

**(CONVENIENCE TRANSLATION OF THE LIMITED REVIEW
REPORT AND CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS ORIGINALLY ISSUED IN TURKISH)**

**OYAK ÇİMENTO FABRİKALARI ANONİM
ŞİRKETİ AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS AS OF 30 JUNE 2024 WITH LIMITED REVIEW
REPORT**



**Building a better
working world**

Güney Bağımsız Denetim ve SMMM A.Ş.
Maslak Mah. Eski Büyükdere Cad.
Orjin Maslak İş Merkezi No: 27
Daire: 57 34485 Sarıyer
İstanbul - Türkiye

Tel: +90 212 315 3000
Fax: +90 212 230 8291
ey.com
Ticaret Sicil No : 479920
Mersis No: 0-4350-3032-6000017

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

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of OYAK Çimento Fabrikaları Anonim Şirketi

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of OYAK Çimento Fabrikaları Anonim Şirketi ("the Company") and its subsidiaries ("the Group") as of June 30, 2024 and the interim condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and explanatory notes. Group management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Turkish Accounting Standard 34, Interim Financial Reporting ("TAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with TAS 34.

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

Mehmet Can Altınbaş, SMMM
Partner

September 3, 2024
Ankara, Türkiye

INDEX	PAGE
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	1-3
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	4-5
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	6
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS.....	7-8
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	9-58

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

		Reviewed	Audited
		Current Period	Prior Period
	Notes	30 June 2024	31 December 2023
ASSETS			
Current Assets		19.211.468.551	18.469.469.141
Cash and cash equivalents	3	6.569.057.947	6.610.834.205
Financial investments	12	917.512.599	668.635.424
Trade receivables	5	5.961.979.391	5.416.297.951
<i>Trade receivables from related parties</i>	4	422.461.853	301.617.630
<i>Trade receivables from third parties</i>		5.539.517.538	5.114.680.321
Other receivables	6	93.539.810	80.307.220
<i>Other receivables from related parties</i>	4	58.369.819	39.125.196
<i>Other receivables from third parties</i>		35.169.991	41.182.024
Inventories	7	5.385.621.758	5.103.588.752
Prepaid expenses	8	257.282.121	479.782.821
Current tax assets		-	86.516.267
Other current assets		3.798.671	830.247
Assets held for sale		22.676.254	22.676.254
Non-current Assets		25.679.620.242	25.656.897.314
Financial investments	12	-	14.082.892
Other receivables	6	5.345.766	5.946.800
<i>Other receivables from third parties</i>		5.345.766	5.946.800
Investment properties	9	262.409.721	262.714.379
Right-of-use assets		359.782.354	246.037.242
Property, plant and equipment	10	17.677.220.225	17.590.403.112
Intangible assets		4.566.452.309	4.547.171.287
<i>Goodwill</i>		3.879.581.454	3.879.581.454
<i>Other intangible assets</i>	11	686.870.855	667.589.833
Prepaid expenses	8	616.461.940	225.728.659
Deferred tax assets	18	2.190.332.853	2.762.668.536
Other non-current assets		1.615.074	2.144.407
TOTAL ASSETS		44.891.088.793	44.126.366.455

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2024**

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

		Reviewed	Audited
		Current Period	Prior Period
		30 June	31 December
	Notes	2024	2023
LIABILITIES AND EQUITY			
Current Liabilities		6.522.200.080	8.314.087.706
Short-term borrowings	15	993.839.440	1.815.595.937
Short-term portion of long-term borrowings	15	75.998.157	82.869.089
Short-term lease liabilities	15	51.781.054	37.122.164
Trade payables	5	3.604.806.831	4.542.014.231
<i>Trade payables to related parties</i>	4	389.519.163	887.332.708
<i>Trade payables to third parties</i>		3.215.287.668	3.654.681.523
Payables related to employee benefits	16	226.482.971	155.751.394
Other payables	6	172.762.385	222.730.471
<i>Other payables to related parties</i>	4	1.029.950	7.422.090
<i>Other payables to third parties</i>		171.732.435	215.308.381
Contract liabilities	8	187.576.957	207.588.218
Current tax liabilities	18	462.413.142	-
Short-term provisions		745.039.397	1.247.905.000
<i>Short-term provisions for employee benefits</i>	16	198.212.500	651.915.220
<i>Other short-term provisions</i>	13	546.826.897	595.989.780
Other short-term liabilities		1.499.746	2.511.202
Non-current Liabilities		2.159.279.965	2.550.260.757
Long-term borrowings	15	34.707.482	85.288.816
Long-term lease liabilities	15	109.565.570	84.911.684
Other payables	6	1.183.763.013	1.363.465.697
<i>Other payables to related parties</i>	4	1.183.763.013	1.363.465.697
Long-term provisions		831.243.900	1.016.594.560
<i>Long-term provisions for employee benefits</i>	16	659.616.153	818.954.868
<i>Other long-term provisions</i>	13	171.627.747	197.639.692
TOTAL LIABILITIES		8.681.480.045	10.864.348.463

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2024**

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

		Reviewed	Audited
		Current Period	Prior Period
		30 June	31 December
	Notes	2024	2023
EQUITY		36.209.608.748	33.262.017.992
Equity Attributable to Parent		36.209.608.748	33.262.017.992
Paid-in capital	17	1.246.578.406	1.246.578.406
Capital adjustment differences	17	8.960.468.101	8.960.468.101
Repurchased shares (-)		(34.919.976)	(34.919.976)
Share premiums/discounts		1.179.875	1.179.875
Other accumulated comprehensive income (expenses) that will not be reclassified to profit or loss		(415.999.996)	(439.025.220)
- <i>Gains (losses) on remeasurement of defined benefit plans</i>		(415.999.996)	(439.025.220)
Other accumulated comprehensive income (expenses) that will be reclassified to profit or loss		(255.004.519)	(201.355.426)
- <i>Foreign currency translation differences</i>		(255.004.519)	(201.355.426)
Restricted reserves appropriated from profit	17	5.513.963.855	5.513.963.855
Business combinations under common control		409.636.793	409.636.793
Retained earnings		17.805.491.584	7.667.160.197
Net profit for the period		2.978.214.625	10.138.331.387
TOTAL LIABILITIES AND EQUITY		44.891.088.793	44.126.366.455

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2024**

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

		Reviewed	Not reviewed	Restated	Restated
		Current Period	Current Period	(Note 2.5)	(Note 2.5)
		1 January -	1 April -	Reviewed	Not reviewed
		30 June	30 June	Prior Period	Prior Period
	Notes	2024	2024	1 January -	1 April -
				30 June	30 June
				2023	2023
PROFIT OR LOSS					
Revenue	20	18.225.750.106	9.375.364.352	17.965.346.249	9.558.440.632
Cost of sales (-)	20	(13.403.007.343)	(6.622.503.067)	(12.131.309.251)	(6.230.108.325)
GROSS PROFIT		4.822.742.763	2.752.861.285	5.834.036.998	3.328.332.307
General administrative expenses (-)	21	(762.863.307)	(420.402.947)	(633.512.025)	(346.336.975)
Marketing expenses (-)	21	(124.868.968)	(67.172.178)	(104.092.751)	(58.993.929)
Research and development expenses (-)	21	(54.261.230)	(25.502.237)	(36.204.257)	(18.874.647)
Other income from operating activities	23	777.059.190	480.420.275	875.837.785	592.860.089
Other expenses from operating activities (-)	23	(302.989.487)	(37.009.416)	(1.293.452.769)	(633.668.558)
OPERATING PROFIT		4.354.818.961	2.683.194.782	4.642.612.981	2.863.318.287
Income from investment activities	25	156.911.126	74.178.706	326.431.339	227.663.829
Expenses from investment activities (-)	25	(1.224.775)	29.806.136	(126.649.275)	(9.969.049)
OPERATING PROFIT BEFORE FINANCIAL INCOME (EXPENSE)		4.510.505.312	2.787.179.624	4.842.395.045	3.081.013.067
Finance income	24	1.090.240.615	598.162.591	4.960.016.229	4.682.841.697
Finance expense (-)	24	(470.085.995)	(203.974.136)	(7.345.961.696)	(6.669.039.045)
Monetary loss / gain		(774.616.993)	(261.891.200)	5.448.542.381	5.803.439.952
		4.356.042.939	2.919.476.879	7.904.991.959	6.898.255.671
Tax Expense		(1.377.828.314)	(816.118.358)	(537.427.429)	(6.196.968)
Current tax expense	18	(813.167.706)	(548.013.083)	(900.452.745)	(678.216.796)
Deferred tax (expense)/income	18	(564.660.608)	(268.105.275)	363.025.316	672.019.828
NET PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		2.978.214.625	2.103.358.521	7.367.564.530	6.892.058.703
Net profit/(loss) for the period from discontinued operations		-	-	(76.917.864)	(51.459.171)
NET PROFIT FOR THE PERIOD		2.978.214.625	2.103.358.521	7.290.646.666	6.840.599.532
Profit for the Period Attributable to					
Equity holders of the parent		2.978.214.625	2.103.358.521	7.291.899.660	6.841.852.526
Non-controlling interests		-	-	(1.252.994)	(1.252.994)
Earning Per Share					
Earning per share (Nominal value of TL 1)	19	2,39	1,69	6,29	5,90

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

		Reviewed	Not reviewed	Restated (Note 2.5)	Restated (Note 2.5)
		Current Period	Current Period	Reviewed	Not reviewed
	Notes	1 January - 30 June 2024	1 April - 30 June 2024	Prior Period 1 January - 30 June 2023	Prior Period 1 April - 30 June 2023
NET PROFIT FOR THE PERIOD		2.978.214.625	2.103.358.521	7.290.646.666	6.840.599.532
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gains / (losses) on remeasurement of defined benefit plans	16	30.700.299	30.700.299	(96.658.445)	(96.658.445)
Taxes related to other comprehensive income - deferred tax income / (expense)	18	(7.675.075)	(7.675.075)	19.331.689	19.331.689
Items that will be reclassified to profit or loss:					
Foreign currency translation differences		(53.649.093)	(4.531.947)	(50.743.825)	(39.244.529)
OTHER COMPREHENSIVE INCOME / (EXPENSE)		(30.623.869)	18.493.277	(128.070.581)	(116.571.285)
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		2.947.590.756	2.121.851.798	7.162.576.085	6.724.028.247
Total Comprehensive Income / (Expense) Attributable to					
Owners of the parent		2.947.590.756	2.121.851.798	7.163.829.079	6.725.281.241
Non-controlling interests		-	-	(1.252.994)	(1.252.994)

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

	Paid-in share capital	Adjustment to share capital	Repurchased shares (-)	Share premiums	Restricted reserves	Gains / (losses) on remeasurement of defined benefit plans	Foreign currency translation differences	Business combinations under common control	Retained earnings	Net profit for the period	Equity attributable to parent	Non- controlling interest	Total equity
Balance at 1 January 2023	1.159.793.441	8.938.952.175	(34.919.976)	1.179.875	5.451.650.518	(270.697.231)	(266.290.223)	-	2.701.518.401	7.401.304.794	25.082.491.774	-	25.082.491.774
Restatement effect (Note 2.5)	-	-	-	-	62.313.337	(37.301.435)	(43.062.097)	(5.470.951.229)	-	3.603.946.914	(1.885.054.510)	-	(1.885.054.510)
Restated balance as of 1 January 2023	1.159.793.441	8.938.952.175	(34.919.976)	1.179.875	5.513.963.855	(307.998.666)	(309.352.320)	(5.470.951.229)	2.701.518.401	11.005.251.708	23.197.437.264	-	23.197.437.264
Transfers	-	-	-	-	-	-	-	-	11.005.251.708	(11.005.251.708)	-	-	-
Merger effect (*)	-	-	-	-	-	-	13.559.595	5.880.588.022	(5.832.172.850)	-	61.974.767	(61.974.767)	-
Total comprehensive income/(expense)	-	-	-	-	-	(77.326.756)	(50.743.825)	-	-	7.291.899.660	7.163.829.079	(1.252.994)	7.162.576.085
Net profit for the period	-	-	-	-	-	-	-	-	-	7.291.899.660	7.291.899.660	(1.252.994)	7.290.646.666
Other comprehensive income (expense)	-	-	-	-	-	(77.326.756)	(50.743.825)	-	-	-	(128.070.581)	-	(128.070.581)
30 June 2023	1.159.793.441	8.938.952.175	(34.919.976)	1.179.875	5.513.963.855	(385.325.422)	(346.536.550)	409.636.793	7.874.597.259	7.291.899.660	30.423.241.110	(63.227.761)	30.360.013.349
Balance at 1 January 2024	1.246.578.406	8.960.468.101	(34.919.976)	1.179.875	5.513.963.855	(439.025.220)	(201.355.426)	409.636.793	7.667.160.197	10.138.331.387	33.262.017.992	-	33.262.017.992
Transfers	-	-	-	-	-	-	-	-	10.138.331.387	(10.138.331.387)	-	-	-
Total comprehensive income/(expense)	-	-	-	-	-	23.025.224	(53.649.093)	-	-	2.978.214.625	2.947.590.756	-	2.947.590.756
Net profit for the period	-	-	-	-	-	-	-	-	-	2.978.214.625	2.978.214.625	-	2.978.214.625
Other comprehensive income (expense)	-	-	-	-	-	23.025.224	(53.649.093)	-	-	-	(30.623.869)	-	(30.623.869)
30 June 2024	1.246.578.406	8.960.468.101	(34.919.976)	1.179.875	5.513.963.855	(415.999.996)	(255.004.519)	409.636.793	17.805.491.584	2.978.214.625	36.209.608.748	-	36.209.608.748

