. Information on activities undertaken during the reporting period to enhance employee satisfaction has been publicly disclosed.	X				Employee satisfaction is monitored through individual meetings, and where necessary, immediate actions are taken to ensure continuous improvement. The employee engagement survey results have been disclosed to the public through the Sustainability Report.	2024 Sustainability Report, Page 71 "Corporate Culture and Sense of Belonging," Page 137 "Social Performance Indicators"
C1.6. Occupational health and safety policies have been established and publicly disclosed.	X				The Batı Anadolu Group of Companies implements its Occupational Health and Safety Policy in accordance with the requirements of ISO 45001. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 65 "Our Occupational Health and Safety Management Model"
C1.6. Measures taken to prevent occupational accidents and protect health, along with accident statistics, have been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages: 58-63 "We Are One, Safe Together", Pages 135-136 "Social Performance Indicators"
C1.7. Policies for the protectionof personal data and data security have been established and publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 114 "Information Security – Ensuring Security in The Digital World"
C1.8. An ethics policy has been established and publicly disclosed.	X				The Batı Anadolu Group of Companies has a Code of Business Ethics and Working Principles in place. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page:123 "Business Ethics"
C1.9. Toplumsal yatırım, sosyal sorumluluk, finansal kapsayıcılık ve finansmana erişim kapsamındaki çalışmalar açıklanmıştır.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 76-82 "Environmental and Social Awareness"
C1.10. Information sessions and training programs have been organized for employees on ESG policies and practices.	X				Training is provided within the scope of the Integrated Management System certified in accordance with ISO 9001, ISO 14001, and ISO 45001 standards. It has been publicly is closed through the Sustainability Report.	2024 Sustainability Report, Page 117 "Integrated Management Systems", Page 136 "Social Performance Indicators"

Sustainability Compliance Report	Compliance Status				Disclosure	Report Information Regarding Publicly Disclosed Data
	Yes	Partially	No	Not applicable		
C. SOCIAL PRINCIPLES						
C2. Stakeholders, International Standards and Initiatives						
C2.1. A Customer Satisfaction Policy for the management and resolution of customer complaints has been established and publicly disclosed.	X				Customer Complaint Management is carried out through the corporate software system and the Resolution Center process, while customer satisfaction is managed within the framework of the Integrated Management Systems Policy. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 45 “Our Sustainability Priorities and Strategic Compliance,” Page 116 “Integrated Management Systems,” Page 126 “Reporting Mechanisms and Safeguards”
C2.2. Information on communications with stakeholders, including the stakeholder groups engaged, the topics discussed, and the frequency of engagement, has been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Pages 44-45 “Stakeholder Communication”
C2.3. International reporting standards adopted in reporting have been disclosed.	X				The published Sustainability Report has been prepared in accordance with the 2021 GRI Standards.	2024 Sustainability Report, Page 5 “About theReport”
C2.4. The sustainability principles adopted by the Company, as well as the international organizations, initiatives, committees, and principles to which it is a signatory or member, have been publicly disclosed.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 22 “Our Global Sustainability Commitment”, Page 129 “Memberships”
C2.5. Improvements have been made and initiatives have been undertaken to qualify for inclusion in the sustainability indices of Borsa İstanbul and/or international index providers.	X				Thanks to the projects we have implemented in line with Environmental, Social and Governance (ESG) criteria and our transparent reporting practices, we have been included in the sustainability index of the London Stock Exchange Group (LSEG), the index provider for Borsa İstanbul, and have received a B+ rating..	2024 Sustainability Report, Page:22 “Our Global Sustainability Commitment”
D.CORPORATE GOVERNANCE PRINCIPLES						
D1. Stakeholder views have been sought in the development of sustainability-related measures and strategies.	X				The Company gathered stakeholder input from selected stakeholder groups through an online materiality survey for the prioritization matrix, which serves as the foundation for the development of its sustainability strategies. Strategies related to sustainability have been established through the development of a materiality/priority matrix. It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 45-48 “OurSustainability Strategy”
D2. Social responsibility projects, awareness-raising initiatives, and training programs have been carried out to enhance awareness of sustainability and its importance.awareness of sustainability and its importance.	X				It has been publicly disclosed through the Sustainability Report.	2024 Sustainability Report, Page 76-82 “Environmental and Social Awareness,” Page 136 “Social Performance Indicators”

Batıçim
Board of Directors Competency Matrix

	SABİT AYDIN	GÜLANT CANDAŞ	COŞKUN KILIÇ	MEHMET GÖKALP ÖZKÖK	ERDOĞAN GÖĞEN	ÖMER ÇAĞDAŞ SELVİ	MEHMET ŞAHNE	UFUK BALA YÜCEL	ENİS TURAN ERDOĞAN
Temel Bilgiler									
Type of Board Member	Executive	Executive	Non-Executive	Non-Executive	Non-Executive	Executive	Non-Executive	Non-Executive	Non-Executive
Independence	Non-Independent	Non-Independent	Non-Independent	Non-Independent	Non-Independent	Non-Independent	Independent	Independent	Independent
Age	52	66	57	50	67	48	59	62	71
Committees									
Audit Committee							YES	YES	
Corporate Governance Committee					YES		YES		YES
Risk Management Committee							YES	YES	
Sustainability Committee						YES			
Term of Office									
Start Date of Duty	August 17, 2021	August 17, 2021	December 18, 2024	November 24, 2025	August 17, 2021	August 17, 2021	July 2, 2024	October 6, 2022	September 27, 2024
End Date of Duty	July 2,2027	November 11, 2025	July 2, 2027	July 2, 2027	June 13, 2025	July 2, 2027	July 2, 2027	July 2, 2027	July 2, 2027
Term of Office (Years)	3	2	1	0	3	3	2	3	2
Field of Education									
Finance and Accounting		YES	YES	YES				YES	YES
Business Management	YES		YES	YES			YES	YES	
Engineering					YES			YES	
Social Sciences						YES		YES	
Science and Technology								YES	
Competency / Experience									
Solution-Oriented Business Management	YES		YES	YES	YES				
International Business Management			YES						
Experience in Executive Positions Outside the Home Country		YES	YES					YES	
Local Legal and Tax Compliance Processes						YES	YES		
Human Resources and Talent Development									
Public and Investor Relations Communication	YES	YES					YES		
Risk Management	YES		YES	YES	YES	YES			
Supply Chain Management					YES				
Sustainable Development		YES							
Information and Data Privacy Security		YES				YES	YES		
GICS Level 1 Sector Experience									
Consumer Discretionary Sector Experience									YES
Consumer Staples									YES
Energy	YES	YES	YES	YES	YES				
Materials	YES	YES		YES	YES				
Industrials	YES	YES	YES	YES	YES	YES			
Sağlık Hizmetleri									
Financials		YES	YES					YES	YES

Batıçim
Board of Directors Competency Matrix

	SABİT AYDIN	GÜLANT CANDAŞ	COŞKUN KILIÇ	MEHMET GÖKALP ÖZKÖK	ERDOĞAN GÖĞEN	ÖMER ÇAĞDAŞ SELVİ	MEHMET ŞAHNE	UFUK BALA YÜCEL	ENİS TURAN ERDOĞAN
Demographic Profile									
Ethnic Origin									
African origin									
Asian Origin									
Caribbean Origin									
European Origin	YES	YES	YES	YES	YES	YES	YES	YES	YES
Latin, Central and South American Origin									
Indigenous North American Origin									
Oceanian Origin									
Committee Independence									
Audit Committee	100%								
Corporate Governance Committee	67%								
Risk Management Committee	100%								
Committee Attendance Rates									
Audit Committee							100%	100%	100%
Corporate Governance Committee							100%	100%	100%
Risk Management Committee							100%	100%	100%
Sustainability Committee						100%			
Board Meeting Attendance Rates									
Number of Board of Directors Meetings	47								
Average Board Meeting Attendance Rate	100%								
Board Meeting Attendance Rate	100%	100%	100%	100%	100%	100%	100%	100%	100%

AUDIT COMMITTEE REPORT

We have convened to review and express our opinion on the consolidated financial statements of Batıçim Batı Anadolu Çimento Sanayii Anonim Şirketi for the period from January 1 to December 31, 2025, prepared by the Company's management in accordance with the Capital Markets Board of Türkiye (SPK) Communiqué No. II-14.1 on Principles of Financial Reporting in Capital Markets (the "Communiqué"), the SPK's Principle Decision dated December 28, 2023 regarding the application of inflation accounting, the Türkiye Financial Reporting Standards ("TFRS"), and the formats prescribed by the SPK, as well as the independent auditor's report issued in respect of such financial statements by Karar Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., and to present our opinion thereon to the Board of Directors of Batıçim Batı Anadolu Çimento Sanayii Anonim Şirketi.

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

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

April 7, 2026
Audit Committee

UFUK BALA YÜCEL
Chair

MEHMET ŞAHNE
Member

DECLARATION OF INDEPENDENCE

To the Corporate Governance Committee of Batıçim Batı Anadolu Çimento Sanayii Anonim Şirketi;

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

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

b) SNot having been, within the last five years, a shareholder (holding 5% or more of the shares), an employee in an executive position involving significant duties and responsibilities, or a member of the board of directors of companies from which the Company has purchased or to which it has sold significant products or services under contractual arrangements, particularly in relation to the audit of the Company (including tax audits, statutory audits and internal audits), rating services or consultancy services, during the periods in which such products or services were purchased or sold;

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

ç) BNot serving in a full-time capacity at any public institution or organization after being elected as a member, except as a member of a university faculty, provided that such service is in compliance with the applicable legislation;

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

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

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

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

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

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

UFUK BALA YÜCEL

DECLARATION OF INDEPENDENCE

To the Corporate Governance Committee of Batıçim Batı Anadolu Çimento Sanayii Anonim Şirketi;

On April 17, 2024, in connection with my application as a candidate for Independent Board Membership, I declared to the Corporate Governance Committee that I had read and understood the "Capital Markets Board Corporate Governance Principles" annexed to the Capital Markets Board of Türkiye (SPK) Corporate Governance Communiqué No. II-17.1 and that, within the framework of the applicable legislation, I met all of the criteria for Independent Board Membership set forth in Principle 4.3.6, as presented below.

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

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

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

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

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

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

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

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

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

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

MEHMET ŞAHNE

DECLARATION OF INDEPENDENCE

To the Corporate Governance Committee of Batıçim Batı Anadolu Çimento Sanayii Anonim Şirketi;

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

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

b) SNot having been, within the last five years, a shareholder (holding 5% or more of the shares), an employee in an executive position involving significant duties and responsibilities, or a member of the board of directors of companies that, pursuant to contractual arrangements, provided significant products or services to, or received significant products or services from, the Company, particularly in relation to the audit of the Company (including tax audits, statutory audits and internal audits), rating services or consultancy services, during the periods in which such products or services were provided;

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

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

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

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

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

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

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

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

ENİS TURAN ERDOĞAN

BATIÇİM

INVESTOR RELATIONS DEPARTMENT CONTACT INFORMATION

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

Investor Relations Department Manager	
First Name and Last Name	Meriç ONARGAN
Date of Appointment	October 9, 2025
Phone	0 (232) 478 44 00
Email Address	mericonargan@baticim.com.tr
Address	Ankara Caddesi No: 335 Bornova - İzmir
Licenses Held	Capital Markets Activities Level 3 License (License Certificate No.: 212348), Corporate Governance Rating License (License Certificate No.: 702865), Derivative Financial Instruments License (License Certificate No.: 308575)

Investor Relations Department Member	
First Name and Last Name	Emir VURAL
Date of Appointment	17.10.2023
Phone	0 (232) 478 44 00
Email Address	emirvural@baticim.com.tr
Address	Ankara Caddesi No: 335 Bornova – İzmir
Licenses Held	Capital Markets Activities Level 3 License (License Certificate No.: 210970), Corporate Governance Rating License (License Certificate No.: 702482), Credit Rating License (License Certificate No.: 929448)

08

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

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

BATIÇIM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD BETWEEN JANUARY 1 - DECEMBER 31, 2025 AND THE

INDEPENDENT AUDITORS' REPORT

To the General Assembly of Batıçim Batı Anadolu Çimento Sanayii A.Ş.

A. REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Qualified Opinion

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

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for Qualified Opinion

The Group is required to assess whether there is any impairment in its property, plant and equipment and intangible assets in accordance with TAS 36 "Impairment of Assets". No study has been performed to determine the recoverable amounts of the concession-related intangible assets, with a net book value of TL 1,319,032, related to the Kovada I and Kovada II hydroelectric power plants owned by Batıçim Enerji Elektrik Üretim A.Ş., one of the subsidiaries of the Group, as disclosed in Note 13. Accordingly, it could not be determined whether any adjustment is required with respect to the possible effects, including deferred tax effects, on the accompanying consolidated financial statements, that may arise from comparing the recoverable amounts of these assets with their indexed net book values.

We conducted our audit in accordance with Independent Auditing Standards ("BDS"), which are part of the Turkish Auditing Standards issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") and adopted within the framework of the regulations of the Capital Markets Board. Our responsibilities under these Standards are further described in the Independent Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We declare that we are independent of the Group in accordance with the Code of Ethics for Independent Auditors (including Independence Standards) issued by the POA and the ethical requirements set out in the Capital Markets Board regulations and other applicable legislation relating to the audit of consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the relevant legislation. We believe that the audit evidence we have obtained during our audit is sufficient and appropriate to provide a basis for our qualified opinion.

3. Key Audit Matters

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

Key Audit Matters Application of T AS 29 “Financial Reporting in Hyperinflationary Economies”	How the matter was addressed in the audit
The Group continues to apply TAS 29 “Financial Reporting in Hyperinflationary Economies” as at December 31, 2025. In accordance with TAS 29, the consolidated financial statements and the financial information for prior periods have been restated to reflect changes in the general purchasing power of the Turkish Lira and, as a result, are presented in terms of the purchasing power of the Turkish Lira as at the reporting date. Considering the significant effect of TAS 29 on the Group’s reported results and financial position, hyperinflation accounting has been considered as a key audit matter. The Group’s accounting policies and related disclosures regarding the application of TAS 29 are presented in Note 2.1.	During our audit procedures, the following audit procedures have been performed regarding the application of TAS 29 “Financial Reporting in Hyperinflationary Economies”: - Understanding and evaluating the process regarding the application of TAS 29 and the controls designed by the Group management, - Checking whether the classification of monetary and non-monetary items made by the Group management has been performed in accordance with TAS 29, - Testing the inputs and indices used to ensure the completeness and accuracy of the calculations, - Checking the coefficients based on the general price index used in the calculations by comparing them with the coefficients derived from the Consumer Price Index in Türkiye published by TURKSTAT, - Checking the financial statements and related financial information restated in accordance with TAS 29, - Evaluating the adequacy of the disclosures in the notes to the consolidated financial statements regarding the application of TAS 29

Key Audit Matters Accounting for Property, Plant and Equipment Using the Revaluation Method	How the matter was addressed in the audit
In its consolidated financial statements as of December 31, 2025, the Group measured its land and plots, machinery, plant and equipment at fair value based on the results of valuation studies performed by an independent valuation firm authorized by the Capital Markets Board as at the current period-end, and recognized a decrease in value amounting to TL (80,768), net of tax effect, in property, plant and equipment revaluation surplus accounts under other comprehensive income. The processes involved in accounting for such transactions in the consolidated financial statements are significant to our audit, as the valuation studies involve substantial expertise, judgment and assumptions, and are therefore considered as a key audit matter. Detailed disclosures regarding property, plant and equipment are presented in Note 2 and Note 12.	During our audit procedures, the following audit procedures have been performed regarding the measurement of property, plant and equipment under the revaluation model: - The valuation accreditation and licenses of the expert firm, as recognized by the Capital Markets Board, were checked. - The competence, capabilities, and objectivity of the expert firm were assessed. - The valuation reports prepared by the expert firm were read, and the valuation work was evaluated. - The consistency between the fair values reported in the valuation report and the disclosures in the notes was checked; it was assessed whether the amounts disclosed in the notes agreed with the valuation reports and whether the note disclosures were adequate under TFRS. As a result of the procedures performed, no significant findings were identified.

A. REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

3. Key Audit Matters (Continued)

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

4. Other Matters

The Group's consolidated financial statements as of December 31, 2024, prepared in accordance with the TFRS issued by the KGK, were audited by another audit firm, and such firm expressed a qualified opinion on those consolidated financial statements in its report dated April 11, 2025.

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

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

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

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

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

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

As required by an independent audit conducted in accordance with the independent auditing standards issued by the Capital Markets Board and the BDS, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we:

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

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

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

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

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

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

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

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

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

B. OTHER LIABILITIES ARISING FROM LEGISLATION

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

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

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

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

Ufuk Doğruer
Engagement Partner

Istanbul, February 20, 2026

Batıçim Batı Anadolu Çimento Sanayii Anonim Şirketi and its Subsidiaries

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BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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

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

		Current Period	Previous Period
		Audited	Audited
			Restated
	Note	December 31, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents Trade receivables	4	**212.129**	427.891
Finansal yatırımlar	5	**-**	296
Trade receivables			
- Trade receivables from related parties	7	**162.828**	196
- Trade receivables from third parties	8	**2.576.948**	3.239.704
Other receivables			
- Other receivables from related parties	7	**7.097**	-
- Other receivables from third parties	9	**12.538**	14.804
Inventories	10	**1.527.470**	1.539.291
Prepaid expenses	11	**205.316**	281.540
Current income tax assets	25	**4.715**	56.195
Other current assets	16	**476.600**	428.049
Total current assets		**5.185.641**	**5.987.966**
Non-current assets			
Financial investments	5	**10**	13
Trade receivables			
- Trade receivables from third parties		**-**	-
Other receivables			
- Other receivables from third parties	9	**1 3.715.043**	13.811.464
Property, plant, and equipment	12	**27.533.222**	27.872.248
Right-of-use assets	13	**477.642**	559.269
Intangible assets	13	**1.556.642**	1.523.923
Prepaid expenses	11	**52.694**	26
Deferred tax assets	25	**744.094**	449.118
Total non-current assets		**30.388.294**	**30.425.169**
Total assets		**35.573.935**	**36.413.135**

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

BATIÇİM

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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

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

		Current Period	Previous Period
		Audited	Audited
			Restated
	Note	December 31 2025	December 31 2024
Liabilities			
Current liabilities			
Short term borrowings	6	**382.032**	1.231.582
Current portion of long-term borrowings	6	**1.483.503**	1.408.515
Lease liabilities		**43.503**	49.569
Trade payables			
- Trade payables to related parties	7	**15.467**	3.607
- Trade payables to third parties	8	**2.745.658**	2.367.227
Liabilities for employee benefits	15	**94.445**	76.712
Other payables			
- Other payables to third parties	9	**36.020**	34.168
Contract liabilities	11	**177.150**	130.134
Current income tax liabilities	25	**-**	6.178
Short term provisions			
- Other short term provisions	14	**24.094**	21.211
Other short term liabilities	16	**73.240**	47.172
Total current liabilities		**5.075.112**	**5.376.075**
Non-current liabilities			
Long term financial liabilities	6	**3.661.239**	3.817.433
Other financial liabilities	6	**148.639**	228.540
Long term provisions			
- Provisions for long term employee benefits	15	**248.659**	221.089
- Other long term provisions	14	**91.426**	91.727
Deferred tax liabilities	25	**1.574.328**	1.582.068
Total non-current liabilities		**5.724.291**	**5.940.857**
Total liabilities		**10.799.403**	**11.316.932**
Equity			
Share capital	17	**5.580.000**	180.000
Adjustment to share capital	17	**3.343.893**	6.743.893
Treasury shares		**(2.451)**	(2.451)
Share Premium		**324.459**	324.459
Accumulated Other Comprehensive Income (Expenses) Not to be Reclassified to Profit or Loss			
Revaluation and Measurement Gains (Losses)			
- Property, Plant and Equipment Revaluation Increases (Decreases)	17	**3.269.306**	3.433.137
- Remeasurement Gains (Losses) on Defined Benefit Plans	17	**(167.366)**	(172.322)
Restricted Reserves Appropriated from Profit		**836.978**	836.978
Retained earnings		**8.906.233**	10.751.327
Net (loss)/profit for the year		**(228.757)**	**28.817**
Equity holders of the parent		**21.862.295**	**22.123.838**
Non-controlling interests	**17**	**2.912.237**	**2.972.365**
Total equity		**24.774.532**	**25.096.203**
Total liabilities and equity		**35.573.935**	**36.413.135**

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

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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

		Current Period	Previous Period
		Audited	Audited
			Restated
	Note	January 1 – December 31, 2025	January 1 – December 31, 2024
Revenue	18	**14.289.483**	17.592.197
Cost of sales	18	**(12.849.997)**	(15.504.828)
Gross Profit from Commercial Activities		**1.439.486**	**2.087.369**
Gross Profit (Loss)		**1.439.486**	**2.087.369**
General administrative expenses	19	**(726.902)**	(644.531)
Marketing expenses	19	**(662.063)**	(759.077)
Other income from operating activities	21	**292.851**	557.343
Other expenses from operating activities	21	**(432.006)**	(503.748)
Operating profit		**(88.634)**	**737.356**
Income from investing activities	22	**73.283**	254.019
Expense from investing activities	22	**(30.285)**	(10)
Operating profit before financing income (expense)		**(45.636)**	**991.365**
Financing income	23	**67.264**	93.046
Financing expenses	24	**(2.097.281)**	(2.521.450)
Net monetary gain (loss)	30	**1.678.600**	1.889.318
Profit before tax from continuing operations		**(397.053)**	**452.279**
Tax (Expense) income from continuing operations			
Current tax (expense) income	25	**(101.791)**	(255.127)
Deferred tax (expense) income	25	**288.087**	(28.649)
Profit for the period from continuing operations		**(210.757)**	**168.503**
Distribution of profit (loss) for the period			
Non-controlling interests		**18.000**	139.686
Equity holders of the parent		**(228.757)**	28.817
Earnings (loss) per share	26	**(0,0410)**	**0,0016**
Other comprehensive income (expense) section			
Items that will not be reclassified to profit or loss			
- Property, plant and equipment revaluation increases (decreases)	12	**(73.635)**	1.614.414
- Property, plant and equipment revaluation increases (decreases), tax effect	25	**(7.133)**	(307.451)
- Remeasurement gains (losses) on defined benefit plans	15	**8.095**	75.785
- Remeasurement gains (losses) on defined benefit plans, tax effecti	25	**(2.024)**	(18.947)
Other comprehensive income		**(74.697)**	**1.363.801**
Total comprehensive income		**(285.454)**	**1.532.304**
Total comprehensive income attributable to			
Non-controlling interest		**(24.061)**	286.062
Equity holders of the parent		**(261.393)**	1.246.242

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

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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

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

						Accumulated other comprehensive income or expenses that will not be reclassified to profit or loss			Accumulated profits				
	Share capital	Capital adjustment differences	Treasury sharesr	Reciprocal shareholding capital adjustment	Share issue premiums/ discounts	Property, plant and equipment revaluation increases / decreases	Remeasurement gains (losses) on defined benefit plans	Restricted reserves appropriated from profit	Retained earnings (losses)	Profit (loss) for the period	Equity attributable to owners of the company	Non-controlling interests	Total equity
Balance as of January 1, 2024 (beginning of period)	**180.000**	**6.743.893**	**(1.834)**	**-**	**312.350**	**2.750.343**	**(223.125)**	**836.978**	**6.827.098**	**3.465.715**	**20.891.418**	**2.285.801**	**23.177.219**
Transfers	-	-	-	-	-	(483.828)	-	-	3.951.676	(3.465.715)	2.133	(2.133)	-
Corrections related to errors	-	-	-	-	-	-	-	-	(14.096)	-	(14.096)	(1.566)	(15.662)
Amount after adjustments	180.000	6.743.893	(1.834)	-	312.350	2.750.343	(223.125)	836.978	6.813.002	3.465.715	20.877.322	2.284.235	23.161.557
Total comprehensive income	-	-	-	-	-	1.166.622	50.803	-	-	28.817	1.246.242	286.062	1.532.304
- Profit for the period	-	-	-	-	-	-	-	-	-	28.817	28.817	139.686	168.503
- Other comprehensive income (loss)	-	-	-	-	-	1.166.622	50.803	-	-	-	1.217.425	146.376	1.363.801
Increase (decrease) due to other changes	-	-	(617)	-	12.109	-	-	-	-	-	11.492	404.201	415.693
Dividend payment	-	-	-	-	-	-	-	-	(13.351)	-	(13.351)	-	(13.351)
Balance as of December 31, 2024 (end of period)	**180.000**	**6.743.893**	**(2.451)**	**-**	**324.459**	**3.433.137**	**(172.322)**	**836.978**	**10.751.327**	**28.817**	**22.123.838**	**2.972.365**	**25.096.203**
Balance as of January 1, 2025 (beginning of period)	**180.000**	**6.743.893**	**(2.451)**	**-**	**324.459**	**3.433.137**	**(172.322)**	**836.978**	**10.751.327**	**28.817**	**22.123.838**	**2.972.365**	**25.096.203**
Transfers	-	-	-	-	-	-	-	-	28.817	(28.817)	-	-	-
Total comprehensive income	-	-	-	-	-	(37.592)	4.956	-	-	(228.757)	(261.393)	(24.061)	(285.454)
- Profit (loss) for the period	-	-	-	-	-	-	-	-	-	(228.757)	(228.757)	18.000	(210.757)
- Other comprehensive income (loss)	-	-	-	-	-	(37.592)	4.956	-	-	-	(32.636)	(42.061)	(74.697)
Increase (decrease) due to other changes	-	-	-	-	-	-	-	-	(150)	-	(150)	-	(150)
Other amounts transferred from accumulated other comprehensive income to retained earnings (losses)	-	-	-	-	-	(126.239)	-	-	126.239	-	-	-	-
Capital increase	5.400.000	(3.400.000)	-	-	-	-	-	-	(2.000.000)	-	-	-	-
Dividend payment	-	-	-	-	-	-	-	-	-	-	-	(36.067)	(36.067)
Balance as of December 31, 2025 (end of period)	**5.580.000**	**3.343.893**	**(2.451)**	**-**	**324.459**	**3.269.306**	**(167.366)**	**836.978**	**8.906.233**	**(228.757)**	**21.862.295**	**2.912.237**	**24.774.532**

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

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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

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

		Current Period	Previous Period
		Audited	Audited
			Restated
	Notes	January 1 – December 31, 2025	January 1 – December 31, 2024
A. Cash flows from operating activities		**1.988.994**	199.278
Net profit (loss) for period			
Net profit (loss) for the year from continued operations (I)		**(210.757)**	168.503
Adjustments for the reconciliation of net profit (loss) for the period (II)		**1.579.702**	1.277.149
Adjustments for depreciation and amortization expenses	12,13	**1.307.578**	1.409.222
Adjustments for impairment (reversals)			
- Adjustments for impairment (reversal) of receivables	8	**7.492**	281
- Adjustments for impairment (reversal) of inventories	10	**(17.404)**	20.845
- Adjustments for impairment (reversal) of property, plant and equipment		**-**	58.738
Adjustments for provisionsr			
- Adjustments for provisions (reversal) for employee benefits	15	**27.570**	99.087
- Adjustments for provisions (reversal) for lawsuits and/or penalties	14	**4.315**	5.284
- Adjustments for other provisions (reversals)	14	**3.065**	32.059
Adjustments for interest income and expenses			
- Adjustments for interest income	22	**(34.605)**	(294.793)
- Adjustments for interest expenses	24	**828.678**	1.051.694
- Unearned finance income arising from forward sales	21	**(12.473)**	(168.036)
- Deferred finance expense arising from forward purchases	21	**12.177**	105.171
Adjustments for unrealised foreign exchange translation differences		**1.217.903**	1.330.736
Adjustments for tax income/expense	25	**51.480**	247.940
Adjustments for losses (gains) arising from the sale of fixed assets			
- Adjustments for losses (gains) arising from the sale of property, plant and equipment	22	**30.285**	10
Adjustments for monetary loss / (gain)		**(1.846.359)**	(2.621.089)
Changes in working capital (III)		**961.659**	**(784.598)**
Adjustments for decrease (increase) in trade receivables		**520.697**	(119.533)
Adjustments for (increase)/decrease in inventories	10	**11.822**	375.890
Decrease (increase) prepaid expenses	11	**23.556**	(59.083)
Adjustments for increase (decrease) in trade payables		**390.291**	(668.542)
Increase (decrease) in liabilities under employee benefits		**17.733**	(12.694)
Adjustments for decrease / (increase) in other receivables related to operating activities			
- Decrease / (increase) in other receivables from related parties related to operating activities	9	**-**	-
- Decrease / (increase) in other receivables from third parties related to operating activities	9	**(28.822)**	29.497
Adjustments for increase (decrease) in other payables related to operating activities			
- Increase (decrease) in other payables to related parties related to operating activities	7	-	(12.414)
- Increase (decrease) in other payables to third parties related to operating activities		1.852	-

	Notes	Current Period	Previous Period
		Audited	Audited
			Restated
	Notes	January 1 – December 31, 2025	January 1 – December 31, 2024
Adjustments for other increase (decrease) in working capital			
- Decrease (increase) in other assets related to operating activities		**(48.252)**	(82.826)
- Increase (decrease) in other liabilities related to operating activities		**25.767**	(28.122)
Increase (decrease) in deferred income		**47.015**	(206.771)
Other cash inflows (outflows)		**-**	-
Cash flows generated from operations (I+II+III)		**2.330.604**	661.054
Payments made within the scope of provisions for employee benefits	15	**(38.894)**	(16.512)
Tax refunds (payments)	25	**(302.716)**	(445.264)
B. Cash flows from investing activities, net		**(904.893)**	1.389.266
Cash inflows from sales that do not result in loss of control of subsidiaries		**-**	1.847.997
Cash inflows arising from the sale of property, plant and equipment and intangible assets			
- Cash inflows arising from the sale of property, plant and equipment		**166.595**	20.026
- Cash inflows arising from the sale of intangible assets		**-**	-
Cash outflows arising from the purchase of property, plant and equipment and intangible assets			
- Cash outflows arising from the purchase of property, plant and equipment	12	**(1.071.037)**	(474.084)
- Cash outflows arising from the purchase of intangible assets	13	**(451)**	(4.673)
C. Cash flows from financing activities		**(1.205.011)**	(1.618.928)
Cash inflows from borrowings			
- Cash inflows from loans	6	**2.198.645**	3.027.694
Cash outflows related to debt repayments			
- Cash outflows related to loan repayments	6	**(2.135.397)**	(3.988.285)
Interest paid	6	**(1.196.866)**	(1.067.026)
Dividend payment		**(36.067)**	(13.351)
Other cash inflows		**-**	415.693
Cash outflows from leasing		**(69.931)**	(34.427)
Interest received		**34.605**	40.774
D. Effect of monetary gain (loss) on cash and cash equivalents		**(100.988)**	(140.276)
E. Effect of exchange rate changes on cash and cash equivalents		**6.136**	9.957
Net increase (decrease) in cash and cash equivalents (A+B+C+D+E)		**(215.762)**	(160.703)
F. Cash and cash equivalents at the beginning of the period	**4**	**427.891**	588.594
Cash and cash equivalents at the end of the period (A+B+C+D+E+F)	**4**	**212.129**	**427.891**

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

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

1. THE GROUP'S ORGANIZATION AND NATURE OF OPERATIONS

Batıçim Batı Anadolu Çimento Sanayii A.Ş. ("Group" or "Batıçim") was established in accordance with the Turkish Trade Law in 1966 in İzmir, Turkey.

