

# HEKTAŞ TİCARET TÜRİK ANONİM ŐİRKETİ

## Prospectus

This prospectus has been approved by the Capital Markets Board (CMB) on ...../...../2024.

This prospectus relates to the issuance and public offering of shares with a nominal value of TRY 5,900,000,000 to be increased from TRY 2,530,000,000 to TRY 8,430,000,000, namely TRY 5,900,000,000 in cash, as part of our company's issued capital.

The approval of this prospectus by the Board does not imply that the information contained herein is guaranteed to be accurate by the Board, nor should it be considered as a recommendation regarding the shares. Additionally, the Board has no discretion or approval authority in determining the price of the shares to be offered to the public.

Investment decisions regarding the shares to be offered to the public should be made based on an evaluation of the prospectus as a whole.

This prospectus has been published on our company's website ([www.hektas.com.tr](http://www.hektas.com.tr)), the website of OYAK Yatırım Menkul Deęerler A.Ő., which will act as the intermediary for the public offering ([www.oyakyatirim.com.tr](http://www.oyakyatirim.com.tr)), and on the Public Disclosure Platform (KAP) ([kap.org.tr](http://kap.org.tr)). It is also available for review at the application sites.

In accordance with Article 10 of the Capital Markets Law (CML), the issuer is responsible for damages arising from incorrect, misleading, and incomplete information contained in the prospectus and its annexes. In the event that compensation for damages cannot be obtained from the issuer or it is clearly evident that it cannot be obtained; the public offering entities, the lead authorized institution intermediating the issuance, if any, the guarantor, and the members of the issuer's board of directors are responsible to the extent that the damages can be attributed to their faults and the circumstances. However, except for cases where the summary is misleading, erroneous, or inconsistent when read together with other parts of the prospectus, no legal responsibility can be attributed to the relevant parties based solely on the summary. Independent audit, rating, and valuation organizations, as well as the individuals and institutions that prepare the reports to be included in the documents constituting the prospectus, are responsible for any incorrect, misleading, and incomplete information in their reports within the framework of the provisions of the Capital Markets Law (CML).

### FUTURE-LOOKING STATEMENTS

"This prospectus contains forward-looking statements expressed with words such as 'considered', 'planned', 'targeted', 'estimated', 'expected'. Such statements involve uncertainties and risks and only reflect the projections and expectations as of the date of the prospectus. Many factors may cause the issuer's actual results to differ significantly from those anticipated in the forward-looking statements."

## TABLE OF CONTENTS

I. OPINION OF THE STOCK EXCHANGE: .....	6
II. OPINIONS AND APPROVALS FROM OTHER INSTITUTIONS:.....	6
1. PERSONS ASSUMING RESPONSIBILITY FOR THE PROSPECTUS .....	6
2. SUMMARY .....	8
A—INTRODUCTION AND WARNINGS .....	8
B—ISSUER.....	8
C—CAPITAL MARKET INSTRUMENT .....	22
D—RISKS .....	25
E—INITIAL PUBLIC OFFERING .....	25
3. INDEPENDENT AUDITORS .....	30
4. SELECTED FINANCIAL INFORMATION.....	30
5. RISK FACTORS .....	32
6. INFORMATION ABOUT THE ISSUER.....	37
7.GENERAL INFORMATION ABOUT ACTIVITIES.....	40
8. INFORMATION ABOUT THE GROUP .....	54
9. INFORMATION ABOUT TANGIBLE AND INTANGIBLE ASSETS .....	58
10. EVALUATIONS ON ACTIVITIES AND FINANCIAL SITUATION.....	72
11TH. FUNDING SOURCES OF THE ISSUER .....	75
12. TENDENCY INFORMATIONS.....	76
13. PROFIT FORECASTS AND EXPECTATIONS .....	84

14. ADMINISTRATIVE STRUCTURE, MANAGEMENT BODIES AND SENIOR MANAGERS .....	85
15. FEES AND SIMILAR BENEFITS .....	93
16. BOARD PRACTICES.....	94
17. INFORMATION ABOUT PERSONNEL.....	98
18. MAIN SHAREHOLDERS .....	99
19. INFORMATION ABOUT RELATED PARTIES AND TRANSACTIONS WITH RELATED PARTIES .....	100
20. OTHER INFORMATIONS.....	108
21. IMPORTANT CONTRACTS .....	116
22. INFORMATION ABOUT THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE ISSUER.....	116
23. INFORMATION CONCERNING THE SHARES TO BE ISSUED AND PUBLIC OFFERED .....	122
24. ISSUES RELATED TO PUBLIC OFFERING .....	122
25. INFORMATION RELATED TO TRADING ON THE STOCK EXCHANGE.....	135
26. INFORMATION AND COMMITMENTS ON THE SALE OF EXISTING SHARES .....	135
27. PUBLIC OFFERING PROCEEDS AND COSTS.....	136
28. WATERING EFFECT .....	137
29. EXPERT REPORTS AND INFORMATION RECEIVED FROM THIRD PARTIES .....	138
30. TAXATION PRINCIPLES RELATED TO SHARES .....	141
31. INFORMATION ABOUT THE PERMISSION GRANTED BY THE ISSUER OR PUBLIC OFFERER.....	149
32. DOCUMENTS OPEN FOR REVIEW .....	150
33. ANNEXES.....	150

## ABBREVIATIONS AND DEFINITIONS

EU	European Union
A.Ş.	Joint-stock company
AGRIVENTIS/Agriventis Technologies	AGRIVENTIS TECHNOLOGIES PTY.LTD
AKÇA/ Akça Tohumculuk	AKÇA TOHUMCULUK ARGE SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ
AREO/ Areo Tohumculuk	AREO TOHUMCULUK ARGE SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ
ARMA/Arma İlaç	ARMA İLAÇ SANAYİ VE TİCARET A.Ş
AUD	Australian Dollars
EURO	European Union Currency
BLOCKCHAIN	Database system consisting of interconnected blocks
STOCK EXCHANGE/BİST/BİAŞ	Borsa İstanbul AŞ.
BITT	Banking and Insurance Transactions Tax
DOUBLE HAPLOID	Method used in plant breeding studies
FAO	Food and Agriculture Organization Of The United Nations
FERBİS/ Ferbis Tarım	FERBİS TARIM TİCARET VE SANAYİ ANONİM ŞİRKETİ
FNC/ FNC Tarım	FNC TARIM TİCARET VE SANAYİ ANONİM ŞİRKETİ
GMP	Good Manufacturing Practices
GDP	Gross domestic product
ITL	Income Tax Law
HEDGE	Financial hedging strategy
HEKTAŞ/COMPANY	HEKTAŞ TİCARET TÜRK .A.Ş.
HEKTAŞ F.A.R.M	HEKTAŞ Farming, Analysis, Research & More
IFA	International Fertilizer Industry Association
IPARD	Instrument For Pre-Accession Assistance Rural Development
PDP	Public Disclosure Platform
BOARD/CMB	Capital Markets Board
CTL	Corporate Tax Law
CRA (Central Registry Agency)	Merkezi Kayıt Kuruluşu A.Ş.
OIZ	Organized industrial Zone
OYAK	Turkish Armed Forces Pension Fund
OYAK YATIRIM /INTERMEDIARY INSTITUTION	OYAK Yatırım Menkul Değerler A.Ş.
CML	Capital Market Law

SUNSET/ Sunset Kimya	SUNSET KİMYA TARIM ÜRÜNLERİ VE ALETLERİ İMALAT PAZARLAMA SANAYİ VE TİCARET ANONİM ŞİRKETİ
Agriculture – PPI	Agricultural Products Producer Price Index
TFRS	Turkish Financial Reporting Standards
TAS	Turkish Accounting Standards
IAS	International Accounting Standards
POA	Public Oversight, Accounting and Auditing Standards Authority
CMU	Capital Markets Union of Turkey
TCC	Turkish Commercial Code No. 6102
CPI	Consumer price index
TURKSTAT	Turkish Statistical Institute
PPI	Producer price index
TPL	Tax Procedure Law
GDM	General Directorate of Meteorology
SBD	Presidency of the Republic of Turkey, Strategy and Budget Directorate
USD	United States Currency
UZS	Uzbekistan Currency
ZİMİD	Agricultural Pest Control Manufacturers Association

**I. OPINION OF THE STOCK EXCHANGE:**

None.

**II. OPINIONS AND APPROVALS FROM OTHER INSTITUTIONS:**

None.

**1. PERSONS ASSUMING RESPONSIBILITY FOR THE PROSPECTUS**

We declare that the information contained in this prospectus and its annexes is accurate to the best of our knowledge and that all reasonable care has been taken to ensure that there is no omission that would alter the meaning of this information.

<b>Issuer</b> <b>HEKTAŞ TİCARET T.A.Ş.</b> <b>12/07/2024</b>	<b>Responsible Part:</b>
<b>Enis Emre TERZİ</b> <b>General Manager</b>	<b>Murat KILIÇ</b> <b>Financial Affairs Director</b>
<b>FULL PROSPECTUS</b>	

<b>Authorized Institution Intermediating the Public Offering</b> <b>OYAK YATIRIM MENKUL DEĞERLER A.Ş.</b> <b>12/07/2024</b>	<b>Responsible Part:</b>
<b>Armağan GÜNER</b> <b>Senior Manager</b>	<b>Adem DEMİR</b> <b>Manager</b>
<b>FULL PROSPECTUS</b>	

We declare that the information contained in this report, which is part of the prospectus, is accurate to the best of our knowledge and that all reasonable care has been taken to ensure that there is no omission that would alter the meaning of this information.

Signed responsibility statements are included in the annex of the prospectus (Annex/1).

<b>Organization Preparing Relevant Audit Reports</b> <b>12/07/2024</b>	<b>Responsible Part:</b>
<b>DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.</b> <b>Volkan BECERİK</b> <b>Auditor in Charge</b>	<b>31.12.2022 / 31.12.2023</b> <b>INDEPENDENT AUDIT REPORT</b>

<b>Organization Preparing Relevant Audit Reports</b> <b>12/07/2024</b>	<b>Responsible Part:</b>
<b>DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.</b> <b>Nazlı IVAK</b> <b>Auditor in Charge</b>	<b>31.12.2021</b> <b>INDEPENDENT AUDIT REPORT</b>

## 2. SUMMARY

<b>A—INTRODUCTION AND WARNINGS</b>		
	<b>Title</b>	<b>Disclosure Obligation</b>
A.1	<b>Warning and warnings</b>	<p><b>This summary should be read as an introduction to the prospectus.</b></p> <p><b>Investment decisions regarding capital market instruments should be made based on an evaluation of the prospectus as a whole.</b></p> <p><b>In the event that claims related to the information contained in the prospectus are brought to court, the plaintiff investor may have to bear the costs of translating the prospectus before legal proceedings are initiated, in accordance with the legal regulations of the country where the public offering took place.</b></p> <p><b>Legal responsibility based on the summary (including its translation) can only be attributed to the relevant parties if the summary is misleading, erroneous, or inconsistent when read together with other parts of the prospectus, or if it fails to provide essential information that would assist investors in making an investment decision.</b></p>
A.2	<b>Information on subsequent use of the prospectus</b>	None.
<b>B—ISSUER</b>		
B.1	<b>The trade name and business name of the issuer</b>	HEKTAŞ TİCARET TÜRK A.Ş.
B.2	<b>The legal status of the issuer, the legislation it is subject to, the country in which it was established, and its address</b>	<p><b>Legal Status:</b> Joint-stock company</p> <p><b>The Applicable Legislation:</b> Laws of the Republic of Turkey</p> <p><b>Country of Establishment:</b> Republic of Turkey</p> <p><b>Head Office Address:</b> Gebze Organize Sanayi Bölgesi Mahallesi 700.Sokak No:711/1 Gebze / KOCAELİ</p> <p><b>Phone:</b> (262) 751 14 12</p> <p><b>Fax:</b> (262) 751 14 22</p> <p><b>Website address:</b> <a href="http://www.hektas.com.tr">www.hektas.com.tr</a></p>



<p>B.3</p>	<p><b>Definition of the current activities of the issuer, including main product/service categories, and significant factors affecting its activities, as well as information about the sectors/markets in which it operates</b></p>	<p>The company was established in 1956, registered and listed in the trade registry to manufacture, import, and market agricultural and veterinary medicines. As of the current situation, the main activity of the company is the production, import, sale, and marketing of plant protection, plant nutrition, and seed products. In the company's product portfolio, there are more than 400 plant protection and plant nutrition products suitable for the ecological structure and product diversity of our country, as well as products in the field of seed cultivation. The company markets its products through 6 regional directorates and around 1,500 distribution points.</p> <p>With the strength derived from its extensive sales and distribution network, the company established animal health business in 2005 and plant nutrition and seed businesses in 2017.</p> <p>As of 2017, within the scope of the change and transformation process, the company transitioned from the motto "Doctor of Agriculture" to "Pioneer of Smart Agriculture,<sup>1</sup>" defining its new value-oriented vision. Before 2017, the company focused solely on the plant protection products needed by agricultural producers, but in 2017 it shifted its perception and focus towards the production of high value-added agricultural products. At the end of 2017, Ferbis Tarım<sup>2</sup>, operating in Niğde, was fully (100%) acquired by HEKTAŞ, becoming part of the OYAK Group companies. Additionally, during the same period, a facility was leased in Adana to produce organomineral fertilizers<sup>3</sup>, initiating organomineral fertilizer production. In 2023, the property located at Sarıçam District, Acıdere OSB Neighborhood, Adana Hacı Sabancı OSB, Atatürk Boulevard, N19 ADANA, leased for organomineral fertilizer production and ongoing fertilizer production, was purchased by the company.</p> <p>Furthermore, in 2019, the company started domestic seed breeding activities by acquiring all shares of Areo<sup>4</sup> Tohum, based in Antalya. Also, in 2019, the first steps were taken to establish an agricultural R&amp;D center on an area of 607 decares in Orhangazi District, Bursa. Formerly known as the 'arımsal İnovasyon Eğitim ve Deneyim Merkezi (Agricultural Innovation Education and Experience Center)' this R&amp;D center,</p>
------------	--	---

<sup>1</sup> Smart agriculture is a technique that enables soil and crop management to increase agricultural productivity, with more economical use of resources and minimizing environmental damage.