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

	Notes	Restated (Note 2.5)	
		Reviewed	Reviewed
		Current Period	Prior Period
		1 January – 30 June 2024	1 January – 30 June 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES		2.059.685.033	7.542.362.080
Profit for the Period		2.978.214.625	7.367.564.530
Net Profit/(Loss) for the Period from Discontinued Operations		-	(76.917.864)
Adjustments Related to Reconciliation of Net Profit for the Period		1.203.909.756	4.726.105.619
- Adjustments Related to Depreciation and Amortization Expenses		1.030.443.331	858.135.615
- Adjustments Related to Doubtful Receivables	5	64.838	365.458
- Adjustments Related to Provisions		48.926.338	397.704.739
- <i>Adjustments Related to Employee Benefits</i>	16	(85.195.236)	254.286.852
- <i>Adjustments Related to Provisions (Reversal of) for Legal Cases</i>		23.121.818	7.283.630
- <i>Adjustments Related to Other Provisions (Reversals)</i>	13	110.999.756	136.134.257
- Adjustments Related to Interest (Income) and Expenses		(876.136.271)	551.991.215
- <i>Adjustments Related to Interest Income</i>	23, 24, 25	(1.042.021.448)	(607.428.885)
- <i>Adjustments Related to Interest Expense</i>	23, 24	165.885.177	1.159.420.100
- Adjustments Related to Fair Value Losses (Gains)		(11.825.412)	124.924.985
- <i>Adjustments Related to Fair Value (Gains)/Losses of Financial Assets</i>	25	(11.825.412)	124.924.985
- Adjustments Related to Dividend Income	25	(3.113.276)	-
- Adjustments Related to Gain on Sale of Fixed Assets	25	97.773	(11.153.559)
- Adjustments Related to Unrealized Foreign Currency Translation Differences		(53.536.962)	2.547.075.268
- Adjustments Related to Tax Income / Expense	18	1.377.828.314	537.427.429
- Adjustments Related to Monetary (Gains) / Losses		(308.838.917)	(280.365.531)
Changes in Working Capital		(1.542.894.912)	(3.161.188.390)
- Adjustments Related to Increase in Trade Receivables		(526.334.598)	(194.396.199)
- <i>Decrease (Increase) in Trade Receivables from Related Parties</i>	5	(120.844.223)	(30.495.450)
- <i>Decrease (Increase) in Trade Receivables from Third Parties</i>		(405.490.375)	(163.900.749)
- Adjustments Related to Decrease (Increase) in Other Receivables Related to Operations		(12.631.556)	(2.624.806.169)
- <i>Decrease (Increase) in Other Receivables Related to Operations from Related Parties</i>		(19.244.623)	(3.071.559.575)
- <i>Decrease (Increase) in Other Receivables Related to Operations from Third Parties</i>		6.613.067	446.753.406
- Adjustments Related to Increase in Inventories	7	(282.033.006)	(269.469.832)
- Adjustments Related to Increase (Decrease) in Other Non-current Assets and Non-current Liabilities		(3.450.547)	10.008.509
- Increase in Financial Investments		(13.149.941)	(2.037.901.728)
- Decrease (Increase) in Prepaid Expenses	7	224.767.766	(340.538.496)
- Changes in Assets Held for Sale		-	2.461.024.659
- Adjustments Related to Increase in Trade Payables	5	(937.207.400)	(576.075.878)
- <i>Increase (Decrease) in Trade Payables to Related Parties</i>		(497.813.545)	(206.714.418)
- <i>Increase (Decrease) in Trade Payables to Third Parties</i>		(439.393.855)	(369.361.460)
- Increase in Payables Related to Employee Benefits		70.731.577	42.466.978
- Adjustments Related to Increase / (Decrease) in Other Operating Payables		(43.575.946)	297.770.732
- <i>Increase (Decrease) in Other Operating Payables to Third Parties</i>		(43.575.946)	297.770.732
- Increase / (Decrease) in Contract Liabilities	8	(20.011.261)	70.729.034
Cash Flows from Operations		2.639.229.469	8.855.563.895
- Payments Related to Provision for Employee Benefits		(297.445.750)	(450.903.961)
- Tax Payments	18	(264.238.297)	(803.159.183)
- Payments for Provisions	13	(48.025.047)	(67.473.841)
- Interest Received		30.164.658	8.335.170

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

		Restated (Note 2.5)	
		Reviewed	
		Reviewed	
		Current Period	Prior Period
		1 January – 30 June 2024	1 January – 30 June 2023
	Notes		
B. CASH FLOWS FROM INVESTING ACTIVITIES		(1.471.922.563)	(959.393.484)
- Cash Inflows from Sale of Property, Plant and Equipment	10, 11	1.414.509	11.528.723
- Cash Outflows from Purchase of Property, Plant and Equipment	10, 11	(1.403.617.945)	(607.688.287)
- Dividend Income	25	3.113.276	-
- Interest Received		63.000.715	-
- Increase in Financial Investments		(135.833.118)	(363.233.920)
C. CASH FLOWS FROM FINANCING ACTIVITIES		279.313.696	(4.964.452.118)
- Cash Inflows From Borrowing		964.668.000	4.668.817.100
- Cash Inflows from Loans		964.668.000	4.668.817.100
- Cash Outflows Related to Debt Payments		(1.448.940.270)	(2.839.202.128)
- Cash Outflows Related to Loan Repayments		(1.406.542.657)	(2.474.384.303)
- Interest Paid		(42.397.613)	(364.817.825)
- Interest Received		854.250.524	356.660.987
- Cash Outflows from Loan Payments Arising from Lease Agreements		(84.272.418)	(20.682.586)
- Increase (Decrease) in Other Payables to Related Parties Related to Operations		(6.392.140)	(7.130.045.491)
D. NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		867.076.166	1.618.516.478
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		128.921.246	182.508.022
Monetary gain loss effect on cash and cash equivalents		(1.058.393.408)	(2.300.289.768)
E. NET INCREASE IN CASH AND CASH EQUIVALENTS		(62.395.996)	(499.265.268)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3	6.462.796.497	3.912.241.188
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3	6.400.400.501	3.412.975.920

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

OYAK Çimento Fabrikaları A.Ş. ("Company") was established by the merger of Aslan Çimento A.Ş., Adana Çimento Sanayii Türk A.Ş., Bolu Çimento Sanayii A.Ş. and Ünye Çimento Sanayi ve Ticaret A.Ş. which are publicly traded cement companies, on 14 May 2020 and under Mardin Çimento Sanayii ve Ticaret A.Ş. which was established on 2 June 1969. Following the merger, the title of Mardin Çimento Sanayii ve Ticaret A.Ş. was changed to OYAK Çimento Fabrikaları A.Ş. on 21 May 2020.

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

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

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

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

Cimpor Global Holdings B.V. was established in Amsterdam, Netherlands on 18 October 2018. Cimpor Global Holdings is a group of companies established by Ordu Yardımlaşma Kurumu ("OYAK") and Taiwan Cement Corporation ("TCC") that operates in the field of cement, concrete, kraft paper and bag. Cimpor Global Holdings operates in the Netherlands, Türkiye, Portugal, Romania, Ivory Coast, Cameroon and Cape Verde.

TCC, which indirectly owns 40% of the capital of Cimpor Global Holdings B.V., was established in Taiwan on 1 May 1946. Its main business consists of cement, concrete, divisional energy, high efficiency battery production, carbon black production, electricity storage systems and international ship transportation, production and trade of paper bags and other paper bundles. TCC's shares are traded on the Taiwan Stock Exchange.

OYAK, which indirectly owns 60% of the capital of Cimpor Global Holdings B.V., is an institution that is financially and administratively autonomous, which has a legal personality, subject to private law provisions, and was established on 1 March 1961 with the law numbered 205. OYAK, the "solidarity and pension fund" of Turkish Army Force members, provides various services and benefits to its members. OYAK has more than 50 direct and indirect subsidiaries operating in the industry, finance and service sectors.

An agreement was reached between OYAK and TCC regarding the transfer of 20% of OYAK Çimento Fabrikaları A.Ş.'s non-publicly traded shares which represents 60% of OYAK's indirect ownership, to TCC. An initial agreement was signed on 27 November 2023, followed by definitive agreements signed on 10 December 2023. The share transfer transaction was completed on March 6, 2024, upon obtaining the necessary permissions from other official institutions and fulfilling all the prerequisites outlined in the share transfer agreement.

Prior to the mentioned share transfer transaction, Cimpor Global Holdings B.V. owned 75,81% of OYAK Çimento Fabrikaları A.Ş.'s capital will be transferred to TCC OYAK Amsterdam Holdings B.V. as of 6 March 2024 and 60% of the capital of the acquired company is transferred to Taiwan Cement (Dutch) Holdings B.V.; The remaining 40% belongs to OYAK Capital Investments B.V., which is a 100% subsidiary of OYAK.

With this transaction, the rate of OYAK's non-public indirect shares in the Company decreased to 40%, and the rate of TCC's non-public indirect shares in the Company increased to 60%.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

On the other hand, Cimpor Cameroun S.A. ("Cimpor Camerun"), a subsidiary of the former OYAK Denizli Çimento A.Ş. was established in 2020, whose main activity is the operation of industrial or semi-industrial production facilities of cement, construction materials and geo-concrete brick blocks in general. Cimpor Camerun was consolidated under former OYAK Denizli Çimento A.Ş. was classified as an asset held for sale in accordance with the management decision. It is presented in the "Assets Held for Sale" and "Liabilities Related to Asset Groups Classified for Sale" lines in the Group's consolidated statement of financial position as of 30 June 2023. Subsequently, on 15 May, 2023, Cimpor Cameroon increased its capital in the amount of 680,000,000 CFA and 6,800 shares. As a result of the capital increase, the total number of shares of Cimpor Cameroon became 9,800 and the total capital amount was 980,000,000 CFA. Cimpor Portugal participated in the capital increase along with the Company. The Company participated in the capital increase with 3,860 shares and 386,000,000 CFA, and Cimpor Portugal participated in the capital increase with 2,940 shares and 294,000,000 CFA. As a result of the capital increase, 70% of the capital of Cimpor Cameroon belonged to the Company and 30% to Cimpor Portugal.

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

The number of employees of the Company and its subsidiaries ("the Group") as of 30 June 2024 is 2.827 (31 December 2023: 2.730).

The shares of the Group are traded in Borsa Istanbul ("BIST").

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

As of 30 June 2024 and 31 December 2023, the Group's ownership interests and voting rights in subsidiaries have been presented below:

			30 June 2024	31 December 2023
Subsidiaries	Place of incorporation and operation	Main operation	Shareholding rate (%)	Shareholding rate (%)
Adana Çimento San. ve Tic. Ltd.	Cyprus	Sales of cement, clinker and ready mixed concrete	100,00	100,00
Adana Çimento Free Port Ltd.	Cyprus	Sales of cement, clinker and ready mixed concrete	100,00	100,00
Cimpor Romania Terminal SRL	Romania	Sales of cement	100,00	100,00
Marmara Madencilik San. Tic. Ltd. Şti.	Türkiye	Mining	98,90	98,90
OYAK Çimento Enerji A.Ş. (*)	Türkiye	Energy	100,00	100,00

(*) OYAK Çimento Enerji A.Ş. had not included in the consolidation due to its limited activities until 1 April 2024.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Dividend Distribution

It is decided not to distribute dividends over the profits of 2023 as a result of the General Assembly held as of 29 March 2024.

Approval of Consolidated Financial Statements

The consolidated financial statements have been approved by the Board of Directors and authorized for publication on 3 September 2024.

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Declaration of Conformity to TFRS

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

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

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

Measurement Principles

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

Functional and presentation currency

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

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

	30 June 2024	31 December 2023
RON / TL year end	7,0179	6,5113
CFA / TL year end	0,0500	0,0498
	30 June 2024	30 June 2023
RON / TL average	6,8212	4,2917
CFA / TL average	0,0482	0,0325

Financial Reporting in Hyperinflationary economy

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

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 30 June 2023 and 31 December 2023 on the purchasing power basis as of 30 June 2024.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Financial Reporting in Hyperinflationary economy (cont'd)

Pursuant to the decision of the Capital Markets Board (SPK) dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of IAS 29 starting from their annual financial reports for the periods ending on 31 December 2023.

The adjustments made in accordance with IAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TÜİK). As of 30 June 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Conversion factor	Three year cumulative inflation rates
30 June 2024	2.319,29	1,00000	324%
31 December 2023	1.859,38	1,24735	268%
30 June 2023	1.351,59	1,71597	190%

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period financial statements prepared in TL are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.

- Monetary assets and liabilities (such as cash and cash equivalents, trade receivables and payables, borrowings) are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of nonmonetary items (such as inventories, property, plant and equipment, intangible assets and equity items) exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.

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

- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.

- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the income statement. The purchasing power of companies carrying more monetary assets than monetary liabilities weakens with inflation, while the purchasing power of companies carrying more monetary liabilities than monetary assets increases with inflation. Net monetary position gain or loss is derived from the restatement differences of non-monetary items, shareholders' equity, items in the income statement and other comprehensive income statement and index-linked monetary assets and liabilities.

Going Concern

The Group prepared interim condensed consolidated financial statements in accordance with the going concern assumption.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Subsidiaries

Effective partnership interests and voting rights are disclosed in Note 1.

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

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

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

2.2 Adoption of New and Revised Turkish Financial Reporting Standards

The accounting policies adopted in preparation of the interim condensed consolidated financial statements as of 30 June 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 1 January 2024 summarized below.

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

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In March 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period.

In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with TAS 8.

The amendments did not have a significant impact on the financial position or performance of the Group.

Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in TFRS 16.

The amendments did not have a significant impact on the financial position or performance of the Group.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

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

i) The new standards, amendments and interpretations which are effective as of January 1, 2024 (cont'd)

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose.

The amendments did not have a significant impact on the financial position or performance of the Group.

TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

The amendments did not have a significant impact on the financial position or performance of the Group.

TSRS 2 Climate-related Disclosures

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

The amendments did not have a significant impact on the financial position or performance of the Group.

