TÜRKİYE'S
MINERAL WEALTH

CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET A.Ş.

REPORT ON THE UTILISATION OF PROCEEDS FROM THE RIGHTS ISSUE

Prepared pursuant to Article 33 of the Capital Markets Board's Communiqué on Shares No. VII-128.1.

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I. Subject and Purpose of the Report

Article 33, paragraph 1, of the Capital Markets Board's ("CMB") Communiqué on Shares No. VII-128.1 ("Communiqué on Shares"), dated 22 June 2013, entitled "Disclosures Regarding the Use of Proceeds from Rights Issues", provides as follows: *"In the case of public offerings of shares by non-public companies through capital increases and rights issues undertaken by publicly held companies whose shares are traded on a stock exchange, a report must be prepared specifying the purposes for which the proceeds from the capital increase will be used. This report must be approved by the board of directors, submitted to the Board together with the application for approval of the prospectus or issuance document, and publicly disclosed."*

Pursuant to this provision, the "Report on the Intended Use of Proceeds from the Rights Issue", prepared in connection with the rights issue undertaken by CVK Maden İşletmeleri Sanayi ve Ticaret A.Ş. (the "Company"), was approved by the Board of Directors' resolution dated 20 April 2026 and numbered 2026/09. The report was submitted to the CMB as part of the application for approval of the prospectus and was publicly disclosed.

In addition to the provision cited above, Article 33, paragraph 1, of the Communiqué on Shares further stipulates: *"A report assessing whether the proceeds obtained from the capital increase have been used for the stated purposes must be prepared within ten business days following the publication of the first two financial statements disclosed to the public that reflect the results of the capital increase. For companies conducting an initial public offering, this period shall commence following the date on which their shares begin trading on a stock exchange; for publicly held companies whose shares are already traded on a stock exchange, it shall commence following the completion of the capital increase. The report must be published on the company's website and on the Public Disclosure Platform ("PDP"). This obligation shall be fulfilled by the audit committee established within the company."*

Accordingly, this report was prepared by the Audit Committee following the public disclosure on 26 October 2026 of the Company's financial statements as of 30 September 2026, which constitute the first financial statements reflecting the results of the rights issue. The report includes an assessment of whether the proceeds obtained by the Company through the rights issue have been utilised in accordance with the purposes specified in the "Report on the Intended Use of Proceeds from the Rights Issue", approved by the Board of Directors' resolution dated 20 April 2026 and numbered 2026/09.

II. Summary Information on the Capital Increase

By its resolution dated 12 December 2025 and numbered 2025/19, the Company's Board of Directors resolved to increase the Company's issued share capital from TRY 1,400,000,000 to TRY 3,780,000,000 through a capital increase of TRY 2,380,000,000, representing an increase of 170%, to be fully paid in cash, within its registered capital ceiling of TRY 12,500,000,000.

In this context, the application submitted to the Capital Markets Board on 14 December 2025 for approval of the prospectus prepared for the issuance and public offering of shares with a nominal value of TRY 2,380,000,000 was approved by the Capital Markets Board's resolution dated 29 July 2026 and numbered 46/1365.

III. Rationale for the Capital Increase

The Company aims to acquire companies operating in the mining sector, meet its working capital requirements, support ongoing projects and investments within the Group, and improve cash management efficiency through the repayment of financial debt.

IV. Amount of Proceeds Raised from the Capital Increase

In connection with the increase in the Company's issued share capital from TRY 1,400,000,000 to TRY 3,780,000,000, representing an increase of TRY 2,380,000,000 or 170%, to be fully paid in cash within its registered capital ceiling of TRY 12,500,000,000, the following proceeds were obtained in exchange for the shares representing the increased capital of TRY 2,380,000,000, in accordance with the principles set out in the Prospectus:

a) Shareholders exercised their pre-emptive rights to subscribe for new shares over a period of 15 (fifteen) days, from 5 August 2026 to 19 August 2026. As a result of the exercise of these rights, TRY 712,136,629.51 was received in cash and TRY 1,661,902,996.00 was settled by way of offset (against amounts previously paid to the Company by its controlling shareholder, Hüseyin ÇEVİK, as cash loans and capital advances).

b) Following the exercise of pre-emptive rights, all remaining shares with a nominal value of TRY 5,960,719.363 were sold on the Borsa İstanbul A.Ş. Primary Market over a period of 2 (two) business days, on 21 August 2026 and 24 August 2026, within the scope of the Announcement Regarding the Sale to Investors. Cash proceeds of TRY 98,558,856.70 were obtained from the sale of these shares.