<sup>2</sup> The trade name of our wholly-owned (100%) subsidiary FNC Tarım Ticaret ve Sanayi A.Ş was changed to Ferbis Tarım Ticaret ve Sanayi Ticaret A.Ş on 07.07.2020, and this change was published in the Turkish Trade Registry Gazette dated 07.07.2020 and numbered 10113.

<sup>3</sup> Organomineral fertilizer is a hybrid type of fertilizer produced by blending organic and chemical raw materials.

<sup>4</sup> The trade name of our wholly-owned (100%) subsidiary Akça Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş was changed to AREO Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş on 06.10.2020, and this change was published in the Turkish Trade Registry Gazette dated 06.10.2020 and numbered 10175.

		<p>now called Hektaş F.A.R.M., has become the first of its kind in Turkey and one of the leading agricultural R&amp;D centers in the world. HEKTAŞ F.A.R.M., established on an area of 607 decares, is one of the most comprehensive facilities in its field, focusing on increasing agricultural productivity and sustainability through digitized processes and new-generation techniques.</p> <p>In 2020, aligning with its growth strategies and export goals, the company added SUNSET, a producer and trader of plant protection products, to its subsidiaries by acquiring all its shares. Additionally, to enrich its product portfolio and enter new business lines by developing new products, the company acquired ARMA İlaç<sup>5</sup>, which operates in the production of veterinary medicines, has export potential, and holds a GMP Production Certificate, in 2021.</p> <p>In 2021, the company established a "Pet Food" production facility with an annual capacity of 50,000 tons on an area of 40,336 m<sup>2</sup> in the Kızıksa neighborhood of Manyas district, Balıkesir province. On December 29, 2023, the transfer of the tenancy rights of a property with a total area of 40,336 m<sup>2</sup>, including a closed area of 10,375 m<sup>2</sup>, and the sale of the machinery and equipment within the facility to Arma İlaç company were completed for a price of 20,000,000.00 Euros. The entire amount was collected from Arma İlaç in 2024. On the same date, 100% of the shares of Arma İlaç were sold to OYAK Gıda ve Tarım Holding A.Ş. for 14,000,000 Euros on a deferred basis. The entire amount was collected from OYAK Gıda ve Tarım Holding A.Ş. in 2024. For this transaction, there is no situation that leads to the right of withdrawal within the scope of the "Capital Markets Board's Communiqué No. II-23.3 on Significant Transactions and the Right of Withdrawal."</p> <p>In 2021, the process of acquiring 51% of Agriventis Technologies, based in Australia and developing drought-tolerant seeds, was initiated and the acquisition process was completed in January 2022.</p> <p>Utilizing its knowledge, experience, and expertise in agriculture, the company evaluated the development process in Uzbekistan. In November 2022, to operate in the fields of plant protection and plant nutrition and to support export-oriented growth by being close to the Uzbekistan market and other Turkic Republics in the region,</p>
--	--	--

<sup>5</sup> In 2021, the company established a "Pet Food" production facility with an annual capacity of 50,000 tons on an area of 40,336 m<sup>2</sup> in the Kızıksa neighborhood of Manyas district, Balıkesir province. On 29.12.2023, the transfer of the leasehold right and the sale of the machines and equipment within the facility to Arma İlaç for 20,000,000.00 Euros were completed for the property with a total area of 40,336 m<sup>2</sup>, including a closed area of 10,375 m<sup>2</sup>. The entire amount was collected from Arma İlaç in 2024. On the same date, 100% of the shares of Arma İlaç were sold to OYAK Gıda ve Tarım Holding A.Ş. for 14,000,000 Euros on a deferred basis. The entire amount was collected from OYAK Gıda ve Tarım Holding A.Ş. in 2024. For this transaction, there is no situation that leads to the right of withdrawal within the scope of the "Capital Markets Board's Communiqué No. II-23.3 on Significant Transactions and the Right of Withdrawal."

		<p>a company named "HEKTAS ASIA LLC" was established in Tashkent, Uzbekistan, wholly owned (100%) by HEKTAŞ, and the infrastructure work and investments for the operation of this company are ongoing.</p> <p>In conclusion, as of the preparation period of the prospectus, the company operates in the fields of plant protection products, plant nutrition (fertilizer), and seed products.</p> <p>The company provides protection against agricultural diseases faced by agricultural producers with the plant protection products it produces, sells, and markets. The company also supplies the fertilizers needed by agricultural producers with the plant nutrition products it produces and includes in its product portfolio.</p> <p>The company also conducts breeding activities in the field of seeds and sells and markets seed products. In this regard, the company produces products that meet the needs of agricultural producers, from seeds to fertilizers, and from fertilizers to plant protection products.</p>
B.4a	<p><b>Information about the latest important trends affecting the issuer and the industry in which it operates</b></p>	<p><u>Agricultural Production Data</u></p> <p>The agricultural producer price index (Agri-PPI) decreased by 0.91% in May 2024 compared to the previous month, increased by 19.58% compared to December of the previous year, increased by 61.24% compared to the same month of the previous year, and increased by 61.72% compared to the 12-month averages.</p> <p>When looking at the change compared to the previous month in sectors, a 1.18% decrease in agricultural and hunting products and related services, a 0.43% decrease in forestry products and related services, and an 8.4% increase in fish and other fishing products, aquatic products, and supporting services for fishing were observed.</p> <ul style="list-style-type: none"> <li>- In the main groups, compared to April 2024, there was a 6.67% decrease in annual (non-perennial) plant products, a 4.98% increase in perennial plant products, and a 2.98% increase in live animals and animal products. According to the annual Agri-PPI, 7 subgroups showed lower and 5 subgroups showed higher changes.</li> <li>- The group with the least annual increase was live poultry and eggs with 21.91%. Other subgroups with low annual increases were grains (excluding rice), pulses, and oilseeds with 35.99%, and fibrous plants with 41.14%. Conversely, the subgroups with the highest annual increases were oily fruits with 154.81% and live sheep and goats; their processed milk and wool with 95.41%.</li> </ul>

		<p>According to the monthly Agri-PPI, 5 subgroups showed lower and 7 subgroups showed higher changes.</p> <ul style="list-style-type: none"> <li>- Compared to 2023, the group with the most significant decrease was vegetables and melons, roots and tubers with minus 16.04%, and live poultry and eggs with minus 10.24%. Conversely, the subgroups with the highest monthly increases were live sheep and goats; their processed milk and wool with 6.28% and oily fruits with 5.03%.</li> </ul> <p><u>Plant Product Exports:</u></p> <p>According to the "TGDF Data Panel" prepared based on the Foreign Trade Data of the Turkish Statistical Institute (TÜİK), in the first 5 months of 2024, the agriculture, food, and beverage sector achieved 11.22 billion USD in exports with a 7.45% increase compared to the same period of the previous year and 8.3 billion USD in imports with a 23.26% decrease. The Foreign Trade Balance showed a surplus of 2.92 billion USD in the January-May period.</p> <ul style="list-style-type: none"> <li>- In May, wheat imports decreased by 58.9%, crude sunflower oil by 34.4%, and corn kernel imports by 7.8%.</li> </ul> <p>In the first 5 months of the year, the Foreign Trade Balance in the agriculture, food, and beverage sector showed a surplus of 2.92 billion USD, an increase of 886.5% compared to the same period of the previous year. In the January-May period of 2023, the Foreign Trade Balance showed a deficit of 0.37 billion USD. On a monthly basis as of May, the Foreign Trade Balance showed a surplus of 490 million USD.</p> <p>In the first 5 months of the year, the unit export value decreased by 7.65% compared to the same period of the previous year, reaching 1,224 USD/ton. The unit import value increased by 2.33% compared to the same period of the previous year, reaching 613 USD/ton.</p> <p>In the first 5 months of 2024, the most prominent export product was shelled hazelnuts with 605.6 million USD. This was followed by wheat flour with 603.7 million USD and refined sunflower oil with 375.6 million USD. These products accounted for approximately 14.15% of the total exports in the January-May period.</p> <p>In the same period, the most imported product was wheat with 839.4 million USD. Wheat was followed by soybeans with 774 million USD and crude sunflower oil with 375.6 million USD. These three products accounted for 23.96% of the total imports in the January-May period.</p> <p>On a monthly basis, in May, the leading export product was shelled hazelnuts with 139.9 million USD, followed by wheat</p>
--	--	--

	<p>flour with 122.5 million USD and refined sunflower oil with 88.6 million USD.</p> <p>In the same month, the most imported products were wheat with 144.6 million USD, crude sunflower oil with 116.7 million USD, and corn kernel with 116.6 million USD.</p> <p>Supports:</p> <p>According to the information shared in the bulletins of the Ministry of Agriculture and Forestry, in 2023, a grant payment of 4.708 billion TRY was made for rural development investments, and 13,481 people were employed through supported projects. In 2023, a total of 63.4 billion TRY in agricultural support payments were transferred to the accounts of producers.</p> <p>Within the scope of support payments made by the Ministry of Agriculture and Forestry, approximately 13 billion TRY in support was provided to producers in January 2024. Approximately 3 billion TRY in support payments were made in February, and approximately 11 billion TRY in March, while tea support payments amounting to 363,608,530 TRY were also made to producers.</p> <p>Support payments amounting to TRY 2,477,946,000 (TRY 2,393,722,650 under the Diesel and Fertilizer support, TRY 70,407,750 under the Small-Scale Fisheries support, and TRY 13,815,600 under the Animal Genetic Resources support) were deposited into farmers' accounts on April 5, 2024.</p> <ul style="list-style-type: none"> <li>• A total of TRY 694 million 461 thousand in agricultural support payments was transferred to farmers' accounts on April 19, 2024.</li> </ul> <p>The details of the support payments are as follows:</p> <ul style="list-style-type: none"> <li>- For cereal-legume and grain corn support, TRY 462 million 933 thousand 480,</li> <li>- For animal disease compensation support, TRY 112 million 371 thousand 560,</li> <li>- For biological/biotechnical control support, TRY 31 million 718 thousand 569,</li> <li>- For certified seed production support, TRY 26 million 458 thousand,</li> <li>- For rural development investment support, TRY 23 million 709 thousand 934,</li> <li>- For bumblebee usage support, TRY 18 million 86 thousand 500,</li> <li>- For large breeding (heifer) animal purchase support, TRY 10 million 850 thousand,</li> <li>- For small family business support, TRY 5 million 865 thousand 479,</li> </ul>
--	--

- For certified seedling usage support, TRY 2 million 467 thousand 478.
- On April 26, 2024, TRY 4 billion 435 million 821 thousand in agricultural support was transferred to farmers' accounts by the Ministry of Agriculture and Forestry.

The details of the support payments are as follows:

- For calf support, TRY 3 billion 344 million 15 thousand,
- For raw milk support, TRY 1 billion 11 million 71 thousand 779,
- For licensed warehousing support, TRY 32 million 155 thousand 447,
- For animal genetic resources support, TRY 29 million 216 thousand 20,
- For certified seed production support, TRY 10 million 42 thousand 754,
- For heifer purchase support, TRY 9 million 320 thousand,

As of June 7, 2024, TRY 5 billion 93 million 213 thousand in agricultural support payments started to be transferred to farmers' accounts under the agricultural support payments made by the Ministry of Agriculture and Forestry.

In this context, payments of TRY 4 billion 539 million 601 thousand for oilseed plant support, TRY 492 million 697 thousand 73 for cereal-legume and grain corn support, TRY 47 million 590 thousand for heifer purchase support, TRY 9 million 35 thousand 638 for rural development investment support, TRY 3 million 680 thousand 300 for animal genetic resources support, and TRY 608 thousand 989 for diesel and fertilizer support were made.

Climate and its effects:

The spatial precipitation of our country in 2023 was 641.5 mm. The annual average spatial precipitation amount across Turkey is 573.4 mm (1991-2020). There was an 11.9% increase compared to the normal and a 27.3% increase compared to the 2022 precipitation.