The Group headquarters is located at Ankara Caddesi No: 335 Bornova, İzmir. The principal place of business is at the same address.

The Group is registered under the Capital Markets Board ("CMB"), and since 1995 its stocks are traded, in Borsa İstanbul ("BIST").

The Group's shareholder structure at historical basis is as below:

	December 31, 2025		December 31, 2024	
	Share	Amount	Share	Amount
Ortaklar	(%)	(Thousand TL)	(%)	(Thousand TL)
Çiftay İnşaat Taahhüt ve Ticaret A.Ş.	**38,07**	**2.124.516**	39,72	71.503
İstanbul Portföy Yönetimi A.Ş Pre-IPO Girişim Sermayesi Yatırım Fonu	-	-	11,96	21.534
İstanbul Portföy İkinci Serbest Fon	-	-	6,75	12.141
KTLP Limited	**7,35**	**410.330**	5,7	10.267
Other	**54,58**	**3.045.154**	35,87	64.555
Nominal capital	**100,00**	**5.580.000**	100,00	180.000

The Board members of the Group are as follows:

Chairman: **Sabit AYDIN**
Vise Chairman: **Coşkun KILIÇ**
Executive Member: **Ömer Çağdaş SELVİ**
Member: **Mehmet Gökalp ÖZKÖK**
Independent Member: **Mehmet ŞAHNE**
Independent Member: **Ufuk Bala YÜCEL**
Independent Member: **Enis Turan ERDOĞAN**

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

Subsidiaries	Stock Exchange Market	Main Business Activities
Batısöke Söke Çimento Sanayii T.A.Ş. ("Batısöke")	Borsa İstanbul	Production and sale of clinker and cement
ASH Plus Yapı Malzemeleri Sanayi ve Ticaret A.Ş. ("ASH Plus")	-	Production and sale of ash
Batıçim Enerji Elektrik Üretim A.Ş. ("Batıçim Enerji")	-	Production and sale of electricity
Batıbeton Sanayi A.Ş. ("Batıbeton")	-	Production and sale of ready-mixed concrete
Batıliman Liman İşletmeleri A.Ş. ("Batıliman")	-	Port operations
Batıçim Enerji Toptan Satış A.Ş. ("Batıçim Enerji Toptan")	-	Sales and distribution
Ege İş Madencilik Sanayi ve Ticaret A.Ş. ("Ege İş")	-	Gravel and sand quarrying

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

1. THE GROUP'S ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

It is engaged in the production and marketing of cement, ready mixed concrete, aggregate, clinker, port operation, electricity generation and sales activities of the Group and the subsidiaries explained above (together the "Group"). Segment reporting is in Note 3.

The number of employees is categorized as follows:

	December 31, 2025	December 31, 2024
Executive	**45**	34
Officer	**186**	192
Worker	**782**	794
	1.013	1.020

At the meeting of the Board of Directors dated April 17, 2025, it was resolved that the Bornova cement plant owned by Batıçim, together with all its production equipment and machinery, be leased to Batısöke for the period until the commencement of the real estate project covering the factory site; that clinker and cement production activities be carried out solely by Batısöke after the leasing; that the factory operations be terminated once the real estate project begins; and that, within this scope, applications be submitted to the Capital Markets Board and the Ministry of Trade of the Republic of Türkiye for the changes in the trade names of both Batısöke and Batıçim. It was further resolved that, following the approvals of the Capital Markets Board and the Ministry of Trade of the Republic of Türkiye, the matter be submitted for the approval of the first general assembly meeting, and the relevant applications have been made. With the letter of the Capital Markets Board dated December 22, 2025, the application was approved, provided that the utmost care and diligence are exercised regarding compliance with the specified conditions and relevant legislation. With the letter of the Ministry of Trade of the Republic of Türkiye dated December 26, 2025, the amendment to the articles of association was also deemed appropriate. The proposal for the amendment to the articles of association will be submitted for the approval of the shareholders at the first general assembly meeting to be held.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

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

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

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

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

Functional and presentation currency

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

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of presentation (continued)

Restatement of financial statements during the hyperinflationary periods

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

TAS 29 applies to the financial statements, including the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy. Where a hyperinflationary economy exists, TAS 29 requires the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the end of the reporting period. As of the reporting date, since the cumulative change in the general purchasing power over the last three years has exceeded 100% based on the Consumer Price Index ("CPI"), entities operating in Türkiye are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies"
in reporting periods ending on or after December 31, 2023.

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

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

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

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

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

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

- Monetary assets and liabilities are not indexed, since they are expressed in terms of the current purchasing power as of the statement of financial position date. Monetary items are items to be received or paid in cash or cash equivalents.
- Fixed assets, investments in associates and similar assets are indexed over their historical cost, provided that they do not exceed their market values. Depreciation has also been adjusted in a similar manner. Amounts included in equity have been restated by applying general price indices in the periods in which such amounts were included in the Group or arose within the Group.
- All items in the statement of profit or loss are indexed using coefficients calculated over the periods in which the income and expense accounts were first reflected in the consolidated financial statements, except for those items in the statement of profit or loss that are affected by the indexing of non-monetary items included in the consolidated statement of financial position and that have an effect on the statement of profit or loss.
- Gains or losses arising from general inflation in the net monetary position represent the difference resulting from the adjustments made to non-monetary assets, equity items, and statement of profit or loss accounts. These gains or losses in the net monetary position are included in profit or loss.
- The effect of inflation on the Group's net monetary asset position in the current period has been recognized in the statement of profit or loss under net monetary position gains/(losses) (Note 30).

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of presentation (continued)

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

- The effect of inflation on the Group's net monetary asset position in the current period has been recognized in the statement of profit or loss under net monetary position gains/(losses) (Note 30).

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

Restatement of the Statement of Financial Position

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

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

Restatement of the Statement of Profit or Loss

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

The cost of inventories sold has been adjusted by using the restated inventory balance. Depreciation and amortisation expenses have been adjusted by using the restated balances of property, plant and equipment, intangible assets, and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period. Non-monetary items acquired or assumed before January 1, 2005, the date on which the Turkish lira ceased to be defined as the currency of a hyperinflationary economy, as well as equity contributed to or arising within the entity before that date, have been adjusted for the change in the CPI from January 1, 2005 to December 31, 2025.

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

Going concern

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

Approval of the consolidated financial statements

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of presentation (continued)

Basis of consolidation:

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

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

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

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

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

The consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ends when the Group loses control over it. The income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition to the date of disposal.

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

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

		31 Aralık 2025		31 Aralık 2024	
Subsidiary	Establishment and operation location	Direct proportional ownership	Indirect proportional ownership	Direct proportional ownership	Indirect proportional ownership
Batısöke	Aydın, Türkiye	74.62%	74.62%	74.62%	74.62%
Batıçim Enerji	İzmir, Türkiye	100%	100%	100%	100%
Batıçim Enerji Toptan	İzmir, Türkiye	-	100%	-	100%
Batıbeton	İzmir, Türkiye	100%	100%	100%	100%
Batıliman	İzmir, Türkiye	90%	90%	90%	90%
ASH Plus	Manisa, Türkiye	-	100%	100%	100%
Ege İş (*)	İzmir, Türkiye	100%	100%	-	-

(*) No separate note has been included for the transaction, since the financial size of the acquired entity is immaterial.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.2 Changes in accounting and reporting standards

New and revised standards and interpretations

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

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

TAS 21 (Amendments) Lack of Exchangeability

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

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

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

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

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

TFRS 17 – New Insurance Contracts Standard

In February 2019, the POA issued TFRS 17, a comprehensive new accounting standard covering the recognition and measurement, presentation and disclosure of insurance contracts. TFRS 17 introduces a model that provides both the measurement of liabilities arising from insurance contracts at current balance sheet values and the recognition of profit over the period in which services are provided. With the announcement made by the POA, the mandatory effective

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.2 Changes in accounting and reporting standards

Changes in accounting and reporting standards (continued)

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

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

In August 2025, the POA issued amendments related to the classification and measurement of financial instruments. The amendment clarifies that financial liabilities are derecognised on the date on which they are extinguished.

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

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

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

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

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

Annual Improvements to TFRS – 11th Amendment; Effective for annual reporting periods beginning on or after January 1, 2026 (early application is permitted). Annual improvements are limited to amendments that clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or inconsistencies between the requirements in Accounting Standards.

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.2 Changes in accounting and reporting standards (continued)

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

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

Amendments to IAS 21 – Translation into a Hyperinflationary Presentation Currency

The amendments issued by the IASB in November 2025 require the use of the closing exchange rate when translating from a functional currency that is not the currency of a hyperinflationary economy into a presentation currency that is the currency of a hyperinflationary economy. Accordingly, an entity whose functional currency is the currency of a non-hyperinflationary economy but whose presentation currencyis the currency of a hyperinflationary economy uses the closing exchange rate at the end of the current period when translating its results of operations and financial position, including comparative amounts, for all relevant items (in other words, for assets, liabilities, equity items, income and expenses). However,an entity whose functional currency and presentation currency are both the currency of a hyperinflationary economy expresses the comparative amounts of a foreign operation whose functional currency is the currency of a non-hyperinflationary economy in terms of the current measuring unit by applying the general price index in accordance with IAS 29. These amendments also introduce certain additional disclosure requirements.

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

In order to enable the determination of trends in financial position and performance, the Group's consolidated statement of financial position dated December 31, 2025 has been prepared comparatively with the consolidated statement of financial position dated December 31, 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended December 31, 2025 have been prepared comparatively with the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year endedDecember 31, 2024.

	Restated		Previously Presented
	Consolidated		Consolidated
	December 31, 2024	Adjustments	December 31, 2024
Current Assets	**5.987.967**		5.987.967
Cash and cash equivalents	427.891	-	427.891
Financial investments	296	-	296
Trade receivables	3.239.901	-	3.239.901
Other receivables	14.804	-	14.804
Inventories	1.539.291	-	1.539.291
Prepaid expenses	281.540	-	281.540
Current period tax-related assets	56.195	-	56.195
Other current assets	428.049	-	428.049
Non-current Assets	**30.425.170**	-	**30.266.190**

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

Notes to the Consolidated Financial Statements as of December 31, 2025

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

	Restated		Previously Presented
	Consolidated		Consolidated
	December 31, 2024	Adjustments	December 31, 2024
Financial investments	13	-	13
Other receivables	20.572	-	20.572
Property, plant and equipment	27.872.248	(61.502)	27.933.750
Right of use assets	559.269	222.157	337.112
Intangible assets	1.523.925	(1.675)	1.525.600
Prepaid expenses	26	-	26
Deferred tax assets	449.116	-	449.116
TOTAL ASSETS	36.413.137	158.980	36.254.157
Current Liabilities	5.376.077	20.438	5.355.639
Short term borrowings	1.231.582	-	1.231.582
Current portions of long-term borrowings	1.408.515	-	1.408.515
Lease liabilities	49.569	20.438	29.131
Trade payables	2.370.834	-	2.370.834
Liabilities under employee benefits	76.712	-	76.712
Other payables	34.168	-	34.168
Deferred income	130.134	-	130.134
Current tax liability	6.178	-	6.178
Short term provisions	21.211	-	21.211
Other short term liabilities	47.172	-	47.172
Non-current liabilities	5.940.858	85.348	5.855.510
Long-term borrowings	3.817.433	-	3.817.433
Lease liabilities	228.540	58.344	170.197
Long-term provisions	312.816	-	312.816
Deferred tax liabilities	1.582.069	27.004	1.555.065
Total equity	22.123.837	47.874	22.075.962
Paid-in capital	235.606	-	235.606
Capital adjustment differences	6.688.286	-	6.688.286
Treasury shares	(2.450)	-	(2.450)
Share premium	324.459	-	324.459
Accumulated other comprehensive income (expenses) that will not be reclassified to profit or loss	3.260.815	-	3.260.815
Restricted reserves appropriated from profit	836.978	-	836.978
Retained earnings or losses	10.751.327	(14.096)	10.765.423
Net profit or loss for the period	28.817	61.970	(33.154)
	-		
Equity Attributable to the Parent	**22.123.837**	**47.874**	**22.075.962**
Non-controlling Interests	**2.972.364**	**5.319**	**2.967.045**
Total Equity	**25.096.202**	**53.193**	**25.043.007**
TOTAL	36.413.137	158.979	36.254.157

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

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

	Restated		Previously Presented
	Consolidated		Consolidated
	December 31, 2024	Adjustments	December 31, 2024
Revenue	17.592.197		17.592.197
Cost of Sales	(15.504.828)	(6.123)	(15.498.705)
GROSS PROFIT/LOSS	**2.087.369**	**(6.123)**	**2.093.492**
General administrative expenses	(644.531)		(644.531)
Marketing expenses	(759.077)		(759.077)
Other income from operating activities	557.343		557.343
Other expenses from operating activities	(503.748)		(503.748)
OPERATING PROFIT/LOSS	**737.356**	**(6.123)**	**743.479**
Income from investing activities	254.019	-	254.019
Expenses from investing activities	(10)	-	(10)
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSE	**991.364**	**(6.123)**	**997.487**
Finance income	93.046	-	93.046
Finance expenses	(2.521.450)	(9.514)	(2.511.936)
Net monetary position gains (losses)	1.889.319	120.328	1.768.990
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**452.279**	**104.692**	**347.587**
Tax Expense / Income from Continuing Operations	**(283.776)**	**(35.836)**	**(247.940)**
Current Tax Expense / Income	(255.127)	-	(255.127)
Deferred Tax Expense / Income	(28.649)	(35.836)	7.187
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	**168.503**	**68.856**	**99.647**
PROFIT (LOSS) FOR THE PERIOD	**168.503**	**68.856**	**99.647**
Non-controlling interests	139.686	6.886	132.801
Equity holders of the parent	28.817	61.970	(33.154)
OTHER COMPREHENSIVE INCOME (EXPENSE)	**1.363.801**		**1.363.801**
Items That Will Not Be Reclassified To Profit Or Loss	**1.690.200**		**1.690.200**
Property, Plant And Equipment Revaluation Increases (Decreases)	1.614.414		1.614.414
Remeasurement Gains (Losses) On Defined Benefit Plans	75.785		75.785
Taxes Related To Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	**(326.398)**		**(326.398)**
Property, Plant And Equipment Revaluation Increases (Decreases), Tax Effect	(307.452)		(307.452)
Remeasurement Gains (Losses) On Defined Benefit Plans, Tax Effect	(18.947)		(18.947)
TOTAL COMPREHENSIVE INCOME/(EXPENSE)	**1.532.304**	**68.856**	**1.463.448**
Distribution of total comprehensive income			
Non-controlling interests	286.062	6.886	279.176
Equity holders of the parent	1.246.242	61.970	1.184.272

As of December 31, 2024, the calculations related to property, plant and equipment, intangible assets, right-of-use assets and lease liabilities, together with the related deferred tax effects, were reviewed and adjusted, and the resulting differences were recognized in retained earnings and the statement of profit or loss according to the relevant period.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Changes in accounting policies, accounting estimates and errors

Changes in accounting policies arising from the initial application of a new standard, if any, are applied retrospectively or prospectively in accordance with the transition provisions. Changes for which no transition provisions exist, significant voluntary changes in accounting policies, or identified accounting errors are applied retrospectively and the consolidated financial statements of prior periods are restated.

