

**LİMAK ÇİMENTO SANAYİ
VE TİCARET A.Ş.
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD
ENDED 31 MARCH 2026**

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
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FOR THE INTERIM PERIOD ENDED 31 MARCH 2026

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LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AT 31 MARCH 2026 AND 31 DECEMBER 2025

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	Notes	31.03.2026	31.12.2025
ASSETS			
Current assets			
Cash and cash equivalents	3	10,371,456	12,961,977
Trade receivables	4	5,763,802	8,698,515
Due from related parties	5	420,746	309,515
Inventories	6	5,507,290	4,306,486
Other current assets	7	852,645	731,610
Total current assets		22,915,939	27,008,103
Non-current assets			
Due from related parties	5	2,570,325	2,693,731
Investment properties	8	26,517,629	26,533,064
Property, plant and equipment	9	45,265,951	45,849,612
Intangible assets	10	1,047,667	835,458
Deferred tax assets	16	31,573	70,839
Other non-current assets	7	656,228	589,905
Total non-current assets		76,089,373	76,572,609
Total assets		99,005,312	103,580,712

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

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AT 31 MARCH 2026 AND 31 DECEMBER 2025

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	Notes	31.03.2026	31.12.2025
LIABILITIES			
Current liabilities			
Short-term borrowings	11	3,384,409	3,680,215
Trade payables	12	4,203,319	5,496,325
Due to related parties	13	1,579	1,884
Current income tax liabilities	16	38,888	91,250
Other current liabilities	14	1,986,515	1,949,629
Total current liabilities		9,614,710	11,219,303
Non-current liabilities			
Long-term borrowings	11	32,351,692	35,182,444
Provision for employment termination benefits	17	607,479	652,943
Deferred tax liabilities	16	6,087,101	5,628,906
Other non-current liabilities	14	1,114,240	1,156,847
Total non-current liabilities		40,160,512	42,621,140
Total liabilities		49,775,222	53,840,443
EQUITY			
Share capital	18	4,077,509	4,077,509
Revaluation surplus		1,553,653	1,533,493
Actuarial losses		(220,958)	(234,862)
Currency translation reserve		2,735	7,246
Retained earnings		41,577,704	41,846,003
Equity attributable to owners of the parent		46,990,643	47,229,389
Non-controlling interests		2,239,447	2,510,880
Total equity		49,230,090	49,740,269
Total liabilities and equity		99,005,312	103,580,712

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

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE INTERIM PERIODS ENDED 31 MARCH 2026 AND 2025

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	Notes	31.03.2026	31.03.2025
Revenue	19	6,888,306	8,558,670
Cost of sales	20	(5,111,785)	(5,783,296)
Gross profit		1,776,521	2,775,374
Marketing, selling and distribution expenses	21	(514,279)	(571,556)
General administrative expenses	22	(668,525)	(648,717)
Other income/(expense), net	24	11,087	96,635
Operating profit		604,804	1,651,736
Financial income/(expense), net	25	(1,652,312)	(2,721,236)
Net monetary position gain		1,639,531	1,940,860
Profit before income tax		592,023	871,360
Taxation on income	16	(568,035)	(423,398)
Profit for the period		23,988	447,962
Attributable to:			
Equity holders of the parent		21,504	358,320
Non-controlling interests		2,484	89,642
Earnings per share	28	0.10	1.61

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

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE INTERIM PERIODS ENDED 31 MARCH 2026 AND 2025

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	31.03.2026	31.03.2025
Profit for the period	23,988	447,962
Actuarial gains, net of tax	19,637	16,542
Currency translation differences	(4,511)	(39,099)
Total comprehensive income	39,114	425,405
Attributable to:		
Equity holders of the parent	34,617	334,043
Non-controlling interests	4,497	91,362

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LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE INTERIM PERIODS ENDED 31 MARCH 2026 AND 2025

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	Share capital	Revaluation surplus	Actuarial gains or losses	Currency translation reserve	Retained earnings	Equity attributable to owners of the parent	Non- controlling interests	Total equity
Balances at 1 January 2025	4,077,509	1,545,907	(215,741)	56,260	39,531,445	44,995,380	2,035,457	47,030,837
Total comprehensive income/(loss)	--	--	14,822	(39,099)	358,320	334,043	91,362	425,405
Balances at 31 March 2025	4,077,509	1,545,907	(200,919)	17,161	39,889,765	45,329,423	2,126,819	47,456,242
Balances at 1 January 2026	4,077,509	1,533,493	(234,862)	7,246	41,846,003	47,229,389	2,510,880	49,740,269
Transactions with non-controlling interests	--	20,160	(3,720)	--	(289,803)	(273,363)	(275,930)	(549,293)
Total comprehensive income/(loss)	--	--	17,624	(4,511)	21,504	34,617	4,497	39,114
Balances at 31 March 2026	4,077,509	1,553,653	(220,958)	2,735	41,577,704	46,990,643	2,239,447	49,230,090

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

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE INTERIM PERIODS ENDED 31 MARCH 2026 AND 2025

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	31.03.2026	31.03.2025
Operating activities:		
Profit before income tax	592,023	871,360
Adjustment for:		
Depreciation and amortisation	938,222	801,045
Provision for employment termination benefits	60,045	49,491
Provision for doubtful receivables and expected credit loss	5,231	(30,945)
Gains on sale of fixed assets and scraps	(6,367)	(6,278)
Financial income	(374,742)	(245,979)
Financial expense	2,027,054	2,967,215
Monetary gains	(1,639,531)	(1,940,860)
Cash flows from operating activities before changes in operating assets and liabilities	1,601,935	2,465,049
Changes in operating assets and liabilities:		
Trade receivables	1,816,260	(375,569)
Inventories	(1,200,804)	(925,057)
Other assets	(309,529)	(201,767)
Trade payables	(819,384)	993,807
Other liabilities	172,347	110,034
Due from related parties	(174,950)	(24,057)
Due to related parties	(305)	(8,591)
Income tax payments	(138,297)	--
Employment termination benefits payments	(19,375)	(17,198)
Cash flows from operating activities	927,898	2,016,651
Investing activities:		
Purchases of property, plant and equipment	(352,390)	(883,993)
Advances given for purchase of property, plant and equipment	(48,708)	20,753
Proceeds from sales of property, plant and equipment	10,778	6,278
Purchases of intangible assets	(243,956)	(28,436)
Interest received	287,797	245,979
Cash flows from/(used in) investing activities	(346,479)	(639,419)
Financing activities:		
Proceeds from borrowings	--	3,244,340
Repayment of borrowings	(40,375)	--
Transactions with non-controlling interests	(549,293)	--
Interest paid	(1,845,046)	(1,417,578)
Cash flows from/(used in) financing activities	(2,434,714)	1,826,762
Net increase in cash and cash equivalents	(1,853,295)	3,203,994
Inflation effect on cash and cash equivalents	(968,389)	(614,660)
Foreign exchange gains on cash and cash equivalents	231,163	320,309
Cash and cash equivalents at the beginning of the year	12,961,977	6,722,927
Cash and cash equivalents at the end of the period	10,371,456	9,632,570

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

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 31 MARCH 2026

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

1. Organisation and nature of activities

Limak Çimento Sanayi ve Ticaret A.Ş. ("Limak Çimento" or "the Company") was incorporated in 1978. The principal activities of the Company and its subsidiaries (together "the Group"), comprise manufacturing of cement, clinker and ready mix concrete. The Company is a member of Limak group of companies. The Company's parent is Limak İnşaat Sanayi ve Ticaret A.Ş. and the Company is ultimately controlled by Limak Holding A.Ş..