In 2023, the Western Black Sea and Eastern Black Sea coastal regions and the eastern part of Antalya received more than 1000 mm of precipitation, while in the surroundings of Giresun, Rize, and Artvin, precipitation exceeded 1600 mm. The western part of Ankara, Konya, Karaman, Aksaray, Niğde, Nevşehir, Kırıkkale, the surroundings of Iğdır, Kilis, the south of Şanlıurfa, and the east of Ağrı and Van received less than 400 mm of precipitation. In 2023, precipitation decreased by

	<p>more than 40% compared to the normal in Hatay, the east of Iğdır, Gaziantep, Kilis, and Mardin, while it increased by 40-60% in the Western Black Sea, the western part of Eastern Anatolia, and the surroundings of Sinop, Samsun, Ordu, Giresun, Kütahya, Uşak, Isparta, and Burdur. In terms of provincial precipitation, there was a decrease compared to the normal in Edirne, Gaziantep, Hatay, Iğdır, Karaman, Kilis, Mardin, Muğla, Osmaniye, Tekirdağ, and Van. The least precipitation was in Iğdır with 323.6 mm, and the highest decrease compared to the normal was in Hatay with 42%. The highest precipitation was in Rize with 1776.6 mm, and the highest increase compared to the normal was in Tunceli with 64%. Annual precipitation was at its highest level in the last 63 years in Tunceli and in the last 56 years in Erzincan.</p> <p>The 2024 water year precipitation covering the period from October 11, 2023, to May 31, 2024, was above the normal and the precipitation of the previous year. The water year precipitation across Turkey was 504.7 mm, the normal (1991-2020) was 484.5 mm, and the water year precipitation for the same period of the previous year was 440.9 mm. In the eight-month cumulative precipitation, there was an increase of 4% compared to the normal and an increase of 15% compared to the same period of the previous year. Precipitation increased by more than 40% in the surroundings of Diyarbakır, Tunceli, Siirt, Şırnak, and Hakkâri, while it decreased by more than 20% in the Aegean Region, the south of Konya, the west of Antalya, and the surroundings of Afyonkarahisar.</p> <p>In general, the water year precipitation was below the normal in the Aegean, Mediterranean, and Central Anatolia regions, and above the normal in other regions. The highest increase was recorded in the Eastern Anatolia Region with 27%. In terms of provincial precipitation, the highest precipitation was in Rize with 1317.1 mm, the highest increase compared to the normal was in Şırnak with 53%, the least precipitation was in Afyonkarahisar with 284.0 mm, and the highest decrease compared to the normal was in Denizli with 27%. In the eight-month cumulative precipitation, Rize received the highest precipitation in the last 64 years, Van in the last 30 years, and Zonguldak in the last 26 years.</p> <p><i>Marmara Region:</i></p> <p>The water year precipitation of the region is 598.1 mm, the normal is 545.3 mm, and the 2023 water year precipitation is 416.2 mm. Precipitation increased by 10% compared to the normal and by 44% compared to the 2023 water year precipitation. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Marmara Region was -1.7 °C in Balıkesir, and the highest temperature was 34.1 °C in Sakarya.</p>
--	--

		<p><i>Aegean Region:</i></p> <p>The water year precipitation of the region is 446.1 mm, the normal is 536.7 mm, and the 2023 water year precipitation is 470.5 mm. Precipitation decreased by 17% compared to the normal and by 5% compared to the 2023 water year precipitation. Average temperatures were around the seasonal normals throughout the region. In the Aegean Region, the lowest temperature was recorded as -3.4°C in Gediz, while the highest temperature was recorded as 37.1°C in Aydın.</p> <p><i>The Mediterranean region:</i></p> <p>The water year precipitation of the region is 549.8 mm, the normal is 609.8 mm, and the 2023 water year precipitation is 495.1 mm. Precipitation decreased by 10% compared to the normal and increased by 11% compared to the 2023 water year precipitation. Average temperatures were above the seasonal normals in Kale/Demre, while they were around the seasonal normals in other parts of the region. The lowest temperature in the Mediterranean Region was -5.8 °C in Göksun, and the highest temperature was 38.4 °C in İskenderun.</p> <p><i>Central Anatolia Region:</i></p> <p>The water year precipitation of the region is 313.1 mm, the normal is 328.6 mm, and the 2023 water year precipitation is 291.7 mm. Precipitation decreased by 5% compared to the normal and increased by 7% compared to the 2023 water year precipitation. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Central Anatolia Region was -10.3 °C in Kangal, and the highest temperature was 32.7 °C in Ereğli.</p> <p><i>Black Sea Region:</i></p> <p>The May precipitation of the region is 91.8 mm, the normal is 62.2 mm, and the May precipitation of 2023 is 78.4 mm. Precipitation increased by 48% compared to the normal and by 17% compared to the May precipitation of 2023. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Black Sea Region was -6.5 °C in Bayburt, and the highest temperature was 35.4 °C in Samsun.</p> <p><i>Southeastern and Eastern Anatolia Regions:</i></p> <p>The May precipitation of the Eastern Anatolia Region is 94.2 mm, the normal is 65.3 mm, and the May precipitation of 2023 is 73.7 mm. Precipitation increased by 44% compared to the normal and by 28% compared to the May precipitation of 2023. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Eastern</p>
--	--	---



	<p>Anatolia Region was -22.3 °C in Özalp, and the highest temperature was 32.4 °C in Iğdır.</p> <p>The May precipitation of the Southeastern Anatolia Region is 50.5 mm, the normal is 40.4 mm, and the May precipitation of 2023 is 24.2 mm. Precipitation increased by 25% compared to the normal and by more than 100% compared to the May precipitation of 2023. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Southeastern Anatolia Region was -4.1 °C in Batman, and the highest temperature was 39.6 °C in Ceylanpınar.</p> <p><u>Developments in Agriculture:</u></p> <p>The new regulation "Regulation on Licensing and Placing Plant Protection Products on the Market" came into force after being published in the Official Gazette dated 14.03.2024 and numbered 32498.</p> <p>The Ministry of Agriculture and Forestry's "Indoor Plant Production Registration System Regulation", which aims to record plant production in closed environments, was published in the Official Gazette.</p> <p>With the regulation, it was stated that all plant production carried out in partially or completely controllable closed areas such as greenhouses, vertical farming facilities and mushroom facilities, where farmers produce, will be recorded by identifying them with their geographical coordinates, regardless of ownership or place of production.</p> <p>During the 2023/2024 campaign period, 9 million 60 thousand tons of beets were processed and 1 million 161 thousand 100 tons of sugar were produced, and 418 thousand 800 tons of molasses and 2 million 905 thousand 709 tons of fresh beet pulp were obtained as by-products.</p> <p>The calendar for the calls to be issued in 2024 has been announced by the Agriculture and Rural Development Support Institution (TKDK), the relevant organization of the Ministry of Agriculture and Forestry. Minister İbrahim Yumaklı stated that the IPARD III Program, which will be implemented as of 2024, has been expanded to 81 provinces and that 785 million euros of grant support will be provided within 7 years.</p> <p>It was announced that in IPARD-1 and 2 programs, 27 application calls were announced and 45.6 billion liras of grant support in real figures was given to 25 thousand 645 projects to date. It was stated that thanks to these grants, an investment of 98.2 billion liras was provided to the country's agriculture and food sectors, and 96 thousand jobs were provided in these investments.</p>
--	---

Construction works have started for investments that will bring water to 724 thousand 250 decares of agricultural land in Iğdır, Van, and Artvin.

The Presidential Decision on Supporting the Activation of the Use of Agricultural Lands was published in the Official Gazette. The decision entered into force as of January 1.

Regional Crop Based Developments

*The Mediterranean Region:*

Crop	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024
Tomatoes	TRY 15	TRY 20	TRY 20	TRY 14	TRY 13	TRY 8
Cocktail	TRY 22	TRY 32	TRY 32	TRY 30	TRY 14	TRY 15
Charlie Pepper	TRY 19	TRY 20	TRY 26	TRY 17	TRY 10	TRY 25
Green Pepper	TRY 24	TRY 30	TRY 30	TRY 24	TRY 9	TRY 25
Stuffed Pepper	TRY 24	TRY 28	TRY 28	TRY 17	TRY 20	TRY 20
Banana	TRY 24	TRY 27	TRY 27	TRY 29	TRY 30	TRY 30
Eggplant	TRY 15	TRY 21	TRY 20	TRY 6	TRY 10	TRY 10
Cucumber	TRY 14	TRY 16	TRY 15	TRY 4	TRY 10	TRY 15
Silor	TRY 30	TRY 25	TRY 20	TRY 9	TRY 9	TRY 20

*Marmara Region*

The prices of bread wheat are 9.25 TRY/kg TMO price, 11.00 TRY/kg including support, the prices of durum wheat are 10.00 TRY/kg TMO price, 11.75 TRY/kg including support. Barley prices are 7.25 TRY/kg TMO price, 8.00 TRY/kg including support. Canola has been between 17.00 – 18.50 TRY/kg. In the region, the contract prices of tomato purchasing by tomato paste factories were between 3500-3750 TRY/Ton, Nectarines were between 30-32 TRY/kg, and Pears were between 16-19 TRY/kg.

*Southeastern Anatolia Region:*

In terms of cereal products, wheat was 8.50- 9.50 TRY/kg, Red Lentils were 20-24 TRY/kg, Chickpeas were 13.52 TRY/kg, Barley was 6.50-7.50 TRY/kg, Corn was 7.6- 8.40 TRY/kg. Cotton prices for the products remaining in stock ranged from 20-25 TRY/kg depending on the yield. In the region, the prices of dried apricots remaining in stock in Malatya ranged from 90-110 TRY/kg.

*Çukurova Region*

Pepper; 12 TRY/kg, Tomatoes 9 TRY/kg, Mandarin; 8.5 TRY/kg, Lettuce; 8.50 TRY/piece, Cucumber; 9 TRY/kg,

		Eggplant 9 TRY/kg, Onion 7.50 TRY/kg, Lemon 7,-8 TRY/kg (estimated).																					
B.5	<b>The group the issuer belongs to and its place within the group</b>	<p>The company was established in 1956, registered and listed in the trade registry to manufacture, import, and market agricultural and veterinary medicines. As of the current situation, the main business activity of the Company is the production, importation, sale, and marketing of plant protection, plant nutrition, and seed products. The main shareholder of the Company is Ordu Yardımlaşma Kurumu (“OYAK”) with a 55.37% shareholding. OYAK is an organization subject to private law provisions, financially and administratively autonomous, having legal personality, and was established on March 1, 1961, by the Ordu Yardımlaşma Kurumu Law No. 205.</p> <p>OYAK has direct and indirect subsidiaries and affiliates operating in the industry, finance, and service sectors. The Issuer Company is a subsidiary of the OYAK group operating in the Chemistry and Agriculture sector. The Issuer Company also has its own subsidiaries.</p> <p>While preparing the consolidated financial statements of the Issuer Company, the subsidiaries subject to consolidation, the business activities of these subsidiaries, and the shareholding percentages of the Company in these subsidiaries as of the current situation are as follows.</p> <table border="1"> <thead> <tr> <th>Trade Name</th> <th>Field of Activity</th> <th>Share in Capital and Voting Rate (%)</th> </tr> </thead> <tbody> <tr> <td>Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş</td> <td>Production and Marketing of Agricultural Pesticides</td> <td>99,78%</td> </tr> <tr> <td>Ferbis Tarım Ticaret ve Sanayi A.Ş</td> <td>Production and Marketing of Agricultural Pesticides</td> <td>100%</td> </tr> <tr> <td>Areo Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş</td> <td>To carry out activities for the development of all kinds of seed production and to establish related greenhouses and equipped areas</td> <td>100%</td> </tr> <tr> <td>Sunset Kimya Tarım Ürünleri ve Aletleri İmalat Pazarlama Sanayi ve Ticaret A.Ş</td> <td>To engage in wholesale and retail trade, production, import, and export of all kinds of agricultural pesticides, and to market them in domestic and international markets</td> <td>100%</td> </tr> <tr> <td>Agriventis Technologies Pty. Ltd.</td> <td>Seed and Seed Breeding</td> <td>51%</td> </tr> <tr> <td>Hektas Asia LLC</td> <td>Plant Protection and Plant Nutrition</td> <td>100%</td> </tr> </tbody> </table>	Trade Name	Field of Activity	Share in Capital and Voting Rate (%)	Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş	Production and Marketing of Agricultural Pesticides	99,78%	Ferbis Tarım Ticaret ve Sanayi A.Ş	Production and Marketing of Agricultural Pesticides	100%	Areo Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş	To carry out activities for the development of all kinds of seed production and to establish related greenhouses and equipped areas	100%	Sunset Kimya Tarım Ürünleri ve Aletleri İmalat Pazarlama Sanayi ve Ticaret A.Ş	To engage in wholesale and retail trade, production, import, and export of all kinds of agricultural pesticides, and to market them in domestic and international markets	100%	Agriventis Technologies Pty. Ltd.	Seed and Seed Breeding	51%	Hektas Asia LLC	Plant Protection and Plant Nutrition	100%
Trade Name	Field of Activity	Share in Capital and Voting Rate (%)																					
Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş	Production and Marketing of Agricultural Pesticides	99,78%																					
Ferbis Tarım Ticaret ve Sanayi A.Ş	Production and Marketing of Agricultural Pesticides	100%																					
Areo Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş	To carry out activities for the development of all kinds of seed production and to establish related greenhouses and equipped areas	100%																					
Sunset Kimya Tarım Ürünleri ve Aletleri İmalat Pazarlama Sanayi ve Ticaret A.Ş	To engage in wholesale and retail trade, production, import, and export of all kinds of agricultural pesticides, and to market them in domestic and international markets	100%																					
Agriventis Technologies Pty. Ltd.	Seed and Seed Breeding	51%																					
Hektas Asia LLC	Plant Protection and Plant Nutrition	100%																					