Changes in accounting estimates are applied prospectively, if they relate only to one period, in the current period in which the change is made, and if they relate to future periods, both in the period in which the change is made and in future periods. Identified material accounting errors are applied retrospectively and the consolidated financial statements of prior periods are restated.

2.5 Summary of significant accounting policies

Revenue

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

Sale of goods

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

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

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

At the beginning of the contract, the Group evaluates whether the Group has different performance commitments. The Group does not have an important service component identified in customer contracts.

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

Rendering of services

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

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Dividend and interest income

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

Related parties

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

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

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

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

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

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

Inventories

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Right-of-use assets

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

In case the financial leasing debts are revalued, this figure is corrected.

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

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

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

The right to use assets is subject to impairment assessment.

Lease liabilities

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

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

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

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

For the remaining portion of the lease term, the Group determines the revised discount rate as the interest rate implicit in the lease if that rate can be readily determined; if it cannot be readily determined, the Group uses its incremental borrowing rate at the date of reassessment.

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

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Lease liabilities (continued)

Property, plant, and equipment

Property, plant and equipment are presented at their carrying amounts after deducting accumulated depreciation and accumulated impairment losses from their restated acquisition costs expressed in terms of the purchasing power of TL as of December 31, 2025, except for owner-occupied land and machinery/equipment measured at fair value in accordance with the revaluation model under TAS 16. The cost of an item of property, plant and equipment consists of the purchase price, import duties and non-refundable taxes/charges, and costs incurred to bring the asset to a condition ready for use. Land are not subject to depreciation. Assets under construction for administrative purposes or for other purposes not yet determined are carried at cost less any impairment loss. Assets that require a substantial period of time to be ready for their intended use or sale are defined as qualifying assets; borrowing costs incurred in relation to such qualifying assets until they are ready for use are capitalized. Once the construction of these assets is completed and they are ready for use, they are classified under the relevant property, plant and equipment item.

Such assets are depreciated when they are ready for use, in the same manner as the depreciation method used for other fixed assets.

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

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

Expenditures such as repairs and maintenance incurred after the property, plant and equipment has been put into use are recognized as an expense in the period in which they are incurred. If the expenditures made provide an increase in economic benefit in the future use of the related property, plant and equipment, such expenditures are added to the cost of the asset and are depreciated over the remaining useful life. The frequency of revaluations depends on the existence of indicators that there have been significant changes in the items of property, plant and equipment subject to revaluation. If the carrying amount of an asset increases as a result of revaluation, such increase is recognized in other comprehensive income and recognized directly in equity under revaluation surplus. However, a revaluation increase is recognized in the statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

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

An item of property, plant and equipment is derecognized from the statement of financial position upon disposal or when no future economic benefits are expected from its use or sale. When such assets are sold or disposed of, the resulting gain or loss based on the net book value of the related property, plant and equipment is recognized in the statement of profit or loss under income (expenses) from investing activities.

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Property, plant, and equipment (continued)

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

	Period (Year)
Land improvements	15-30
Buildings	10-50
Furniture and fixtures	2-20
Plant, machinery and equipment	2-25
Vehicles	4-10
Other property, plant and equipment (mining assets)	10-30

Intangible assets

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

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. These assets are amortized over their estimated useful lives using the straight-line method. The estimated useful life and the depreciation method, in order to determine the possible effects of changes in estimates are reviewed each year and changes in estimates are accounted for prospectively. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

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

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

	Period (Year)
Rights	3-15
Assets subject to amortization	5

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

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

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

Borrowing costs

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

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

Financial Instruments

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

- Cash
- A contractual right to exchange financial instruments from another enterprise under conditions that are potentially favourable,
- A contractual right to receive cash or another financial asset from another enterprise
- An equity instrument of another enterprise.
- A financial liability that is a contractual obligation:
- To deliver cash or another financial asset to another enterprise, or
- To exchange financial instruments with another enterprise under conditions that are potentially unfavourable

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

Effective interest method

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Financial Assets

Classificiation

Group classifies its "financial assets measured at amortized cost" .The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The appropriate classification of financial assets is determined at the time of the purchase.

Financial assets are not reclassified after initial recognition except when the Group's business model for managing financial assets changes; in the case of a business model change, subsequent to the amendment, the financial assets are reclassified on the first day of the following reporting period.

Accounting and Measurement

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

Financial Statement Exclusion

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

Impairment

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

Provision for loss measured as below:

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

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

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

Cash and cash equivalents

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Financial liabilities

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

Effect of foreign currency transactions

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

During the preparation of the consolidated financial statements, transactions denominated in foreign currencies (currencies other than TL) are recorded based on the exchange rates prevailing on the transaction date. Monetary assets and liabilities indexed to foreign currencies and presented in the statement of financial position are translated into Turkish Lira using the exchange rates prevailing at the reporting date.

Non-monetary items that are carried at fair value and recorded in foreign currencies are translated into TL using the exchange rates prevailing on the date when the fair value is determined. Non-monetary items measured at historical cost in a foreign currency are not subject to translation.

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

Earnings (loss) per share

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

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

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

Events after the reporting period

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Provisions, contingent assets, and liabilities

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Provisions are reviewed at each reporting date and necessary adjustments are made to reflect management's best estimates.

Contingent assets and liabilities

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

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

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

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

Mine site rehabilitation provision

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

Segment reporting

The Group have identified relevant operating segments based on internal reports that are regularly reviewed. Chief operating decision making body of the Group is the Executive Board.

The chief operating decision making body of the Group reviews results and operations on a product basis in order to monitor performance and to allocate resources. Product basis segments of the Group are defined in the following categories: stone and mineral basis products, ready-mixed concrete, port services and electricity production.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Taxes calculated on corporate income

Since Turkish Tax Legislation does not allow the parent company and its subsidiaries/associates to prepare a consolidated tax return, as reflected in the accompanying consolidated financial statements, tax provisions represent the Group's calculations.

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

Current income tax

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

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

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

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

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

Dividend payments made by resident companies in Türkiye to resident joint stock companies are not subject to income tax. In addition, no income tax is calculated if the profit is not distributed or is added to capital.

As of December 31, 2025 and 2024, tax provisions have been made in accordance with the applicable tax legislation.

Deferred tax

Deferred tax liabilities or assets are determined by calculating the tax effects of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts taken into account in the calculation of the statutory tax base, using the balance sheet method and considering enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets arising from deductible temporary differences are recognized only if it is highly probable that future taxable profit will be available against which those differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction (other than a business combination) that does not affect either accounting profit or taxable profit/loss.

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Taxes calculated on corporate income (continued)

In the calculation of deferred tax, a tax rate of 25% has been used for temporary differences expected to reverse/settle in 2025 and subsequent years.

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

The carrying amount of a deferred tax asset is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is not probable that sufficient taxable profit will be available to allow all or part of the benefit of that deferred tax asset to be utilized.

Deferred tax assets and liabilities are calculated using the tax rates (tax regulations) that are expected to apply in the period in which the assets will be realized or the liabilities will be settled and that have been enacted or substantively enacted as of the balance sheet date. In the calculation of deferred tax assets and liabilities, the tax consequences of the methods that the Company expects, as of the balance sheet date, to use in recovering the carrying amount of its assets or settling its liabilities are taken into account..

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

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

Deferred tax liabilities are recognized for all taxable temporary differences, while deferred tax assets arising from deductible temporary differences are recognized in the financial statements only if it is highly probable that future taxable profit will be available against which those differences can be utilized. If sufficient taxable temporary differences exist and these differences are expected to reverse in the periods during which the tax losses carried forward from deferred tax assets are expected to be utilized, it is considered probable that sufficient taxable profit will be available to utilize the deductible temporary differences, and the related deferred tax assets are recognized in the financial statements in the period in which the deductible temporary differences arise.

Deferred tax assets and deferred tax liabilities are offset provided that they relate to income taxes levied under the same tax legislation and there is a legally enforceable right to offset current tax assets against current tax liabilities. Deferred tax assets and liabilities are classified as non-current in the financial statements.

Employee benefits

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

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

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of significant accounting policies (continued)

Employee benefits (continued)

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

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

Capital and dividens

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

Share issuance premiums (discounts)

Share issuance premiums represent the difference arising from the sale of subsidiary or associate shares held by the Group at a price higher than their nominal value, or the difference between the nominal values and fair values of the shares issued by the Group in relation to the companies it has acquired. Amounts arising from the disposal of the Group's treasury shares are recognized under this account.

Treasury shares

In case the Group obtains its own shares, the cost amounts including the parts exceeding the nominal values of these shares are deducted from equity and presented as "Treasury shares". Profits or losses from the Group's transactions related to shares that have been recovered in this manner are also recognized under equity. In case the shares are acquired by other companies included in the consolidation, the shares received are presented as "Mutual participation capital adjustment" within the scope of TAS 32.

Statement of cash flow

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

Offsetting

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

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

The assumptions made, taking into account the interpretations that may have a significant effect on the amounts reflected in the consolidated financial statements and the main sources of estimates existing as of the date of the consolidated statement of financial position or that may arise in the future, are as follows:

2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.6 Significant judgments, assumptions, and estimates

The preparation of consolidated financial statements in conformity with accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In preparation of the consolidated financial statements, the significant estimates and judgments used by the Group are included in the following notes:

Deferred taxes

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between its statutory financial statements adjusted for the purchasing power of TL as of December 31, 2025 for tax purposes and its TFRS financial statements prepared in accordance with TAS 29 in the same manner.

While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets arising from deductible temporary differences are calculated only if it is highly probable that taxable profit will be available in the future against which such differences can be utilized.

Deferred tax assets and liabilities are calculated using the tax rates (tax regulations) that are expected to apply in the period in which the assets will be realized or the liabilities will be settled and that have been enacted as of the balance sheet date. In the calculation of deferred tax assets and liabilities, the tax consequences of the methods that the Group expects, as of the balance sheet date, to use in recovering the carrying amount of its assets or settling its liabilities are taken into account.

The Group has deferred tax assets and liabilities arising from tax losses carried forward that can be deducted from future profits, tax assets arising from cash capital increases, and other deductible temporary differences. The recoverable amount of deferred tax assets has been estimated, partially or fully, under current conditions. During this assessment, the five-year projections prepared by the Company's management and the timing of the recovery of taxable temporary differences have been considered. If the Company has taxable temporary differences related to the same tax authority that are expected to reverse in the period during which deductible temporary differences are expected to reverse or in periods in which tax losses arising from deferred tax assets can be utilized, deferred tax assets related to such deductible temporary differences are recognized in the period in which the deductible temporary differences arise (Note 25).

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

The Group accounts for its land and its machinery and equipment under property, plant and equipment in accordance with TAS 16 using the revaluation model, updated over their fair values. For the purpose of determining the fair values of these assets, the Group works with independent valuation companies authorized by the Capital Markets Board of Turkey. The relevant revaluation studies for the land and machinery and equipment asset groups were reperformed on December 31, 2025, and the real fair value increases / decreases, net of the effects of inflation within the framework of TAS 29, were recognized in the accompanying consolidated financial statements under other comprehensive income (expense). In determining the fair values of the relevant property, plant and equipment, evaluations were made by taking into account the current condition of the assets, market conditions, and their highest and best use, and by considering the comparable method and the cost method (Note 12 and Note 28).

Useful lifes of tangible and intangible assets

The Group management estimates and regularly audits the useful lives of the depreciable assets as explained in Note 2.5 on the date of first recognition of the assets. The entity determines the useful life of an asset, taking into account its estimated usefulness. This assessment is based on the Group's experience with similar assets. When determining the useful life of an asset, the Group will also consider changes in the market or the resulting technical and / or commercial unusable assets.

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

3. SEGMENT REPORTING

Operating segments have been determined based on the internal reports regularly reviewed by the authority authorized to make decisions regarding the Group's operations. The Group's chief operating decision maker is the executive committee. A significant portion of the Group's foreign sales consists of sales made to different geographical regions. The details of revenue are presented in Note 18 as domestic sales and foreign sales.

The Group's business activities are managed and organized depending on the nature of the products it provides. The distribution of the Group's fields of activity is as follows: stone and earth-based products, ready-mixed concrete, port services, and electricity generation.