The registered address of the Company:
Siirt Yolu Üzeri 4. Km No. 1, Kurtalan, Siirt, Türkiye.

The following table sets out the subsidiaries and shows the Company's ownership interest in these entities:

		31.03.2026	31.12.2025
	Country	Effective interest %	Effective interest %
<u>Subsidiaries</u>			
Limak Doğu Anadolu Çimento Sanayi ve Ticaret A.Ş.	Türkiye	73.19	69.88
Limak Afrika SA	Ivory Coast	100.00	100.00
Limak Cimentos SA	Mozambique	100.00	100.00
Limak Cement FZE	Dubai	100.00	100.00
Limak Ege Çimento Sanayi ve Ticaret A.Ş.	Türkiye	100.00	100.00
Limak Cement Denmark ApS.	Denmark	100.00	100.00
<u>Joint ventures</u>			
Muğla Yapı Malzemeleri Sanayi ve Ticaret A.Ş.	Türkiye	50.00	50.00

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 31 MARCH 2026

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

2. Basis of presentation of the consolidated financial statements

2.1 Basis of presentation

The Company and its subsidiaries registered in Türkiye maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation, and the Uniform Chart of Accounts issued by the Ministry of Treasury and Finance. Foreign subsidiaries maintain their books of account and prepare their statutory financial statements in their local currencies in accordance with their commercial practices and tax legislations.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") promulgated by the International Accounting Standards Board (the "IASB").

The consolidated financial statements have been prepared based on the statutory records, with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRS.

Functional and reporting currency

The financial statements are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements are presented in TRY, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges. The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,
- Income and expenses for each income statement are translated at average exchange rates unless this average is not reasonable approximate of the cumulative effect of the prevailing exchange rates on the transaction dates in which case income and expenses are translated at the rate on the dates of the transactions, and
- All resulting exchange differences are recognised as a separate component of equity (currency translation reserve), in other comprehensive income.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the effects of inflation in Türkiye and except for certain assets and liabilities presented with their fair values.

Financial reporting in hyperinflationary economies

Pursuant to the IAS 29 "Financial Reporting in Hyperinflationary Economies", the financial statements of entities whose functional currency is that of a hyperinflationary economy must be adjusted for the effects of changes in a general price index. IAS 29 does not establish an absolute rate when hyperinflation is deemed to arise and IASB does not identify specific hyperinflationary jurisdictions.

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 31 MARCH 2026

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

2. Basis of presentation of the consolidated financial statements (Continued)

Basis of measurement (Continued)

Financial reporting in hyperinflationary economies (Continued)

However, IAS 29 provides a series of non-exclusive guidelines that assist companies in exercising their judgement as to when restatement of financial statements becomes necessary. These guidelines consist of (i) analyzing the behavior of the population regarding preservation of wealth in non-monetary assets or in relatively stable foreign currency, prices being quoted in terms of a relatively stable currency, interest rates and wages being linked to a price index, and the loss of the currency's purchasing power, and (ii) as a quantitative characteristic, verifying if the three-year cumulative inflation rate approaches or exceeds 100%. In March 2022, the International Practices Task Force of the Centre for Audit Quality, which monitors countries experiencing high inflation, categorized Türkiye as a country with projected three-year cumulative inflation rate greater than 100% as of 28 February 2022. Therefore, entities whose functional currency is TRY, reporting under IFRS have been required to apply IAS 29 to their financial statements for periods ended on and after 30 June 2022.

Under IAS 29, the consolidated financial statements are presented in terms of the measuring unit current as of 31 March 2026. All the amounts included in the consolidated financial statements which are not stated in terms of the measuring unit current at the end of the reporting period are restated applying the general price index. Adjustment for inflation has been calculated considering the price indices published by the Turkish Statistical Institute (Turkstat). Such indices used to restate the financial statements at 31 March 2026 are as follows:

Date	Index	Conversion factor	Three-year inflation rate
31 March 2026	121.47	1.00000	205%
31 December 2025	110.39	1.10040	211%
31 March 2025	92.82	1.30865	250%
31 December 2024	84.33	1.44034	291%

Effective from January 2026, Turkstat changed the reference year of the Consumer Price Index (CPI) from 2003=100 to 2025=100. Accordingly, comparative CPI index values have been rebased to the new reference year to ensure consistency and comparability across reporting periods. The change has no impact on reported inflation rates.

The main procedures applied for the restatements in accordance with IAS 29 are as follows:

- Monetary assets and liabilities that are carried at amounts current at the reporting date are not restated because they are already expressed in terms of the measuring unit current at the reporting date.
- Non-monetary assets and liabilities that are not carried at amounts current at the reporting date and components of equity are restated by applying the relevant conversion factors from the date of the transaction to the reporting date.
- All items in the statement of profit or loss and the statement of other comprehensive income, except for those derived from non-monetary assets and liabilities, are restated by applying the monthly conversion factors of the transactions to the reporting date.
- The effects of inflation on the net monetary position are included in the statement of profit or loss as "net monetary position gain".
- All items in the statement of cash flow are expressed in terms of the measuring unit current at the reporting date; and all items in the statement of cash flows are, therefore, restated by applying the relevant conversion factors from the date on which the transaction originated.
- All comparative figures for the previous reporting periods have been restated by applying the general price index for the current period, so that the resulting comparative financial statements are presented in terms of the current unit of measurement as of the closing date of the reporting period.

Going concern

The consolidated interim financial statements have been prepared in accordance with the going concern assumption. The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern.

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 31 MARCH 2026

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

2. Basis of presentation of the consolidated financial statements (Continued)

Comparative information

The consolidated interim financial statements of the Group are prepared comparatively to enable the determination of the trends of the financial position and performance. The Group presented the consolidated statement of financial position at 31 March 2026 comparatively with the consolidated statement of financial position at 31 December 2025. The Group presented the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the interim period ended 31 March 2026 comparatively with the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the interim period ended 31 March 2025.

For ensuring compliance with the current period presentation of financial statements, comparative figures are reclassified if necessary.

2.2 Changes in the accounting policies, estimates and errors

Significant changes in accounting policies or significant errors are corrected, retrospectively; by restating the prior period consolidated financial statements. The effect of changes in accounting estimates affecting the current period is recognised in the current period; the effect of changes in accounting estimates affecting current and future periods are recognised in the current and future periods.