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

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when 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

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Group will wait until the final amendment to assess the impacts of the changes.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

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

ii) Standards issued but not yet effective and not early adopted (cont'd)

IFRS 17 - The new Standard for insurance contracts

POA issued IFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2025 with the announcement made by the POA.

The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

Amendments to TAS 21 - Lack of exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The Group will wait until the final amendment to assess the impacts of the changes.

iii) The amendments which are effective immediately upon issuance

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

The amendments are not expected to have a significant impact on the financial position or performance of the Group.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

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

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

The following amendments to IAS 21 and IFRS 18 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments

In May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment.

The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

In April 2024, IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. IFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as IAS 7, IAS 8 and IAS 34.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, IASB issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards may elect to apply IFRS 19.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.3 Summary of Significant Accounting Policies

The interim condensed consolidated financial statements for the six months period ended 30 June 2024 have been prepared in accordance with TAS 34. The accounting policies used in the preparation of these condensed interim consolidated financial statements for the six months period ended 30 June 2024, are consistent with those used in the preparation of annual consolidated financial statements for the year ended 31 December 2023. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023.

2.4 Accounting Policies and Changes and Misstatements in Accounting Estimates

Changes in accounting policies, if any, that result from applying a new standard for the first time are applied retrospectively or prospectively in accordance with transition provisions. Changes with no transition provisions, significant discretionary changes in accounting policy or accounting errors are applied retrospectively and financial statements of prior period are restated. If changes in accounting estimates are related to only one period, they are applied in the current period in which the changes are made, if they are related to subsequent period, they are applied in both current period and prospectively.

Misstatements which are identified are corrected retrospectively and consolidated financial statements of prior period are restated. The Group does not identify any significant misstatements in the current year.

Significant accounting errors identified are corrected retrospectively and prior period financial statements are restated.

2.5 Comparative Information and Restatement of Prior Period Consolidated Financial Statements

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

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

OYAK Denizli Çimento Anonim Şirketi, which is under common control, was merged within the Company as of 28 December 2023. OYAK Çimento Fabrikaları A.Ş. took over all assets and liabilities of the Company as a whole by termination without liquidation. This transaction, which is a business combination under common control, was accounted for by the pooling of interest method and OYAK Denizli Çimento Anonim Şirketi have been consolidated from the earliest period. As a result of this merger, the effect of the adjustments made in the previous period consolidated profit or loss and other comprehensive income and expense statements for the period ending as of 30 June 2023.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.5 Comparative Information and Restatement of Prior Period Consolidated Financial Statements (cont'd)

	Previously reported(*)	Adjustments	Restated
Profit or loss	1 January – 30 June 2023		1 January – 30 June 2023
Revenue	16.252.548.134	1.712.798.115	17.965.346.249
Cost of sales (-)	(11.187.749.231)	(943.560.020)	(12.131.309.251)
Gross profit	5.064.798.903	769.238.095	5.834.036.998
General administrative expenses (-)	(586.368.395)	(47.143.630)	(633.512.025)
Marketing expenses (-)	(98.475.034)	(5.617.717)	(104.092.751)
Research and development expenses (-)	(35.174.579)	(1.029.678)	(36.204.257)
Other income from operating activities	475.261.150	400.576.635	875.837.785
Other expenses from operating activities (-)	(1.064.004.626)	(229.448.143)	(1.293.452.769)
Operating profit	3.756.037.419	886.575.562	4.642.612.981
Income from investment activities	311.069.508	15.361.831	326.431.339
Expenses from investment activities (-)	(126.387.027)	(262.248)	(126.649.275)
Operating profit before financial income (expense)	3.940.719.900	901.675.145	4.842.395.045
Finance income	547.512.261	4.412.503.968	4.960.016.229
Finance expense (-)	(321.071.998)	(7.024.889.698)	(7.345.961.696)
Monetary loss / gain	(561.411.846)	6.009.954.227	5.448.542.381
Profit before tax	3.605.748.317	4.299.243.642	7.904.991.959
Tax expense	(1.168.147.921)	630.720.492	(537.427.429)
Current tax expense	(744.993.335)	(155.459.410)	(900.452.745)
Deferred tax (expense)/income	(423.154.586)	786.179.902	363.025.316
Net profit for the period from continuing operations	2.437.600.396	4.929.964.134	7.367.564.530
Net profit/(loss) for the period from discontinued operations	-	(76.917.864)	(76.917.864)
Net profit for the period	2.437.600.396	4.853.046.270	7.290.646.666
Net profit for the period attributable to			
Equity Holders of the Parent	2.437.600.396	4.854.299.264	7.291.899.660
Non-controlling Interests	-	(1.252.994)	(1.252.994)
Earnings per share	2,10	4,19	6,29
Earnings per share (nominal value of TL 1)			
Other comprehensive income			
Other comprehensive income	(69.175.986)	(58.894.595)	(128.070.581)
Items that will not be reclassified to profit or loss:			
Gains / (losses) on remeasurement of defined benefit plans	(85.624.637)	(11.033.808)	(96.658.445)
Taxes related to other comprehensive income - deferred tax income / (expense)	17.124.927	2.206.762	19.331.689
Items to be reclassified to profit or loss:			
- Foreign currency translation differences	(676.276)	(50.067.549)	(50.743.825)
Total comprehensive income	2.368.424.410	4.794.151.675	7.162.576.085
Total comprehensive income attributable to			
Owners of the Parent	2.368.424.410	4.795.404.669	7.163.829.079
Non-controlling Interests	-	(1.252.994)	(1.252.994)

(*) The amount is stated on the basis of the purchasing power of Turkish Lira as of 30 June 2024.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.5 Comparative Information and Restatement of Prior Period Consolidated Financial Statements (cont'd)

	Previously reported 1 April – 30 June 2023	Adjustments	Restated 1 April – 30 June 2023
Profit or loss			
Revenue	8.771.893.066	786.547.566	9.558.440.632
Cost of sales (-)	(5.837.736.804)	(392.371.521)	(6.230.108.325)
Gross profit	2.934.156.262	394.176.045	3.328.332.307
General administrative expenses (-)	(319.773.866)	(26.563.109)	(346.336.975)
Marketing expenses (-)	(54.418.260)	(4.575.669)	(58.993.929)
Research and development expenses (-)	(18.256.610)	(618.037)	(18.874.647)
Other income from operating activities	374.267.403	218.592.686	592.860.089
Other expenses from operating activities (-)	(429.657.260)	(204.011.298)	(633.668.558)
Operating profit	2.486.317.669	377.000.618	2.863.318.287
Income from investment activities	308.374.303	(80.710.474)	227.663.829
Expenses from investment activities (-)	(9.858.510)	(110.539)	(9.969.049)
Operating profit before financial income (expense)	2.784.833.462	296.179.605	3.081.013.067
Finance income	320.041.424	4.362.800.273	4.682.841.697
Finance expense (-)	(191.694.928)	(6.477.344.117)	(6.669.039.045)
Monetary loss / gain	(351.063.316)	6.154.503.268	5.803.439.952
Profit before tax	2.562.116.642	4.336.139.029	6.898.255.671
Tax expense	(695.608.700)	689.411.732	(6.196.968)
Current tax expense	(557.569.045)	(120.647.751)	(678.216.796)
Deferred tax (expense)/income	(138.039.655)	810.059.483	672.019.828
Net profit for the period from continuing operations	1.866.507.942	5.025.550.761	6.892.058.703
Net profit/(loss) for the period from discontinued operations	-	(51.459.171)	(51.459.171)
Net profit for the period	1.866.507.942	4.974.091.590	6.840.599.532
Net profit for the period attributable to			
Equity Holders of the Parent	1.866.507.942	4.975.344.584	6.841.852.526
Non-controlling Interests	-	(1.252.994)	(1.252.994)
Earnings per share	1,61	4,29	5,90
Earnings per share (nominal value of TL 1)			
Other comprehensive income			
Other comprehensive income	(57.677.583)	(58.893.702)	(116.571.285)
Items that will not be reclassified to profit or loss:			
Gains / (losses) on remeasurement of defined benefit plans	(85.624.637)	(11.033.808)	(96.658.445)
Taxes related to other comprehensive income - deferred tax income. (expense)	17.124.927	2.206.762	19.331.689
Items to be reclassified to profit or loss:			
- Foreign Currency Translation Differences	10.822.127	(50.066.656)	(39.244.529)
Total comprehensive income	1.808.830.359	4.915.197.888	6.724.028.247
Total comprehensive income attributable to			
Owners of the Parent	1.808.830.359	4.916.450.882	6.725.281.241
Non-controlling Interests	-	(1.252.994)	(1.252.994)

(*) The amount is stated on the basis of the purchasing power of Turkish Lira as of 30 June 2024.

OYAK Denizli Çimento Anonim Şirketi, which is subject to joint control with the Company, was merged within the Company in 2023. OYAK Çimento Fabrikaları A.Ş. took over all assets and liabilities of the Company as a whole by termination without liquidation. This transaction, which is a business combination under common control, was accounted for by the pooling of interest method and OYAK Denizli Çimento Anonim Şirketi was consolidated retroactively from the earliest opening balance sheet as of 31 December 2023.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.6 Segment Reporting

The business activities of the Group are managed and organized depending on the content of the services and products it provides. Group makes its segment reporting in accordance with TFRS 8. Information on the business areas of the Group includes information on the earnings and profit of the Group obtained from cement (including clinker and aggregate) and ready-mixed concrete activities as of 30 June 2024 and 30 June 2023.

a) Statement of Profit or Loss by Segments

1 January – 30 June 2024	Ready-mixed Concrete	Cement	Total
PROFIT OR LOSS			
Revenue	5.998.747.692	12.227.002.414	18.225.750.106
Cost of Sales (-)	(5.568.930.391)	(7.834.076.952)	(13.403.007.343)
GROSS PROFIT	429.817.301	4.392.925.462	4.822.742.763
General Administrative Expenses (-)	(80.386.569)	(682.476.738)	(762.863.307)
Marketing Expenses (-)	(29.563.770)	(95.305.198)	(124.868.968)
Research and Development Expenses (-)	(51.108.887)	(3.152.343)	(54.261.230)
Other Income from Operating Activities	67.814.775	709.244.415	777.059.190
Other Expenses from Operating Activities (-)	(30.201.204)	(272.788.283)	(302.989.487)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	306.371.646	4.048.447.315	4.354.818.961
1 January – 30 June 2023	Ready-mixed Concrete	Cement	Total
PROFIT OR LOSS			
Revenue	4.994.022.536	12.971.323.713	17.965.346.249
Cost of Sales (-)	(4.342.836.990)	(7.788.472.261)	(12.131.309.251)
GROSS PROFIT	651.185.546	5.182.851.452	5.834.036.998
General Administrative Expenses (-)	(61.941.005)	(571.571.020)	(633.512.025)
Marketing Expenses (-)	(27.072.117)	(77.020.634)	(104.092.751)
Research and Development Expenses (-)	(35.174.579)	(1.029.678)	(36.204.257)
Other Income from Operating Activities	5.768.426	870.069.359	875.837.785
Other Expenses from Operating Activities (-)	(11.950.907)	(1.281.501.862)	(1.293.452.769)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	520.815.364	4.121.797.617	4.642.612.981

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.6 Segment Reporting (cont'd)

a) Statement of Profit or Loss by Segments (cont'd)

1 April – 30 June 2024	Ready-mixed Concrete	Cement	Total
PROFIT OR LOSS			
Revenue	3.041.946.560	6.333.417.792	9.375.364.352
Cost of Sales (-)	(2.827.023.791)	(3.795.479.276)	(6.622.503.067)
GROSS PROFIT	214.922.769	2.537.938.516	2.752.861.285
General Administrative Expenses (-)	(46.959.787)	(373.443.160)	(420.402.947)
Marketing Expenses (-)	(14.945.063)	(52.227.115)	(67.172.178)
Research and Development Expenses (-)	(25.168.025)	(334.212)	(25.502.237)
Other Income from Operating Activities	55.668.131	424.752.144	480.420.275
Other Expenses from Operating Activities (-)	(28.162.214)	(8.847.202)	(37.009.416)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	155.355.811	2.527.838.971	2.683.194.782
1 April – 30 June 2023	Ready-mixed Concrete	Cement	Total
PROFIT OR LOSS			
Revenue	2.554.031.752	7.004.408.880	9.558.440.632
Cost of Sales (-)	(2.222.203.348)	(4.007.904.977)	(6.230.108.325)
GROSS PROFIT	331.828.404	2.996.503.903	3.328.332.307
General Administrative Expenses (-)	(34.041.793)	(312.295.182)	(346.336.975)
Marketing Expenses (-)	(14.601.867)	(44.392.062)	(58.993.929)
Research and Development Expenses (-)	(18.256.611)	(618.036)	(18.874.647)
Other Income from Operating Activities	531.743	592.328.346	592.860.089
Other Expenses from Operating Activities (-)	(5.054.541)	(628.614.017)	(633.668.558)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	260.405.335	2.602.912.952	2.863.318.287

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

2.6 Segment Reporting (cont'd)

b) Assets and Liabilities According to Segments

30 June 2024	Ready-mixed Concrete	Cement	Undistributed	Total
Assets and liabilities				
Inventories	290.146.269	5.095.475.489	-	5.385.621.758
Property, plant and equipment	2.009.337.867	15.667.882.358	-	17.677.220.225
Intangible assets	10.370.417	4.556.081.892	-	4.566.452.309
Undistributed assets	-	-	17.261.794.501	17.261.794.501
Total assets	2.309.854.553	25.319.439.739	17.261.794.501	44.891.088.793
Undistributed liabilities	-	-	8.681.480.045	8.681.480.045
Total liabilities	-	-	8.681.480.045	8.681.480.045
31 December 2023	Ready-mixed Concrete	Cement	Undistributed	Total
Assets and liabilities				
Inventories	221.772.467	4.881.816.285	-	5.103.588.752
Property, plant and equipment	2.079.417.694	15.510.985.418	-	17.590.403.112
Intangible assets	10.664.762	4.536.506.525	-	4.547.171.287
Undistributed assets	-	-	16.885.203.304	16.885.203.304
Total assets	2.311.854.923	24.929.308.228	16.885.203.304	44.126.366.455
Undistributed liabilities	-	-	10.864.348.463	10.864.348.463
Total liabilities	-	-	10.864.348.463	10.864.348.463

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

3. CASH AND CASH EQUIVALENTS

	30 June 2024	31 December 2023
Bank	6.463.144.816	6.402.798.480
<i>Demand deposits</i>	19.559.010	62.965.273
<i>Time deposits with a maturity of less than three months (*)</i>	6.443.585.806	6.339.833.207
Other cash and cash equivalents (**)	105.913.131	208.035.725
Cash and cash equivalents on the financial statement	6.569.057.947	6.610.834.205
Less : Interest accruals	(168.657.446)	(148.037.708)
Cash and cash equivalents in the statement of cash flows	6.400.400.501	6.462.796.497

(*) Interest rates of time deposits for TL deposits varies from 5,25% to 55,00%, whereas for US Dollar deposits it is 0,01-4,75%, for Euro deposits it is 0,01%-1,75% and for RON deposits it is 4,66% (31 December 2023: TL: 5,25% -46,00%, US Dollar: 0,01%-5,55%, Euro: 1,60% - 4,00%).