As of December 31, 2025, and December 31, 2024, segment assets, liabilities, capital expenditures, depreciation and amortization, and interest income and expenses are as follows:

December 31, 2025	Product of stone and land basis	Ready mixed concrete	Port services	Electricity production	Total
Total assets	25.619.742	3.110.010	5.412.621	1.431.562	35.573.935
Total liabilities	7.360.029	1.801.701	1.355.658	282.015	10.799.403
Current period capital expenditures	593.399	14.724	463.311	54	1.071.488
Current period amortization and depreciation expenses	1.080.288	32.936	112.353	82.001	1.307.578
Interest income	20.784	3.314	8.517	1.990	34.605
Finance expense	1.771.621	99.853	189.529	36.278	2.097.281

December 31, 2024	Product of stone and land basis	Ready-mixed concrete	Port services	Electricity production	Total
Total assets	25.198.737	3.882.104	5.513.609	1.818.685	36.413.135
Total liabilities	7.082.134	2.350.249	1.297.835	586.714	11.316.932
Current period capital expenditures depreciation expenses	167.714	37.873	273.170	-	478.757
Current period amortization and depreciation expenses	1.190.545	100.413	72.577	45.687	1.409.222
Interest income	24.707	4.953	3.614	7.500	40.774
Finance expense	2.152.027	197.774	130.037	41.612	2.521.450

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3. SEGMENT REPORTING (CONTINUED)

Segment results for the accounting period for the year ended December 31, 2025 are as follows:

January 1–December 31, 2025	Product of stone and land basis	Readymixed concrete	Port services	Electricity production	Total
Revenue	8.957.921	4.032.189	1.110.280	189.093	14.289.483
Cost of sales (-)	(8.002.682)	(4.107.011)	(485.033)	(255.271)	(12.849.997)
Gross profit	955.239	(74.822)	625.247	(66.178)	1.439.486
General administrative expenses (-)	(636.093)	(31.967)	(49.234)	(9.608)	(726.902)
Marketing expenses (-)	(613.646)	(43.005)	-	(5.412)	(662.063)
Other income from operating activities	238.427	25.426	20.591	8.407	292.851
Other expenses from operatinf activities (-)	(356.611)	(17.439)	(49.012)	(8.944)	(432.006)
Operating profit/(loss)	(412.684)	(141.807)	547.592	(81.735)	(88.634)
Income/expense from investing activities, net	(64.432)	250	107.180	-	42.998
Finance expenses (-), net	(1.811.537)	(99.853)	(82.349)	(36.278)	(2.030.017)
Monetary gain/(loss), net	1.569.245	64.338	40.458	4.559	1.678.600
Profit/(loss) before tax	(719.408)	(177.072)	612.881	(113.454)	(397.053)

Segment results for the accounting period for the year ended December 31, 2024 are as follows:

January 1 – December 31, 2024	Product of stone and land basis	Ready-mixed concrete	Port services	Electricity production	Total
Revenue	9.191.644	5.223.867	1.173.320	2.003.366	17.592.197
Cost of sales (-)	(8.031.177)	(4.982.173)	(405.177)	(2.086.301)	(15.504.828)
Gross profit	1.160.467	241.694	768.143	(82.935)	2.087.369
General administrative expenses (-)	(487.367)	(72.910)	(66.729)	(17.525)	(644.531)
Marketing expenses (-)	(687.379)	(64.272)	-	(7.426)	(759.077)
Other income from operating activities	350.198	89.848	45.787	71.510	557.343
Other expenses from operatinf activities (-)	(324.528)	(107.963)	(36.633)	(34.624)	(503.748)
Operating profit/(loss)	11.391	86.397	710.568	(71.000)	737.356
Income/expense from investing activities, net	-	(10)	254.019	-	254.009
Finance expenses (-), net	(2.069.954)	(191.594)	(125.245)	(41.611)	(2.428.404)
Monetary gain/(loss), net	2.227.480	(35.888)	(277.607)	(24.667)	1.889.318
Profit/(loss) before tax	168.917	(141.095)	561.735	(137.278)	452.279

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

4. CASH AND CASH EQUIVALENTS

	December 31,2025	December 31, 2024
Cash	**35**	42
Banks		
- Demand deposits	**68.349**	156.327
- Time deposits	**143.745**	271.522
	212.129	427.891

As of December 31, 2025 and December 31, 2024, the details of time deposits are as follows:

				December 31, 2025
Currency	Weighted average interest ratel	Maturity	Original currency amount	TL equivalent
TL	**%31,40**	**Ocak 2026**	**143.745**	**143.745**
Total				**143.745**

				December 31,2024
Currency	Weighted average interest rate	Maturity	Original currency amount	TL equivalent
TL	**%48,25**	**Ocak 2025**	**271.522**	**271.522**
Total				**271.522**

5. FINANCIAL INVESTMENTS

	December 31, 2025	December 31, 2024
Short term		
Other financial assets (*)	-	296
	-	296
Long term		
Other financial assets	10	13
	10	13

(*) Short-term financial assets consist of restricted deposits.

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6. FINANCIAL LIABILITES

	December 31, 2025	December 31, 2024
Short term bank loans	382.032	982.432
Current portion of long term lease liabilities	43.503	49.569
Current portion of long-term bank loans	1.483.503	1.408.515
Long term bank loans	3.661.239	3.817.433
Long term lease liabilities	148.639	228.540
Letter of credit liabilities	-	249.150
	5.718.916	**6.735.639**

				December 31, 2025
Currency	**Interest type**	**Nominal interest rate**	**Original currency amount**	**TL equivalent**
Short term bank loans				
TL	Fixed	%38,50	**80.066**	**80.066**
EUR	Floating	EURIBOR 6M + %2,70	**1.000**	**50.453**
US Dollar	Fixed	%8 - %9	**5.868**	**251.513**
				382.032
Current portion of long term bank loans				
TL	Fixed	%34-%43	**456.889**	**456.889**
US Dollar	Fixed	%8,75	**500**	**21.440**
EUR	Floating	EURIBOR 6M + %3,25-%4,60	**4.232**	**213.510**
US Dollar	Floating	SOFR 6M + %3,25-%7,93	**18.470**	**791.664**
				1.483.503
Long term bank loans				
TL	Fixed	%34-%43	**303.230**	**303.230**
US Dollar	Fixed	%8,75	**2.672**	**114.540**
EUR	Fixed	%7,10	**4.005**	**202.065**
US Dollar	Floating	6M SOFR + %4,25-%7,93	**65.549**	**2.809.585**
EUR	Floating	EURIBOR 6M + %4,25-%4,60	**4.595**	**231.819**
				3.661.239
				5.526.774

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

6. FINANCIAL LIABILITIES (CONTINUED)

				December 31, 2024
Currency	**Interest type**	**Nominal interest rate**	**Original currency amount**	**TL equivalent**
Short term bank loans				
US Dollar	Floating	SOFR 6M + %2,70	3.366	155.448
US Dollar	Fixed	%8,5 - %9,5	5.940	274.363
EUR	Floating	EURIBOR 6M + %2,70	178	8.592
TL	Fixed	%50	544.029	544.029
				982.432
Short term portion of long term bank loans				
US Dollar	Floating	SOFR 6M + %3,25 - %7,93	27.589	1.274.251
US Dollar	Fixed	%8,75	218	10.046
EUR	Floating	EURIBOR 6M + %3,25	2.281	109.917
TL	Fixed	%25 - %29,50	14.301	14.301
				1.408.515
Long term bank loans				
US Dollar	Floating	SOFR 6M + %3,25 - %7,93	77.646	3.586.277
US Dollar	Fixed	%8,75	2.686	124.072
EUR	Floating	EURIBOR 6M + %3,25	2.223	107.084
				3.817.433
Letter of credit borrowings				
US Dollar	Fixed	%7,18 - %7,71	5.404	249.150
				249.150
				6.457.530

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

	December 31, 2025	December 31, 2024
Between 1-2 years	**779.044**	861.307
Between 2-3 years	**1.062.958**	635.143
Between 3-4 years	**412.826**	622.822
Between 4- 5years	**534.574**	647.464
5 years and longer	**871.837**	1.050.697
	3.661.239	3.817.433

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6. FINANCIAL LIABILITIES (CONTINUED)

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

	2025	2024
Opening balance, January 1	**6.735.639**	8.997.408
Additions during the period	**2.198.645**	3.027.694
Principal repayments	**(2.135.397)**	(3.988.285)
Change in accrued interest	**382.413**	(15.333)
Cash outflows from finance leases	**(69.931)**	(34.427)
Liabilities arising from new leases	**-**	171.880
Effect of foreign exchange losses and accrued interest	**1.490.676**	1.340.693
Monetary loss / (gain)	**(2.883.129)**	(2.763.991)
Closing balance, December 31	**5.718.916**	6.735.639

7. RELATED PARTY DISCLOSURES

a) Trade receivables from related parties

	December 31, 2025	December 31, 2024
Çiftay İnşaat Taahhüt ve Ticaret A.Ş. (1)	162.828	196
	162.828	196

b) Other receivables from related parties

	December 31, 2025	December 31, 2024
Çiftay İnşaat Taahhüt ve Ticaret A.Ş. (1)	7.097	-
	7.097	-

c) Trade payables to related parties

	December 31, 2025	December 31, 2024
Çiftay İnşaat Taahhüt ve Ticaret A.Ş. (1)	15.467	3.607
	15.467	3.607

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

7. FINANCIAL LIABILITIES (CONTINUED)

d) Transactions with related parties

		January 1 – December 31, 2025	
	Purchases of goods and services	Sales of goods and services	Other income (expense)
Çiftay İnşaat Taahhüt ve Ticaret A.Ş. (1)	-	**167.479**	**(8.370)**
	-	**167.479**	**(8.370)**

		1 Ocak – 31 Aralık 2024	
	Purchases of goods and services	Sales of goods and services	Other income (expense)
Çiftay İnşaat Taahhüt ve Ticaret A.Ş. (1)	**17.314**	**93.172**	**296.800**
	17.314	**93.172**	**296.800**

(1) Shareholder

e) Key management compensation

Benefits provided to key management personnel during the year are as follows:

	January 1– December 31, 2025	January 1– December 31, 2024
Wages, bonuses, social benefits	**32.847**	25.654
Seniority incentive bonus, other benefits and payments	**5.770**	1.975
	38.617	27.629

8. TRADE RECEIVABLES AND PAYABLES

a) Trade receivables

	December 31,2025	December 31,2024
Trade receivables	**1.782.239**	1.956.474
Notes receivables	**802.201**	1.288.575
Provisions for doubtful receivables (-)	**(7.492)**	(5.345)
	2.576.948	3.239.704

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

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8. TRADE RECEIVABLES FROM RELATED PARTIES

a) Key management compensation (continued)

As of December 31, 2025, the Group has trade receivables amounting to 71.456 TL that are overdue by 30-60 days but have not been impaired (December 31, 2024: 15.469 TL).

As of December 31, 2025, an allowance for doubtful receivables has been made for the portion of trade receivables amounting to 7.492 TL (December 31, 2024: 5.345 TL). The allowance for doubtful trade receivables has been determined based on past non-collection experience.

The movement table for the allowance for doubtful trade receivables as of December 31, 2025 and 2024 is as follows:

	2025	2024
Opening balance	**5.345**	7.363
Current period provision expense / (reversal)	**3.409**	281
Monetary loss / (gain)	**(1.262)**	(2.299)
Closing balance	**7.492**	5.345

The disclosures regarding the collateral received for the Group's trade receivables and credit risk are presented in Note 14 and Note 28, respectively.

b) Trade payables:

	December 31, 2025	December 31, 2024
Trade payables to third parties	**2.745.658**	2.367.227
	2.745.658	2.367.227

As of December 31, 2025, trade payables include letters of credit opened with banks as collateral in the same amount for raw material purchases totaling TL 17,500, corresponding to USD 409 thousand (December 31, 2024: TL 256,395 in total, corresponding to USD 5,561).

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

9. OTHER RECEIVABLES AND PAYABLES

a) Other short term receivables

	December 31, 2025	December 31,2024
Other receivables	**12.538**	14.804
	12.538	14.804

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

9. OTHER RECEIVABLES AND PAYABLES (CONTINUED)

b) Other long term receivables

	December 31, 2025	December 31, 2024
Deposits and guarantees given	**23.990**	20.572
	23.990	20.572

c) Other short term payables

	December 31, 2025	December 31, 2024
Taxes and funds payable	**35.697**	33.815
Deposits and guarantees taken	**323**	353
	36.020	34.168

10. INVENTORIES

	December 31, 2025	December 31, 2024
Raw materials and supplies	**157.659**	212.242
Semi-finished goods	**603.284**	512.953
Finished goods	**66.183**	11.859
Other inventories	**700.344**	820.398
	1.527.470	**1.557.452**
Allowance for inventory impairment (-)	**-**	(18.161)
	1.527.470	1.539.291

Other inventories consist of auxiliary materials, operating supplies and spare parts that can be used inproduction.

Inventories are covered by insurance amounting to approximately TL 912,967, corresponding to USD 21,300 (December 31, 2024: approximately TL 395,647, corresponding to USD 8,581).

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

	2025	2024
January 1	**18.161**	-
Provisions charged / (reversed) for the year	**(18.161)**	20.846
Monetary gain / loss	**-**	(2.685)
December 31	**-**	18.161

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11. PREPAID EXPENSES AND DEFERRED INCOME

a) Short-term prepaid expenses

	December 31,2025	December 31, 2024
Advances given for inventory purchases	**159.951**	241.920
Prepaid expenses	**45.346**	39.382
Advances to personnel	**19**	238
	205.316	281.540

b) Long-term prepaid expenses

	December 31, 2025	December 31,2024
Prepaid expenses	**20.187**	26
Advances given for property, plant and equipment purchases	**32.507**	-
	52.694	26

c) Deferred income

	December 31, 2025	December 31, 2024
Advances received on orders	177.150	130.134
	177.150	130.134

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

12. PROPERTY, PLANT, AND EQUIPMENT

	January 1, 2025	Additions	Disposals	Transfers	Revaluation value increase	December 31, 2025
Cost value:						
Land	**13.221.063**	**1.300**	**(155.371)**	**-**	**(448.862)**	**12.618.130**
Land improvements	**2.427.115**	**3.049**	**-**	**153.034**	**-**	**2.583.198**
Buildings	**8.238.253**	**14.903**	**-**	**1.219**	**-**	**8.254.375**
Machinery, plant and equipment	**7.034.754**	**42.536**	**(825)**	**34.170**	**(311.001)**	**6.799.634**
Vehicles	**85.598**	**33.454**	**(4.136)**	**-**	**-**	**114.916**
Furniture and fixtures	**2.165.618**	**170.671**	**(6.263)**	**480**	**-**	**2.330.506**
Mining assets	**39.623**	**-**	**-**	**-**	**-**	**39.623**
Leasehold improvements	**1.162.217**	**-**	**-**	**-**	**-**	**1.162.217**
Construction in progress	**411.782**	**805.124**	**-**	**(188.903)**	**-**	**1.028.003**
	34.786.023	**1.071.037**	**(166.595)**	**-**	**(759.863)**	**34.930.602**
Accumulated depreciation:						
Land improvements	**(1.875.361)**	**(70.970)**	**-**	**-**	**-**	**(1.946.331)**
Buildings	**(2.838.085)**	**(165.959)**	**-**	**-**	**-**	**(3.004.044)**
Machinery, plant and equipment	**(7.595)**	**(686.818)**	**-**	**-**	**686.228**	**(8.185)**
Vehicles	**(56.179)**	**(9.757)**	**3.876**	**-**	**-**	**(62.060)**
Furniture and fixtures	**(1.926.710)**	**(184.779)**	**2.121**	**-**	**-**	**(2.109.368)**
Mining assets	**(39.623)**	**-**	**-**	**-**	**-**	**(39.623)**
Leasehold improvements	**(170.222)**	**(57.547)**	**-**	**-**	**-**	**(227.769)**
	(6.913.775)	**(1.175.830)**	**5.997**	**-**	**686.228**	**(7.397.380)**
Net book value	**27.872.248**				**(73.635)**	**27.533.222**

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12. PROPERTY, PLANT, AND EQUIPMENT (CONTINUED)

	January 1, 2024	Additions	Disposals	Transfers	Revaluation value increase	December 31, 2024
Cost value:						
Land	11.785.436	14.731	-	-	1.420.896	13.221.063
Land improvements	2.425.920	1.221	(91)	65	-	2.427.115
Buildings	8.237.859	394	-	-	-	8.238.253
Machinery, plant and equipment	7.899.333	47.476	(1.470)	308.781	(1.219.366)	7.034.754
Vehicles	97.178	5.452	(17.032)	-	-	85.598
Furniture and fixtures (*)	2.088.569	11.536	(1.433)	66.946	-	2.165.618
Mining assets	39.623	-	-	-	-	39.623
Leasehold improvements	474.804	-	-	687.413	-	1.162.217
Construction in progress	823.145	393.274	-	(804.637)	-	411.782
	33.871.867	474.084	(20.026)	258.568	201.530	34.786.023
Accumulated depreciation:						
Land improvements	(1.801.696)	(73.749)	84	-	-	(1.875.361)
Buildings	(2.660.539)	(177.546)	-	-	-	(2.838.085)
Machinery, plant and equipment	(7.000)	(749.717)	19	-	749.103	(7.595)
Vehicles	(54.260)	(9.275)	7.356	-	-	(56.179)
Furniture and fixtures	(1.715.941)	(212.160)	1.391	-	-	(1.926.710)
Mining assets	(39.623)	-	-	-	-	(39.623)
Leasehold improvements	(152.941)	(17.281)	-	-	-	(170.222)
	(6.432.000)	(1.239.728)	8.850	-	749.103	(6.913.775)
Net book value	27.439.867				950.633	27.872.248

As of December 31, 2025, there are no borrowing costs capitalized during the current period in relation to construction in progress (December 31, 2024: None).