<p>B.6</p>	<p><b>Information on the names/titles of persons holding 5% or more of the capital or total voting rights directly or indirectly and their shareholdings</b></p> <p><b>Information on whether the issuer's controlling shareholders have different voting rights</b></p> <p><b>If any, information on the names/titles of those who directly or indirectly have management control over the issuer or who control the issuer and the source of this control</b></p>	<p>As of the date of the prospectus, the shareholding structure of the Company is as follows. All shares constituting the capital have equal voting rights. There is no share group with different voting rights</p> <table border="1" data-bbox="655 436 1441 797"> <thead> <tr> <th>Shareholders</th> <th>Share Group</th> <th>Share Amount (TRY)</th> <th>Share Ratio (%)</th> </tr> </thead> <tbody> <tr> <td>Turkish Armed Forces Pension Fund (OYAK)</td> <td>-</td> <td>1,400,773,362.20</td> <td>55.37%</td> </tr> <tr> <td>Public-Other</td> <td>-</td> <td>1,129,226,637.80</td> <td>44.63%</td> </tr> <tr> <td><b>TOTAL</b></td> <td></td> <td><b>2,530,000,000</b></td> <td><b>100%</b></td> </tr> </tbody> </table> <p>Ordu Yardımlaşma Kurumu (OYAK) has management control and control power over the Company with a 55.37% shareholding.</p>	Shareholders	Share Group	Share Amount (TRY)	Share Ratio (%)	Turkish Armed Forces Pension Fund (OYAK)	-	1,400,773,362.20	55.37%	Public-Other	-	1,129,226,637.80	44.63%	<b>TOTAL</b>		<b>2,530,000,000</b>	<b>100%</b>																
Shareholders	Share Group	Share Amount (TRY)	Share Ratio (%)																															
Turkish Armed Forces Pension Fund (OYAK)	-	1,400,773,362.20	55.37%																															
Public-Other	-	1,129,226,637.80	44.63%																															
<b>TOTAL</b>		<b>2,530,000,000</b>	<b>100%</b>																															
<p>B.7</p>	<p><b>Selected financial information and significant changes in the issuer's financial position and operating results</b></p>	<table border="1" data-bbox="655 1223 1441 1610"> <thead> <tr> <th>STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) (TRY)</th> <th>Audited Independently 31.12.2021 (**)</th> <th>Audited Independently 31.12.2022 (*)</th> <th>Audited Independently 31.12.2023 (*)</th> </tr> </thead> <tbody> <tr> <td><i>Current Assets</i></td> <td>3,282,552,383</td> <td>15,444,424,164</td> <td>15,129,705,656</td> </tr> <tr> <td><i>Non-Current Assets</i></td> <td>1,448,249,128</td> <td>7,769,057,079</td> <td>10,325,630,860</td> </tr> <tr> <td><b>TOTAL ASSETS</b></td> <td><b>4,730,801,511</b></td> <td><b>23,213,481,243</b></td> <td><b>25,455,336,516</b></td> </tr> <tr> <td><i>Short-Term Liabilities</i></td> <td>3,112,947,762</td> <td>13,781,668,875</td> <td>15,798,265,820</td> </tr> <tr> <td><i>Long-Term Liabilities</i></td> <td>171,279,534</td> <td>1,100,941,550</td> <td>2,117,295,054</td> </tr> <tr> <td><i>Equities</i></td> <td>1,446,574,215</td> <td>8,330,870,818</td> <td>7,539,775,642</td> </tr> <tr> <td><b>TOTAL LIABILITIES</b></td> <td><b>4,730,801,511</b></td> <td><b>23,213,481,243</b></td> <td><b>25,455,336,516</b></td> </tr> </tbody> </table> <p>(*) Unless otherwise stated, all amounts are expressed in TRY based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2023.</p> <p>(**) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021.</p>	STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) (TRY)	Audited Independently 31.12.2021 (**)	Audited Independently 31.12.2022 (*)	Audited Independently 31.12.2023 (*)	<i>Current Assets</i>	3,282,552,383	15,444,424,164	15,129,705,656	<i>Non-Current Assets</i>	1,448,249,128	7,769,057,079	10,325,630,860	<b>TOTAL ASSETS</b>	<b>4,730,801,511</b>	<b>23,213,481,243</b>	<b>25,455,336,516</b>	<i>Short-Term Liabilities</i>	3,112,947,762	13,781,668,875	15,798,265,820	<i>Long-Term Liabilities</i>	171,279,534	1,100,941,550	2,117,295,054	<i>Equities</i>	1,446,574,215	8,330,870,818	7,539,775,642	<b>TOTAL LIABILITIES</b>	<b>4,730,801,511</b>	<b>23,213,481,243</b>	<b>25,455,336,516</b>
STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) (TRY)	Audited Independently 31.12.2021 (**)	Audited Independently 31.12.2022 (*)	Audited Independently 31.12.2023 (*)																															
<i>Current Assets</i>	3,282,552,383	15,444,424,164	15,129,705,656																															
<i>Non-Current Assets</i>	1,448,249,128	7,769,057,079	10,325,630,860																															
<b>TOTAL ASSETS</b>	<b>4,730,801,511</b>	<b>23,213,481,243</b>	<b>25,455,336,516</b>																															
<i>Short-Term Liabilities</i>	3,112,947,762	13,781,668,875	15,798,265,820																															
<i>Long-Term Liabilities</i>	171,279,534	1,100,941,550	2,117,295,054																															
<i>Equities</i>	1,446,574,215	8,330,870,818	7,539,775,642																															
<b>TOTAL LIABILITIES</b>	<b>4,730,801,511</b>	<b>23,213,481,243</b>	<b>25,455,336,516</b>																															

**a) Annual income statements for the last three periods**

INCOME STATEMENT (TRY)	Audited Independently	Audited Independently	Audited Independently
	31.12.2021 (**)	31.12.2022 (*)	31.12.2023 (*)
<i>Revenue</i>	2,020,718,336	10,001,274,789	6,038,995,409
<i>Cost of Sales</i>	-1,312,393,367	-6,973,894,150	-5,223,402,568
<b>GROSS PROFIT (LOSS)</b>	<b>708,324,969</b>	<b>3,027,380,639</b>	<b>815,592,841</b>
<i>General Administrative Expenses</i>	-87,414,515	-397,993,806	-811,728,317
<i>Marketing Expenses</i>	-87,391,904	-451,979,081	-595,185,392
<i>Research and Development Expenses</i>	-35,379,921	-179,185,298	-208,192,131
<i>Other Income from Main Operations</i>	5,187,259	80,222,216	152,001,237
<i>Other expenses from real operating</i>	-86,011,169	-414,731,965	-809,940,124
<b>MAIN OPERATING PROFIT (LOSS)</b>	<b>417,314,719</b>	<b>1,663,712,705</b>	<b>-1,457,451,886</b>
<i>Income from Investment Activities</i>	2,578,830	13,960,325	1,269,902,029
<i>Expenses from Investment Activities</i>	-181,144	-3,271,588	-1,806,889
<b>OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSE)</b>	<b>419,712,405</b>	<b>1,674,401,442</b>	<b>-189,356,746</b>
<i>Financial expenses</i>	126,884,880	457,022,477	1,627,399,948
<i>Financial Expenses</i>	-225,369,779	-2,281,967,173	-4,544,850,733
<i>Monetary Loss/Gain</i>	0	1,329,598,322	1,591,953,665
<b>PROFIT (LOSS) FROM CONTINUED OPERATIONS BEFORE TAX</b>	<b>321,227,506</b>	<b>1,179,055,068</b>	<b>-1,514,853,866</b>
<i>Continuing Activities Tax (Expense) Income</i>	<b>-7,952,991</b>	<b>-34,349,604</b>	<b>620,396,034</b>
<i>Period Tax (Expense) Income</i>	-4,438,104	-141,420,483	-56,347,009
<i>Deferred Tax (Expense) Income</i>	-3,514,887	107,070,879	676,743,043
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>313,274,515</b>	<b>1,144,705,464</b>	<b>-894,457,832</b>

(\*) The Turkish Lira ("TRY") is presented as TRY based on the purchasing power as of December 31, 2023.

(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021. The year 2021 is shown only in the financial statements. Comparisons between 2023 and 2022 were made in the analysis and explanations sections.

The company's detailed financial statements and their independent audit reports are available on the websites [www.hektas.com.tr](http://www.hektas.com.tr) and [www.kap.org.tr](http://www.kap.org.tr).

		<p>Looking at the company's 2023 balance sheet, it is seen that total assets increased by 10% compared to the 2022 year-end balance sheet.</p> <p>The Company's sales revenue decreased by 40% between 2022-2023. This decrease in sales revenue was due to the fact that 11 provinces, which are the heart of the country's agriculture, were largely affected by the earthquake disasters in 2023, and the use of fertilizers was reduced to a minimum level due to climatic effects.</p> <p>However, when looking at the gross sales profit between the same periods, it is seen that the Company operates with a gross sales profitability of 30.2% in 2022, and this rate decreases to 13.5% in 2023.</p> <p>The gross profitability of the company decreased as a result of the increase in raw material prices, which are dependent on foreign exchange prices, and the parallel increase in TRY-based production expenses.</p> <p>In parallel with these developments, the company's net profit for the period decreased by 178% between 2022-2023.</p>																
B.8	<b>Selected significant proforma financial information</b>	None.																
B.9	<b>Profit forecasts and expectations</b>	None.																
B.10	<b>Content of matters other than the positive opinion in the audit reports related to the financial statements included in the prospectus</b>	None.																
B.11	<b>Issuer's inability to meet its current liabilities with its working capital</b>	<table border="1"> <thead> <tr> <th>(TRY)</th> <th>31.12.2021 (**)</th> <th>31.12.2022 (*)</th> <th>31.12.2023 (*)</th> </tr> </thead> <tbody> <tr> <td>Current Assets</td> <td>3,282,552,383</td> <td>15,444,424,164</td> <td>15,129,705,656</td> </tr> <tr> <td>Short-Term Liabilities</td> <td>3,112,947,762</td> <td>13,781,668,875</td> <td>15,798,265,820</td> </tr> <tr> <td><b>Net Working Capital</b></td> <td><b>169,604,621</b></td> <td><b>1,662,755,289</b></td> <td><b>-668,560,164</b></td> </tr> </tbody> </table> <p>(*) The Turkish Lira ("TRY") is presented as TRY based on the purchasing power as of December 31, 2023.  (**) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021.</p> <p>The gross and net working capital of the Company is given by years in the table above. The company has a working capital deficit; does not have sufficient working capital for at least a 12-month period. However; There is no risk that the business will not be able to fulfill its due obligations.</p>	(TRY)	31.12.2021 (**)	31.12.2022 (*)	31.12.2023 (*)	Current Assets	3,282,552,383	15,444,424,164	15,129,705,656	Short-Term Liabilities	3,112,947,762	13,781,668,875	15,798,265,820	<b>Net Working Capital</b>	<b>169,604,621</b>	<b>1,662,755,289</b>	<b>-668,560,164</b>
(TRY)	31.12.2021 (**)	31.12.2022 (*)	31.12.2023 (*)															
Current Assets	3,282,552,383	15,444,424,164	15,129,705,656															
Short-Term Liabilities	3,112,947,762	13,781,668,875	15,798,265,820															
<b>Net Working Capital</b>	<b>169,604,621</b>	<b>1,662,755,289</b>	<b>-668,560,164</b>															

<b>C—CAPITAL MARKET INSTRUMENT</b>		
C.1	<b>Information on the type and groups of the capital market instrument to be issued and/or traded on the stock exchange, including the security identification number (ISIN)</b>	<p>The Company's registered capital ceiling is 8,500,000,000 Turkish Liras. The Company's issued capital is TRY 2,530,000,000. This capital is divided into TRY 253,000,000,000 shares, each with a nominal value of 1 Kuruş (kr).</p> <p>Within the registered capital ceiling of TRY 8,500,000,000, the issued capital of TRY 2,530,000,000 will be increased in cash (paid) by TRY 5,900,000,000 to TRY 8,430,000,000.</p> <p>The capital increase of TRY 5,900,000,000 will be made in cash (paid), and the pre-emptive rights of existing shareholders will not be restricted. In this capital increase, (ISIN: TRAHEKTS91E4) pre-emptive rights will be granted to the shareholders.</p> <p>Each share of the Company has equivalent voting rights. The Company has granted 300 founder shares to its founders. These shares do not represent the Company's capital, but entitle the holder to a 5% profit share from the remaining amount after setting aside 5% statutory reserves and the first dividend.</p>
C.2	<b>The currency in which the capital market instrument will be issued</b>	Shares will be offered for sale in Turkish Lira.
C.3	<p>The number of issued and fully paid shares and, if any, the number of unpaid shares</p> <p>The nominal value of each share</p>	<p>The current paid-up capital of our partnership is TRY 2,530,000,000, and the number of shares is TRY 253,000,000,000. There are no unpaid shares.</p> <p>The nominal value of each share is 1 Kuruş.</p>
C.4	<b>Information about the rights provided by the capital market instrument</b>	<ul style="list-style-type: none"> <li>-Right to Receive Share from Profit (CML article 19-TCC article 507)</li> <li>-Right to Obtain New Shares (TCC article 461, CML article 18 for partnerships in the registered capital system)</li> <li>- Right to Remove from Partnership and Sell (CML article 27)</li> <li>-Right to Obtain Free Shares (CML article 19-TCC article 462)</li> </ul>