Accordingly, the capital increase provided the Company with total proceeds of TRY 2,472,598,482.21, comprising TRY 810,695,486.21 in cash and TRY 1,661,902,996.00 through offset.

V. Intended Use of Proceeds from the Capital Increase

As a result of the rights issue, the Company was expected to raise TRY 2,380,000,000, excluding costs associated with the capital increase. However, as stated in the Board of Directors' resolution dated 12 December 2025 and numbered 2025/19, TRY 1,661,902,996 of this amount had previously been paid to the Company in cash by its controlling shareholder, Hüseyin ÇEVİK, in the form of capital advances and loans that had become due and payable. Accordingly, following the offset of this due and payable amount of TRY 1,661,902,996 against the total capital increase amount of TRY 2,380,000,000, the Company was expected to obtain gross cash proceeds of TRY 718,097,004, excluding costs.

As explained above, the amount of TRY 1,661,902,996 previously paid to the Company in cash by Hüseyin ÇEVİK in the form of capital advances and loans was used to strengthen the Company's working capital, repay its financial debt, finance ongoing investments, and finance acquired companies and projects.

The table and explanations below set out the intended uses of the proceeds to be obtained following the offset of the due and payable amount of TRY 1,661,902,996, previously paid to the Company in cash by its controlling shareholder, Hüseyin ÇEVİK, in the form of capital advances and loans, against the total capital increase amount of TRY 2,380,000,000 (the “proceeds from the rights issue”):

Intended Use of Proceeds from the Rights Issue		
Use of Proceeds	**Planned Amount (TRY)**	**Planned Allocation (%)**
Offset of due and payable receivables of the Company's controlling shareholder, Hüseyin ÇEVİK, confirmed by a certified public accountant's report as having been contributed to the Company in cash (strengthening working capital, repayment of financial debt, financing ongoing investments and acquired companies/projects)	1,661,902,996	69.83%
Strengthening the working capital of the Company and its subsidiaries	368,097,004	15.47%

Repayment of the Company's financial debt	150,000,000	6.30%
Supporting subsidiaries' projects and investments	200,000,000	8.40%
Total	**2,380,000,000**	**100.00%**

1. Offset of Due and Payable Receivables of the Company's Controlling Shareholder, Hüseyin ÇEVİK, Confirmed by a Certified Public Accountant's Report as Having Been Contributed to the Company in Cash (Strengthening Working Capital, Repayment of Financial Debt, Financing Ongoing Investments and Acquired Companies/Projects) (69.83%)

Following the Company's initial public offering, significant acquisitions were undertaken, including the acquisition of numerous mining licences and companies. As CVK Madencilik, we have acquired strategic companies operating in the sector and mining licences in order to strengthen our position in the mining industry, expand the mining licence portfolio of our Company (the Group) together with our subsidiaries, become a major producer in polymetallic mining as well as gold mining, and achieve sustainable growth. Further acquisitions are planned in the coming periods. For these purposes, the entire amount of cash funds provided to the Company by its controlling shareholder was used in the areas specified above. As a result, the Company's working capital was strengthened, financial debt repayments were made, and financing was provided for ongoing investments and acquired companies/projects.

2. Strengthening the Working Capital of the Company and Its Subsidiaries (15.47%)

The commercial working capital requirements of our Company and its subsidiaries have increased over the years in line with the growth in investments, production volumes and sales volumes. The necessary working capital will be provided to support the Group's operational and investment activities and to meet recently increased operating and marketing expenses, among other requirements.

For these purposes, 15.47% of the proceeds from the rights issue is planned to be used to strengthen working capital. Of this amount, TRY 96,206,000 is planned to be allocated to the Company's subsidiary, Hayri Ögelman Madencilik A.Ş., while the remaining amount is planned to be used by the parent company, CVK Madencilik. The breakdown of the approximately TRY 368,097,004 planned to be allocated to working capital from the proceeds of the capital increase is presented below.

Description	Amount (TRY)
Payments to subcontractors	60,000,000
Personnel salaries	31,891,004
Raw material and supplier payments	180,000,000
Working capital allocation to the subsidiary (Hayri Ögelman Madencilik A.Ş.), to be transferred as a capital advance	96,206,000
Total	**368,097,004**

In summary, the working capital is planned to be allocated to short-term supplier obligations, payments to subcontractors and mining royalty contractors, personnel salaries, electricity expenses, payments of cheques issued to suppliers, purchases of raw materials for production, purchases of merchandise, semi-finished and finished goods, and diesel fuel, transportation and insurance expenses.