2.3 Amendments to new and revised International Financial Reporting Standards

a) The standards, amendments and interpretations applicable as at 1 January 2026:

- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Classification and measurement of financial instruments
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Contracts referencing nature-dependent electricity
- Annual improvements to IFRS Accounting Standards (Volume 11):
 - IFRS 1 "First-time Adoption of International Financial Reporting Standards": Hedge accounting by a first-time adopter
 - IFRS 7 "Financial Instruments: Disclosures": Gain or loss on derecognition
 - IFRS 9 "Financial Instruments": Lessee derecognition of lease liabilities and transaction price
 - IFRS 10 "Consolidated Financial Statements": Determination of a "De Facto Agent"
 - IAS 7 "Statement of Cash Flows": Removal of cost method

The Group assessed that the adoption of this amendment does not have any material effect on the Group's consolidated financial statements.

b) The standards, amendments and interpretations that are issued but not effective as at 31 March 2026:

- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures": Sale or contribution of assets between an investor and its associate or joint venture
- IFRS 17 "Insurance Contract": The new standard for insurance contracts
- IFRS 18 "Presentation and Disclosure in Financial Statements": The new standard for presentation and disclosures
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures": Eligible entities to elect to apply reduced disclosure requirements
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates": Translation to a hyperinflationary presentation currency

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

2. Basis of presentation of the consolidated financial statements (Continued)

2.4 Summary of significant accounting policies

The principal accounting policies followed in the preparation of the consolidated financial statements are set forth below:

Principles of consolidation

The consolidated interim financial statements include the accounts of the Company and its subsidiaries. The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements and have been prepared in accordance with IFRS, applying uniform accounting policies and presentation. The results of subsidiaries are included in or excluded from consolidation based on their effective dates of acquisition or disposal, respectively.

Subsidiaries

Subsidiaries are entities over which the Group has control, either (a) through the power to exercise more than 50% of voting rights relating to shares in the companies as a result of ownership interest owned directly and indirectly by itself, and companies owned by them whereby the Company exercises control over the ownership interest of the shares held by them or (b) although not having the power to exercise more than 50% of the voting rights, otherwise has the power to exercise control over financial and operating policies. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and deconsolidated from the date that control ceases.

The Group combines individual income and expenses, assets and liabilities and cash flows of subsidiaries on a line-by-line basis with similar items in the consolidated financial statements. Intercompany transactions, balances and unrealised gains/losses on transactions between group companies are eliminated on consolidation.

Non-controlling interests

The minority shares in the net assets and operating results of subsidiaries are separately classified in the consolidated statements of financial position and statements of profit or loss as "non-controlling interests".

Investment in joint ventures

Joint ventures are entities over which the Group has joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint ventures are accounted for using the equity method of accounting and are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in consolidated statement of other comprehensive income.

Considering the net assets of the joint venture is immaterial to the Group and the expected cash flows in foreseeable future cannot be reliably estimated, the Group concluded the recoverable amount of its joint venture as uncertain. Accordingly, the Group reduced the carrying value of its investment in joint ventures to zero.

Business combinations

A business combination is accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

In accordance with IFRS 3, goodwill is measured as the excess of the sum of the consideration transferred over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

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FOR THE INTERIM PERIOD ENDED 31 MARCH 2026

(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

2. Basis of presentation of the consolidated financial statements (Continued)

Related parties

Shareholders, members of board of directors and key management personnel, in each case together with their families and companies controlled by or affiliated with them, associates and joint ventures are considered and referred to as related parties.

Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, bank deposits and short-term investments, which can easily be converted into cash for a known amount, has high liquidity with maturities of 3 months or less.

Trade receivables

Trade receivables that are recognised by way of providing goods or services directly to a debtor are accounted for initially at fair value and subsequently are measured at amortised cost, using the effective interest method, less provision for impairment, if any.

A credit risk provision for trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount. The recoverable amount is the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted by the original effective interest rate of the originated receivables at inception.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited to the consolidated statements of profit or loss.

Impairment

The Group has preferred to apply "simplified approach" defined in IFRS 9 for the recognition of impairment losses on trade receivables, carried at amortised cost and that do not comprise of any significant finance component (those with maturity less than 12 months). In accordance with the simplified approach, the Group measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

Inventories

Inventories are valued on the basis of the weighted average method by considering the cost or the net realisable value, whichever is the lowest. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses. The cost of inventories covers all purchasing costs, conversion costs and other expenses made to bring the inventories into their current state and condition.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation, including property under construction for such purposes. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. When an owner-occupied property becomes an investment property carried at fair value, the Group applies IAS 16 up to the date of change in use and the carrying value of the owner occupied property is treated as its deemed cost for subsequent accounting. Any change in the fair value of investment properties is recognised in profit or loss. Fair value gains or losses on investment properties are recognised based on individual valuations by certified independent real estate experts.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

LİMAK ÇİMENTO SANAYİ VE TİCARET A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Amounts on tables expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

2. Basis of presentation of the consolidated financial statements (Continued)

Property, plant and equipment

Property, plant and equipment (except for land) are carried at acquisition cost, less any accumulated depreciation and any impairment loss. Land is measured at their estimated fair value.

Depreciation on property, plant and equipment (except for land) is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Land improvements	10-25 years
Buildings	25-50 years
Machinery and equipment	4-20 years
Motor vehicles	5-7 years
Fixtures and fittings	3-15 years
Other fixed assets	4-8 years

Estimated useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The cost of an item of property, plant and equipment comprises:

- Acquisition costs, including import duties and non-refundable purchase taxes, less discounts and rebates
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating
- Employee benefits arising directly from the construction or acquisition of the item of the asset
- Site preparation and expropriation costs for the construction works
- Initial delivery and handling costs
- Installation and assembly costs
- Professional fees
- Borrowing costs eligible for capitalisation

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Fair value less cost to sell is the amount obtainable from the sale of an asset less the costs of disposal. Value in use is the present value of the future cash flows expected to be derived from an asset.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income or other expense in the consolidated statement of profit or loss.

Revaluation gains or losses on lands are recognised based on individual valuations by certified independent real estate experts.

Intangible assets

Intangible assets comprise software licenses and other rights. Intangible assets are initially recognised at acquisition cost and amortised on a straight-line method over the contract terms or a period not exceeding 5 years.

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Whenever there is an indication that the intangible is impaired, the carrying amount of the intangible asset is reduced to its recoverable amount and the impairment loss is recognised as an expense.

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2. Basis of presentation of the consolidated financial statements (Continued)

Leases

Lessee

At inception of a contract, the Group assesses whether the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset,
- A capacity portion of an asset is physically distinct or represents substantially all of the capacity of an asset,
- Group has the right to obtain substantially all of the economic benefits from use of the identified asset,
- Group has the right to direct the use of an identified asset.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease following the consideration of the above mentioned factors.