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

4. RELATED PARTY DISCLOSURES

30 June 2024					
	Receivables		Payables		
	Short Term		Short Term	Long Term	
Balances with related parties	Trade	Non-trade	Trade	Non-trade	Non-trade
OYAK İnşaat A.Ş.	210.732.151	-	-	-	-
Cimpor Cote D'ivoire SARL	87.318.247	30.342.018	-	-	-
Cimpor Cameroun SA	62.521.768	24.849.655	-	-	-
Cimpor - Industria de Cementos	27.480.596	-	-	-	-
İskenderun Demir ve Çelik A.Ş.	22.572.689	-	-	-	-
Cimpor-SerVICES S.A.	8.859.029	-	-	-	-
Betao Liz, S.A.	1.524.115	-	-	-	-
Cimpor Ghana	933.065	3.153.523	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	373.874	-	-	-	-
Cimpor Global Holdings BV	117.308	-	-	-	1.183.763.013 (*)
OYAK Selülöz ve Kağıt Fabrikaları A.Ş.	29.011	-	-	-	-
Oytaş İç ve Dış Ticaret A.Ş.	-	24.623	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	78.280.187	-	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	69.205.229	-	-
Kümaş Manyezit Sanayi A.Ş.	-	-	57.267.071	-	-
OYAK Yenilenebilir Enerji A.Ş.	-	-	57.213.000	-	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	36.229.467	-	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	25.973.070	-	-
Omsan Denizcilik A.Ş.	-	-	22.388.665	-	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	18.171.479	-	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	9.219.607	-	-
OYAK Otomotiv Enerji ve Lojistik Holding A.Ş. (***)	-	-	5.896.896	-	-
Güzel Enerji Akaryakıt A.Ş.	-	-	4.707.916	-	-
OYAK Grup Sigorta ve Reasurans Brokerliği A.Ş.	-	-	2.090.091	-	-
İskenderun Enerji Üretim ve Tic.A.Ş.	-	-	1.896.605	-	-
Oypower Elektrik Ticareti ve Hizmetleri A.Ş.(**)	-	-	753.609	-	-
Omsan Lojistik A.Ş.	-	-	151.200	-	-
Ordu Yardımlaşma Kurumu (OYAK)	-	-	68.337	-	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	4.814	-	-
Satem Grup Gıda Dağıtım Ve Pazarlama A.Ş.	-	-	1.920	-	-
Other	-	-	-	1.029.950	-
	422.461.853	58.369.819	389.519.163	1.029.950	1.183.763.013

(*) This is the amount related to the Group's long-term financial debt to Cimpor Global Holdings B.V.

(**) The commercial title of OYAK Elektrik Enerjisi Toptan Satış A.Ş. was changed to Oypower Electric Trade and Services Inc. on 23 February 2024.

(***) The commercial title of OYAK Akaryakıt ve LPG Yatırımları A.Ş. was changed to OYAK Otomotiv Enerji ve Lojistik Holding A.Ş. on 14 May 2024.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

4. RELATED PARTY DISCLOSURES (cont'd)

	31 December 2023					
	Receivables		Payables			
	Short-term		Short-term		Long-term	
Balances with related parties	Trade	Non-trade	Trade	Non-trade	Long-term	Non-trade
OYAK İnşaat A.Ş.	155.432.232	-	-	-	-	-
Cimpor Cote D'Ivoire	76.224.603	22.395.103	-	-	-	-
Cimpor Cameroun SA	50.479.224	16.338.377	-	-	-	-
Cimpor-Serviços S.A.	9.046.445	388.136	-	-	-	-
İskenderun Demir ve Çelik A.Ş.	4.121.712	-	-	-	-	-
Cimpor - Industria de Cimentos	3.281.079	-	-	-	-	-
Betao Liz, S.A.	1.762.859	-	-	-	-	-
Cimpor Ghana	970.428	-	-	-	-	-
OYAK Çimento Enerji A.Ş.	149.142	-	-	-	-	-
Cimpor Global Holdings BV	135.684	-	-	-	-	1.363.465.697 (*)
OYAK Selülöz ve Kağıt Fabrikaları A.Ş.	14.222	3.580	1.796	-	-	-
OYAK Grup Sigorta ve Reasurans Brokerliği A.Ş.	-	-	278.190.640	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş.	-	-	115.148.538	-	-	-
OYAK Yenilenebilir Enerji A.Ş.	-	-	95.152.847	-	-	-
Doco Petrol ve Danışmanlık A.Ş.	-	-	77.818.584	-	-	-
OYAK Pazarlama Hizmet ve Turizm A.Ş.	-	-	58.842.019	-	-	-
Kümaş Manyezit Sanayi A.Ş.	-	-	49.362.044	-	-	-
Ordu Yardımlaşma Kurumu (OYAK)	-	-	39.067.671	-	-	-
OYAK Savunma ve Güvenlik Sistemleri A.Ş.	-	-	39.038.821	-	-	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş.	-	-	35.179.723	-	-	-
Ereğli Demir Çelik Fabrikaları T.A.Ş.	-	-	32.020.334	-	-	-
Omsan Denizcilik A.Ş.	-	-	30.813.040	-	-	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	11.679.441	-	-	-
OYAK Otomotiv Enerji ve Lojistik Holding A.Ş. (***)	-	-	9.019.494	-	-	-
Güzel Enerji Akaryakıt A.Ş.	-	-	8.378.223	-	-	-
Satem Grup Gıda Dağıtım Ve Pazarlama A.Ş.	-	-	2.217.355	-	-	-
Oypower Elektrik Ticareti ve Hizmetleri A.Ş. (**)	-	-	1.950.809	-	-	-
İskenderun Enerji Üretim ve Tic.A.Ş.	-	-	1.778.657	-	-	-
Omsan Havacılık A.Ş.	-	-	588.576	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş.	-	-	509.153	-	-	-
Omsan Lojistik A.Ş.	-	-	241.569	-	-	-
Miilux Yüksek Mukavemetli Çelik Üretim A.Ş.	-	-	114.120	-	-	-
ATAER Holding A.Ş.	-	-	89.686	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	-	-	70.630	-	-	-
OYAK Yatırım Menkul Değerler A.Ş.	-	-	58.938	-	-	-
Oytaş İç ve Dış Ticaret A.Ş.	-	-	-	-	6.137.382	-
Other	-	-	-	-	1.284.708	-
	301.617.630	39.125.196	887.332.708	7.422.090	-	1.363.465.697

(*) This is the amount related to the Group's long-term financial debt to Cimpor Global Holdings B.V

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

4. RELATED PARTY DISCLOSURES (cont'd)

1 January – 30 June 2024								
Transactions with related parties	Purchases	Sales	Purchases of tangible assets	Sales of tangible assets	Interest received	Interest paid	Other income	Other expense
Oypower Elektrik Ticareti ve Hizmetleri A.Ş. (1) (*)	1.041.197.891	-	-	-	-	-	-	-
Doco Petrol ve Danışmanlık A.Ş. (2)	255.827.054	-	-	-	-	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (3)	181.481.096	-	-	-	-	-	-	9.226.875
Omsan Denizcilik A.Ş. (4)	86.537.278	-	-	-	-	-	-	-
İskenderun Demir ve Çelik A.Ş. (5)	77.236.733	225.074.355	-	-	-	-	-	-
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (6)	28.319.615	-	-	-	-	-	-	-
OYAK Pazarlama Hizmet ve Turizm A.Ş. (7)	26.029.888	-	-	-	-	-	-	74.009.630
Akdeniz Chemson Kimya San.ve Tic. A.Ş. (8)	13.846.892	-	-	-	-	-	35.980	3.000.865
Güzel Enerji Yakıt A.Ş. (9)	11.836.291	-	-	-	-	-	-	8.937.604
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (10)	11.175.230	-	2.929.781	-	-	-	142.072	75.182.558
İskenderun Enerji Üretim ve Tic.A.Ş.	3.678.318	-	-	-	-	-	-	7.333
Omsan Lojistik A.Ş. (11)	250.882	-	-	-	-	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	150.233	-	-	-	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş. (12)	6.760	-	29.971.243	-	-	-	-	295.632
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	-	-	-	-	-	9.167
OYAK Sentetik Karbon Ürünleri San.Tic A.Ş.	-	-	-	-	-	-	202	-
OYAK Selüloz ve Kağıt Fabrikaları A.Ş.	-	-	-	-	-	-	6.321	-
OYAK İnşaat A.Ş. (13)	-	182.994.404	-	-	-	-	10.360.404	-
OYAK Anker Bank GmbH (14)	-	-	-	-	14.663.878	15.494.611	-	6.576.861
Ordu Yardımlaşma Kurumu (OYAK)	-	-	-	-	-	-	-	379.268
Kümaş Manyezit Sanayi A.Ş. (15)	-	-	105.044.419	-	-	-	20.418	-
İndisol Bilişim ve Teknoloji Hizmetleri A.Ş.	-	-	-	-	-	-	-	738.399
Erdemir Çelik Servis Merkezi San. Ve Tic. A.Ş.	-	-	-	-	-	-	996	-
Cimpor Global Holdings B.V.	-	-	-	-	-	5.272.168	-	93.587.195
Cimpor Cote d'Ivoire SARL (16)	-	-	-	-	-	-	23.316.555	-
Cimpor Cameroun SA	-	-	-	-	-	-	16.927.284	-
	1.737.574.161	408.068.759	137.945.443	-	14.663.878	20.766.779	50.810.232	271.951.387

(*) The commercial title of OYAK Elektrik Enerjisi Toptan Satış A.Ş. was changed to Oypower Electric Trade and Services Inc. on 23 February 2024.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

4. RELATED PARTY DISCLOSURES (cont'd)

Transactions with related parties	1 January – 30 June 2023							
	Purchases	Sales	Purchases of tangible assets	Sales of tangible assets	Interest received	Interest paid	Other income	Other expense
OYAK Elektrik Enerjisi Toptan Satış A.Ş. (1) (*)	1.443.164.404	-	-	-	-	-	-	-
OYKA Kağıt Ambalaj San. ve Tic. A.Ş. (2)	188.843.273	1.057.164	665.615	-	-	-	137.022	11.784.806
Doco Petrol ve Danışmanlık A.Ş. (3)	145.939.218	-	-	-	-	-	-	-
Omsan Denizcilik A.Ş. (4)	99.014.595	-	-	-	-	-	-	-
İskenderun Demir ve Çelik A.Ş. (5)	74.613.867	67.026	-	-	-	-	-	12.361
Akdeniz Chemson Kimya San.ve Tic. A.Ş. (6)	51.701.306	-	-	-	-	-	-	591.635
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (7)	42.400.821	-	-	-	-	-	767.049	-
OYAK Pazarlama Hizmet ve Turizm A.Ş. (8)	24.534.908	-	2.681.077	-	-	-	-	63.516.426
Omsan Lojistik A.Ş. (9)	9.554.331	-	-	-	-	-	-	-
Güzel Enerji Yakıt A.Ş. (10)	9.409.490	-	-	-	-	-	-	5.082.378
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (11)	9.345.832	-	66.038	-	-	-	-	58.798.774
İskenderun Enerji Üretim ve Tic.A.Ş.	2.404.852	-	-	-	-	-	-	-
OYAK İnşaat A.Ş. (12)	-	229.340.488	-	-	-	-	-	-
Likitgaz Dağıtım ve Endüstri A.Ş.	205.039	9.438	-	-	-	-	-	-
Mais Motorlu Araçlar İmal ve Satış A.Ş. (13)	-	-	64.868.200	6.378.293	-	-	-	148.636
Kümaş Manyezit Sanayi A.Ş. (14)	-	-	71.565.184	1.903	-	-	-	17.382.807
OYAK Anker Bank GmbH (15)	-	-	-	-	302.890.067	262.524.599	-	-
Ordu Yardımlaşma Kurumu (OYAK)	-	-	-	-	-	75.600.920	-	397.898
Cimpor Global Holdings B.V.	-	-	-	-	-	91.282.539	-	2.633.024.714
Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş.	-	-	-	-	-	-	465	-
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş.	-	-	-	-	-	-	-	29.349
Omsan Logistique Maroc SARL	-	-	-	-	-	-	-	28.747
Yenilikçi Yapı Malzemeleri Yatırım Ürünleri Sanayi ve Ticaret A.Ş.	-	-	-	-	-	-	4.402.964	-
Cimpor Cameroun SA	-	-	-	-	-	396.612.324	8.524.781	-
	2.101.131.936	230.474.116	139.846.114	6.380.196	302.890.067	826.020.382	13.832.281	2.790.798.531

(*) The commercial title of OYAK Elektrik Enerjisi Toptan Satış A.Ş. was changed to Oypower Electric Trade and Services Inc. on 23 February 2024.