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

As of December 31, 2025, the Group's property, plant and equipment are subject to a first-degree mortgage of USD 400 million and a second-degree mortgage of TL 2.6 billion, respectively (December 31, 2024: a first-degree mortgage of USD 400 million and a second-degree mortgage of TL 2.6 billion). Details regarding the additional guarantees, pledges and mortgages provided within the scope of the refinancing agreement signed by the Group on February 28, 2022 are disclosed in Note 14.

Property, plant and equipment are covered by insurance amounting to approximately TL 7,187,193 thousand, corresponding to USD 167,681 thousand (December 31, 2024: TL 7,704,298 thousand, corresponding to USD 166,825 thousand).(31 Aralık 2024: 166.825 bin USD karşılığı yaklaşık 7.704.298 bin TL)

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

12. PROPERTY, PLANT, AND EQUIPMENT (CONTINUED)

The allocation of depreciation and amortization expenses is as follows:

	January 1 – December 31, 2025	January 1 – December 31, 2024
Property, plant and equipment	**1.175.830**	1.239.728
Intangible assets (Note 13)	**50.663**	50.820
Right-of-use assets (Note 13)	**81.085**	118.674
	1.307.578	1.409.222

	January 1 – December 31, 2025	January 1 – December 31, 2024
Cost of sales	**1.280.540**	1.330.252
Sales and marketing expenses	**621**	7.202
General administrative expenses	**26.417**	71.768
	1.307.578	1.409.222

13. INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

a) Other intangible assets

	January 1, 2025	Additions	Acquisition of subsidiary	December 31, 2025
Cost value:				
Rights	**528.284**	**451**	**-**	**528.735**
Assets subject to amortization	**16.953**	**-**	**-**	**16.953**
License costs	**-**	**-s**	**82.931**	**82.931**
	545.237	**451**	**82.931**	**628.619**
Accumulated amortization:				
Rights	**(361.232)**	**(12.824)**	**-**	**(374.056)**
Assets subject to amortization	**(16.953)**	**-**	**-**	**(16.953)**
	(378.185)	**(12.824)**	**-**	**(391.009)**
Net book value	**167.052**			**237.610**

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

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

a) Other intangible assets (contıuned)

	January 1, 2024	Additions	Acquisition of subsidiary	December 31, 2024
Cost value:				
Rights	523.611	4.673	-	528.284
Assets subject to amortization	16.953	-	-	16.953
	540.564	4.673	-	545.237
Accumulated amortization:				
Rights	(348.190)	(13.042)	-	(361.232)
Assets subject to amortization	(16.953)	-	-	(16.953)
	(365.143)	**(13.042)**	**-**	**(378.185)**
Net book value	**175.421**			**167.052**

Included in rights, the "Port Operating License," with a cost value of TL 321,237 thousand, has a total term of use of 49 years; however, it is being amortized over its remaining useful life of 35 years as of the date of transfer to the Group. The license expires in 2041.

b) Concession-related intangible assets

The movement tables for concession-related intangible assets and accumulated amortization for the years ended December 31, 2025 and December 31, 2024 are as follows:

	January 1, 2025	Additions	Disposals (*)	December 31, 2025
Cost value:				
Concession-related intangible assets	**1.851.137**	-	-	**1.851.137**
	1.851.137	-	-	**1.851.137**
Accumulated amortization:				
Concession-related intangible assets	**(494.266)**	**(37.839)**	-	**(532.105)**
	(494.266)	**(37.839)**	-	**(532.105)**
Net defter değeri	**1.356.871**			**1.319.032**

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

b) Concession-related intangible assets (continued)

	January 1, 2024	Additions	Disposals	December 31, 2024
Cost value:				
Concession-related intangible assets	**1.851.137**	**-**	**-**	**1.851.137**
	1.851.137	**-**	**-**	**1.851.137**
Accumulated amortization:				
Concession-related intangible assets	**(456.488)**	**(37.778)**	**-**	**(494.266)**
	(456.488)	**(37.778)**	**-**	**(494.266)**
Net book value	**1.394.649**			**1.356.871**

One of the Group's subsidiaries, Batıçim Enerji, entered into an agreement on December 7, 2011 with the Privatization Administration and Elektrik Üretim Anonim Şirketi ("EÜAŞ") for Group 4: Kovada I and Kovada II Hydroelectric Power Plants (the "Agreement"). Under this agreement, Batıçim Enerji obtained the operating rights for the power plants for a period of 49 years and is responsible for transferring them to EÜAŞ in a complete and operational condition at the end of the term. During the term of the agreement, Batıçim Enerji is obliged to carry out, at its own sole expense, all maintenance, repair and improvement expenditures necessary to ensure the suitability of the plants for production activities and their production efficiency. Batıçim Enerji is responsible for any and all damage and losses that may occur in the production facilities. Intangible assets related to concession agreements are amortized over the term of the relevant agreement.

c) Right of use assets

	January 1, 2025	Additions	Disposals	December 31, 2025
Cost value:				
Vehicles	204.400	-	(542)	203.858
Lands and buildings	680.646	-	-	680.646
	885.046	-	(542)	884.504
Accumulated amortization:				
Vehicles	(132.835)	(25.156)	-	(157.991)
Lands and buildings	(192.942)	(55.929)	-	(248.871)
	(325.777)	**(81.085)**	**-**	**(406.862)**
Net book value	**559.269**			**477.642**

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

c) Right of use assets (continued)

	January 1, 2024	Additions	Disposals	December 31, 2024
Cost value:				
Vehicles	96.892	107.508	-	204.400
Land, land improvements and buildings	575.408	105.238	-	680.646
	672.300	212.746	-	885.046
Accumulated amortization:				
Vehicles	(85.764)	(47.071)		(132.835)
Land, land improvements and buildings	(121.339)	(71.603)		(192.942)
	(207.103)	(118.674)		(325.777)
Net book value	465.197			559.269

14. PROVISIONS, CONTINGENT ASSETS, AND LIABILITIES

a) Short-term provisions

	December 31,2025	December 31, 2024
Lawsuit provisions	**11.281**	11.094
Other provisions	**12.813**	10.117
	24.094	21.211

b) Long-term provisions

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

	December 31,2025	December 31, 2024
Provision for mine site rehabilitation	**91.426**	91.727
	91.426	91.727

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

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

b) Guarantees, pledges and mortgages (continued)

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

	2025	2024
January 1	**91.727**	92.108
Net current period expense	**21.349**	32.059
Monetary loss / (gain)	**(21.650)**	(32.440)
December 31	**91.426**	91.727

This amount represents the provision expense for mine site rehabilitation within the scope of restoring to nature the lands deteriorated as a result of stone- and soil-based mining activities. The related period expense is included in cost of sales as the cost of environmental restoration.

Guarantees, pledges and mortgages

The tables relating to the Group's guarantees as of December 31, 2025 and December 31, 2024 are as follows:

	December 31,2025	December 31, 2024
A. Total amount of guarantees, pledges and mortgages (GPMs) given in the name of its own legal entity (*)	**19.165.640**	21.026.786
B. Total amount of GPMs provided in favor of entities included in the scope of full consolidation (**)	**3.841.052**	854.439
C. Total amount of GPMs provided for the purpose of securing the debts of other third parties in the ordinary course of business	-	-
D. Total amount of other GPMs provided		
i.Total amount of GPMs given on behalf of the majority shareholder	-	-
ii. Total amount of GPMs given to on behalf of other group companies which are not in scope of B and C	3.176.182	-
iii. Total amount of GPMs given on behalf of third parties which are not in scope of C.	-	-
Total given GPMs	**26.182.874**	**21.881.225**
Ratio of other GPMs to shareholder's equity	**%0**	**%0**

(*)KWithin the scope of the "Refinancing Agreement" executed with the consortium banks (Emlak Katılım, Halk Bankası, İş Bankası, TSKB, Vakıf Katılım, VakıfBank, Ziraat Bankası and Ziraat Katılım), first-degree mortgages of USD 400 million and second-degree mortgages of TL 2.6 billion, respectively, have been established over the properties of Batıçim and Batısöke in their capacity as the "Borrowers," and of Batıliman and Batıbeton in their

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

Guarantees, pledges and mortgages (continued)

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

	December 31, 2025	December 31, 2024
Mortgages and pledges granted	**18.338.896**	19.246.031
Letters of guarantee issued	**826.744**	1.680.056
Letters of credit	**-**	100.699
Total	**26.182.874**	21.026.786

Letters of guarantees received

The details of the collateral obtained by the Group as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31,2024
Letters of guarantee received(*)	**2.909.012**	1.379.111
	2.909.012	1.379.111

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

15. EMPLOYEE BENEFITS

a) Employee benefits

	December 31, 2025	December 31,2024
Social security premiums payable	**52.759**	43.636
Payables to personnel	**41.686**	33.076
	94.445	76.712

b) Long term provisions for employee benefits

	December 31, 2025	December 31, 2024
Provision for severance pay	**157.882**	155.275
Provision for seniority incentive premium	**52.883**	37.849
Unused vacation liability	**37.894**	27.965
	248.659	221.089

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

15. EMPLOYEE BENEFITS (CONTINUED)

Provision for severance pay:

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

The severance pay obligation is not legally subject to any funding requirement. The provision for severance pay is calculated by estimating the present value of the Group's probable future obligation arising from the retirement of its employees. TAS 19 Employee Benefits requires the Company's obligations under defined benefit plans to be developed using actuarial valuation methods. Accordingly, the actuarial assumptions used in calculating total liabilities are as follows: the principal assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjustment for the effects of future inflation. Accordingly, as of December 31, 2025, the provisions in the accompanying financial statements have been calculated by estimating the present value of the probable future obligation arising from employees' retirement. The provisions at the relevant reporting dates have been calculated using a real net discount rate of approximately 2.61%, derived based on the assumptions of annual inflation of 24.75% and an interest rate of 28% (December 31, 2024: 2.61%).

The movement in the provision for employee termination benefits:

	2025	2024
January 1	**155.275**	**116.977**
Interest cost	**33.665**	25.012
Service cost	**34.537**	38.393
Actuarial loss/gain	**5.813**	29.685
Paid in the current year (-)	**(32.504)**	(7.860)
Monetary gain/(loss)	**(38.904)**	(46.932)
December 31	**157.882**	**155.275**

Provision for seniority incentive premium:

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

The movement table for the provision for seniority incentive is as follows:

	2025	2024
1 Ocak	**37.849**	**149.822**
Interest cost	**9.663**	6.715
Service cost	**22.002**	15.741
Actuarial loss / (gain	**1.019**	(105.470)
Paid in the current year (-)	**(6.390)**	(8.652)
Monetary loss / (gain)	**(11.260)**	(20.307)
December 31	**52.883**	**37.849**

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15. EMPLOYEE BENEFITS (CONTINUED)

The movement table for the provision for unused vacation is as follows:

	2025	2024
Opening, January 1	**27.965**	23.740
Service cost	**73.071**	13.225
Monetary gain/(loss)	**(63.142)**	(9.000)
Closing, December 31	**37.894**	27.965

16. OTHER ASSETS AND LIABILITIES

i) Other assets

a) Other current assets

	December 31, 2025	December 31, 2024
Deferred VAT	**476.372**	425.962
Other	**228**	2.087
	476.600	428.049

ii) Other liabilities

a) Other short term liabilities:

	December 31, 2025	December 31, 2024
Mining tax accruals	**33.336**	33.117
Value added tax ("VAT") payable	**39.904**	14.055
	73.240	47.172

17. SHARE CAPITAL, RESERVES, AND OTHER EQUITY ITEMS

b) Paid in capital

The Company is subject to a registered capital ceiling, which amounts to TL 10,000,000 as of December 31, 2025 (December 31, 2024: TL 800,000). The Company's share capital consists of Group A and Group B shares. Of its issued capital amounting to TL 5,580,000, a portion amounting to TL 48 consists of bearer Group A shares and a portion amounting to TL 5,579,952 consists of bearer Group B shares.

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

b) Paid in capital (continued)

The shareholding structure of the Company is as follows:

	December 31, 2025		December 31,2024	
	Share	Amount	Share	Amount
Shareholders	(%)	(Thousand TL)	(%)	(Thousand TL)
Çiftay İnşaat Taahhüt ve Ticaret A.Ş.	**38,07**	**2.124.516**	39,72	71.503
İstanbul Portföy Yönetimi A.Ş Pre-IPO Girişim Sermayesi Yatırım Fonu	**-**	**-**	11,96	21.534
İstanbul Portföy İkinci Serbest Fon	**-**	**-**	6,75	12.141
KTLP Limited	**7,35**	**410.330**	5,7	10.267
Other	**54,58**	**3.045.154**	35,87	64.555
Nominal capital	**100,00**	**5.580.000**	100,00	180.000

Holders of Group A shares have the following privileged rights:

- All members of the Board of Directors are elected from among the candidates nominated by the majority of the shareholders holding bearer Group A shares.
- At General Assembly meetings, each holder of a Group A share is entitled to 15 (fifteen) votes, while each holder of a Group B share is entitled to 1 (one) vote.
- Provided that the first dividend is not affected, 10% of the net profit is distributed to the holders of Group A shares in proportion to their shares.

- In order to amend Articles 7 (except for the first paragraph specifying the number of members of the Board of Directors), 8, 9, 10, 15, 18, 19, 24, 25 and 27 of the articles of association; to resolve on the dissolution of the Group; to increase the Company's share capital by issuing more bearer Group A shares or new registered Group A shares than the number stated in Article 6 of the Articles of Association; to change the type, class or number of bearer Group A shares; or to convert issued or subsequently to be issued bearer or registered Group B shares or any other group of registered or bearer shares into Group A shares, or exchange them for registered or bearer Group A shares, affirmative votes of at least three-quarters (3/4) of the shareholders holding bearer Group A shares are required for the resolutions to be adopted by the General Assembly.

	December 31, 2025	December 31, 2024
Capital adjustment differences	**3.343.893**	6.743.893
	3.343.893	6.743.893

Pursuant to the Communiqué Serial II-14.1 on Principles of Financial Reporting in Capital Markets, which was published in the Official Gazette dated June 13, 2013 and numbered 28676 and entered into force, "Paid-in capital," "Restricted reserves appropriated from profit," and "Share premium" are required to be presented at their amounts in the statutory records. During the implementation of this communiqué, any differences arising from valuations (such as differences resulting from inflation adjustment):

- If arising from "Paid-in capital" and not yet added to capital, shall be associated with the item "Capital adjustment differences," to be presented immediately after the "Paid-in capital" item
- If arising from "Restricted reserves appropriated from profit" and "Share premium" and not yet subject to profit distribution or capital increase, shall be associated with "Retained earnings/losses."

Other equity items are presented at the amounts measured in accordance with TAS. Capital adjustment differences may only be used for additions to capital.

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

b) Paid in capital (continued)

Publicly held companies make dividend distributions in accordance with the CMB's Dividend Communiqué No. II-19.1, which entered into force as of February 1, 2014.