The lease liabilities are measured at their present value by discounting the unrealised lease payments using the Group's incremental borrowing rate at the date of initial application and classified as other liabilities. The right-of-use assets are accounted for at an amount equal to the lease liabilities (adjusted for the amount of prepaid or accrued lease payments) and classified under property, plant and equipment.

Lessor

All the leases that the Group is the lessor are operating leases. Assets leased out under operating leases are classified under property, plant and equipment in the consolidated statement of financial position. Rental income is recognised in the consolidated statement of profit or loss on a straight-line basis over the lease term.

Impairment of assets

Assets that have indefinite useful lives, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of borrowings are recognised as transaction costs of the borrowing to the extent that it is probable that some or all of the borrowing will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the borrowing will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a considerable time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned by the temporary investment of the part of the borrowing not yet used is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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2. Basis of presentation of the consolidated financial statements (Continued)

Taxation and deferred income taxes

Taxes on income for the period comprise current tax and the change in deferred income taxes. Current year tax liability consists of the taxes calculated over the taxable portion of the current year income by reference to corporate income tax rates enacted as of the balance sheet date and adjustments provided for previous years' income tax liabilities.

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income taxes.

Deferred income tax liabilities are recognised for all taxable temporary differences, whereas deferred income tax assets resulting from deductible temporary differences and unused investment incentives are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred income tax assets and deferred income tax liabilities related to income taxes levied by the same taxation authority are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Revenue recognition

Revenue is accounted for in the consolidated financial statements within the scope of the five-stage model below.

- Identification of customer contracts,
- Identification of performance obligations,
- Determination of the transaction price in the contracts,
- Allocation of transaction price to the performance obligations,
- Recognition of revenue when the performance obligations are satisfied.

Revenue related to the performance obligations that are the transfers of goods and services by nature is recognized when the control of the goods and services is transferred to the customer.

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

- Ownership of the Group's right to collect goods or services,
- The customer's legal ownership of the goods or services,
- Transfer of possession of goods or services,
- Customer's ownership of significant risks and rewards arising from ownership of the goods or services,
- Customer's acceptance of the good or service.

The Group evaluates each contracted obligation separately and respective obligations, committed to deliver the distinct goods or perform services, are determined as separate performance obligations.

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

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2. Basis of presentation of the consolidated financial statements (Continued)

Provision for employment termination benefits

Provision for employment termination benefits, as required by the Turkish Labour Law, represents the estimated present value of the future probable obligation of the Group arising from the retirement of the employees. Provision which is allocated by using defined benefit pension's current value according to actuarial estimations is calculated by using estimated liability method.

Financial instruments

Classification and measurement

The Group classifies its financial assets and liabilities in three categories: financial assets and liabilities "measured at amortised cost", financial assets and liabilities "measured at fair value through profit or loss", financial assets and liabilities "measured at fair value through other comprehensive income". The classification of financial assets and financial liabilities are determined considering the entity's business model for managing these and the contractual cash flow characteristics of the financial asset or liability. The appropriate classification of financial assets or liabilities is determined at the initial recognition.

Financial assets and liabilities measured at amortised cost

"Financial assets and liabilities measured at amortised cost" are not actively traded and non-derivative assets and liabilities that are held within a business model whose objective is to hold assets or liabilities in order to be entitled to contractual cash flows and the contractual terms of the financial assets and liabilities give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets and liabilities carried at amortised cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets and liabilities measured at amortised cost are accounted for under the statement of profit or loss.

Financial assets and liabilities measured at fair value through profit or loss

Financial assets and liabilities in this category are measured at their fair values at initial recognition and subsequent measurement. Gains and losses on valuation of these financial assets and liabilities are accounted for under profit or loss.

Financial assets and liabilities measured at fair value through other comprehensive income

Financial assets and liabilities in this category are measured at their fair values at initial recognition and subsequent measurement. Gains and losses on valuation of these financial assets and liabilities are accounted for under other comprehensive income.

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2. Basis of presentation of the consolidated financial statements (Continued)

Offsetting

All items with significant amounts and nature, even with similar characteristics, are presented separately in the consolidated financial statements. Insignificant amounts are grouped and presented by means of items having similar substance and function.

Events after the reporting period

The Group adjusts the amounts recognised in the consolidated financial statements to reflect the adjusting events after the reporting period. If non-adjusting events after the balance sheet date have material influences on the economic decisions of users of the consolidated financial statements, they are disclosed in the notes to the consolidated financial statements.

Dividend distribution

Dividend distribution to the shareholders is recognised as a liability in the consolidated financial statements in the period in which the dividends are approved by the Company's shareholders.

Provisions

Provisions are recognised when, and only when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are recognised by the amortised amount as of balance sheet date in case that the monetary loss is material. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Commitments and contingencies

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non-occurrence of certain future events, unless the expected performance is remote. Accordingly, contingent losses are recognised in the consolidated financial statements if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realised.

Use of estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated interim financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

Earnings per share

Earnings per share presented in the consolidated statement of profit or loss are determined by dividing consolidated profit or loss attributable to equity holders of the parent by the weighted average number of such shares outstanding during the year concerned. The Group's earnings per share are calculated in accordance with IAS 33 "Earnings Per Share".

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3. Cash and cash equivalents

	31.03.2026	31.12.2025
Cash on hand	19,782	5,474
Cash at banks		
- demand deposits	1,305,843	9,903,652
- time deposits	1,557,783	2,945,107
Marketable securities		
- treasury bills	6,211,168	--
- investment funds	1,212,669	55,076
Other	64,211	52,668
	10,371,456	12,961,977

As at 31 March 2026 and 31 December 2025, terms of the time deposits are less than a week.

Treasury bills with maturities of less than three months from the date of acquisition are classified as cash equivalents.

4. Trade receivables

	31.03.2026	31.12.2025
Customers	4,080,571	5,866,089
Cheques and notes receivables, net	1,932,331	3,089,499
Provision for doubtful receivables and expected credit loss (-)	(249,100)	(257,073)
	5,763,802	8,698,515

Movements of provision for doubtful receivables and expected credit loss are as follows:

	01.01- 31.03.2026	01.01- 31.03.2025
Balance at the beginning of the year	257,073	287,364
Provision charge	5,835	7,021
Collections and reversals	(604)	(37,966)
Monetary gains	(9,725)	(8,405)
Translation differences	(3,479)	1,051
Balance at the end of the period	249,100	249,065

5. Due from related parties

Current	31.03.2026	31.12.2025
Limak İnşaat Sanayi ve Ticaret A.Ş.	367,926	253,021
Limak-Mapa İş Ortaklığı Ticari İşletmesi	24,894	38,211
Limçim Çimento Sanayi ve Ticaret A.Ş.	20,600	11,986
Other	7,326	6,297
	420,746	309,515

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5. Due from related parties (Continued)

Non-current	31.03.2026	31.12.2025
Limak Holding A.Ş.	2,570,325	2,693,731
	2,570,325	2,693,731

Receivables comprise USD-denominated long-term funds provided to shareholders, bearing interest at an annual rate of 4.60%.