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

4. RELATED PARTY DISCLOSURES (cont’d)

Disclosures related to transactions with related parties for the period 1 January – 30 June 2024 are as follows:

- (1) Purchases from Oypower Elektrik Ticareti ve Hizmetleri A.Ş. consist of purchase of electricity energy.
- (2) Purchases from Doco Petrol ve Danışmanlık A.Ş. consist of fuel purchases.
- (3) Purchases from OYKA Kağıt Ambalaj San. ve Tic. A.Ş. consist of purchase of paper bag .
- (4) Purchases from Omsan Denizcilik A.Ş. consist of transportation service.
- (5) Purchases from İskenderun Demir ve Çelik A.Ş. consist of purchases of slag, petroleum and aggregate.
- (6) Purchases from Ereğli Demir Çelik Fabrikaları T.A.Ş. and İskenderun Demir ve Çelik A.Ş. consist of purchases of slag and ash.
- (7) Purchases from OYAK Pazarlama Hizmet ve Turizm A.Ş. consists of accommodation, transportation, construction and cleaning services.
- (8) Purchases from Akdeniz Chemson Kimya San.ve Tic. A.Ş. consist of raw material purchases.
- (9) Purchases from Güzel Enerji Yakıt A.Ş consist of fuel purchases.
- (10) Purchases from OYAK Savunma ve Güvenlik Hizmetleri A.Ş consist of security services.
- (11) Purchases from Omsan Lojistik A.Ş. consist of transportation service.
- (12) Purchases from Mais Motorlu Araçlar İmal ve Satış A.Ş. consist of vehicle purchases.
- (13) Sales to OYAK İnşaat A.Ş. consist of concrete sales.
- (14) Income from OYAK Anker Bank GmbH consists of interest income from time deposits.
- (15) Purchases from Kümaş Manyezit Sanayi A.Ş. consist of magnesite refractory brick.
- (16) Sales to Cimpor Cote d'Ivoire SARL consist of material sales.

Disclosures related to transactions with related parties for the period 1 January – 30 June 2023 are as follows:

- (1) Purchases from OYAK Elektrik Enerjisi Toptan Satış A.Ş. consist of purchase of electricity energy.
- (2) Purchases from OYKA Kağıt Ambalaj San. ve Tic. A.Ş. consist of purchase of paper bag .
- (3) Purchases from Doco Petrol ve Danışmanlık A.Ş. consist of fuel purchases.
- (4) Purchases from Omsan Denizcilik A.Ş. consist of transportation service.
- (5) Purchases from İskenderun Demir ve Çelik A.Ş. consist of purchases of slag, petroleum and aggregate.
- (6) Purchases from Akdeniz Chemson Kimya San.ve Tic. A.Ş. consist of raw material purchases.
- (7) Purchases from Ereğli Demir Çelik Fabrikaları T.A.Ş. and İskenderun Demir ve Çelik A.Ş. consist of purchases of slag and ash.
- (8) Purchases from OYAK Pazarlama Hizmet ve Turizm A.Ş. consists of accommodation, transportation, construction and cleaning services.
- (9) Purchases from Omsan Lojistik A.Ş. consist of transportation service.
- (10) Purchases from Güzel Enerji Yakıt A.Ş consist of fuel purchases.
- (11) Purchases from OYAK Savunma ve Güvenlik Hizmetleri A.Ş consist of security services.
- (12) Sales to OYAK İnşaat A.Ş. consist of concrete sales.
- (13) Purchases from Mais Motorlu Araçlar İmal ve Satış A.Ş. consist of vehicle purchases.
- (14) Purchases from Kümaş Manyezit Sanayi A.Ş. consist of magnesite refractory brick.
- (15) Income from OYAK Anker Bank GmbH consists of interest income from time deposits.

Salaries and other benefits for key management personnel

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

	1 January- 30 June 2024	1 January- 30 June 2023
Salaries and other short-term benefits	60.318.449	82.124.801
	60.318.449	82.124.801

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

5. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables

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

Short-term trade receivables	30 June 2024	31 December 2023
Trade receivables	5.143.019.100	4.783.991.665
Notes receivable	475.580.466	440.404.884
Trade receivables from related parties (Note 4)	422.461.853	301.617.630
Income accruals	23.725.413	25.114.586
Provision for doubtful trade receivables and expected credit loss (-)	(102.807.441)	(134.830.814)
Total	5.961.979.391	5.416.297.951

As of the balance sheet date, the Group does not have any long-term trade receivables. Although the collection period of trade receivables varies depending on the type of product and the contracts made with the customer, the average is 44 days. (31 December 2023: 40 days).

As of 30 June 2024, there are receivables from customers who declared concordat amounting to TL 107.629 (31 December 2023: TL 123.842) and there is no guarantee related to them (31 December 2023: None).

As of 30 June 2024, provision for doubtful receivables and expected credit loss has been made for the portion of trade receivables amounting to TL 102.807.441 (31 December 2023: TL 134.830.814).

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

Movements of allowance for doubtful trade receivables and expected credit loss	1 January- 30 June 2024	1 January- 30 June 2023
Opening balance	(134.830.814)	(205.304.268)
Charge for the period	(64.838)	(365.458)
Canceled/collected during the year	5.587.219	4.456.702
Monetary gain/(loss)	26.500.992	32.012.851
Closing balance	(102.807.441)	(169.200.173)

b) Trade Payables

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

Short-term trade payables	30 June 2024	31 December 2023
Trade payables	3.215.287.668	3.654.681.523
Trade payables to related parties (Note:4)	389.519.163	887.332.708
	3.604.806.831	4.542.014.231

The average payment term of trade payables related to the purchase of goods is 58 days (31 December 2023: 60 days).

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

6. OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

Other short-term receivables	30 June 2024	31 December 2023
Other receivables from related parties (Note 4)	58.369.819	39.125.196
Deposits and guarantees given	18.073.650	10.941.082
Other receivables	18.042.274	18.692.887
Receivables from tax administration	357.735	13.174.185
Other doubtful receivable provision (-)	(1.303.668)	(1.626.130)
	93.539.810	80.307.220
Other long-term receivables	30 June 2024	31 December 2023
Deposits and guarantees given	5.345.766	5.946.800
	5.345.766	5.946.800

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

Movements of allowance for doubtful other receivables	1 January- 30 June 2024	1 January- 30 June 2023
Opening balance	(1.626.130)	(1.601.752)
Monetary gain/ (loss)	322.462	264.440
Closing balance	(1.303.668)	(1.337.312)

b) Other Payables

Other Short-term Payables	30 June 2024	31 December 2023
Taxes and funds payable	91.764.667	112.548.787
Deposits and guarantees received	69.846.175	96.347.062
Non-trade payables to related parties (Note 4)	1.029.950	7.422.090
Other	10.121.593	6.412.532
	172.762.385	222.730.471
Other Long-term Payables	30 June 2024	31 December 2023
Other payables to related parties (Note 4)	1.183.763.013	1.363.465.697
	1.183.763.013	1.363.465.697

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

7. INVENTORIES

	30 June 2024	31 December 2023
Raw material	3.707.861.709	3.466.336.013
Semi-finished goods	1.158.705.328	1.187.113.029
Finished goods	352.491.463	401.642.768
Trade goods	23.039.581	8.851.139
Goods in transit	335.461.748	227.229.171
Other inventories	4.511.580	8.866.283
Impairment on inventories (-)	(196.449.651)	(196.449.651)
	5.385.621.758	5.103.588.752

8. PREPAID EXPENSES AND CONTRACT LIABILITIES

a) Prepaid Expenses

Short-term Prepaid Expenses	30 June 2024	31 December 2023
Prepaid expenses	225.561.660	299.729.278
Order advances given for inventory purchase	31.720.461	180.053.543
	257.282.121	479.782.821
Long-term Prepaid Expenses	30 June 2024	31 December 2023
Advanced given for fixed asset purchases	603.583.205	210.582.858
Prepaid expenses	12.579.130	14.772.087
Prepaid taxes and funds	299.605	373.714
	616.461.940	225.728.659

b) Contract liabilities

Short-term contract liabilities	30 June 2024	31 December 2023
Advances received	162.204.677	172.169.664
Short-term contract liabilities	25.372.280	35.418.554
	187.576.957	207.588.218

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

9. INVESTMENT PROPERTIES

Cost	Land			Total
	Lands	improvements	Buildings	
Opening balance as of 1 January 2024	256.602.629	38.060.755	10.527.933	305.191.317
Closing balance as of 30 June 2024	256.602.629	38.060.755	10.527.933	305.191.317
Accumulated depreciation				
Opening balance as of 1 January 2024	-	34.473.532	8.003.406	42.476.938
Charge for the period	-	271.212	33.446	304.658
Closing balance as of 30 June 2024	-	34.744.744	8.036.852	42.781.596
Net book value as of 30 June 2024	256.602.629	3.316.011	2.491.081	262.409.721

Cost	Land			Total
	Lands	improvements	Buildings	
Opening balance as of 1 January 2023	256.602.629	38.060.755	10.527.933	305.191.317
Closing balance as of 30 June 2023	256.602.629	38.060.755	10.527.933	305.191.317
Accumulated depreciation				
Opening balance as of 1 January 2023	-	33.742.113	7.707.924	41.450.037
Charge for the period	-	239.233	274.027	513.260
Closing balance as of 30 June 2023	-	33.981.346	7.981.951	41.963.297
Net book value as of 30 June 2023	256.602.629	4.079.409	2.545.982	263.228.020

All depreciation charges are included in the expenses from investment activities (Note 25).

Fair value measurements of the Group's investment properties

As of 30 June 2024, the fair value of the investment properties of the Group is determined by independent valuation company TSKB Gayrimenkul Değerleme A.Ş. authorized by the CMB, provide real estate valuation services in accordance with the capital market legislation and have sufficient experience and quality in measuring the fair value of properties in the relevant regions. The fair value of the investment properties owned was determined according to the market comparative approach, which reflects the current transaction prices for similar properties for lands, and the cost formation approach for land improvements and buildings.

The rental income generated by the Group for its investment properties is disclosed in Note 25.

As of 30 June 2024 and 31 December 2023 the Group's investment properties and the fair value hierarchy of these assets are presented in the table below:

	Fair value level as of reporting period			
	30 June 2024	Level 1 TL	Level 2 TL	Level 3 TL
Investment Land	1.609.390.081	-	1.609.390.081	-
Investment Buildings	3.780.250	-	3.780.250	-
Investment Land Improvements	16.947.749	-	16.947.749	-
Total	1.630.118.080	-	1.630.118.080	-

	Fair value level as of reporting period			
	30 December 2023	Level 1 TL	Level 2 TL	Level 3 TL
Investment Land	1.613.237.670	-	1.613.237.670	-
Investment Buildings	10.993.708	-	10.993.708	-
Investment Land Improvements	8.431.088	-	8.431.088	-
Total	1.632.662.466	-	1.632.662.466	-

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

10. PROPERTY, PLANT AND EQUIPMENT

	Lands	Land improvements	Buildings	Plant, machinery and equipment	Vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total
Cost									
Opening balance as of 1 January 2024	2.578.948.257	2.406.528.274	8.652.427.041	41.822.050.982	2.179.575.205	1.271.903.550	1.628.396.513	1.105.530.727	61.645.360.549
Additions	-	-	7.495	84.232.024	57.195.454	1.113.421	822.237.161	45.173	964.830.728
Disposals	-	-	-	(204.401)	(1.380.967)	(1.314.449)	-	-	(2.899.817)
Transfers from construction in progress	-	68.412	828.323	24.810.193	1.668.106	2.506.544	(33.460.773)	3.579.195	-
Translation differences	-	-	(26.180.704)	(11.688.409)	(252.816)	(316.679)	-	-	(38.438.608)
Closing balances as of 30 June 2024	2.578.948.257	2.406.596.686	8.627.082.155	41.919.200.389	2.236.804.982	1.273.892.387	2.417.172.901	1.109.155.095	62.568.852.852
Accumulated depreciation									
Opening balance as of 1 January 2024	-	1.985.507.545	5.587.912.803	33.261.056.101	1.348.970.052	1.147.145.265	-	724.365.671	44.054.957.437
Charge for the period	-	28.168.229	72.066.306	626.807.911	106.923.084	16.232.184	-	13.257.947	863.455.661
Disposals	-	-	-	(204.401)	(604.619)	(578.515)	-	-	(1.387.535)
Translation differences	-	-	(13.823.848)	(11.028.100)	(252.817)	(288.171)	-	-	(25.392.936)
Closing balance as of 30 June 2024	-	2.013.675.774	5.646.155.261	33.876.631.511	1.455.035.700	1.162.510.763	-	737.623.618	44.891.632.627
Net book value as of 30 June 2024	2.578.948.257	392.920.912	2.980.926.894	8.042.568.878	781.769.282	111.381.624	2.417.172.901	371.531.477	17.677.220.225

Depreciation of property, plant and equipment are disclosed in Note 22.