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

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

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

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

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

c) Share premium

It represents the difference between the nominal value and the selling price of newly issued shares arising from the capital increase. As of December 31, 2025, this amount is TL 324,459 (December 31, 2024: TL 324,459).

d) Other comprehensive income and expenses to be reclassified to profit or loss

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

Revaluation surplus / (deficit) fund on property, plant and equipment attributable to the owners of the parent:

	2025	2024
Opening balance, January 1	**3.433.137**	**2.750.343**
Effect of revaluation of property, plant and equipment	**(46.408)**	1.440.206
Deferred tax effect	**8.816**	(273.584)
Transfer	**-**	(483.828)
Transferred from accumulated other comprehensive income to prior years' earnings	**(126.239)**	-
Closing balance, December 31	**3.269.306**	3.433.137

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

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

d) Other comprehensive income and expenses to be reclassified to profit or loss

Actuarial gain / (loss) fund on defined benefit plans attributable to the owners of the parent:

	2025	2024
Opening balance, January 1	**(172.322)**	(223.125)
Current period remeasurement effect	**6.608**	67.742
Deferred tax effect	**(1.652)**	(16.939)
Effect of change in non-controlling interests	**-**	-
Closing balance, December 31	**(167.366)**	(172.322)

e) Previous year profit / (loss)

There is a difference between the amounts included in the balance sheet prepared in accordance with the Tax Procedure Law and the amounts included in the financial statements prepared in accordance with TAS/TFRS with respect to the items "Capital Adjustment Differences," "Share Premium," "Restricted Reserves Appropriated from Profit," and "Other Reserves."

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

December 31, 2025							
	Capital adjustment differences	Share premium	Legal reserves	Reserves for Treasury Shares	Special Provision for Recorded Commodities	Special Reserves	Extraordinary Reserves
According to TAS/TFRS Financial Statements	**3.343.893**	**324.459**	**836.978**	**(2.451)**	**-**	**-**	**-**
According to the Tax Procedure Law	**3.379.053**	**-**	**2.782.805**	**-**	**102.190**	**194.951**	**4.683.652**
Difference	**(35.161)**	**324.459**	**(1.945.827)**	**(2.451)**	**(102.190)**	**(194.951)**	**(4.683.652)**

December 31, 2024							
	Capital adjustment differences	Share premium	Legal reserves	Reserves for Treasury Shares	Special Provision for Recorded Commodities	Special Reserves	Extraordinary Reserves
According to TAS/TFRS Financial Statements	6.743.893	324.459	836.978	(2.451)	-	-	-
According to the Tax Procedure Law	3.062.750	-	2.702.321	-	102.190	111.997	4.462.700
Difference	3.681.143	324.459	(1.865.343)	(2.451)	(102.190)	(111.997)	(4.462.700)

f) Non-controlling interest:

	December 31, 2025	December 31, 2024
Non-controlling interest	**2.912.237**	2.972.365
	2.912.237	2.972.365

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

f) Non-controlling interest (continued) :

The movement of non-controlling interests is as follows:

	2025	2024
Opening balance, January 1	**2.972.365**	**2.284.235**
Share of profit (loss) for the period	**18.000**	139.686
Share of other comprehensive income (expense)	**(42.061)**	146.376
Effect of change in ownership interest in subsidiary	**-**	-
Other transfers	**(36.067)**	(2.133)
Capital increase	**-**	404.201
Closing balance, December 31	**2.912.237**	**2.972.365**

18. REVENUE AND COST OF SALES

a) Revenue

	January 1 – December 31, 2025	January 1 – December 31, 2024
Domestic sales	**9.971.060**	14.334.976
Export sales	**4.386.540**	3.435.308
Other revenue	**20.817**	257.934
Sales return (-)	**(8.812)**	(14.699)
Sales discounts (-)	**(142)**	(40.900)
Other discounts (-)	**(79.980)**	(380.422)
Net sales	**14.289.483**	**17.592.197**

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

Details regarding the reportable segments used by the Group in its management reporting are provided in Note 3.

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

18. REVENUE AND COST OF SALES (CONTINUED)

b) Cost of sales

	January 1 – December 31, 2025	January 1 – December 31, 2024
Raw materials and supplies consumed	**5.161.331**	5.080.724
Production overhead	**4.163.968**	5.109.476
Depreciation and amortization expenses	**1.280.540**	1.330.252
Personnel expenses	**1.078.528**	1.204.763
Cost of services rendered	**641.567**	514.623
Electricity generation costs	**324.212**	2.411.445
Change in semi-finished and finished goods(Note 10)	**144.656**	(178.514)
Provision for mine site rehabilitation	**55.195**	32.059
	12.849.997	15.504.828

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

a) General administrative expenses

	January 1 – December 31, 2025	January 1 – December 31, 2024
Personnel expenses	**342.445**	258.363
Outsourcing expenses	**232.099**	209.908
Property tax and stamp tax expenses	**39.507**	42.598
Depreciation and amortization expenses	**26.417**	71.768
Tax, duty and fee expenses	**22.805**	13.176
Rent expenses	**16.417**	-
Security expenses	**12.179**	9.351
Fuel expenses	**5.459**	6.503
Provision for severance pay and seniority incentive premium	**1.571**	4.719
Other expenses	**28.003**	28.145
	726.902	644.531

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

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

b) Marketing, sales, and distribution expenses

	January 1 – December 31, 2025	January 1 – December 31, 2024
Freight and loading expenses	**515.070**	627.421
Personnel expenses	**105.274**	95.659
Depreciation and amortization expenses	**621**	7.202
Provision for severance pay and seniority incentive premium	**105**	992
Other	**40.993**	27.803
	662.063	759.077

20. Expenses by nature

	January 1 – December 31, 2025	January 1 – December 31, 2024
Raw materials and supplies consumed	**5.161.331**	5.080.724
Production overhead	**4.163.968**	5.109.476
Personnel expenses	**1.526.247**	1.558.785
Depreciation and amortization expenses	**1.307.578**	1.409.222
Cost of services rendered	**641.567**	514.623
Freight and loading expenses	**515.070**	627.421
Electricity generation costs	**324.212**	2.411.445
Outsourcing expenses	**232.099**	209.908
Change in semi-finished and finished goods inventories	**144.656**	(178.514)
Provision expense for mine site rehabilitation	**55.195**	32.059
Property tax and stamp tax expenses	**39.507**	42.598
Tax, duty and fee expenses	**22.805**	13.176
Rent expenses	**16.417**	-
Security expenses	**12.179**	9.351
Fuel expenses	**5.459**	6.503
Provision for severance pay and seniority incentive premium	**1.676**	5.711
Other expenses	**68.996**	55.948
	14.238.962	16.908.436

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

21. OTHER INCOME FROM OPERATING ACTIVITIES/ (EXPENSES)

a) Other income from operating activities

	January 1 – December 31, 2025	January 1 – December 31, 2024
Foreign exchange gains arising from operating activities	**143.739**	171.534
Deferred financing (maturity difference) income	**12.538**	168.036
Other	**136.574**	217.773
	292.851	557.343

b) Other operating expenses

	January 1 – December 31, 2025	January 1 – December 31, 2024
Advertising and sponsorship expenses	**217.142**	-
Foreign exchange losses arising from operating activities	**162.406**	275.540
Deferred financing expenses	**12.177**	105.171
Impairment of property, plant and equipment	**-**	58.738
Other	**40.281**	64.299
	432.006	503.748

22. INCOME AND EXPENSE FROM INVESTING ACTIVITIES

	January 1 – December 31, 2025	January 1 – December 31, 2024
Income from investing activities:		
Interest income	**-**	254.019
Profit on sale of property, plant, and equipment	**73.283**	-
	73.283	254.019

	January 1 – December 31, 2025	January 1 – December 31, 2024
Expenses from investing activities:		
Expenses from investing activities:	**(30.285)**	(10)
	(30.285)	(10)

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

23. FINANCIAL INCOME

	January 1 – December 31, 2025	January 1 – December 31, 2024
Foreign exchange gains	**32.659**	52.272
Interest income	**34.605**	40.774
	67.264	93.046

24. FINANCIAL EXPENSES

	January 1 – December 31, 2025	January 1 – December 31, 2024
Foreign exchange losses	**1.062.820**	1.340.693
Interest expenses	**738.240**	957.786
Interest expenses on lease transactions	**90.438**	103.421
Letter of guarantee commission expenses	**41.209**	42.677
Other	**164.574**	76.873
	2.097.281	2.521.450

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

Corporate tax

In Turkey, the corporate income tax rate is 25% (it was applied as 25% for corporate earnings relating yo the 2024 taxation period). The corporate income tax rate is applied to the net corporate income calculated by adding back expenses that are not deductible under tax laws to commercial profit and deducting exemptions and allowances provided for under tax legislation. Corporate income tax is declared by the evening of the thirtieth day of the fourth month following the relevant fiscal year-end and is paid in a single installment by the end of that month. As of the accounting period ended December 31, 2025, provisional tax at the rate of 25% has been calculated on the income generated.

	January 1 – December 31, 2025	January 1 – December 31, 2024
Current tax expense	**(101.791)**	(255.127)
Deferred tax income	**288.087**	(28.649)
Tax income / (expense) in the statement of profit or loss	**186.296**	(283.776)

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

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

Corporate tax (continued)

	January 1 – December 31, 2025	January 1 – December 31, 2024
Current period corporate income tax provision	**(101.791)**	(255.142)
Prepaid taxes	**101.791**	248.964
Current period tax expense recognized in equity	**-**	-
Effect of monetary (loss) gain	**-**	-
Current income tax liability	**-**	(6.178)
Current period income tax assets	**4.715**	56.195
Current tax assets / (liabilities), net	**4.715**	50.017

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

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

Deferred tax

As of December 31, 2025, a tax rate of 25% has been used in the calculation of deferred tax assets and liabilities.

	Taxable temporary differences		Deferred tax assets / (liabilities)	
	December 31, 2025	December 31,2024	December 31,2025	December 31, 2024
Tax losses carried forward	**2.899.336**	3.412.360	**724.834**	853.089
Interest incentive on cash capital increase	**892.446**	867.875	**223.112**	173.575
Provision for mine site rehabilitation	**58.922**	91.727	**14.731**	22.931
Provisions for employee benefits	**253.325**	221.088	**63.331**	55.272
Investment incentive available for utilization	**-**	45.137	**-**	11.284
Deferred tax assets	**4.104.029**	**4.638.187**	**1.026.008**	**1.116.151**
Property, plant and equipment and intangible assets	**(8.536.967)**	(8.016.978)	**(1.546.874)**	(1.352.743)
Difference between the carrying amounts and tax bases of concession-related intangible assets	**(562.786)**	(736.644)	**(140.696)**	(184.160)
Inventories	**(396.952)**	(469.355)	**(99.238)**	(117.338)
Other	**(277.357)**	(103.028)	**(69.434)**	(25.752)
Deferred tax liabilities	**(9.774.062)**	**(9.326.005)**	**(1.856.242)**	**(1.679.993)**
Deferred tax assets / (liabilities), net	**(5.670.033)**	**(4.687.818)**	**(830.234)**	**(563.842)**
Allowance provided for deferred tax assets			**-**	**(570.108)**
Deferred tax assets / (liabilities), net			**(830.234)**	**(1.132.950)**
Deferred tax assets			**744.094**	**449.118**
Deferred tax assets			**(1.574.328)**	**(1.582.068)**

The partially or fully recoverable amount of deferred tax assets has been estimated under current conditions. In making this assessment, the 5-year projections prepared by the Group's management as the foreseeable future, together with the timing of the reversal of taxable temporary differences, have been taken into consideration. In line with the taxable profit projections prepared by the Group for the foreseeable future period, the Group has reassessed the deferred tax effects arising as of the reporting date in relation to tax losses carried forward expected to be utilized and temporary differences arising from inflation accounting under the provisions of the Tax Procedure Law, and has not recognized deferred tax for the portion that is not expected to be recoverable within the foreseeable future.

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

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

Deferred tax (continued)

The maturity breakdown and estimated expiry dates of carried-forward nominal tax losses for which no deferred tax asset has been recognized as of the reporting dates are as follows:

	December 31,2025	December 31, 2024
December 31,2025	-	483.048
December 31, 2026	**280.742**	367.470
December 31, 2027	**443.418**	580.400
December 31,2028	**964.775**	1.262.856
December 31, 2029	**549.021**	718.586
December 31, 2030	**661.380**	-
	2.899.336	**3.412.360**

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

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

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

Within the scope of the applicable legislation, the Group recognizes a deferred tax liability of TL 1,574,331 as of December 31, 2025, in relation to the cash capital increase interest incentive, which is considered to have an indefinite life, based on projections of future taxable profits.

26. EARNING/LOSS PER SHARE

	January 1 – December 31, 2025	January 1 – December 31, 2024
Net profit / (loss) attributable to owners of the parent	**(228.757)**	28.817
Weighted average number of shares outstanding	**5.580.000**	18.000.000
100-unit earnings/loss per share, nominal value is 1 TL	**(0,0410)**	0,0016

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

26. EARNING/LOSS PER SHARE (CONTINUED)

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

27. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Credit risk:

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss to the Group by failing to discharge its contractual obligation. The Group seeks to mitigate credit risk by conducting its transactions only with parties that are creditworthy and, where possible, by obtaining sufficient collateral. The credit risks to which the Group is exposed are monitored on an ongoing basis.

Trade receivables comprise a large number of customers, particularly in the construction sector. Credit assessments are performed continuously on customers based on their trade receivable balances, and collateral is obtained for receivables where deemed necessary. The allowance for doubtful receivables provided for financial assets is determined based on past collection default experience.

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

December 31, 2025							
	Receivables						
	Trade receivables		Other receivables				
	Related parties	Third parties	Related parties	Third parties	Financial investment	Deposits in bank	Total
Maximum credit risk exposure as of the reporting date (A+B+C+D+E) (*)	**162.828**	**2.576.948**	**7.097**	**36.528**	**10**	**212.094**	**2.995.505**
- Portion of the maximum exposure secured by collateral, etc. (**)	-	**1.602.529**	-	-	-	-	**1.602.529**
A. Net carrying amount of financial assets that are neither past due nor impaired	**162.828**	**2.314.840**	**7.097**	**36.528**	**10**	**212.094**	**2.726.300**
B. Carrying amount of financial assets whose terms have been renegotiated and which would otherwise be considered past due or impaired	-	-	-	-	-	-	-
C. Net carrying amount of assets that are past due but not impaired	-	**262.108**	-	-	-	-	**262.108**
D. Net carrying amounts of impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value)	-	**7.492**	-	-	-	-	**7.492**
- Impairment (-)	-	**(7.492)**	-	-	-	-	**(7.492)**
E. Off-balance sheet items containing credit risk	-	-	-	-	-	-	-

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

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

a) Credit risk (continued):

December 31, 2024							
	Receivables						
	Trade receivables		Other receivables				
	Related parties	Third parties	Related parties	Third parties	Financial investment	Deposits in bank	Total
Maximum credit risk exposure as of the reporting date (A+B+C+D+E)(*)	**196**	**3.239.704**	**-**	**35.376**	**309**	**427.849**	**3.703.434**
- Portion of the maximum exposure secured by collateral, etc. (**)	-	**1.379.111**	-	-	-	-	**1.379.111**
A. Net carrying amount of financial assets that are neither past due nor impaired	**196**	**3.108.083**	-	**35.376**	**309**	**427.849**	**3.571.813**
B. Carrying amount of financial assets whose terms have been renegotiated and which would otherwise be considered past due or impaired	-	-	-	-	-	-	-
C. Net carrying amount of assets that are past due but not impaired	-	**131.621**	-	-	-	-	**131.621**
D. Net carrying amounts of impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value)	-	**5.345**	-	-	-	-	**5.345**
- Impairment (-)	-	**(5.345)**	-	-	-	-	**(5.345)**
E. Off-balance sheet items containing credit risk	-	-	-	-	-	-	-

(*) In determining the amount, elements that enhance credit quality, such as collateral received, have not been taken into account.