6. Inventories

	31.03.2026	31.12.2025
Raw materials	3,938,396	3,647,767
Work in process	1,327,732	397,316
Finished goods	241,162	261,403
	5,507,290	4,306,486

7. Other assets

Other current assets	31.03.2026	31.12.2025
Prepaid expenses	531,693	435,353
Prepaid income taxes	145,389	140,184
Advances given	137,002	81,177
Value added tax receivables	23,900	33,659
Other	14,661	41,237
	852,645	731,610
Other non-current assets	31.03.2026	31.12.2025
Advances given	604,162	567,335
Deposits and guarantees given	52,066	22,570
	656,228	589,905

8. Investment properties

	01.01- 31.03.2026	01.01- 31.03.2025
Balances at the beginning of the year	26,533,064	29,241,100
Translation differences	(15,435)	--
Balances at the end of the period	26,517,629	29,241,100

Investment properties include land development projects in Ankara, Gaziantep and Balıkesir.

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9. Property, plant and equipment

	01.01.2026	Additions	Disposals	Transfers	Translation differences	31.03.2026
<u>Cost</u>						
Lands	11,423,098	--	--	--	(24,884)	11,398,214
Land improvements	2,728,123	6,905	--	4,293	(53,247)	2,686,074
Buildings	10,766,763	6,374	--	411,562	(55,866)	11,128,833
Machinery and equipment	67,321,254	187,368	--	689,847	(329,797)	67,868,672
Motor vehicles	1,144,338	14,217	(9,765)	32,418	(6,941)	1,174,267
Fixtures and fittings	1,334,747	26,340	--	--	(1,929)	1,359,158
Other fixed assets	642,097	1,498	--	--	--	643,595
Construction in progress	3,532,800	359,855	--	(1,138,120)	(22,522)	2,732,013
	98,893,220	602,557	(9,765)	--	(495,186)	98,990,826
<u>Accumulated depreciation</u>						
Land improvements	(1,841,445)	(31,239)	--	--	13,980	(1,858,704)
Buildings	(5,474,024)	(75,618)	--	--	21,994	(5,527,648)
Machinery and equipment	(44,102,074)	(703,070)	--	--	176,768	(44,628,376)
Motor vehicles	(399,900)	(59,720)	5,354	--	5,948	(448,318)
Fixtures and fittings	(1,022,651)	(16,461)	--	--	1,164	(1,037,948)
Other fixed assets	(203,514)	(20,367)	--	--	--	(223,881)
	(53,043,608)	(906,475)	5,354	--	219,854	(53,724,875)
Net book value	45,849,612					45,265,951

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9. Property, plant and equipment (Continued)

	01.01.2025	Additions	Disposals	Transfers	Translation differences	31.03.2025
<u>Cost</u>						
Lands	11,392,171	18,985	--	--	1,970	11,413,126
Land improvements	2,480,239	41,460	--	--	4,024	2,525,723
Buildings	10,244,744	13,016	--	47,670	(11,973)	10,293,457
Machinery and equipment	63,196,754	318,943	--	26,069	(25,200)	63,516,566
Motor vehicles	565,564	15,522	(6,168)	--	164	575,082
Fixtures and fittings	1,792,623	66,451	--	--	4,298	1,863,372
Other fixed assets	521,507	--	--	--	--	521,507
Construction in progress	1,408,362	813,199	--	(73,739)	(149)	2,147,673
	91,601,964	1,287,576	(6,168)	--	(26,866)	92,856,506
<u>Accumulated depreciation</u>						
Land improvements	(1,718,662)	(26,307)	--	--	(895)	(1,745,864)
Buildings	(5,190,162)	(66,515)	--	--	6,554	(5,250,123)
Machinery and equipment	(41,132,811)	(621,206)	--	--	22,936	(41,731,081)
Motor vehicles	(340,054)	(33,776)	6,168	--	(241)	(367,903)
Fixtures and fittings	(1,203,321)	(22,045)	--	--	(1,684)	(1,227,050)
Other fixed assets	(143,039)	(17,146)	--	--	3,293	(156,892)
	(49,728,049)	(786,995)	6,168	--	29,963	(50,478,913)
Net book value	41,873,915					42,377,593

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10. Intangible assets

	31.03.2026	31.03.2025
Cost	1,356,382	1,184,743
Accumulated amortisation	(520,924)	(420,191)
Opening net book value	835,458	764,552
Additions	243,956	28,436
Amortisation	(31,747)	(14,050)
Cost	1,600,338	1,213,179
Accumulated amortisation	(552,671)	(434,241)
Closing net book value	1,047,667	778,938

11. Borrowings

Short-term borrowings	31.03.2026	31.12.2025
Debt securities	3,231,360	3,519,653
Loans	153,049	160,562
	3,384,409	3,680,215
Long-term borrowings	31.03.2026	31.12.2025
Debt securities	31,966,181	34,753,619
Loans	385,511	428,825
	32,351,692	35,182,444
The redemption schedule of the long-term borrowings:	31.03.2026	31.12.2025
2027	1,603,955	3,329,663
2028	2,909,488	3,012,055
2029	27,802,115	28,804,274
2030	36,134	36,452
	32,351,692	35,182,444

On 25 July 2024, Limak Çimento issued USD 575 million Senior Notes with an annual interest rate of 9.75% and a maturity of five years in the Irish Stock Exchange Plc (Euronext Dublin). Further issuances of USD 25 million on 29 October 2024, USD 25 million on 29 November 2024, USD 65 million on 24 March 2025 and USD 100 million on 2 December 2025 were consolidated to form a single series of USD 790 million with identical terms and conditions. The Senior Notes mature on 25 July 2029. Interest is payable semi-annually commencing from 25 January 2025. Transaction cost of USD 13.71 million equivalent, as an integral part of the effective interest rate, included to the calculation of the amortised cost.

On 17 April 2025, Limak Çimento entered into a loan agreement for the acquisition of trucks, including their supply and installation of mixers and pumps. As of 31 March 2026, utilised loan amounted to EUR 12 million. The loan bears a fixed annual interest rate of 8.45% and is repayable in equal monthly instalments over the period from August 2025 to April 2030.