		<p>-Right to Leave the Partnership (CML article 24)</p> <p>-Right to Sell (CML article 27)</p> <p>-Right to Receive Share from Liquidation (TCC article 507)</p> <p>-Right to Invite and Participate in the General Assembly Meeting (CML article 29-30, TCC article 414-415-419-425-1527)</p> <p>-Right to Participate in Negotiations in the General Assembly Meeting (TCC article 407, 409, 417)</p> <p>-Voting Right (CML article 30, TCC article 432-434-436)</p> <p>-Right to File a Cancellation Case (TCC article 445-451, CML article 18/6,20/2)</p> <p>-Minority Rights (TCC article 411, 412, 420, 439)</p> <p>-Right to Request Special Audit (TCC article 438, 439)</p> <p>-Right to Receive and Examine Information (CML article 14, TCC article 437)</p>
C.5	<b>Information about issues restricting the transfer and circulation of capital market instruments</b>	There are no restrictions on the transfer and circulation of the shares to be offered to the public or any records that would prevent the exercise of shareholder rights.
C.6	<b>Information about whether an application has been made or will be made for capital market instruments offered to the public to be traded on the stock exchange, and information about the market to be traded.</b>	The existing shares are traded on the BIST Star Market. The shares to be issued due to the capital increase will also be traded on this market. Shares issued by companies listed on the stock exchange due to paid and/or bonus capital increases will be listed on the exchange without the need for any further action or decision, following the registration of the new capital with the Trade Registry. (Borsa İstanbul A.Ş. Listing Directive Article 41)
C.7	<b>Information about profit distribution policy</b>	<p>“In principle, the Company has adopted the policy of distributing the entire distributable period profit in cash, within the framework of the applicable legislation and the provisions of the Company's Articles of Association, to the extent permitted by the financial leverage ratios and investment/financing needs and future free cash generation expectations, including market forecasts. The profit distribution policy is reviewed annually by the Board of Directors according to national and global economic conditions, the company's current projects and the status of its funds.</p> <p>Dividend distribution is authorized by the Board of Directors at the general assembly meeting where it is decided to distribute, and it is paid in installments of equal</p>



		<p>or different amounts within the framework of the legislation provisions, until December 15 of the relevant calendar year.</p> <p>The General Assembly is authorized to distribute Dividend Advances within the framework of the relevant legislation.</p> <p>Article 34 of the Company's Articles of Association explains "Distribution and Determination of Profit." Accordingly: Accordingly, it was determined as follows:</p> <p>The General Assembly is authorized to make decisions regarding the non-distribution or partial or complete distribution of profit within the framework of profit distribution policies. The practices related to general legal reserves and dividend accounts are carried out in accordance with the provisions of the TCC, CMB, and relevant legislation.</p> <p>From the revenues determined at the end of the operating period of the company, after deducting the amounts required to be paid or set aside by the company such as general expenses of the company and miscellaneous depreciation, and the taxes required to be paid by the company's legal entity, the remaining period profit, which is seen in the annual balance sheet, is calculated as specified below, after deducting the previous year's losses, if any:</p> <p>(a) 5% is set aside as legal reserves.</p> <p>(b) From the remaining amount, the first dividend is allocated in accordance with the Turkish Commercial Code and Capital Markets Legislation, including the donations made during the year if any.</p> <p>(c) After deducting the amounts specified in paragraphs a and b from the annual profit, 5% of the remaining amount is allocated as a profit share for the founders.</p> <p>(d) The General Assembly is authorized to distribute the remaining part of the net profit for the period, after deducting the amounts specified in subparagraphs (a), (b), and (c), partially or completely as a second dividend or according to Article 521 of the Turkish Commercial Code, and to allocate it voluntarily as a reserve fund.</p> <p>e) From the part decided to be distributed to the shareholders and other participants in the profit, 10% of the amount remaining after deducting 5% profit share is added to the general legal reserve in accordance with the second paragraph of Article 519 of the Turkish Commercial Code.</p> <p>Unless the legal reserves required by law and the profit share determined for the shareholders are allocated, no</p>
--	--	---

		<p>other reserves can be allocated, no profit can be transferred to the next year, and no profit share can be distributed to the holders of usufruct shares, members of the board of directors, and employees of the partnership. In addition, the General Assembly is authorized to distribute profit advances in accordance with the provisions of the TCC, CMB, and relevant legislation.</p> <p>Profits distributed in accordance with the provisions of the Articles of Association cannot be reclaimed. The return of profits in the case of advance dividend distribution is an exception to this rule.</p> <p>Dividends shall be distributed equally to all of the shares that exist as of the date of distribution, regardless of their dates of issuance and acquisition.</p> <p>The distribution method and time of the profit that is decided to be distributed is decided by the general assembly upon the proposal of the board of directors. The company's statements on its profit distribution policy published on the Public Disclosure Platform (KAP) are as follows:</p> <p>The Company has adopted the policy of distributing the entire distributable period profit in cash, within the framework of the applicable legislation and the provisions of the Company's Articles of Association, to the extent permitted by the financial leverage ratios and investment/financing needs and future free cash generation expectations, including market forecasts. The profit distribution policy is reviewed annually by the Board of Directors according to national and global economic conditions, the company's current projects and the status of its funds.</p> <p>Dividend distribution is authorized by the Board of Directors at the general assembly meeting where it is decided to distribute, and it is paid in installments of equal or different amounts within the framework of the legislation provisions, until December 15 of the relevant calendar year.</p> <p>The General Assembly is authorized to distribute Dividend Advances within the framework of the relevant legislation.</p>
<b>D—RISKS</b>		
D.1	<b>The risk factors related to the issuer, its operations, and the sector in which it operates</b>	In general, the company may face potential interest rate and exchange rate risks depending on macroeconomic variables. At the same time, production and sales activities may be negatively affected by supply shortages of active and auxiliary substances, the narrowing of the product

		<p>portfolio due to the prohibition of active and auxiliary substances, the trend towards biological products, the excess and constantly changing regulations affecting company activities, extraordinary increases in input costs due to the variability in international commodity prices, high negative impacts on the company's activities in terms of environmental and occupational safety, and the inability to collect trade receivables due to the weak financial and institutional structures of customers in the sector. In other words, the company may face risks such as commodity price risks, supply shortages, government and public authority decisions, receivables risks and cash shortages, distribution channels, and supply chain disruptions.</p>
D.2	<b>The risk factors related to the capital market instrument</b>	<p>The price of the company's shares may fluctuate within the framework of general market conditions and may be affected by the results related to the operational and financial activity of the partnership, dividend and capital increase policies. The price of the company's shares may fluctuate as a result of the impact of national and international macroeconomic variables on stock markets. Ups and downs that may occur in global stock markets can similarly affect the share price. Depreciation of the Turkish Lira against other currencies can reduce the value of the shares.</p>
<b>E—INITIAL PUBLIC OFFERING</b>		
E.1	<b>Information regarding the net proceeds to be obtained by the issuer/public offeror in relation to the initial public offering, the estimated total costs to be incurred, and the estimated costs to be requested from investors making a request**</b>	<p>Paid capital of the company is TRY 2,530,000,000; It will be increased to TRY 8,430,000,000 at a cost of TRY 5,900,000,000 (233.20158%). The gross income from the capital increase will be TRY 5,900,000,000. The gross cash inflow expected to be obtained from the sale of shares to be issued for the paid-in capital increase is TRY 5,900,000,000, <b>the estimated issuance cost is TRY 17,798,250</b>It is expected to be. The estimated net cash inflow after deducting the estimated issuance cost is expected to be TRY 5,882,201,750.</p>

		<b>Expenses related to share issuance</b>							
		Board Fee (0.2% on issue value)	TRY 11,800,000						
		Borsa İstanbul A.Ş. Listing Fee (0.03%) (Including BITT)	TRY 1,858,500						
		Competition Protection Fund (0.04%)	TRY 2,360,000						
		MKK Issuer Service Fee (0.005%) (Including BITT)	TRY 309,750						
		Intermediary Institution Payment Amount (Including BITT)	TRY 1,470,000						
		<b>Estimated Total Cost</b>	<b>TRY 17,798,250</b>						
		Total of Shares with 1 TRY Nominal Value	5,900,000,000						
		<b>Cost Per Share</b>	<b>TRY 0,003017</b>						
E.2a	<b>Information about the justification for the public offering, the uses of the public offering proceeds and the estimated net income to be obtained.</b>	<p>Paid capital of the company is TRY 2,530,000,000; It will be increased to TRY 8,430,000,000 at a cost of TRY 5,900,000,000 (233.20158%). The gross income from the capital increase will be TRY 5,900,000,000. The gross cash inflow expected to be obtained from the sale of shares to be issued for the paid-in capital increase is TRY 5,900,000,000, the estimated issuance cost is TRY 17,798,250 It is expected to be. The estimated net cash inflow after deducting the estimated issuance cost is expected to be TRY 5,882,201,750.</p> <p>The resources envisaged to be provided as a result of this capital increase are planned to be used in the areas specified in the table below.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">PLACE OF USE OF THE FUND (*)</th> <th style="text-align: center;">RATIO TO NET CAPITAL INCOME (%)</th> </tr> </thead> <tbody> <tr> <td>Debt Repayment</td> <td style="text-align: center;">100</td> </tr> <tr> <td><b>TOTAL</b></td> <td style="text-align: center;"><b>100</b></td> </tr> </tbody> </table> <p>The fund to be obtained will be used to make principal and interest repayments to reduce the financial burden on the Company and its 100% subsidiaries, to reduce the Company's debt stock and financing costs, and to produce a stronger financial structure by this means. With the funds to be obtained from the capital increase, the loans in question will be evaluated and paid off in the order to be determined by taking into account the maturity and costs, in line with the interests of the Company and our investors, depending on market conditions. All debts planned to be paid are in cash.</p> <p>The company will benefit from the fund obtained from the capital increase by purchasing securities such as time deposits in Turkish Lira and/or Eurobonds, investment funds, etc. and/or in another way that can provide similar protection to preserve the value of the fund, until it starts</p>		PLACE OF USE OF THE FUND (*)	RATIO TO NET CAPITAL INCOME (%)	Debt Repayment	100	<b>TOTAL</b>	<b>100</b>
PLACE OF USE OF THE FUND (*)	RATIO TO NET CAPITAL INCOME (%)								
Debt Repayment	100								
<b>TOTAL</b>	<b>100</b>								

		to use it in the above mentioned areas. The methods of benefit and the conditions of benefit for this fund during the said period will be decided in accordance with the interests of the Company within the framework of global and local economic conditions.
E.3	<b>Information and conditions regarding public offering</b>	<p>Nominal value of shares offered to public TRY 5,900,000,000.</p> <p>The exercise of new share purchase rights will begin within 10 business days at the latest after the announcement of the Prospectus, and the period for using the new share purchase right for existing partners has been determined as 15 (fifteen) days. If the last day of this period falls on a public holiday, the right to purchase new shares will expire on the evening of the following business day. The shares remaining from the exercise of the right to purchase new shares will be offered to the public in the Stock Exchange Primary Market, and the offering period is determined as 2 business days. The nominal amount of the remaining shares to be offered for sale and the dates of the public offering will be announced to the investors through the announcement of the sale to the investors and on the Company's corporate website (<a href="http://www.hektas.com.tr">www.hektas.com.tr</a>), the Public Disclosure Platform (KAP) (<a href="http://www.kap.org.tr">www.kap.org.tr</a>), and the website of OYAK Yatırım Menkul Değerler A.Ş. (<a href="http://www.oyakyatirim.com.tr">www.oyakyatirim.com.tr</a>).</p> <p>The shares to be issued will be sold on the stock exchange at their nominal value during the exercise of pre-emptive rights (the nominal value of one share is 1 Kuruş, and 1 lot (100 shares) will be offered for sale at TRY 1). The shares remaining after the exercise of pre-emptive rights will be sold on Borsa Istanbul A.Ş. at a price not lower than the nominal value.</p> <p>Share prices will be deposited into the TRY account with IBAN number <b>TR820001500158007331427246</b> opened in the name of the Company at Türkiye Vakıflar Bankası TAO, exclusively for use in this capital increase.</p> <p>If there are unsold and remaining shares, these shares will be cancelled.</p> <p>In sales to savers, the "Sale at the Stock Exchange" method included in CMB's Communiqué on the Sale of Capital Market Instruments No. II-5.2 will be used.</p> <p>Savers who want to take a share in this capital increase must apply to one of the members of the stock exchange, which consists of institutions authorized to trade on BIST.</p>

		They will be able to purchase shares through the channels offered by these authorized institutions.
E.4	<b>Significant interests of interested parties in relation to the IPO, including conflicting interests</b>	There is no real or legal person with a significant interest in the public offering. The Company's capital from the public offering of the Company's shares is transferred to OYAK Yatırım Menkul Değerler A.Ş., which provides brokerage services. will earn brokerage commission.
E.5	<b>Name/title of the person/issuer offering the capital market instrument to the public</b>  <b>Information about commitments made regarding not increasing the amount of shares in circulation, including who made the commitment and for how long.</b>	Issuer: HEKTAŞ TİCARET TÜRK A.Ş.  None.
E.6	<b>Amount and percentage of dilution effect resulting from public offering</b>  <b>In case of exercising the right to purchase new shares, the amount and percentage of the dilution effect if the existing shareholders do not purchase shares from the public offering</b>	Assuming that the existing partners exercise all of their rights to acquire new shares in the public offering, the amount of (negative) dilution effect for a TRY 1 nominal value share for existing partners is TRY 1,388 and 46.57%.  Assuming that existing partners do not exercise their right to purchase new shares in the public offering, the amount of (positive) dilution effect for a share with a nominal value of TRY 1 for existing partners is TRY 2,605 and 87.41%.
E.7	<b>Information about the estimated costs to be requested from investors who make a request</b>	Investors making a request will be subject to the pricing policies of the brokerage firms they apply to.