(**) Collaterals consist of letters of guarantee received from customers.

b) Liquidity risk:

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

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

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

b) Liquidity risk (continued):

December 31, 2025

Expected terms	Book value	Contracted cash outflow (I+II+III+IV)	Less than 3 months (I)	3 - 12 months (II)	1 – 5 years(III)	More than 5 years (IV)
Non derivative financial liabilities						
Bank loans	5.526.774	5.432.123	459.039	1.277.896	3.695.188	-
Trade payables	2.745.658	2.475.658	2.475.658			-
Trade payables to related parties	15.467	15.467	15.467			-
Other payables and liabilities	36.020	36.020	36.020			-
Lease liabilities	192.142	192.142	13.051	30.452	148.639	-
Other liabilities	709.014	709.014	221.357	147.572	340.085	-
	8.955.075	8.860.424	3.220.592	1.455.920	4.183.912	

December 31, 2024

Expected terms	Book value	Contracted cash outflow (I+II+III+IV)	Less than 3 months (I)	3 - 12 months (II)	1 – 5 years (III)	More than 5 years (IV)
Non derivative financial liabilities						
Bank loans	6.457.530	8.334.305	686.555	2.301.603	4.129.521	1.216.626
Trade payables	2.367.227	2.367.227	2.367.227	-	-	-
Trade payables to related parties	3.607	3.607	3.607	-	-	-
Other payables and liabilities	34.168	34.168	34.168	-	-	-
Lease liabilities	278.109	478.422	23.580	61.173	247.965	145.704
Other liabilities	594.223	256.387	256.387	-	-	-
	9.658.152	11.474.116	3.371.525	2.362.775	4.377.486	1.362.330

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

c) Market risk:

Foreign currency risk management

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

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

	December 31, 2025			December 31, 2024		
	TL Equivalent	US Dollar	EUR	TL Equivalent	US Dollar	EUR
1. Trade receivables	**533.118**	**10.336**	**1.786**	307.022	6.321	314
2a. Monetary financial assets (including cash and bank accounts)	**47.887**	**184**	**793**	145.919	2.630	509
2b. Non-monetary financial assets	-			-	-	-
3. Other	**130.230**	**2.291**	**635**	103.996	2.155	93
4. Current assets (1+2+3)	**711.235**	**12.811**	**3.214**	556.938	11.106	916
5. Trade payables	-	-	-	-	-	-
6a. Monetary other liabilities	-	-	-	-	-	-
6b. Non-monetary other liabilities	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-current assets (5+6+7)	-	-	-	-	-	-
9. Total assets (4+8)	**711.235**	**12.811**	**3.214**	556.938	11.106	916
10. Trade payables	**702.328**	**12.719**	**3.115**	472.790	9.097	1.078
11. Financial liabilities	**1.328.580**	**24.838**	**5.232**	2.081.889	42.507	2.459
12a. Monetary other liabilities	-	-	-	385	-	8
12b. Non-monetary other liabilities	-	-	-	-	-	-
13. Current liabilities (10+11+12a+12b)	**2.030.908**	**37.557**	**8.347**	2.555.063	51.604	3.545
14. Trade payables	-	-	-	-	-	-
15. Financial liabilities	**3.358.009**	**68.221**	**8.600**	3.817.657	80.332	2.223
16a. Monetary other liabilities	-	-	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-	-	-
17. Long term liabilities (14+15+16a+16b)	**3.358.009**	**68.221**	**8.600**	3.817.657	80.332	2.223
18. Total liabilities (13+17)	**5.388.917**	**105.778**	**16.947**	6.372.720	131.936	5.768
19. Net asset/(liability) position of off-balance sheet						
derivative instruments (19a-19b)	-	-	-	-	-	-
19a. Amount of off-balance sheet foreign currencydenominated						
derivative instruments with positive fair value	-	-	-	-	-	-
19b. Amount of off-balance sheet foreign currencydenominated						
derivative instruments with negative fair value	-	-	-	-	-	-
20.Net foreign currency asset/(liability)						
position (9-18+19)	**(4.677.682)**	**(92.967)**	**(13.733)**	(5.815.782)	(120.830)	(4.852)
21. Net foreign currency asset/(liability)						
position of monetary items (TFRS7.B23)						
(=1+2a+5+6a-10-11-12a-14-15-16a)	**(4.807.912)**	**(95.258)**	**(14.368)**	(5.919.778)	(122.985)	(4.945)
22. Total fair value of financial instruments used for						
foreign currency hedging	-	-	-	-	-	-
23. Hedged amount for current assets	-	-	-	-	-	-
24. Hedged amount for						
current liabilities	-	-	-	-	-	-
25. Export	**2.624.530**	**80.059**	-	3.435.510	80.059	-
26. Import	**4.484.752**	**37.938**	**56.860**	329.367	7.910	7.287

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

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

c) Market risk: (continued)

Foreign exchange sensitivity analysis table

		December 31, 2025
		Profit / (loss) effect before tax
	Foreign currency appreciation	Foreign currencydepreciation
When USD changes by 10% against TL		
1- USD net asset/liability	(408.140)	408.140
2- Amount hedged from USD risk (-)	-	-
3- USD net effect (1 +2)	(408.140)	408.140
When Euro changes by 10% against TL		
4- Euro net asset/liability	(72.251)	72.251
5- Amount hedged from Euro risk (-)	-	-
6- Euro net effect (4+5)	(72.251)	72.251
Total (3 + 6)	(480.391)	480.391

		December 31, 2024
		Profit / (loss) effect before tax
	Foreign currency appreciation	Foreign currency depreciation
When USD changes by 10% against TL		
1- USD net asset/liability	(568.195)	568.195
2- Amount hedged from USD risk (-)	-	-
3- USD net effect (1 +2)	(568.195)	568.195
When Euro changes by 10% against TL		
4- Euro net asset/liability	(23.783)	23.783
5- Amount hedged from Euro risk (-)	-	-
6- Euro net effect (4+5)	(23.783)	23.783
Total (3 + 6)	(591.978)	591.978

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

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

Interest rate risk

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

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

	2025	2024
Fixed rate instruments		
Financial assets	143.745	271.522
Financial liabilities	1.429.743	1.215.961
Floating rate instruments		
Financial liabilities	4.097.031	5.241.569

d) Capital management

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

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

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

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

	December 31,2025	December 31, 2024
Total financial liabilities	5.718.916	6.735.639
Minus: Cash and cash equivalents	(212.129)	(427.891)
Net financial liabilities	5.506.787	6.307.748
Total equity	24.774.532	25.096.203
Net liabilities/total equity ratio	**22,23%**	**25,13%**

28. FAIR VALUE

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if available.

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

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

Financial assets

It is assumed that the fair values of foreign currency-denominated balances translated at the exchange rates prevailing as of the reporting date approximate their carrying amounts. Cash and cash equivalents are presented at their fair values. Due to their short-term nature, the fair values of trade receivables and receivables from related parties are assumed to approximate their carrying amounts.

Financial liabilities

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

The fair values of short-term bank loans and other monetary liabilities are considered to approximate their carrying amounts due to their short-term nature. Since the interest rates of long-term variableinterest bank loans are updated in line with changing market conditions, the fair values of these loans are considered to represent their carrying amounts.

Levels of fair value measurement

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

Level 1: Based on registered (uncorrected) prices in active markets;
Level 2: Either directly (through the prices in the active market) or indirectly (by deriving from the prices in active markets);
Level 3: Not based on observable market data.

Non-financial assets

In the real estate valuation reports used in determining the fair values of the properties measured by the Group under the revaluation model, the values appraised by independent valuation experts licensed by the CMB have been determined mainly on the basis of the comparable sales method for land, and the market approach and cost model for machinery, plant and equipment.

This valuation method is defined as the determination of the value of the real estate subject to valuation by applying the necessary adjustments, based on the relevant comparison criteria, to the sale prices of properties with similar characteristics that have been sold recently. Comparable properties are analyzed, in order of priority, by comparison in terms of ownership rights, financing, sales conditions, post-sale expenditures, market conditions, location and physical characteristics. Quantitative and qualitative techniques are applied in making such adjustments. This method can be applied in the valuation of all types of real estate where sufficient and reliable data are available and, where such data exist, is regarded as the most appropriate approach for determining value..

In the revaluation of the Group's machinery, plant and equipment, value appraisals have been performed using the "market approach" and the "cost approach." Under the market approach, once it is concluded that sufficient sales data are available for the assets, the valuation is determined by reference to sales of similar assets in the open market, or by comparing asking prices and offers made. Under the cost approach, the costs actually incurred by the entity in acquiring or constructing the assets are accepted as replacement cost. Based on this value, impairments in value arising from physical wear and tear and from functional and economic obsolescence (depreciation) are estimated, and the remaining amount is appraised as the fair market value.

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements as of December 31, 2025
(All amounts are presented in thousands of Turkish Lira ("TL"), unless otherwise stated, based on the purchasing power of the Turkish Lira as of December 31, 2025.)

28. FAIR VALUE (CONTINUED)

December 31, 2025	Fair value level as of reporting date		
	Level 1 TL	Level 2 TL	Leve l3 TL
Land	-	**12.618.130**	**-**
Machinery, plant and equipment	-	**-**	**6.791.449**
	-	**12.618.130**	**6.791.449**

31 Aralık 2024	Raporlama tarihi itibarıyla gerçeğe uygun değer seviyesi		
	1. Seviye TL	2. Seviye TL	3. Seviye TL
Land	-	**13.221.063**	**-**
Machinery, plant and equipment	-	**-**	**7.027.159**
	-	**13.221.063**	**7.027.159**

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

29. FEES RELATED TO SERVICES RECEIVED FROM THE INDEPENDENT AUDITOR / INDEPENDENT AUDIT FIRM

The Group's disclosure regarding the fees for services provided by the independent audit firms, prepared in accordance with the Board Resolution of the Public Oversight, Accounting and Auditing Standards Authority ("KGK") published in the repeated Official Gazette dated March 30, 2022, and based on the preparation principles set out in the KGK letter dated August 19, 2023, is as follows:

	January 1 - January 1 - December 31, 2025	January 1 - January 1 - December 31, 2024
Independent audit fee for the reporting period	**7.085**	**9.570**
	7.085	**9.570**

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

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

Non-monetary items	December 31, 2025
Financial Position Items	
Inventories	**7.744**
Prepaid Expenses	**4.256**
Property, Plant and Equipment	**6.100.413**
Intangible Assets	**360.062**
Right-of-Use Assets	**79.563**
Deferred Tax Liability	**(261.019)**
Paid-in Capital	**(1.634.131)**
Treasury Shares	**578**
Share Premium	**(76.577)**
Other Comprehensive Income / Expense	**(769.596)**
Restricted Reserves Appropriated from Profit	**(197.538)**
Retained Earnings	**(2.532.955)**
Statement of Profit or Loss Items	
Revenue	**(1.443.424)**
Cost of Sales	**1.770.554**
General Administrative Expenses	**75.268**
Marketing, Selling and Distribution Expenses	**(72.079)**
Other Operating Income	**(17.789)**
Other Operating Expenses	**50.731**
Finance Income	**(6.621)**
Finance Expenses	**240.327**
Current Tax Expense	**833**
Net Monetary Position Gains / (Losses)	**1.678.600**

31. SUBSEQUENT EVENTS

The trade name of the Group's subsidiary, ASH Plus Yapı Malzemeleri Sanayi ve Ticaret A.Ş., was changed to Ecowest Atık Yönetim A.Ş. pursuant to the Board of Directors' resolution dated January 27, 2026, and was registered with the trade registry on February 3, 2026.

The negotiations for the new term Group Collective Bargaining Agreement between the Turkish Cement Industry Employers' Union (ÇEİS), of which the Group is a member, and the Turkish Çimse-İş Union, which commenced on December 24, 2025, were concluded with an agreement on February 2, 2026.

Batıçim, Batısöke and Batıbeton, the Group companies, have reached an agreement to enter into a receivables insurance contract with Euler Hermes for the purpose of managing trade receivables risk. The relevant policy will enter into force on January 1, 2026, upon completion of the signatures.

The Group companies Batıçim and Batısöke currently have export receivables insurance policies in force with Türk Eximbank and, in addition, an agreement has been reached for Batıçim, Batısöke and Batıbeton to join the Türk Eximbank Domestic Receivables Insurance program in order to secure the trade receivables risk arising from their domestic credit sales. The policies will enter into force upon completion of the signatures.

DIVIDENT DISTRIBUTION OF BATIÇIM BATI ANADOLU ÇİMENTO SAN. A.Ş. FOR 2025 (TL)

1	**Paid-Up/Issued Capital**	**5,580,000,000**	
2	**Total Legal Reserve Fund (According to legal records)**	**16,000,000**	
	Information relating to preferences, if any on dividend distribution according to articles of association	Provided that the first dividend is not adversely affected, 10% of the net profit shall be distributed to the holders of privileged shares,	
		According to CMB	**According to Legal Records (LR)**
3	**Profit for the Period**	- 397,053,000.00	4,372,374.85
4	**Taxes Payable (-)**	186,296,000.00	
5	**Net Profit for the Period (=)**	- 228,757,000.00	4,372,374.85
6	**Losses from Previous Years (-)**		
7	**General Legal Reserve Fund (-)**		- 218,618.74
8	**NET DISTRIBUTABLE PROFIT (=)**	- 228,757,000.00	4,153,756.11
9	**Donations of the Year (+)**	3,312,142.16	
10	**Net Distributable Profit of the Period Including Donations**	- 225,444,857.84	4,153,756.11
11	**First Dividend to Shareholders**		
	- Cash		
	- Bonus Share		
12	**Dividends Paid to Privileged Shareholders**		
13	**Other Distributed Dividend**		
	- To the Members of the Board		
	- To the Employees		
	- To the Others Who are not Shareholder		
14	**Dividend Distributed to the Owners of Dividend Right Certificate**		
15	**Secondary Dividend to Shareholders**		
16	**General Legal Reserve Fund**		
17	**Statutory Reserves**		
18	**Special Reserve**		
19	**Extraordinary Reserves**		4,153,756.11
20	**Other Resources that Assumed to be Distributed**		
	- Retained Earnings from Previous Years		
	- Extraordinary Reserves		
	- Other Reserves Distributable Under Law and Articles of Association		
21	**General Legal Reserve Fund for Other Resources that Assumed to be Distributed**		
	- Reserve Fund from Prior Years' Profits		
	- Reserve Fund from Extraordinary Reserves		
	- Reserve Fund from Other Distributable Reserves Under Law and Articles of Association		

2025 DIVIDEND SHARE RATES TABLE

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

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