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12. Trade payables

Current	31.03.2026	31.12.2025
Suppliers	4,203,319	5,496,325
	4,203,319	5,496,325

13. Due to related parties

Current	31.03.2026	31.12.2025
Limak İnşaat Sanayi ve Ticaret A.Ş.	1,026	1,329
Other	553	555
	1,579	1,884

14. Other liabilities

Other current liabilities	31.03.2026	31.12.2025
Advances received	567,756	669,971
Taxes and duties payable	410,510	374,040
Payables to EPC contractors (*)	397,019	412,790
Due to personnel	215,395	134,531
Unused vacation accruals	170,057	138,432
Deposits and guarantees received	75,220	64,721
Lease liabilities	69,032	79,188
Other	81,526	75,956
	1,986,515	1,949,629
Other non-current liabilities	31.03.2026	31.12.2025
Payables to EPC contractors (*)	740,707	769,867
Mine rehabilitation obligations	197,069	183,778
Lease liabilities	176,464	203,202
	1,114,240	1,156,847

(*) Represents liabilities arising from the Deferred Payment Agreements in respect of the Engineering, Procurement and Construction contract for the solar power plant investments. Payables are to be settled in equal instalments over the period from 2026 to 2031, bearing weighted average annual interest rate of 8.40%.

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15. Provisions, contingent assets and contingent liabilities

There are various lawsuits filed against or in favour of the Group. The Group management estimates the outcomes of these lawsuits and estimates their financial impact according to which the necessary provisions are accounted for.

Guarantees received	31.03.2026	31.12.2025
Letters of guarantee	5,540,075	5,985,304
Cheques and notes	466,408	506,589
Mortgages	304,707	320,726
Guarantees given	31.03.2026	31.12.2025
Letters of guarantee	486,583	542,514

16. Taxation on income

	31.03.2026	31.12.2025
Current income tax liabilities	38,888	91,250
	38,888	91,250
	31.03.2026	31.12.2025
Advance tax payments	756,897	679,567
Less: Utilisations	(611,508)	(539,383)
Prepaid income taxes	145,389	140,184

Turkish tax legislation does not allow for the submission of tax returns over the consolidated financial statements, which include its subsidiaries. Therefore, tax considerations reflected in the consolidated interim financial statements have been calculated on a separate-entity basis.

The corporation tax rate is 25% in Türkiye. Corporation tax is payable on the total income of each local company after adjusting for certain disallowable expenses, exempt income and allowances.

Advance (prepaid) corporation taxes are payable on quarterly profits at the enacted tax rate. Such taxes after deduction of the taxes prepaid quarterly must be paid in certain months following the periods.

Corporation taxes are declared and paid until the end of the fourth month following the related fiscal year. Advance corporation taxes paid quarterly are offset from annual corporation taxes and any excess may be offset against other debts to the government.

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16. Taxation on income (Continued)

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to 5 years.

The General Communiqué on the Tax Procedure Law (Serial No: 555) was published on 30 December 2023, under issue number 32415 (2nd Repetition). The communiqué details the procedures and principles for adjusting the accounts for inflation for the fiscal year 2023 and subsequent periods.

In accordance with Provisional Article 37, added to the Tax Procedure Law No. 213 ("TPL") by Law No. 7571, it has been provided that inflation adjustment shall not be applied during the 2025, 2026 and 2027 accounting periods, regardless of whether the necessary conditions for inflation adjustment have been met. Consequently, no inflation adjustment has been applied to the statutory financial statements prepared in accordance with tax legislation for the year 2025 and thereafter. Accordingly, depreciable economic assets have been revalued based on the provisions of Repeated Article 298/Ç of the TPL.

	01.01- 31.03.2026	01.01- 31.03.2025
Taxation on income		
Current tax expense	(77,119)	(125,058)
Deferred tax expense	(490,916)	(298,340)
	(568,035)	(423,398)
	31.03.2026	31.12.2025
Deferred tax assets	31,573	70,839
Deferred tax liabilities	(6,087,101)	(5,628,906)
Deferred tax assets/(liabilities), net	(6,055,528)	(5,558,067)

The Group recognises deferred tax assets and liabilities based upon temporary differences arising between its consolidated financial statements prepared in accordance with IFRS and its statutory tax financial statements. Deferred taxes are calculated using the tax rates in accordance with the liability method on temporary differences that will occur in the following periods.

The movements of deferred tax assets and liabilities are as follows:

	01.01- 31.03.2026	01.01- 31.03.2025
Balance at the beginning of the year	(5,558,067)	(5,714,704)
Recognised in statement of profit or loss	(490,916)	(298,340)
Recognised in statement of other comprehensive income	(6,545)	(5,514)
Balance at the end of the period	(6,055,528)	(6,018,558)

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16. Taxation on income (Continued)

The breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

	31.03.2026		31.12.2025	
	Cumulative temporary differences	Deferred tax	Cumulative temporary differences	Deferred tax
Unused tax losses	4,146,878	1,036,720	3,379,814	844,953
Unused tax credits over finance costs	553,824	138,456	664,844	166,211
Provision for employment termination benefits	582,653	145,663	629,470	157,368
Intangible assets	211,314	30,798	406,616	77,390
Investment properties	(25,992,763)	(6,498,191)	(25,957,644)	(6,489,411)
Property, plant and equipment	(3,411,456)	(845,957)	(1,197,118)	(288,523)
Other	(252,063)	(63,017)	(104,228)	(26,055)
Deferred tax, net		(6,055,528)		(5,558,067)

Unused tax losses

Deferred income tax assets are recognised for tax losses carried forward to extent that the realisation of the related tax benefit through the future taxable profits is probable.

The expiration dates of such carryforward tax losses are as follows:

	31.03.2026	31.12.2025
2027	333,311	409,674
2028	54,339	54,339
2030	2,607,367	2,607,367
2031	1,151,861	--
Statutory amounts	4,146,878	3,071,380
Inflation effect	--	308,434
Indexed amounts	4,146,878	3,379,814

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17. Provision for employment termination benefits

	31.03.2026	31.12.2025
Provision for employment termination benefits	607,479	652,943
	607,479	652,943

Under Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies, or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men).

At 31 March 2026, the amount payable consists of one month's salary limited to a maximum TRY 64.95 (31 December 2025: TRY 53.92) for each year of service.

The liability is not funded as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of employees.

IAS 19 "Employee Benefits" requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	31.03.2026	31.12.2025
Discount rate (%)	3.63	3.63
Retirement possibility (%)	98.00	98.00

The principal assumption is that maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TRY 64.95 which is effective from 1 January 2026 (1 January 2025: TRY 46.66), has been taken into consideration in calculating the Group's provision for employment termination benefits.

Movements in the provision for employment termination benefits are as follows:

	01.01- 31.03.2026	01.01- 31.03.2025
Balance at the beginning of the year	652,943	587,762
Additions	60,045	49,491
Payments	(19,375)	(17,198)
Actuarial gains	(26,183)	(22,056)
Monetary gains	(58,050)	(51,934)
Translation differences	(1,901)	177
Balance at the end of the period	607,479	546,242

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18. Equity

Share capital

The shareholding structure of the Company is as follows:

	31.03.2026		31.12.2025	
	Amount	%	Amount	%
Limak İnşaat Sanayi ve Ticaret A.Ş.	122,788	55.31	122,788	55.31
Yapısan Turizm İnşaat Sanayi Pazarlama ve Ticaret A.Ş.	92,986	41.89	92,986	41.89
Limak Holding A.Ş.	6,223	2.80	6,223	2.80
Paid-in share capital	221,997	100.00	221,997	100.00
Adjustments to share capital	3,855,512		3,855,512	
Total share capital	4,077,509		4,077,509	

The issued and paid-in share capital of the Company comprised of 221,996,463 shares with a par value of TRY 1 each.