### 3. INDEPENDENT AUDITORS

#### 3.1. Trade names and addresses of the issuer's independent audit firms as of the financial statement periods included in the prospectus (together with the professional organizations they are members of):

Financial Statement Periods	Trade Name of the Independent Audit Firm	Auditor in Charge	Professional Organizations They Are Members of	Address
01.01.2023 – 31.12.2023	DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş	VOLKAN BECERİK	ISTANBUL CHAMBER OF CERTIFIED PUBLIC ACCOUNTANTS	ESKİ BÜYÜKDERE CAD. NO 1 SARIYER / ISTANBUL
01.01.2022 – 31.12.2022	DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş	VOLKAN BECERİK	ISTANBUL CHAMBER OF CERTIFIED PUBLIC ACCOUNTANTS	ESKİ BÜYÜKDERE CAD. NO 1 SARIYER / ISTANBUL
01.01.2021 - 31.12.2021	DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş	NAZLI İVAK	ISTANBUL CHAMBER OF CERTIFIED PUBLIC ACCOUNTANTS	ESKİ BÜYÜKDERE CAD. NO 1 SARIYER / ISTANBUL

Independent audit services have been received from DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş for the fiscal years 2023, 2022, and 2021. As stated in the table above, the Responsible Auditor for 2023 and 2022 is Volkan Becerik. The Auditor in Charge for 2021 is Nazlı İvak.

#### 3.2. Information regarding the dismissal, withdrawal or change of independent audit firms/responsible joint chief auditor:

As stated in section (3.1) of the prospectus, independent audit services for the accounting periods of 2021, 2022, and 2023 were received from DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş., and the chief auditor is Nazlı İvak for 2021 and Volkan Becerik for 2022 and 2023.

#### 4. SELECTED FINANCIAL INFORMATION

Important financial items selected from the Company's consolidated financial position statements and income statements for the 31.12.2021, 31.12.2022 and 31.12.2023 accounting periods are listed below.

#### Selected financial information of the Company for the accounting periods of 31.12.2021, 31.12.2022, 31.12.2023

Selected Financial Information (TRY)	Audited Independently 31.12.2021 (**)	Audited Independently 31.12.2022 (*)	Audited Independently 31.12.2023 (*)
<b>Current Assets</b>	<b>3,282,552,383</b>	<b>15,444,424,164</b>	<b>15,129,705,656</b>
-Cash and cash equivalents	107,447,303	2,523,329,279	4,622,175,507
-Financial investments	0	268,026	970,858,747
-Derivative Financial Instruments	169,694,609	48,039,917	0
-Trade Receivables	1,654,632,440	6,735,950,671	3,034,963,794
-Other Receivables	3,561,437	62,645,715	1,500,633,961
-Stocks	1,148,641,360	5,405,788,009	4,250,506,812
-Prepaid Expenses	107,996,108	136,121,020	111,027,965
-Assets Regarding the Current Period Taxes	1,079,923	105,002,617	59,757,193
-Other Current Assets	89,499,203	427,278,910	579,781,677
<b>Fixed Assets</b>	<b>1,448,249,128</b>	<b>7,769,057,079</b>	<b>10,325,630,860</b>
-Trade Receivables	8,623,198	2,481,983	0
-Other Receivables	851,455	2,484,647	4,206,751
-Investment Properties	4,775,883	40,270,485	39,268,224
-Tangible Fixed Assets	1,044,072,504	5,431,834,357	4,365,657,596
-Right of Use Assets	43,014,887	273,709,047	148,361,836
-Intangible Fixed Assets	294,956,738	1,081,618,997	3,367,101,643
-Prepaid Expenses	20,706,311	476,957,316	853,240,946
-Deferred tax asset	31,248,152	459,700,247	1,547,793,864
<b>Total Assets</b>	<b>4,730,801,511</b>	<b>23,213,481,243</b>	<b>25,455,336,516</b>
<b>Short-Term Liabilities</b>	<b>3,112,947,762</b>	<b>13,781,668,875</b>	<b>15,798,265,820</b>
-Financial Debts	2,210,061,295	11,661,732,895	13,485,548,498
-Trade Payables	816,788,417	1,576,102,206	1,400,078,976
-Employee Benefits	37,126,829	136,243,514	81,300,469
-Other Liabilities	26,276,907	43,991,812	758,741,816
-Derivative Financial Instruments	10,935,886	7,527,677	1,787,136
-Deferred income	2,817,455	324,455,331	27,873,085
-Period Income Tax Liability	2,948,394	11,654,398	26,471,235
-Short-term provisions	5,992,579	19,961,042	16,464,605
<b>Long-Term Liabilities</b>	<b>171,279,534</b>	<b>1,100,941,550</b>	<b>2,117,295,054</b>
-Financial Debts	61,213,837	359,326,831	950,514,278
-Other Liabilities	52,848,957	116,625,112	111,954,399
-Long-term provisions	21,376,652	94,912,389	73,865,372



<b>Selected Financial Information (TRY)</b>	<b>Audited Independently 31.12.2021 (**)</b>	<b>Audited Independently 31.12.2022 (*)</b>	<b>Audited Independently 31.12.2023 (*)</b>
-Deferred Tax Liability	35,840,088	530,077,218	980,961,005
<b>Equities</b>	<b>1,446,574,215</b>	<b>8,330,870,818</b>	<b>7,539,775,642</b>
<b>Equities belonging to Parent Company</b>	<b>1,429,679,635</b>	<b>8,318,521,003</b>	<b>7,548,835,979</b>
-Paid-up Capital	860,000,000	2,530,000,000	2,530,000,000
-Capital Adjustment Differences	0	4,239,263,374	4,239,263,374
-Effect of Mergers Involving Undertakings or Businesses Subject to Common Control	8,147,726	0	0
-Premiums/Discounts on Shares	5,203,762	50,040,977	50,040,977
-Other comprehensive accrued income or expenses that will not be reclassified to profit or loss	-7,685,734	-32,816,730	-41,575,122
-To be Reclassified to Profit or Loss Other Accumulated Comprehensive Income (Expense)	25,192,601	24,257,225	142,329,037
-Restricted reserves from profit	46,485,140	285,927,506	316,226,001
-Retained Years Profits and Losses	172,945,200	55,324,867	1,190,790,759
-Net Period Profit	319,390,940	1,166,523,784	-878.239.047
-Non-Controlling Interests	16,894,580	12,349,815	-9,060,337
<b>Total Liabilities</b>	<b>4,730,801,511</b>	<b>23,213,481,243</b>	<b>25,455,336,516</b>
Gross Profit/Loss	708,324,969	3,027,380,639	815,592,841
Real operating profit / loss	417,314,719	1,663,712,705	-1,457,451,886
Period Profit/Loss from Continuing Activities	313,274,515	1,144,705,464	-894,457,832
Distribution of Period Profit/Loss	313,274,515	1,144,705,464	-894,457,832
- <i>Minority Shares</i>	-6,116,425	-21,818,320	-16,218,785
- <i>Parent Partnership Shares</i>	319,390,940	1,166,523,784	-878.239.047
<b>Earnings/Loss Per Share (One Hundred)</b>	<b>0,30</b>	<b>0,86</b>	<b>-0,35</b>

(\*) The Turkish Lira ("TRY") is presented as TRY based on the purchasing power as of December 31, 2023.

(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021. The year 2021 is shown only in the financial statements. Comparisons between 2023 and 2022 were made in the analysis and explanations sections.

<b>INCOME STATEMENT (TRY)</b>	<b>Audited Independently 31.12.2021 (**)</b>	<b>Audited Independently 31.12.2022 (**)</b>	<b>Audited Independently 31.12.2023 (**)</b>
<i>Revenue</i>	2,020,718,336	10,001,274,789	6,038,995,409
<i>Cost of Sales</i>	-1,312,393,367	-6,973,894,150	-5,223,402,568
<b>GROSS PROFIT (LOSS)</b>	<b>708,324,969</b>	<b>3,027,380,639</b>	<b>815,592,841</b>
<i>General Administrative Expenses</i>	-87,414,515	-397,993,806	-811,728,317
<i>Marketing Expenses</i>	-87,391,904	-451,979,081	-595,185,392
<i>Research and Development Expenses</i>	-35,379,921	-179,185,298	-208,192,131
<i>Other Income from Main Operations</i>	5,187,259	80,222,216	152,001,237
<i>Other expenses from real operating</i>	-86,011,169	-414,731,965	-809,940,124
<b>MAIN OPERATING PROFIT (LOSS)</b>	<b>417,314,719</b>	<b>1,663,712,705</b>	<b>-1,457,451,886</b>
<i>Income from Investment Activities</i>	2,578,830	13,960,325	1,269,902,029
<i>Expenses from Investment Activities</i>	-181,144	-3,271,588	-1,806,889

<b>OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSE)</b>	<b>419,712,405</b>	<b>1,674,401,442</b>	<b>-189,356,746</b>
<i>Financial expenses</i>	<i>126,884,880</i>	<i>457,022,477</i>	<i>1,627,399,948</i>
<i>Financial Expenses</i>	<i>-225,369,779</i>	<i>-2,281,967,173</i>	<i>-4,544,850,733</i>
<i>Monetary Loss/Gain</i>	<i>0</i>	<i>1,329,598,322</i>	<i>1,591,953,665</i>
<b>PROFIT (LOSS) FROM CONTINUED OPERATIONS BEFORE TAX</b>	<b>321,227,506</b>	<b>1,179,055,068</b>	<b>-1,514,853,866</b>
<i>Continuing Activities Tax (Expense) Income</i>	<i>-7,952,991</i>	<i>-34,349,604</i>	<i>620,396,034</i>
<i>Period Tax (Expense) Income</i>	<i>-4,438,104</i>	<i>-141,420,483</i>	<i>-56,347,009</i>
<i>Deferred Tax (Expense) Income</i>	<i>-3,514,887</i>	<i>107,070,879</i>	<i>676,743,043</i>
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>313,274,515</b>	<b>1,144,705,464</b>	<b>-894,457,832</b>

(\*) The Turkish Lira (“TRY”) is presented as TRY based on the purchasing power as of December 31, 2023.

(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021. The year 2021 is shown only in the financial statements. Comparisons between 2023 and 2022 were made in the analysis and explanations sections.

The company's detailed financial statements and their independent audit reports are available on the websites [www.hektas.com.tr](http://www.hektas.com.tr) and [www.kap.org.tr](http://www.kap.org.tr).

**Before making an investment decision, the investor should also take into consideration sections 10 and 22 of this prospectus, which contain detailed information about the issuer's financial situation and operating results.**

## 5. RISK FACTORS

### 5.1. Risks related to the issuer and its activities:

#### **Narrowing of supply sources of active and auxiliary substances**

The company procures the raw materials and auxiliary materials it uses in the production of the products it manufactures from Far Eastern countries such as China and India. In these countries, supply sources may be narrowed due to various reasons, especially regulations, and even the risk of not being able to find raw materials and auxiliary materials to be used in production may arise.

#### **Narrowing of the product portfolio due to the banning of active and auxiliary substances**

Prohibitions on the use of active substances in our country within the framework of EU regulations may lead to the narrowing of the Company's product portfolio. The Company produces various active substances used in the production of plant protection products. These active substances may be banned due to reasons such as causing or potentially causing harm to the ecological system. Until a substitute for the banned active substance is found or another product is developed in its place, this situation poses a risk in the short term.

#### **Excessive and constantly changing regulations affecting the Company's activities**

The Company is directly affected by the regulations of the Turkish Ministry of Agriculture and Forestry due to the nature of its sector. At the same time, EU regulations are also very important as they have potential impacts. The Company must follow all regulations of the relevant ministry and the EU in the fields of plant protection, fertilizers, and seeds and take immediate action accordingly.

The Company is also subject to a significant extent to foreign trade and customs legislation in its purchasing activities because it procures the active substances of the products it manufactures from abroad. Therefore, regulations and changes in customs and foreign trade legislation are also of great importance.

High volatility in exchange rates and international commodity prices

A large portion of the raw materials and auxiliary materials used in production is imported from abroad. Therefore, the Company faces exchange rate risk. Moreover, price movements in international commodity markets can also be highly volatile. As a result, the Company may face open foreign exchange positions and the associated exchange rate losses, as well as high production costs due to fluctuations in commodity prices.

#### **The level of the Company's activities in terms of environmental and occupational safety**

The nature of the products manufactured by the Company is generally chemical. Therefore, the Company is subject to environmental regulations applicable to heavy chemical-producing enterprises and faces the risks of major industrial accidents. On the other hand, the work environment is classified as "hazardous" in terms of danger level, and the Company may face risks arising from the work environment.