There is no mortgage or pledge on the property, plant and equipment of the Group as of 30 June 2024.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

	Lands	Land improvements	Buildings	Plant, machinery and equipment	Vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total
<u>Cost</u>									
Openin balance as of 1 January 2023	2.432.267.696	2.298.901.506	8.553.210.855	40.676.554.327	1.820.067.230	1.243.195.346	1.448.330.499	1.104.965.588	59.577.493.047
Additions	-	20.796.134	108.710.400	3.656.363	-	2.409.693	217.530.169	-	353.102.759
Disposals	-	-	-	(800.229)	(11.132.286)	(688.328)	-	-	(12.620.843)
Transfers from construction in progress	-	26.462	-	250.154.857	-	871.258	(251.052.577)	-	-
Translation differences	-	-	34.676.991	15.489.588	578.121	561.819	-	-	51.306.519
Closing balances as of 30 June 2023	2.432.267.696	2.319.724.102	8.696.598.246	40.945.054.906	1.809.513.065	1.246.349.788	1.414.808.091	1.104.965.588	59.969.281.482
<u>Accumulated depreciation</u>									
Opening balance as of 1 January 2023	-	1.928.228.833	5.431.297.129	32.046.416.887	1.252.641.225	1.117.223.218	-	699.365.793	42.475.173.085
Charge for the period	-	21.943.290	68.196.199	583.024.960	57.578.673	13.545.570	-	11.663.634	755.952.326
Disposals	-	-	-	(800.229)	(11.132.286)	(313.164)	-	-	(12.245.679)
Translation differences	-	-	18.381.435	14.563.304	578.121	146.056	-	-	33.668.916
Closing balance as of 30 June 2023	-	1.950.172.123	5.517.874.763	32.643.204.922	1.299.665.733	1.130.601.680	-	711.029.427	43.252.548.648
Net book value as of 30 June 2023	2.432.267.696	369.551.979	3.178.723.483	8.301.849.984	509.847.332	115.748.108	1.414.808.091	393.936.161	16.716.732.834

Depreciation of property, plant and equipment are disclosed in Note 22.

There is no mortgage or pledge on the property, plant and equipment of the Group as of 30 June 2023.

As of 30 June 2024, the insurance amount on the Group's property, plant and equipment is USD 1.243.846.549, the TL equivalent of TL 45.673.720.332 (30 June 2023: USD 364.254.384; TL equivalent is TL 16.140.718.226)

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

11. INTANGIBLE ASSETS

	<u>Rights</u>	<u>Capitalized development expenses</u>	<u>Computer Software and Other Intangible Assets</u>	<u>Total</u>
<u>Cost Value</u>				
Opening balance as of 1 January 2024	649.078.163	119.910.616	565.630.070	1.334.618.849
Additions	-	8.557.742	37.228.659	45.786.401
Translation Differences	(682.873)	-	-	(682.873)
Closing balance as of 30 June 2024	<u>648.395.290</u>	<u>128.468.358</u>	<u>602.858.729</u>	<u>1.379.722.377</u>
<u>Accumulated amortization and impairment</u>				
Opening balance as of 1 January 2024	250.669.825	18.385.010	397.974.181	667.029.016
Charge for the period	13.478.563	2.247.379	10.287.745	26.013.687
Translation Differences	(191.181)	-	-	(191.181)
Closing balance as of 30 June 2024	<u>263.957.207</u>	<u>20.632.389</u>	<u>408.261.926</u>	<u>692.851.522</u>
Net book value as of 30 June 2024	<u>384.438.083</u>	<u>107.835.969</u>	<u>194.596.803</u>	<u>686.870.855</u>

Amortization of intangible assets are disclosed in Note 22.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

11. INTANGIBLE ASSETS (cont’d)

	<u>Rights</u>	<u>Capitalized development expenses</u>	<u>Computer Software and Other Intangible Assets</u>	<u>Total</u>
<u>Cost Value</u>				
Opening balance as of 1 January 2023	623.936.457	91.957.186	460.960.534	1.176.854.177
Additions	3.572.180	-	9.527.507	13.099.687
Translation Differences	4.957.282	-	-	4.957.282
Closing balance as of 30 June 2023	<u>632.465.919</u>	<u>91.957.186</u>	<u>470.488.041</u>	<u>1.194.911.146</u>
<u>Accumulated amortization and impairment</u>				
Opening balance as of 1 January 2023	239.050.538	16.885.109	369.873.237	625.808.884
Charge for the period	9.024.583	2.754.889	15.387.047	27.166.519
Translation Differences	220.915	-	-	220.915
Closing balance as of 30 June 2023	<u>248.296.036</u>	<u>19.639.998</u>	<u>385.260.284</u>	<u>653.196.318</u>
Net book value as of 30 June 2023	<u>384.169.883</u>	<u>72.317.188</u>	<u>85.227.757</u>	<u>541.714.828</u>

Amortization of intangible assets are disclosed in Note 22.

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

12. FINANCIAL INVESTMENTS

	30 June 2024	31 December 2023
Short-term financial investments		
a) Financial assets at fair value through profit and loss	917.512.599	668.635.424
b) Equity instruments designated as fair value through other comprehensive income (*)	-	14.082.892
a) Financial assets at fair value through profit and loss		
	30 June 2024	31 December 2023
Listed equity instruments (short-term)		
-Ereğli Demir Çelik Fabrikaları A.Ş.	305.569.386	293.744.942
-Investment funds	598.793.272	374.890.482
Other	13.149.941	-
	917.512.599	668.635.424

(*) OYAK Çimento Enerji A.Ş. is not included in the consolidation due to its limited activities until 1 April 2024.

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

	30 June 2024	31 December 2023
Shares Not Traded on the Stock Exchange	-	14.082.892
	-	14.082.892

Financial investments at fair value through profit or loss:

Shareholders	30 June 2024			31 December 2023		
	Share rate %	Amount	Cost	Share rate %	Amount	Cost
<u>Shares Traded on the Stock Exchange</u>						
Ereğli Demir Çelik Fabrikaları A.Ş. (*)	<1	305.569.386	180.774.849	<1	93.744.942	180.774.849
<u>Shares Not Traded on the Stock Exchange</u>						
Investment funds		598.793.272	659.818.299		74.890.482	287.252.325

(*) Ereğli Demir Çelik Fabrikaları A.Ş. shares comprise 5.743.785 shares.

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

13. PROVISIONS

	30 June 2024	31 December 2023
Short-term provisions		
State provision for the mine (*)	120.240.148	88.033.197
Provision for legal cases	69.040.457	57.276.614
Other short-term provisions (**)	357.546.292	450.679.969
	546.826.897	595.989.780

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

(**) As of 30 June 2024 and 31 December 2023, a significant part of the other short-term provisions balance consists of sales turnover premium, other cost provisions and administrative penalty provisions.

	30 June 2024	31 December 2023
Long-term provisions		
Mine rehabilitation	139.865.552	169.870.944
Provision for land occupation	31.762.195	27.768.748
	171.627.747	197.639.692

The movement of short and long-term provisions as of 30 June 2024 and 30 June 2023 is presented below.

	Short-term			Long-term	
	State provision for the mine	Provision for legal cases	Other provisions	Mine rehabilitation	Provision for land occupation
As of 1 January 2024	88.033.197	57.276.614	450.679.969	169.870.944	27.768.748
Additional provision	53.049.983	23.121.818	89.135.583	3.680.084	9.899.238
Reversal of provision	-	-	(48.025.047)	-	-
Payments during the period	-	-	(44.765.132)	-	-
Monetary Gain / Loss	(20.843.032)	(11.357.975)	(89.479.081)	(33.685.476)	(5.905.791)
30 June 2024	120.240.148	69.040.457	357.546.292	139.865.552	31.762.195

	Short-term			Long-term	
	State provision for the mine	Provision for legal cases	Other provisions	Mine rehabilitation	Provision for land occupation
As of 1 January 2023	47.836.933	43.360.916	134.561.575	63.483.478	20.887.632
Additional provision	61.209.321	7.283.630	98.546.546	2.517.776	7.967.243
Reversal of provision	-	-	(34.106.629)	-	-
Payments during the period	(42.303.552)	-	(20.713.587)	-	-
Monetary Gain / Loss	(8.954.447)	(7.565.890)	(24.659.761)	(10.621.715)	(3.893.804)
30 June 2023	57.788.255	43.078.656	153.628.144	55.379.539	24.961.071

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

14. COMMITMENTS

Guarantees-Pledges-Mortgages (“GPM”) given by the Company

30 June 2024	TL	US Dollars (TL Equivalent)	Euro (TL Equivalent)	Total TL
A. Total Amount of GPMs Given for the Company’s Own Legal Personality	296.995.454	285.934.064	-	582.929.518
- <i>Guarantee Letters</i>	296.995.454	285.934.064	-	582.929.518
B. Total Amount of GPMs Given on behalf of Fully Consolidated Companies	-	-	-	-
C. Total Amount of GPMs given in the Normal Course of Business Activities on Behalf of Third Parties	-	-	-	-
D. Total Amount of Other GPMs Given	-	-	-	-
i. Total Amount of GPMs Given on Behalf of the Parent	-	-	-	-
ii. Total Amount of GPMs Given on Behalf of Other Group Companies Which Are Not in Scope of B and C	-	-	-	-
iii. Total Amount of GPMs Given on Behalf of Third Parties Which Are Not in Scope of C	-	-	-	-
Total	296.995.454	285.934.064	-	582.929.518

Guarantees-Pledges-Mortgages (“GPM”) given by the Company

31 December 2023	TL equivalent	US Dollars (TL Equivalent)	Euro (TL Equivalent)	Total TL T
A. Total Amount of GPMs Given for the Company’s Own Legal Personality	560.441.839	31.391.335	-	591.833.174
- <i>Guarantee Letters</i>	560.441.839	31.391.335	-	591.833.174
B. Total Amount of GPMs Given on behalf of Fully Consolidated Companies	-	-	-	-
C. Total Amount of GPMs given in the Normal Course of Business Activities on Behalf of Third Parties	-	-	-	-
D. Total Amount of Other GPMs Given	-	-	-	-
i. Total Amount of GPMs Given on Behalf of the Parent	-	-	-	-
ii. Total Amount of GPMs Given on Behalf of Other Group Companies Which Are Not in Scope of B and C	-	-	-	-
iii. Total Amount of GPMs Given on Behalf of Third Parties Which Are Not in Scope of C	-	-	-	-
Total	560.441.839	31.391.335	-	591.833.174

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

15. BORROWINGS

	30 June 2024	31 December 2023
Short-term borrowings		
Bank loans	993.839.440	1.815.595.937
Short-term portion of issued debt instruments	75.998.157	82.869.089
Short-term lease liabilities	51.781.054	37.122.164
	1.121.618.651	1.935.587.190
	30 June 2024	31 December 2023
Long-term borrowings		
Bank loans	34.707.482	85.288.816
Long-term lease liabilities	109.565.570	84.911.684
	144.273.052	170.200.500

The details of bank loans are as follows:

Currency	Weighted average interest rate	30 June 2024	
		Short-term	Long-term
USD	6,64%	993.839.440	-
TL	50,69%	75.998.157	34.707.482
		1.069.837.597	34.707.482
Currency	Weighted average interest rate	31 December 2023	
		Short-term	Long-term
TL	38,92%	1.898.465.026	85.288.816
		1.898.465.026	85.288.816

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

16. EMPLOYEE BENEFITS

Payables related to employee benefits

	30 June 2024	31 December 2023
Social security premiums payable	134.196.976	97.733.156
Personnel taxes payable	53.519.717	37.749.742
Due to personnel	38.766.278	20.268.496
	226.482.971	155.751.394

Short-term provisions for employee benefits

	30 June 2024	31 December 2023
Premiums and bonuses payable to personnel	198.212.500	651.915.220
	198.212.500	651.915.220

The movement of provision for personnel premiums and bonuses payable to personnel for the periods ended 30 June 2024 and 30 June 2023 are presented below;

	1 January - 30 June 2024	1 January - 30 June 2023
Provision as of 1 January	651.915.220	278.839.862
Provision made during the period	212.695.887	167.092.872
Payments made during the period	(197.417.839)	(202.625.803)
Reversal of provision	(351.688.832)	(45.182.385)
Monetary loss/ (gain)	(117.291.936)	(39.181.493)
Provision as of 30 June	198.212.500	158.943.053

Long-term provisions for employee benefits

	30 June 2024	31 December 2023
Provision for employment termination benefit	346.880.144	484.335.817
Provision for senior labor incentive premium	242.124.933	248.770.282
Provision for unused vacation	70.611.076	85.848.769
	659.616.153	818.954.868

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service and reaches the retirement age (58 for women and 60 for men).

The amount payable consists of one month’s salary limited to a maximum of TL 35.058,58 for each period of service on 30 June 2024 (31 December 2023: TL 23.489,83). The severance pay ceiling is determined by the Ministry of Treasury and Finance for each period, and the severance pay ceilings are expressed as the purchasing power of the specified dates.

Severance pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 Employee Benefits stipulates the development of company’s liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows.

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

16. EMPLOYEE BENEFITS (cont’d)

Long-term provisions for employee benefits (cont’d)

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying consolidated financial statements as of 30 June 2024, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees.

Provisions in the relevant balance sheet dates have been calculated using the rates in the table below.

30 June 2024	
Discount rate	%24,24 (fix)
Inflation rate	%20,94 (fix)
Salary increase	1.50% above inflation
Severance pay ceiling increase	For the 2nd part of 2024 20%, same rate as inflation for subsequent years
31 December 2023	
Discount rate	%24,27 (fix)
Inflation rate	%21,02 (fix)
Salary increase	For the 1st part of 2024 40%, 1.50% above inflation for subsequent years
Severance pay ceiling increase	For the 1st part of 2024 49%, same rate as inflation for subsequent years

Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration as 1% - 11% for employees with 0-15 years of service, and 0% for those with 15 or more years of service. Ceiling amount of TL 41.828,42 which is in effect since 1 July 2024 is used in the calculation of Groups’ provision for retirement pay liability (1 July 2023: TL 23.489,83) (the severance pay ceilings are expressed as the purchasing power of the specified dates).