Retained earnings

Retained earnings comprise undistributed earnings and restricted reserves.

Restricted reserves

Legal reserves consist of first and second reserves, appropriated in accordance with the TCC. The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

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19. Revenue

	01.01- 31.03.2026	01.01- 31.03.2025
Domestic sales	6,782,949	8,459,539
Export sales	105,357	99,131
	6,888,306	8,558,670

The detail of revenue is summarised as follows:

	01.01- 31.03.2026	01.01- 31.03.2025
Cement	5,620,787	7,223,845
Ready mixed concrete (*)	1,230,050	1,231,067
Other	37,469	103,758
	6,888,306	8,558,670

(*) Concrete itself is a mixture of cement, water and aggregates comprising sand and gravel or crushed stone. Ready mix concrete is a type of concrete that is manufactured in a batching plant, according to a set recipe, and then delivered to a work site, by truck mounted transit mixers.

The composition of cement revenue by geography is summarised as follows:

	01.01- 31.03.2026	01.01- 31.03.2025
Kilis, Türkiye	1,052,795	2,041,019
Ankara, Türkiye	931,742	748,703
Şanlıurfa, Türkiye	843,672	1,086,213
Kırklareli, Türkiye	578,152	814,766
Siirt, Türkiye	518,504	459,702
Balıkesir, Türkiye	476,135	436,425
Abidjan, Ivory Coast	458,840	427,086
Maputo, Mozambique	342,248	388,018
Diyarbakır, Türkiye	296,481	597,757
Mardin, Türkiye	122,003	224,156
Bitlis, Türkiye	215	--
	5,620,787	7,223,845

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20. Cost of sales

	01.01- 31.03.2026	01.01- 31.03.2025
Direct material cost	1,813,131	2,892,427
Direct labour cost	609,779	493,990
General production overhead	2,590,085	2,244,210
Depreciation and amortisation	911,345	772,777
Cost of production	5,924,340	6,403,404
Changes in work in process	(930,416)	(591,092)
Changes in finished goods	20,241	(62,767)
Cost of goods sold	(910,175)	(653,859)
Cost of merchandises sold	18,785	3,304
Cost of other sales	78,835	30,447
	5,111,785	5,783,296

21. Marketing, selling and distribution expenses

	01.01- 31.03.2026	01.01- 31.03.2025
Transportation and packaging expenses	364,308	432,813
Employee benefits expense	74,241	65,467
Depreciation and amortisation expenses	19,884	22,533
Other	55,846	50,743
	514,279	571,556

22. General administrative expenses

	01.01- 31.03.2026	01.01- 31.03.2025
Employee benefits expense	477,269	424,040
Consultancy expenses	42,136	37,937
Repair and maintenance expenses	34,607	32,100
Utilities	21,792	23,520
Taxes and duties	18,517	17,728
Insurance expenses	10,279	6,400
Depreciation and amortisation expenses	6,993	5,735
Representation and travel expenses	6,201	11,393
Other	50,731	89,864
	668,525	648,717

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23. Expenses by nature

	01.01- 31.03.2026	01.01- 31.03.2025
Depreciation and amortisation		
Cost of sales	911,345	772,777
Marketing, selling and distribution expenses	19,884	22,533
General administrative expenses	6,993	5,735
	938,222	801,045

	01.01- 31.03.2026	01.01- 31.03.2025
Employee benefits expense		
Cost of sales	609,779	493,990
Marketing, selling and distribution expenses	74,241	65,467
General administrative expenses	477,269	424,040
	1,161,289	983,497

24. Other income/(expense), net

	01.01- 31.03.2026	01.01- 31.03.2025
Provisions no longer required for doubtful receivables	604	37,966
Gains on sale of fixed assets and scraps	6,367	6,278
Provision charges and expected credit loss	(5,835)	(7,021)
Donations	(9,838)	(1,697)
Other	19,789	61,109
	11,087	96,635

25. Financial income/(expense), net

	01.01- 31.03.2026	01.01- 31.03.2025
Interest income	374,742	245,979
Interest expenses	(961,479)	(860,881)
Foreign exchange gains/(losses), net	(967,544)	(1,986,692)
Other	(98,031)	(119,642)
	(1,652,312)	(2,721,236)

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26. Related party disclosures

Transactions to related parties

Sales	01.01- 31.03.2026	01.01- 31.03.2025
Limak İnşaat Sanayi ve Ticaret A.Ş.	153,207	15,442
Limak-Mapa İş Ortaklığı Ticari İşletmesi	43,583	--
Limak İskenderun Uluslararası Liman İşletmeciliği A.Ş.	--	7,445
Other	--	585
	196,790	23,472

Purchases	01.01- 31.03.2026	01.01- 31.03.2025
Limçim Çimento Sanayi ve Ticaret A.Ş.	12,204	8,186
Limak İskenderun Uluslararası Liman İşletmeciliği A.Ş.	2,481	--
Limak İnşaat Sanayi ve Ticaret A.Ş.	286	11,211
Other	491	177
	15,462	19,574

Interest income	01.01- 31.03.2026	01.01- 31.03.2025
Limak Holding A.Ş.	28,830	--
	28,830	--

Key management compensation

The Group determined key management personnel as the Chairman and members of the board of directors, general manager, general coordinator and deputy general managers.

	01.01- 31.03.2026	01.01- 31.03.2025
Short-term compensation	119,017	85,153
	119,017	85,153

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27. The nature and level of risks arising from financial instruments

I. Capital management policies and procedures

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the net debt/capital ratio. Net debt is calculated as total borrowings less cash and cash equivalents.

The Group's net debt/capital ratio is as follows:

	31.03.2026	31.12.2025
Borrowings	35,736,101	38,862,659
Less: Cash and cash equivalents	(10,371,456)	(12,961,977)
Net financial debt	25,364,645	25,900,682
Total equity	49,230,090	49,740,269
Total capital	74,594,735	75,640,951
Debt to capital ratio	34.00%	34.24%

II. Financial risk factors

The Group is exposed to variety of financial risks due to its operations. These risks include credit risk, liquidity risk and market risk (foreign exchange risk and interest rate risk). The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by each segment and individual entities operating in these segments, within the limits of general principles approved by their Board of Directors.

a. Credit risk management

Credit risk is the risk that a counterparty cannot fulfil its obligations in the agreements against to the Group. The Group monitors the credit risk by ratings and limitations to the total risk of a single counterparty. The credit risk is diversified as a result of the large number of entities comprising the customer bases and the penetration of entities to different business or geographic segments.

In connection with trade receivables arising from credit sales and deposits held in the banks, the Group is exposed to credit risk.