3. Repayment of the Company's Financial Debt (6.30%)

The Company aims to reduce its financial debt and achieve a stronger financial structure. An amount corresponding to 6.30% of the proceeds from the rights issue will be used to repay the Company's financial debt, taking into account the Company's profitability and cash flow and acting in the

Company's best interests. This will reduce financial liabilities, improve the debt-to-equity balance and strengthen the Company's financial structure.

4. Supporting the Yenipazar Project Investment of the Subsidiary Aldridge Mineral Madencilik A.Ş. (8.40%)

Following the Company's initial public offering, the Group's mining portfolio was diversified and strengthened through corporate acquisitions, representing a significant step forward in polymetallic mining in Türkiye. The Company intends to allocate 8.40% of the proceeds from the rights issue to support the Yenipazar Project investment of its subsidiary, Aldridge Mineral Madencilik A.Ş. In this context, the funds will be used, in line with the project's investment schedule, for expenditures relating to plant machinery and equipment, the tailings storage facility, the power transmission line, the production facility, administrative buildings and infrastructure construction.

VI. Reallocation and Investment of Proceeds

Although the proceeds from the rights issue are planned to be used for the purposes specified above, the Company may increase or decrease the stated allocation ratios and reallocate up to 10% between the designated categories, taking into account fluctuations in macroeconomic conditions and other economic indicators.

Until the proceeds from the rights issue are utilised for the purposes specified above, they are planned to be invested in Turkish lira-denominated bank deposits, investment funds and Government Domestic Debt Securities (GDDS), in accordance with the Company's best interests.

VII. Conclusion and Assessment

The rights issue provided the Company with total proceeds of TRY 2,472,598,482.21, comprising TRY 810,695,486.21 in cash and TRY 1,661,902,996.00 through offset. Of this amount, TRY 2,380,000,000.00 was recorded under the Share Capital account, while TRY 92,598,482.21 was recorded under the Share Premium account.

As of 30 September 2026, approximately 84% of the proceeds amounting to TRY 2,380,000,000.00, recorded under the Company's Share Capital account, had been utilised in accordance with the purposes specified in the “Report on the Intended Use of Proceeds from the Rights Issue”, approved by the Board of Directors' resolution dated 20 April 2026 and numbered 2026/09. Details of the utilisation of proceeds are presented in the table below.

	Planned		**Actual**		**Remaining**	
Use of Proceeds	**Amount (TRY)**	**(%)**	**Amount (TRY)**	**(%)**	**Amount (TRY)**	**(%)**
Offset of due and payable receivables of the Company's controlling shareholder, Hüseyin ÇEVİK, confirmed by a certified public accountant's report as having been contributed to the Company in cash (strengthening working capital, repayment of financial debt, financing ongoing investments and acquired companies/projects)	**1,661,902,996**	**69.8%**	**1,661,902,996**	**69.8%**	**0**	**0.0%**
Strengthening the working capital of the Company and its subsidiaries	**368,097,004**	**15.5%**	**184,998,961**	**7.8%**	**183,098,043**	**7.7%**
Payments to subcontractors	60,000,000	2.5%	84,354,124	3.5%	-24,354,124	-1.0%
Personnel salaries	31,891,004	1.3%	4,438,837	0.2%	27,452,167	1.2%

Raw material and supplier payments	180,000,000	7.6%	0	0.0%	180,000,000	7.6%
Working capital allocation to the subsidiary (Hayri Ögelman Madencilik A.Ş.), to be transferred as a capital advance	96,206,000	4.0%	96,206,000	4.0%	0	0.0%
Repayment of the Company's financial debt	**150,000,000**	**6.3%**	**158,949,355**	**6.7%**	**-8,949,355**	**-0.4%**
Supporting subsidiaries' projects and investments	**200,000,000**	**8.4%**	**0**	**0.0%**	**200,000,000**	**8.4%**
Total	**2,380,000,000**	**100.0%**	**2,005,851,311**	**84.3%**	**374,148,689**	**15.7%**

The Company continues to utilise the remaining proceeds from the rights issue in accordance with the commitments made by its management.

Yours sincerely,

CVK Maden İşletmeleri Sanayi ve Ticaret A.Ş.
Audit Committee

Chairman of the Committee	Committee Member
Mehmet Burak TELCİOĞLU	Şaban Fethi YILDIZ