#### **Failure to collect trade receivables**

Trade receivables are spread across various sectors and geographical areas, encompassing a large number of customers. Due to sectoral, geographical, and customer-specific reasons, there is a risk of not being able to collect trade receivables.

**In addition to these risks, the Company also faces currency risk, credit risk, liquidity risk, and price risk as indicated in the financial statement footnotes due to its activities.**

#### **5.2. Risks related to the sector in which the issuer operates:**

##### **High working terms due to the nature of the sector**

The sector works with high maturities. This risk is a reality of the industry. It takes a long time for the agricultural product producer to grow, harvest and sell the product. Therefore, all companies in the sector work according to this fact. The obligation to work with high maturities imposed by the sector creates the burden on the Company to finance customers with long maturities and the financial risks brought by this burden.

##### **Weak financial and corporate structures of customers in the sector**

The majority of customers in the sector have a weak financial structure. Maturity and collateral have become key factors in competition. Since the competitive tool in the sector is mainly based on maturity and guarantee, trade receivables risk is high.

##### **Depending on changes in consumer demand, the industry begins to prefer organic and/or biological protection products.**

Depending on changes in consumer demand; Agricultural product producers also want to use organic and biological protection products instead of chemical protection and plant nutrition products in their products. The shift in demand from manufacturers from chemical products to biological products will pose a risk for the product portfolio.

### **5.3. Risks regarding the shares to be issued:**

The price of company shares may fluctuate within the framework of general market conditions, independently of the partnership activities, and may be affected by the results of the partnership's operational and financial activities and dividend and capital increase policies.

The price of company shares may vary as a result of national and international macroeconomic variables affecting the stock markets.

Ups and downs that may occur in global stock markets may affect the share price in parallel,

The depreciation of the Turkish Lira against other currencies may reduce the value of the shares.

After the shares are issued, the price of the shares will be determined in the market, depending on the developments in the economy and/or the financial structure of the Company. There may be fluctuations in the price of the shares in question if the financial performance of the Company is below expectations or depending on capital market conditions.

Shareholders' dividend income is the income obtained from the distribution of profits made by companies at the end of the year. The company can distribute its profits in cash or by issuing shares by adding dividends to the capital. If the profit is not earned, there is a risk that it will not be distributed. Additionally, it may decide not to distribute profits in periods when profits are made. In all cases, profit distribution is subject to the approval of the General Assembly.

In addition, shareholders share in the profits and losses of the Company. If there is any remaining balance as a result of the liquidation of the Company, the shareholder participates in the said liquidation balance in proportion to his share. In case of liquidation of the partnership, a payment can only be made to the shareholders after the necessary payments have been made to all other creditors.

### **5.4. Other risks:**

The company is also exposed to risks arising from economic contraction, competition, climate and seasonal changes and natural disasters (Earthquake, Flood, Frost, etc.). The Company's operations are subject to regulatory risk, including ongoing legislation in Turkey and the effects of changes in laws, regulations, policies and their interpretation. A large portion of the raw material and auxiliary material stocks used in production are imported from abroad. In this respect, the Company faces exchange rate risk. Even if some derivative instruments are used to hedge against exchange rate risk, it is possible to work with stocks in order to provide a natural hedge in the purchase of some raw materials and auxiliary materials.

Unpredictable exchange rate and price fluctuations may cause an extraordinary situation.

## **6. INFORMATION ABOUT THE ISSUER**

### **6.1. General information about the issuer:**

#### **6.1.1. The trade name and business name of the issuer:**

HEKTAŞ TİCARET TÜRK ANONİM ŞİRKETİ

#### **6.1.2. Trade registry and registration number where the issuer is registered:**

The issuer;

- *Head office address registered in the trade registry;*

Gebze Organize Sanayi Bölgesi Mahallesi 700.Sokak No:711/1 Gebze/Kocaeli

- Trade registry office and trade registry number to which it is affiliated;  
Gebze Trade Registry Directorate / 6535/10921

**6.1.3. The issuer's incorporation date and, if not indefinite, its anticipated duration:**

Year of foundation; 15.06.1956 – Indefinite

**6.1.4. Legal status of the issuer, the legislation it is subject to, the country where the issuer is established, the address of its registered office and de facto headquarters, internet address and telephone and fax numbers:**

Legal Status	:	Joint-stock company
The Applicable Legislation	:	Turkish Laws (TCC, CML, TPL, etc.)
Country of Establishment		Republic of Turkey
Address (Headquarters) and Actual Management Center		Gebze Organize Sanayi Bölgesi Mahallesi 700.Sokak No:711/1 Gebze/Kocaeli
Internet Address		<a href="http://www.hektas.com.tr">www.hektas.com.tr</a>
Central Telephone and Fax Number:		0262 751 14 12 – 0262 751 14 22

**6.1.5. Information about the issuer of the depositary certificate**

None.

**6.2. Investments:**

**6.2.1. Information about the issuer's significant investments and the financing methods of these investments as of the financial statement periods that should be included in the prospectus:**

**1.Financial Fixed Asset Investments**

***Acquisition of Areo<sup>6</sup> Tohumculuk***

On February 22, 2019, the Company purchased 100% of the shares of AREO Tohumculuk ARGE Sanayi ve Dış Ticaret Anonim Şirketi ("AREO") for TRY 25,150,000 upon the valuation study and included AREO within the scope of consolidation. In the valuation study conducted for AREO Tohumculuk, the "Discounted Cash Flow" method was used and according to the said method, the market value of Areo Tohumculuk ARGE Sanayi ve Dış Ticaret Anonim Şirketi is TRY 25,283,293 (Twenty-five million two hundred eighty-three thousand two hundred and ninety-three Calculated as TRY). The financial investment in question was made using a bank loan.

Areo's main field of activity is to carry out all kinds of seed production and development activities, and to establish greenhouses and specially equipped areas for this. The company carries out seed-related R&D activities, especially seed breeding studies, through its subsidiary. "Areo" is currently located in Akdeniz University Teknokent.

AREO Tohumculuk R&D Industry and Foreign Trade Joint Stock Company was established in Antalya, Akdeniz University Teknokent in 2010. The company carries out its operations on an thirtyfive-decare private area allocated and rented within the Akdeniz University Campus.

AREO Tohumculuk's main field of activity is the breeding and production of vegetable (horticultural) seeds. Especially tomato, pepper, cucumber, eggplant, zucchini, melon and watermelon varieties are among the products that the company develops. Vegetable seeds, wheat, corn, barley etc. (field crops) are products with a much higher value per unit than their seeds.

Efforts to develop products that meet the quality demanded by the market continue. One of the main goals of the company is to produce healthy products that meet the needs of international markets, meet the expectations of producers, comply with standards, are resistant to diseases and that consumers can consume safely. The studies carried out in this direction have yielded results and started to contribute to the turnover as of the last quarter of 2023.

AREO Tohumculuk works with completely natural breeding methods using bio-technology and molecular biology techniques, although it requires more time and effort. A large gene pool has been created as a result of studies carried out for more than ten years, nine of which were at Akdeniz University Teknokent. There are seeds of around 12,000 tomato, 8,000 pepper and 4,000 cucumber varieties in the gene pool. Red and pink village tomatoes, which are especially common in our country, have been bred, and these varieties have been widely accepted by the consumer.

#### ***Acquisition of Sunset Kimya ve Tarım***

On June 9, 2020, the Company acquired 100% of Sunset Kimya Tarım Ürünleri ve Aletleri İmalat Pazarlama Sanayi ve Ticaret Anonim Şirketi ("Sunset") for a nominal price of TRY 65,000,000 and included Sunset in the scope of consolidation based on its financial statements for the period ended May 30, 2020. Sunset's main field of activity is the wholesale and retail trade of all kinds of agricultural pesticides, their production, import and export, and marketing in domestic and foreign markets. Sunset's headquarters is in Niğde/Bor and its capital is nominal TRY 2,000,000.

The acquisition of financial fixed assets in question was financed using a bank loan.

#### ***Acquisition of Arma İlaç***

The company acquired 100% of the shares in Arma İlaç Sanayi ve Ticaret A.Ş. ("Arma") on 28.07.2021 for a nominal price of TRY 92,000,000. Arma İlaç's field of activity is the production of veterinary medicines. Arma İlaç is headquartered in Sincan district of Ankara. Capital:TRY 43,000,000. Arma İlaç has the Good Manufacturing Practice (GMP) certificate issued by the Turkish Ministry of Agriculture and Forestry.

In 2021, the company established a "Pet Food" production facility with an annual capacity of 50,000 tons on an area of 40,336 m<sup>2</sup> in the Kızıksa neighborhood of Manyas district, Balıkesir province. On 29.12.2023, the transfer of the leasehold right and the sale of the machines and equipment within the facility to Arma İlaç for 20,000,000.00 Euros were completed for the property with a total area of 40,336 m<sup>2</sup>, including a closed area of 10,375 m<sup>2</sup>. The entire amount was collected from Arma İlaç in 2024. On the same date, 100% of the shares of Arma İlaç were sold to OYAK Gıda ve Tarım Holding A.Ş. for 14,000,000 Euros on a deferred basis. The entire amount was collected from OYAK Gıda ve Tarım Holding A.Ş. in 2024. For this transaction, there is no situation that leads to the right of withdrawal within the scope of the "Capital Markets Board's Communiqué No. II-23.3 on Significant Transactions and the Right of Withdrawal."

-----  
<sup>6</sup> The trade name of our wholly-owned (100%) subsidiary Akça Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş was changed to AREO Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş on 06.10.2020, and this change was published in the Turkish Trade Registry Gazette dated 06.10.2020 and numbered 10175.

### *Agriventis Technologies Pty Ltd'nin Alımı*

The company purchased 51% of the shares of Agriventis Technologies Pty Ltd ("Agriventis") on 12.01.2022 for a nominal price of TRY 28,000,000. Agriventis' field of activity is agricultural seed technology development, drought-resistant seed breeding and production. Agriventis is headquartered in Sydney, Australia. Its capital is 457,375 Australian Dollars (AUD).

The acquisition of financial fixed assets in question was made with the funds provided from the paid-in capital increase made by the Company in 2021.

### *Establishment of HEKTAS Asia Llc Company*

Within the scope of its foreign investment plans, the company has decided to establish a company titled "HEKTAS ASIA LLC" in Uzbekistan as a 100% subsidiary in order to strengthen the mutually beneficial economic relations between Turkey and Uzbekistan and to turn the market into an opportunity in the region. An annual production capacity of approximately 30,000 tons is envisaged for the planned plant protection production facility and approximately 150,000 tons for the organomineral fertilizer production facility.

With the paid capital increase made in 2022, in Tashkent, Uzbekistan, in November 2022; The company titled "HEKTAS ASIA LLC" was established.

Accordingly, in October 2023, the process of increasing the Company's capital from 400,000,000 Uzbek SOM to 229,248,747,392.41 Uzbek SOM was completed, and the new capital amount was registered as 229,248,747,392.41 Uzbek SOM.

## **2. Tangible Asset Investments**

The Company has construction and machinery, facility investments tied to investment incentive certificates at its plant protection production facilities in Kocaeli/Gebze, its organomineral fertilizer production facilities in Adana/Sarıçam, its pet food production facilities in Balıkesir/Manyas, its high-tech center in Ankara, and its ongoing investment process for veterinary medical product production facilities in Ankara. Additionally, there are investments in modernization, capacity expansion, and maintenance at the R&D-based training and production facilities in Bursa/Orhangazi and in its subsidiaries.**6.2.2. Information about the nature, degree of completion, geographical distribution and financing method of the investments made by the issuer:**

Within the scope of the modernization, automation and robotic system project initiated at the Company's 'Plant Protection Products Production Facility' in the Gebze district of Kocaeli province, the installation of the Powder Form Production Facility filling lines and robotic system was completed in December 2023. Additionally, as part of the modernization, automation, and robotic systems project initiated at the Company's Plant Protection Products Production Facility in the Gebze district, an additional 1,900 m<sup>2</sup> of construction work has been completed to expand the existing storage areas, bringing the total raw material storage area to 7,300 m<sup>2</sup>, including the existing 5,400 m<sup>2</sup> raw material warehouse.

The investments carried out under the project formerly known as the 'Agricultural Innovation Education and Experience Center', now renamed Hektaş F.A.R.M, which was initiated in the Orhangazi district of Bursa province, have been completed. The Orhangazi facility is a facility with modern facilities such as R&D laboratories, open areas and greenhouses with agricultural production capabilities, a congress center and vertical farming. The company's application to the Ministry of

Industry and Technology for an R&D Center Certificate regarding this facility was approved, thus the facility became the company's R&D center.

In 2021, the company established a "Pet Food" production facility with an annual capacity of 50,000 tons on an area of 40,336 m<sup>2</sup> in the Kızıksa neighborhood of Manyas district, Balıkesir province. On 29.12.2023, the transfer of the leasehold right and the sale of the machines and equipment within the facility to Arma İlaç for 20,000,000.00 Euros were completed for the property with a total area of 40,336 m<sup>2</sup>, including a closed area of 10,375 m<sup>2</sup>. The entire amount was collected from Arma İlaç in 2024. On 29.12.2023, 100% of the shares of Arma İlaç company were sold to OYAK Gıda ve Tarım Holding A.Ş. on a forward basis for 14,000,000 EURO. The entire amount was collected from OYAK Gıda ve Tarım Holding A.Ş. in 2024. For this transaction, there is no situation that leads to the right of withdrawal within the scope of the "Capital Markets Board's Communiqué No. II-23.3 on Significant Transactions and the Right of Withdrawal."