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27. The nature and level of risks arising from financial instruments (Continued)

Credit risk is managed on Group and entity basis, except for credit risk relating to accounts receivable balances. Each entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions.

The management assesses the credit quality of its customers, taking into account financial position, past experience and other factors. The Group monitors the performance of these financial assets on a regular basis to identify incurred collection losses.

The maximum exposure of the Group's financial assets to credit risk is as follows:

	Bank deposits	Trade receivables	Other receivables
31.03.2026			
Maximum exposure to credit risk (A+B+C+D+E)	2,863,626	5,763,802	2,991,071
A. Neither past due nor impaired	2,863,626	5,174,004	2,991,071
B. Restructured	--	--	--
C. Past due but not impaired	--	696,589	--
D. Impaired	--	--	--
- Gross amount	--	142,309	--
- Impairment (-)	--	(142,309)	--
- Secured with guarantees	--	--	--
E. Collective provision for impairment (-)	--	(106,791)	--
31.12.2025			
Maximum exposure to credit risk (A+B+C+D+E)	12,848,759	8,698,515	3,003,246
A. Neither past due nor impaired	12,848,759	7,650,368	3,003,246
B. Restructured	--	--	--
C. Past due but not impaired	--	1,154,938	--
D. Impaired	--	--	--
- Gross amount	--	150,282	--
- Impairment (-)	--	(150,282)	--
- Secured with guarantees	--	--	--
E. Collective provision for impairment (-)	--	(106,791)	--

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27. The nature and level of risks arising from financial instruments (Continued)

b. Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The Group manages its liquidity needs by regularly planning its cash flows or by maintaining sufficient funds and borrowing sources by matching the maturities of liabilities and assets. Prudent liquidity risk management implies maintaining sufficient cash, securing availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions.

The contractual cash flows of the financial liabilities as of the balance sheet dates are as follows:

31.03.2026	Less than 3 months	Between 3-12 months	Between 1-5 years	More than 5 years	Total
Borrowings	39,725	3,532,933	44,007,454	--	47,580,112
Trade payables	4,317,711	--	--	--	4,317,711
Other liabilities	485,969	1,621,278	1,036,277	197,069	3,340,593
	4,843,405	5,154,211	45,043,731	197,069	55,238,416

31.12.2025	Less than 3 months	Between 3-12 months	Between 1-5 years	More than 5 years	Total
Borrowings	1,857,510	1,934,654	48,570,830	--	52,362,994
Trade payables	5,610,715	--	--	--	5,610,715
Other liabilities	390,347	1,687,705	1,098,500	184,838	3,361,390
	7,858,572	3,622,359	49,669,330	184,838	61,335,099

c. Market risk

Foreign currency risk

The Group monitors its foreign exchange risk by analysing the foreign currency denominated (mainly USD and EUR) assets and liabilities. The Group defines the foreign currency risk as the mismatch between foreign currency denominated assets and liabilities. In order to manage foreign currency risk, the Group uses derivative financial instruments.

The Group's foreign currency risk (exposure) is monitored by the management on a weekly and where necessary on a daily basis. The objective of the management is to limit the open short-term exposure under levels determined by the Board of Directors.

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27. The nature and level of risks arising from financial instruments (Continued)

Assets and liabilities denominated in foreign currency held by the Group are as follows:

	31.03.2026	31.12.2025
Foreign currency assets	10,437,887	11,664,606
Foreign currency liabilities	(38,683,146)	(41,910,842)
Net foreign currency position	(28,245,259)	(30,246,236)

(Thousands)	31.03.2026		31.12.2025	
	Foreign currency amount	TRY equivalent	Foreign currency amount	TRY equivalent
<i>Cash and cash equivalents</i>				
USD	166,550	7,394,170	184,289	8,688,923
EUR	1,993	101,502	556	30,767
<i>Trade receivables</i>				
USD	133	5,905	--	--
EUR	137	6,977	80	4,427
<i>Other assets</i>				
USD	61,626	2,735,954	58,712	2,768,174
EUR	3,797	193,379	3,114	172,315
Total assets		10,437,887		11,664,606
<i>Borrowings</i>				
USD	792,807	35,197,541	811,763	38,273,272
EUR	10,575	538,560	10,651	589,387
<i>Trade payables</i>				
USD	28,837	1,282,557	32,320	1,526,580
EUR	8,950	456,640	5,376	298,021
<i>Other liabilities</i>				
USD	26,594	1,182,797	25,580	1,208,227
EUR	491	25,051	277	15,355
Total liabilities		38,683,146		41,910,842
Net foreign currency position		(28,245,259)		(30,246,236)

As of 31 March 2026, if USD and EUR had appreciated/depreciated by 5% against TRY and all other variables held constant, profit before tax would have been TRY 1,412,263 (31 December 2025: TRY 1,512,312) lower/higher as a result of the foreign exchange losses/gains on the translation of net foreign exchange position.

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27. The nature and level of risks arising from financial instruments (Continued)

d. Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities.

The interest position statement is as follows:

Financial instruments with fixed rate	31.03.2026	31.12.2025
Financial assets	16,523,824	14,672,248
Financial liabilities	39,940,999	44,360,868

Weighted average effective annual interest rates for the Group's financial assets and liabilities (%) are as follows:

	31.03.2026			31.12.2025		
	USD	EUR	TRY	USD	EUR	TRY
Assets						
Cash and cash equivalents	3.55	--	37.58	--	--	37.77
Due from related parties	4.60	--	--	4.60	--	--
Liabilities						
Borrowings	9.75	8.45	--	9.75	8.45	--

e. Fair value of financial instruments

The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realise in a current market exchange.

The following methods and assumptions are used to estimate the fair values of financial instruments:

Financial assets

The carrying values of cash and cash equivalents and trade receivables are assumed to approximate to their fair values due to their short-term nature.

Financial liabilities

The estimated fair values of trade payables are assumed to approximate to their carrying values due to their short-term nature.

The fair value of debt securities is USD 778 million based on market price as of 31 March 2026 (31 December 2025: USD 798 million).

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28. Earnings per share

	01.01- 31.03.2026	01.01- 31.03.2025
Profit attributable to equity holders of the parent	21,504	358,320
Weighted average number of shares	221,996,463	221,996,463
Earnings per share (TRY)	0.10	1.61

29. Events after the reporting period

At the Ordinary General Assembly Meeting of Limak Doğu Anadolu Sanayi ve Ticaret A.Ş., a subsidiary of the Group, held on 15 May 2026, it was resolved to distribute dividends amounting to TRY 1,032.36 million (TRY 2.00 per share). On 4 June 2026, the dividends paid on a pro-rata basis to the Company and the Group's non-controlling interests.

On 4 June 2026, Law No. 7582 published in the Official Gazette, introduced a 12.5% corporate income tax rate for income derived from qualifying manufacturing and agricultural production activities, subject to the conditions set out in the legislation, applicable to fiscal years beginning on or after 1 January 2027.

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