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

The movement of the provision for employment termination benefits for the periods ended as of 30 June 2024 and 30 June 2023 are presented below:

	1 January - 30 June 2024	1 January - 30 June 2023
Provision as of 1 January	484.335.817	702.070.540
Service cost	27.178.864	49.875.611
Interest cost (Note: 24)	39.858.396	46.787.897
Employment termination benefits paid	(79.551.210)	(226.775.534)
Actuarial loss / gain	(30.700.299)	96.658.445
Monetary loss/ (gain)	(94.241.424)	(114.656.420)
Provision as of 30 June	346.880.144	553.960.539

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

16. EMPLOYEE BENEFITS (cont'd)

Long-term provisions for employee benefits (cont'd)

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

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

Seniority incentive premium as of 30 June 2024 has been arrived at on the basis of a valuation carried out by and independent valuer by using 'expected unit credit method'.

The retirement pay liability is calculated with the assumption of discount rate, inflation rate and the probability of voluntary leaves.

The movement of the seniority incentive premium provision for the period ended 30 June 2024 and 30 June 2023 are as follows:

	1 January - 30 June 2024	1 January - 30 June 2023
Provision as of 1 January	248.770.282	226.651.718
Service cost	25.861.271	57.976.599
Interest cost (Note: 24)	25.275.290	15.622.850
Seniority incentive paid	(5.956.355)	(4.632.838)
Monetary loss/ (gain)	(51.825.555)	(41.274.366)
Provision as of 30 June	242.124.933	254.343.963

Provision for unused vacation

The movement of provision for unused vacation for the period ended as of 30 June 2024 and 30 June 2023 are presented below:

	1 January - 30 June 2024	1 January - 30 June 2023
Provision as of 1 January	85.848.769	63.352.151
Provisions during the period (net)	757.574	24.524.155
Paid (-)	(14.520.346)	(16.869.786)
Monetary loss/ (gain)	(1.474.921)	(10.887.122)
Provision as of 30 June	70.611.076	60.119.398

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

17. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital

As of 30 June 2024 and 31 December 2023, the paid-in capital structure of the Group is as follows:

Shareholders	%	30 June 2024	%	31 December 2023
TCC OYAK Amsterdam Holdings B.V. (*)	75,81	945.082.999	-	-
Cimpor Global Holdings B.V. (*)	-	-	75,81	945.082.999
Publicly traded	24,19	301.495.407	24,19	301.495.407
Nominal capital	100,00	1.246.578.406	100,00	1.246.578.406
Adjustments to share capital (**)		8.960.468.101		8.960.468.101
Adjusted capital		10.207.046.507		10.207.046.507

(*) Cimpor Global Holdings B.V. owned 75,81% of OYAK Çimento Fabrikaları A.Ş.'s capital will be transferred to TCC OYAK Amsterdam Holdings B.V. as of 6 March 2024.

(**) Capital adjustment differences represent the disparity between the total amount of cash and cash equivalents added to capital after adjustment for inflation accounting and the amount before such adjustment. Capital adjustment differences have no use other than being added to capital.

As of 30 June 2024, the capital of the Group consists of 124.657.840.600 shares (31 December 2023: 124.657.840.600 shares). The nominal value of the shares is TL 0,01 per share (31 December 2023: per share TL 0,01).

b) Restricted reserves appropriated from profit

The Group reserves 5% of the historical statutory profit as first legal reserve, until the total reserve reaches 20% of the historical paid in share capital according to Turkish Commercial Law. The other legal reserve is appropriated at the rate of 10% per annum of all cash dividend distributions after the payment of dividends to the shareholders at a rate of 5%. According to Turkish Commercial Law, general legal reserves can only be used if it does not exceed the capital or issued capital for close the losses, continue the business when business is not going well or end the unemployment and to take suitable precautions to reduce the results of unemployment. Details of restricted reserves appropriated profit are as follows:

	30 June 2024	31 December 2023
Legal Reserves	5.513.963.855	5.513.963.855
	5.513.963.855	5.513.963.855

In accordance with TFRS and statutory financial statements, as of 30 June 2024, historical values and inflation adjustment effects of the equity are as follows;

30 June 2024 (TFRS)	Historical Value	Inflation Adjustment Effect	Indexed Value
Capital	1.246.578.406	8.960.468.101	10.207.046.507
Repurchased shares	(6.935.220)	(27.984.756)	(34.919.976)
Share premiums/discounts	234.324	945.551	1.179.875
Restricted reserves appropriated from profit	393.862.120	5.120.101.735	5.513.963.855
30 June 2024 (Statutory)	Historical Value	Inflation Adjustment Effect	Indexed Value
Capital	1.246.578.406	15.051.792.659	16.298.371.065
Repurchased shares	(37.683.213)	(238.834.317)	(276.517.530)
Share premiums/discounts	234.324	5.297.852	5.532.176
Restricted reserves appropriated from profit	426.832.186	7.958.460.197	8.385.292.383
Other reserves	387.944.322	5.182.031.664	5.569.975.986

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

Current tax liability

	30 June 2024	31 December 2023
Current corporate tax	813.167.706	1.822.486.198
Less: Prepaid taxes and funds	(350.754.564)	(1.909.002.465)
Current tax liability	462.413.142	(86.516.267)

Tax expense in statement of profit or loss and other comprehensive income

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
The tax expense / (income) consists of:				
Current tax expense	813.167.706	548.013.083	900.452.745	678.216.796
Deferred tax expense	564.660.608	268.105.275	(363.025.316)	(672.019.828)
Toplam vergi gideri	1.377.828.314	816.118.358	537.427.429	6.196.968

Corporate Tax:

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

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

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

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

Deferred Tax:

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

18. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont’d)

Tax Advantages Obtained Under the Investment Incentives

Earnings of the Group that are derived from investments linked to an investment incentive certificate are subject to corporate tax at discounted rates for a certain period, which starts when the investment starts to partly or fully operate, and ends when the maximum investment contribution amount is reached. Within this scope, the Group has accounted for TL 271.507.004 (31 December 2023: TL 291.917.568) of tax advantages as deferred tax assets which are expected to be recovered in the foreseeable future in the consolidated financial statements as of 30 June 2024. The contribution amount between 1 January –30 June 2024 benefited from the gain from investment is TL 10.794.208.

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

In the sensitivity analysis performed as of 30 June 2024, when the inputs of the key macroeconomic and sectoral assumptions that form the business plans are increased/decreased by 10%, there is no change in the projected 5-year recovery periods of deferred tax assets related to investment incentives

The movement of deferred tax assets / (liabilities) for 30 June 2024 is as follows:

Deferred tax assets/(liabilities):	30 June 2024	31 December 2023
Investment allowance	258.510.656	275.706.590
Energy incentive	12.996.348	16.210.978
Provision for employment termination benefit	86.720.036	121.083.954
Provision for doubtful trade receivables	6.204.002	9.878.553
Senior labor incentive bonus provision	60.531.233	62.192.570
Premium provision provided to employees	49.553.125	162.978.805
Provision for legal cases	14.912.717	11.391.128
Provision for mine royalty	30.060.037	22.008.300
Provision for unused vacation	17.652.769	21.462.192
Provision for adequate pay	7.940.549	6.942.188
Provision for rehabilitation	34.966.388	42.467.736
Valuation of equity shares	(8.274.457)	(7.060.631)
Revaluation adjustments of property, plant and equipment and intangible assets and depreciation and amortization differences of property, plant and equipment and other intangible assets	1.802.084.833	2.115.356.494
Inventories	(192.328.952)	(154.683.135)
Other	8.803.569	56.732.814
	2.190.332.853	2.762.668.536

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

18. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont’d)

The movement of deferred tax (assets) / liabilities for the year ended at 30 June 2024 and 30 June 2023 is as follows:

	2024	2023
Opening balance as of 1 January	2.762.668.536	3.031.397.802
Charged to statement of profit or loss	(564.660.608)	363.025.316
Other comprehensive income / (losses)	(7.675.075)	19.331.689
Closing balance as of 30 June	2.190.332.853	3.413.754.807

Reconciliation of tax expense for the period with profit for the period is as follows:

	1 January- 30 June 2024	1 January- 30 June 2023
Reconciliation of tax provision:		
Profit before tax	4.356.042.939	7.904.991.959
Income tax rate of 25% (2023: 20%)	(1.089.010.735)	(1.580.998.392)
- non-deductible expenses	(13.599.573)	(750.948.107)
- exemptions and other discounts	25.333.277	133.132.351
- TPL 298/Ç re-assessment of fixed assets	-	798.339.870
- effect of change in tax rates	32.099.353	71.184.306
- investment incentive exemption	(21.003.039)	92.613.435
- current period losses not subject to deferred tax	-	182.619.861
- additional corporate tax	-	(104.310.704)
- tax losses carried forward	-	802.028.615
- Monetary gain/(loss) and other IAS 29 effects	(311.647.597)	(181.088.664)
Tax provision expense in the statement of profit or loss and other comprehensive income	(1.377.828.314)	(537.427.429)

19. EARNING PER SHARE

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Earning per Share				
Net profit for the period	2.978.214.625	2.103.358.521	7.290.646.666	6.840.599.532
Average amount of shares available during the period	124.657.840.600	124.657.840.600	115.979.344.100	115.979.344.100
Earning per share from ongoing activities (TL 1 nominal cost)	2,39	1,69	6,29	5,90

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

20. REVENUE AND COST OF SALES

a) Sales

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Domestic sales	16.486.876.539	8.538.241.017	16.474.952.085	8.675.255.677
Foreign sales (export)	1.348.175.690	660.121.581	1.167.009.043	714.800.460
Foreign sales (export listed)	406.450.448	197.566.392	351.832.000	189.088.593
Other sales	46.638.598	23.593.684	50.800.867	24.895.513
Sales discounts (-)	(62.391.169)	(44.158.322)	(79.247.746)	(45.599.611)
Net Sales	18.225.750.106	9.375.364.352	17.965.346.249	9.558.440.632

b) Cost of sales

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Direct raw material and material costs	(8.890.052.115)	(4.511.773.457)	(9.121.193.360)	(5.039.914.346)
Direct labour costs	(1.307.395.970)	(645.150.062)	(942.758.517)	(473.334.353)
General production costs	(2.099.069.188)	(942.924.182)	(1.130.248.171)	(525.685.857)
Depreciation and amortization	(999.375.251)	(615.337.260)	(831.555.237)	(510.049.304)
Total production cost	(13.295.892.524)	(6.715.184.961)	(12.025.755.285)	(6.548.983.860)
Change in work-in progress	(28.407.701)	93.666.042	(182.128.141)	259.026.155
Change in finished goods	(49.151.305)	9.295.862	155.779.640	129.858.048
Change in trade goods	(29.555.813)	(10.280.010)	(79.205.465)	(70.008.668)
Cost of goods sold	(13.403.007.343)	(6.622.503.067)	(12.131.309.251)	(6.230.108.325)

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

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
General administrative expenses (-)	(762.863.307)	(420.402.947)	(633.512.025)	(346.336.975)
Marketing expenses (-)	(124.868.968)	(67.172.178)	(104.092.751)	(58.993.929)
Research and development expenses (-)	(54.261.230)	(25.502.237)	(36.204.257)	(18.874.647)
	(941.993.505)	(513.077.362)	(773.809.033)	(424.205.551)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

21. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (cont’d)

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
a) General Administrative Expenses				
Personnel expenses	(412.403.028)	(213.490.228)	(285.907.770)	(166.493.461)
Outsourced benefits and services	(184.706.471)	(116.572.503)	(223.094.986)	(113.996.819)
Depreciation and amortization expenses	(27.239.316)	(15.698.530)	(24.764.021)	(18.068.321)
Tax and duty expenses	(24.693.687)	(13.066.322)	(20.071.814)	(15.688.055)
Other material costs	(19.745.322)	(11.886.920)	(14.527.091)	(7.374.166)
Insurance costs	(11.328.957)	(4.736.745)	(10.578.457)	(5.385.508)
Travel costs	(10.330.102)	(5.612.668)	(6.521.441)	(3.848.917)
Energy costs	(7.872.634)	(3.779.709)	(11.218.142)	(4.199.494)
Other	(64.543.790)	(35.559.322)	(36.828.303)	(11.282.234)
	(762.863.307)	(420.402.947)	(633.512.025)	(346.336.975)
b) Marketing Expenses				
	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Personnel expenses	(103.353.873)	(53.084.308)	(89.544.280)	(50.301.493)
Travel costs	(5.921.150)	(1.806.008)	(7.976.116)	(4.467.569)
Depreciation and amortization expenses	(3.613.779)	(3.249.799)	(920.996)	(436.322)
Outsourced benefits and services	(2.410.903)	(341.720)	(3.095.833)	(2.488.095)
Other material costs	(1.298.757)	(1.284.612)	(30.897)	(14.784)
Other	(8.270.506)	(7.405.731)	(2.524.629)	(1.285.666)
	(124.868.968)	(67.172.178)	(104.092.751)	(58.993.929)
c) Research and Development Expenses				
	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Personnel expenses	(50.544.023)	(23.834.826)	(31.842.245)	(16.643.191)
Outsourced benefits and services	(1.518.047)	(753.182)	(995.525)	(505.673)
Depreciation and amortization expenses	(214.985)	(98.628)	(895.361)	(437.144)
Other	(1.984.175)	(815.601)	(2.471.126)	(1.288.639)
	(54.261.230)	(25.502.237)	(36.204.257)	(18.874.647)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

22. EXPENSES BY NATURE

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Depreciation and amortization				
Cost of sales	(999.375.251)	(615.337.260)	(831.555.237)	(510.049.304)
General administrative expenses	(27.239.316)	(15.698.530)	(24.764.021)	(18.068.321)
Marketing expenses	(3.613.779)	(3.249.799)	(920.996)	(436.322)
Research and development expenses	(214.985)	(98.628)	(895.361)	(437.144)
	(1.030.443.331)	(634.384.217)	(858.135.615)	(528.991.091)
Personnel expenses				
Cost of sales	(1.307.395.970)	(645.150.062)	(942.758.517)	(473.334.353)
General administrative expenses	(412.403.028)	(213.490.228)	(285.907.770)	(166.493.461)
Marketing expenses	(103.353.873)	(53.084.308)	(89.544.280)	(50.301.493)
Research and development expenses	(50.544.023)	(23.834.826)	(31.842.245)	(16.643.191)
	(1.873.696.894)	(935.559.424)	(1.350.052.812)	(706.772.498)

23. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from operating activities for the periods ended on 30 June 2024 and 2023 are as follows:

Other Income from Operating Activities	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Income from provisions no longer required (**)	363.589.896	358.524.498	56.405.505	11.053.081
Operational foreign exchange income	265.012.383	37.977.625	666.919.618	498.274.985
Mining royalty income (*)	58.942.768	32.109.585	79.125.382	41.160.123
Interest income from delayed collections	30.164.658	19.220.729	8.335.170	7.200.456
Profit from scrap and material sales	20.563.873	13.758.056	21.705.855	10.911.398
Damage compensation income received from insurance	9.127.564	35.524	2.483.935	(679.482)
Other income	29.658.048	18.794.258	40.862.320	24.939.528
	777.059.190	480.420.275	875.837.785	592.860.089

(*) Mining royalty income comprises of mining license income.

(**) TL 351.688.832 of the balance (30 June 2023: TL 45.182.385) is from provisions that no longer required regarding personnel bonus, there were TL 5.587.219 (30 June 2023: TL 4.456.702) of provisions that were no longer subject to doubtful receivables, TL 6.313.845 of the balance (30 June 2023: TL 6.766.418) is related to provisions that no longer required regarding sales turnover premium.

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

23. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES (cont’d)

The details of other expenses from operating activities for the periods ended on 30 June 2024 and 2023 are as follows:

Other Expenses from Operating Activities	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Foreign exchange losses related to operational activities	(287.111.058)	(29.752.486)	(692.867.559)	(624.623.552)
Discount interest expense	(7.218.988)	(2.157.938)	(3.184.234)	(2.359.744)
Donation expenses (*)	(2.284.793)	(2.070.030)	(591.697.113)	(4.087.899)
Commission expenses	(498.572)	(1.362)	(657.857)	-
Provision expenses	(64.838)	-	(365.458)	(319.395)
Other expenses	(5.811.238)	(3.027.600)	(4.680.548)	(2.277.968)
	(302.989.487)	(37.009.416)	(1.293.452.769)	(633.668.558)

(*) As of 30 June 2023, the balance consists of donations made due to the earthquake disaster that occurred on 6 February 2023.

24. FINANCE INCOME AND EXPENSES

The details of finance income for the periods ended 30 June 2024 and 2023 are as follows:

Finance Income	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Interest income from bank deposits	874.870.262	532.418.416	301.905.513	153.962.284
Foreign exchange gains related to financial activities	211.212.177	63.309.515	4.648.265.194	4.522.633.260
Other financial income	4.158.176	2.434.660	9.845.522	6.246.153
	1.090.240.615	598.162.591	4.960.016.229	4.682.841.697

The details of finance expenses for the periods ended 30 June 2024 and 2023 are as follows:

Finance Expenses	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Foreign exchange losses related to financial activities	(193.323.986)	(83.606.102)	(6.133.697.584)	5.741.468.133)
Commission expenses	(87.876.440)	(48.941.237)	(54.435.816)	(27.854.259)
Interest expense due to severance pay provision (Note: 16)	(39.858.396)	(18.987.185)	(46.787.897)	(22.666.975)
Interest expenses due to short and long-term borrowings	(36.597.818)	(19.645.467)	(247.747.268)	(143.956.618)
Interest expense due to lease liabilities	(36.167.906)	(8.043.097)	(20.057.469)	(16.239.896)
Interest expense due to seniority incentive premium (Note: 16)	(25.275.290)	(12.040.289)	(15.622.850)	(7.568.682)
Interest expenses regarding related parties	(20.766.779)	(3.715.943)	(826.020.382)	(708.486.926)
Other financial expenses	(30.219.380)	(8.994.816)	(1.592.430)	(797.556)
	(470.085.995)	(203.974.136)	(7.345.961.696)	6.669.039.045)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

25. INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

The details of income from investment activities for the periods ended 30 June 2024 and 2023 are as follows:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Income from investment activities				
Income from investment funds	73.629.785	39.722.229	8.719.118	6.536.605
Interest income from time deposits with a maturity of more than three months	63.356.743	20.237.711	288.469.084	197.568.741
Rent income from investment properties (Note 9)	4.695.570	2.165.740	9.339.102	4.837.059
Dividend income	3.113.276	-	-	-
Fixed asset sales profits	290.340	227.614	12.108.722	11.401.910
Valuation difference of financial assets measured at fair value through profit and loss	11.825.412	11.825.412	-	-
Other	-	-	7.795.313	7.319.514
	156.911.126	74.178.706	326.431.339	227.663.829
	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Expenses from investment activities				
Valuation difference of financial assets measured at fair value through profit and loss	-	30.236.663	(124.924.985)	(8.791.323)
Loss from sale of fixed assets	(388.113)	-	(955.163)	(955.163)
Other	(836.662)	(430.527)	(769.127)	(222.563)
	(1.224.775)	29.806.136	(126.649.275)	(9.969.049)

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

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

a) Capital risk management

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

The capital structure of the Group consists of payables, which include the loans disclosed in Note 15, and equity items which comprise cash and cash equivalents, issued capital, reserves and prior years' profits, respectively.

The Group's key management reviews the cost of capital and risks related to each capital level. Based on recommendations of key management, the Group balances its overall capital structure through the payment of dividends, as well as the issue of new debt or the redemption of existing debt.

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

Net Debt/Total Capital Ratio

	30 June 2024	31 December 2023
Financial payables (Note: 15)	1.265.891.703	2.105.787.690
Less: Cash and Cash Equivalents (Note:3)	(6.569.057.947)	(6.610.834.205)
Less: Short-term Financial Investments (Note: 12)	(917.512.599)	(668.635.424)
Net Debt	(6.220.678.843)	(5.173.681.939)
Total Equity	36.209.608.748	33.262.017.992
Total Capital	29.988.929.905	28.088.336.053
Net Debt/Total Capital Ratio	(0,21)	(0,18)

b) Financial Risk Factors

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

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

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

26. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

b) Financial Risk Factors (cont’d)

b.1) Market risk management

The operations of the Group are primarily exposed to financial risks related to changes in the exchange rate and interest rate.

Market risks are also evaluated with sensitivity analyses.

There has been no change in the Group's exposure to market risks or the management and measurement of exposures.

b.1.1) Foreign currency risk management

Transactions in foreign currency cause exchange rate risk. The Group is mainly exposed to foreign currency risk in Euro and US Dollar.

The breakdown of the Group’s monetary and non-monetary assets and liabilities in foreign currency as of balance sheet date is as follows:

	30 June 2024			
	TL Equivalent (Functional currency)	US Dollar	EURO	Other
1. Trade Receivables	403.262.891	2.976.894	8.697.885	-
2. Monetary Financial Assets (including cash, bank deposits)	1.056.108.594	28.971.444	1.763.122	6.148.640
3. Other current assets	535.096.917	1.264.575	14.032.407	15.680
4. Current Assets (1+ 2 + 3)	1.994.468.402	33.212.913	24.493.414	6.164.320
5. Non-Current Assets	49.239	1.500	-	-
6. Total Assets (4 + 5)	1.994.517.641	33.214.413	24.493.414	6.164.320
7. Trade Payables	676.821.935	6.768.658	12.880.895	22.375
8. Financial liabilities	986.559.000	30.000.000	-	-
9. Other current liabilities	1.454.849	40.281	3.700	-
10. Current Liabilities (7 + 8 + 9)	1.664.835.784	36.808.939	12.884.595	22.375
11. Non-current Liabilities	1.183.763.013	-	33.637.563	-
12. Total Liabilities (10 + 11)	2.848.598.797	36.808.939	46.522.158	22.375
13. Net foreign currency asset liability position (6 - 12)	(854.081.156)	(3.594.526)	(22.028.744)	6.141.945
14. Export	969.068.543	27.939.844	2.661.209	-
15. Export-registered sales	119.117.132	3.737.416	-	-
16. Import	1.299.703.653	37.683.247	3.021.583	-

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

26. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

b) Financial Risk Factors (cont’d)

b.1.1) Foreign currency risk management (cont’d)

	31 December 2023			
	TL Equivalent (Functional currency)(*)	US Dollar	EURO	Other
1. Trade Receivables	283.452.642	3.591.175	3.730.784	-
2. Monetary Financial Assets (including cash, bank deposits)	1.355.235.854	30.484.789	5.788.516	13.893
3. Other Current Assets	76.881.766	317.975	1.604.827	-
4. Current Assets (1+ 2 + 3)	1.715.570.262	34.393.939	11.124.127	13.893
5. Non-Current Assets	157.831.208	180.182	3.721.660	-
6. Total Assets (4 + 5)	1.873.401.470	34.574.121	14.845.787	13.893
7. Trade Payables	1.241.906.230	16.800.764	15.368.041	(35.597)
8. Other current liabilities	60.441.725	1.083.583	505.624	-
9. Current Liabilities (7 + 8)	1.302.347.955	17.884.347	15.873.665	(35.597)
10. Non-current Liabilities	1.363.465.697	-	33.496.868	-
11. Total Liabilities (9+10)	2.665.813.652	17.884.347	49.370.533	(35.597)
12. Net foreign currency asset liability position (6 - 11)	(792.412.182)	16.689.774	(34.524.746)	49.490
13. Export	2.107.154.921	58.204.915	11.046.413	-
14. Export-registered sales	23.106.814	359.298	445.000	-
15. Import	1.697.513.025	50.953.551	8.939.808	-

(*) The amount is stated on the basis of the purchasing power of Turkish Lira as of 30 June 2024.

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

26. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

b) Financial Risk Factors (cont’d)

b.1.1) Foreign currency risk management (cont’d)

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

The following table shows the Group’s sensitivity to a 10% (31 December 2023: 10%) increase and decrease in USD and Euro. 10% (31 December 2023: 10%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. The sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% (31 December 2023: 10%) change in foreign currency rates. A positive number indicates an increase in profit / loss and other equity.

	30 June 2024	
	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% appreciation of US Dollar against TL		
1 - USD net asset / liability	(12.017.004)	12.017.004
2- Portion hedged from USD risk (-)	-	-
3 – USD net effect (1+2)	(12.017.004)	12.017.004
In case of 10% appreciation of Euro against TL		
4 - Euro net asset / liability	(77.677.938)	77.677.938
5 - Portion hedged from Euro risk (-)	-	-
6 – Euro net effect (4+5)	(77.677.938)	77.677.938
TOTAL (3+6)	(89.694.942)	89.694.942

	31 December 2023	
	Profit / (Loss)	
	Appreciation of foreign currency	Appreciation of foreign currency
In case of 10% appreciation of US Dollar against TL		
1 - USD net asset / liability	61.166.022	(61.166.022)
2 - Portion hedged from USD risk (-)		
3 - USD net effect (1+2)	61.166.022	(61.166.022)
In case of 10% appreciation of Euro against TL		
4 - Euro net asset / liability	(140.639.317)	140.639.317
5 - Portion hedged from Euro risk (-)		
6- Euro net effect (4+5)	(140.639.317)	140.639.317
TOTAL (3+6)	(79.473.295)	79.473.295

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

26. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

Fair value hierarchy table

The fair values of financial assets and financial liabilities are determined as follows:

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- Level 2: the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- Level 3: the fair value of the financial assets and financial liabilities are determined where there is no observable market data.

Level classification of financial assets and liabilities recognized at fair value:

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

Fair value hierarchy table:

30 June 2024			
Financial assets at fair value in the balance sheet	Level 1	Level 2	Level 3
Equity shares (Note 12)	305.569.386	-	-
Other financial assets (Note 12)	598.793.272	-	-

31 December 2023			
Financial assets at fair value in the balance sheet	Level 1	Level 2	Level 3
Equity shares (Note 12)	293.744.942	-	-
Other financial assets (Note 12)	374.890.482	-	-

OYAK ÇİMENTO FABRİKALARI ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

27. SUBSEQUENT EVENTS

As stated in the Group's special situation disclosure dated 14 March 2024, within the scope of the share transfer transaction that took place as of 6 March 2024, it became necessary for TCC OYAK Amsterdam Holdings B.V. to make a mandatory share purchase offer for the remaining shares in accordance with Article 26 of the Capital Markets Law No. 6362 and the Share Purchase Offer Communiqué (II-26.1) ("Communiqué") and in order to fulfill the mandatory share purchase offer obligation in this context, the necessary application was made to the Capital Markets Board ("CMB") by TCC OYAK Amsterdam Holdings B.V. on 14 March 2024.

Within the scope of the Communiqué, the fact that the application made to the Board requesting the approval of the "Share Purchase Offer Information Form" was received positively was announced to the public in the Board Bulletin numbered 2024/32 dated 11 July 2024.

Pursuant to Article 17 of the Communiqué, the arithmetic average of the adjusted weighted average stock market prices for the six months before the date of public announcement of the agreement regarding the sale of the shares was TL 63.62, and the interest amount calculated by taking 50% more of the annual TLREF rate for each day after 6 May 2024 was applied, and the share purchase offer price was determined as TL 73.18 for shares with a nominal value of TL 1.

The Mandatory Share Purchase Offer process continued for 10 business days between 16 July 2024 and 29 July 2024, and the procedures to be applied are explained in the Information Form and Share Purchase Offer Request Form. Before the Mandatory Tender Offer, TCC OYAK Amsterdam Holdings B.V. had 945.082.998,67 shares of the Company, but this figure has now increased to 997.896.367,53. Accordingly, TCC OYAK Amsterdam Holdings B.V.'s share in Company's capital has increased from 75.81% to 80.05%.