In the production facility established in Bor district of Niğde province of Ferbis, a 100% subsidiary of the Company, new production buildings and investments for capacity increase were completed and put into operation in 2023. With the completion of this investment, the total closed area size was approximately 18,500 m<sup>2</sup>.

The investment process of the Company's High Technology Center facility, which started to be invested in Sincan district of Ankara province, was completed in 2023. The facility started its operations with a production capacity of 20,520 tons/year. Facility; It is capable of producing amino acids, bacteria, enzymes, organomineral liquid fertilizers, compound liquid fertilizers and active ingredients, and has a highly developed and technological R&D laboratory.

The company decided to move from the real estate where its administrative center is located in Gebze district of Kocaeli Province and where it continues its plant protection production activities, to the facility in Orhangazi district of Bursa Province, with the decision of the board of directors dated 29.09.2023. It was evaluated that significant synergies would be achieved with this decision. Project work within the scope of the moving project continues.

### **6.2.3. Information about decisions taken by the issuer's governing body, agreements made and other initiatives binding on the issuer regarding significant future investments.**

In section 6.2.2 of this Prospectus, ongoing future investments, their degree of completion and planned completion dates are stated. There are decisions of the Company's management body regarding the investments in question, and these investments were also announced through the Public Disclosure Platform (KAP).

There are no decisions or commitments that are binding on the Company regarding these investments.



## 7.GENERAL INFORMATION ABOUT ACTIVITIES

### 7.1. Main areas of activity:

#### 7.1.1. Information about the issuer's activities, including the main product/service categories as of the financial statement periods that should be included in the prospectus:

The company was established in 1956, registered and listed in the trade registry to manufacture, import, and market agricultural and veterinary medicines. As of the current situation, the main activity of the company is the production, import, sale, and marketing of plant protection, plant nutrition, and seed products. In the company's product portfolio, there are more than 400 plant protection and plant nutrition products suitable for the ecological structure and product diversity of our country, as well as products in the field of seed cultivation. The company markets its products through 6 regional directorates and around 1,500 distribution points.

With the strength derived from its extensive sales and distribution network, the company established animal health business in 2005 and plant nutrition and seed businesses in 2017.

As of 2017, within the scope of the change and transformation process, the company transitioned from the motto "Doctor of Agriculture" to "Pioneer of Smart Agriculture,"<sup>7</sup> defining its new value-oriented vision. Before 2017, the company focused solely on the plant protection products needed by agricultural producers, but in 2017 it shifted its perception and focus towards the production of high value-added agricultural products. At the end of 2017, Ferbis<sup>8</sup> Tarım, operating in Niğde, was fully (100%) acquired by HEKTAŞ, becoming part of the OYAK Group companies. Additionally, during the same period, a facility was leased in Adana to produce organomineral fertilizers<sup>9</sup>, initiating organomineral fertilizer production. In 2023, the property located at Sarıçam District, Acıdere OSB Neighborhood, Adana Hacı Sabancı OSB, Atatürk Boulevard, N19 ADANA, leased for organomineral fertilizer production and ongoing fertilizer production, was purchased by the company.

Furthermore, in 2019, the company started domestic seed breeding activities by acquiring all shares of Areo<sup>10</sup> Tohum, based in Antalya. Also, in 2019, the first steps were taken to establish an agricultural R&D center on an area of 607 decares in Orhangazi District, Bursa.

Formerly known as the 'arımsal İnovasyon Eğitim ve Deneyim Merkezi (Agricultural Innovation Education and Experience Center)' this R&D center, now called Hektaş F.A.R.M., has become the first of its kind in Turkey and one of the leading agricultural R&D centers in the world. HEKTAŞ F.A.R.M., established on an area of 607 decares, is one of the most comprehensive facilities in its field, focusing on increasing agricultural productivity and sustainability through digitized processes and new-generation techniques.

-----  
<sup>7</sup> Smart agriculture is a technique that enables soil and crop management to increase agricultural productivity, with more economical use of resources and minimizing environmental damage.

<sup>8</sup> The trade name of our wholly-owned (100%) subsidiary FNC Tarım Ticaret ve Sanayi A.Ş was changed to Ferbis Tarım Ticaret ve Sanayi Ticaret A.Ş on 07.07.2020, and this change was published in the Turkish Trade Registry Gazette dated 07.07.2020 and numbered 10113.

<sup>9</sup> Organomineral fertilizer is a hybrid type of fertilizer produced by blending organic and chemical raw materials.

<sup>10</sup> The trade name of our wholly-owned (100%) subsidiary Akça Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş was changed to AREO Tohumculuk ARGE Sanayi ve Dış Ticaret A.Ş on 06.10.2020, and this change was published in the Turkish Trade Registry Gazette dated 06.10.2020 and numbered 10175.

In 2020, aligning with its growth strategies and export goals, the company added SUNSET, a producer and trader of plant protection products, to its subsidiaries by acquiring all its shares. Additionally, to enrich its product portfolio and enter new business lines by developing new products, the company acquired ARMA İlaç<sup>11</sup>, which operates in the production of veterinary medicines, has export potential, and holds a GMP Production Certificate, in 2021.

In 2021, the company established a "Pet Food" production facility with an annual capacity of 50,000 tons on an area of 40,336 m<sup>2</sup> in the Kızıksa neighborhood of Manyas district, Balıkesir province. On 29.12.2023, the transfer of the leasehold right and the sale of the machines and equipment within the facility to Arma İlaç for 20,000,000.00 Euros were completed for the property with a total area of 40,336 m<sup>2</sup>, including a closed area of 10,375 m<sup>2</sup>. The entire amount was collected from Arma İlaç in 2024. On the same date, 100% of the shares of Arma İlaç were sold to OYAK Gıda ve Tarım Holding A.Ş. for 14,000,000 Euros on a deferred basis. The entire amount was collected from OYAK Gıda ve Tarım Holding A.Ş. in 2024. For this transaction, there is no situation that leads to the right of withdrawal within the scope of the "Capital Markets Board's Communiqué No. II-23.3 on Significant Transactions and the Right of Withdrawal."

In 2021, the process of acquiring 51% of Agriventis Technologies, based in Australia and developing drought-tolerant seeds, was initiated and the acquisition process was completed in January 2022.

Utilizing its knowledge, experience, and expertise in agriculture, the company evaluated the development process in Uzbekistan. In November 2022, to operate in the fields of plant protection and plant nutrition and to support export-oriented growth by being close to the Uzbekistan market and other Turkic Republics in the region, a company named "HEKTAS ASIA LLC" was established in Tashkent, Uzbekistan, wholly owned (100%) by HEKTAŞ, and the infrastructure work and investments for the operation of this company are ongoing.

In conclusion, as of the preparation period of the prospectus, the company operates in the fields of plant protection products, plant nutrition (fertilizer), and seed products.

The company provides protection against agricultural diseases faced by agricultural producers with the plant protection products it produces, sells, and markets. The company also supplies the fertilizers needed by agricultural producers with the plant nutrition products it produces and includes in its product portfolio.

The company also conducts breeding activities in the field of seeds and sells and markets seed products. In this regard, the company produces products that meet the needs of agricultural producers, from seeds to fertilizers, and from fertilizers to plant protection products.

<sup>11</sup> In 2021, the company established a "Pet Food" production facility with an annual capacity of 50,000 tons on an area of 40,336 m<sup>2</sup> in the Kızıksa neighborhood of Manyas district, Balıkesir province. On 29.12.2023, the transfer of the leasehold right and the sale of the machines and equipment within the facility to Arma İlaç for 20,000,000.00 Euros were completed for the property with a total area of 40,336 m<sup>2</sup>, including a closed area of 10,375 m<sup>2</sup>. The entire amount was collected from OYAK Gıda ve Tarım Holding A.Ş. in 2024. For this transaction, there is no situation that leads to the right of withdrawal within the scope of the "Capital Markets Board's Communiqué No. II-23.3 on Significant Transactions and the Right of Withdrawal." The entire amount was collected from OYAK Gıda ve Tarım Holding A.Ş. in 2024. For this transaction, there is no situation that leads to the right of withdrawal within the scope of the "Capital Markets Board's Communiqué No. II-23.3 on Significant Transactions and the Right of Withdrawal."

## **Production Activities**

Continuing its activities in the fields of plant protection, plant nutrition and seeds, the Company continues its production in 4 different locations and 3 different business lines.

### ***Hektas Plant Protection Production Facility (GEBZE)***

At the production facility located at Gebze OSB Mahallesi 700. Sokak No: 711/1 Gebze / Kocaeli, plant protection, plant nutrition, and biocidal products are manufactured. The facility, with a total area of approximately 75,000 m<sup>2</sup>, including 31,000 m<sup>2</sup> of covered space, operates with modern infrastructure and automation systems.

In 2023, approximately 3,436 tons of technical substances and approximately 13,777 tons of finished products were produced at the facility, totaling approximately 17,213 tons. The product portfolio created is capable of meeting all the needs of agricultural production. Our production facility is the first facility in its field to produce in accordance with Industry 4.0 standards. In the production facility designed in accordance with Industry 4.0, there are four different production areas for liquid herbicide, other liquid, powder and granular products in total. All filling lines operate under a robotic system.

The production facility has ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 27001:2013 certificates, and all legal regulations are followed and accredited within the framework of respective standards.

In the Gebze (Plant Protection) production facility, plant protection products are produced in technical substance, liquid form, herbicide liquid form and powder form. The total production quantities realized by the end of 2023 amount to 17,213,034 kg.

<b>Capacity Utilization Rate (PRODUCTIVITY) (01 January - 31 December)</b>			
<b>Production Facility</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Gebze (Plant Protection)	136%	169%	89%

\*CUR: Capacity Utilization Rate (calculated based on 8 hours/day and 300 days/year)

<b>Gebze Production Facility</b>	<b>Production Realization (kg/lt) (01 January-31 December)</b>		
<b>Production Quality</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Technical Article	4,889,992	5,628,500	3,435,500
Liquid Form	6,430,690	7,644,117	6,011,278
Herbicide Liquid Form	2,747,142	3,557,932	3,406,824
Solid Form	6,791,735	6,449,343	4,359,432
<b>Grand Total</b>	<b>20,859,559</b>	<b>23,279,892</b>	<b>17,213,034</b>

The number of licenses relating to its produces increased from 155 in 2020 to 173 in 2021. This figure reached 179 at the end of 2022 and 205 in 2023, with licenses developed through the recommendation method.

### ***Ferbis Plant Protection Protection Products Production Facility (NİĞDE)***

Ferbis production facility operates at Organize Sanayi Bölgesi Mah. 2 B No' lu Yol Cad. No: 6 Bor / Niğde in the field of plant protection products production. The facility, with a total area of 24,000 m<sup>2</sup>,

including approximately 11,000 m<sup>2</sup> of covered area, includes a second building, where the construction phase has been completed, and a third building, whose construction is ongoing and where the management of the facilities to be established within will be conducted through an automation system. The aim is for the investments made in the facility to make it one of the most qualified production facilities in the agricultural pesticide market in Turkey. Within the facility, there are warehouses for storing finished products and raw materials.

While there are currently 2 product warehouses, 2 more warehouses will be added in 2023, increasing the number of product warehouses to 4. While there was a storage area of 1,400 pallets in 2022, a storage area of 4,000 pallets was reached with the investment made in 2023.

While there are currently 4 raw material warehouses, the number of raw material warehouses was increased to 5 with the investment made in 2023. The storage capacity, which is approximately 2,000 m<sup>2</sup> as of 2022, will be increased by 1,000 m<sup>2</sup> with the new warehouse, reaching a total of 3,000 m<sup>2</sup>.

There are 2 different laboratories in this facility. Physical and chemical laboratory studies are conducted in these laboratories to ensure the production of the highest quality products, considering factors such as PH density, emission pool, and instrumental analysis.

The production facility holds ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certificates, accrediting according to standards by following all legal regulations.

In the Niğde (Plant Protection) production facility, plant protection products are produced in technical, liquid form, herbicide liquid form, and powder form varieties. The total production quantities realized by the end of 2023 amount to 6,656,872 kg.

<b>Capacity Utilization Rate (PRODUCTIVITY) (01 January - 31 December)</b>			
<b>Production Facility</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Niğde (Plant Protection)	112%	126%	52%

\*CUR: Capacity Utilization Rate (calculated based on 8 hours/day and 300 days/year)

<b>Niğde Production Facility</b>	<b>Production Realization (kg/lt) (01 January-31 December)</b>		
<b>Production Quality</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Technical Article	2,636,320	2,747,230	1,440,280
Liquid Form	2,276,908	2,729,110	2,163,762
Herbicide Liquid Form	3,874,718	3,804,641	2,203,313
Powder Form	0	975,281	849,517
<b>Grand Total</b>	<b>8,787,946</b>	<b>10,256,262</b>	<b>6,656,872</b>

### ***Hektaş Organomineral Fertilizer Production Facility (ADANA)***

Since 2017, at the address Acıdere OSB Mahallesi Hacı Sabancı OSB Atatürk Bulvarı No:19 Sarıçam/Adana, within a total area of 20,000 m<sup>2</sup>, including approximately 12,400 m<sup>2</sup> of covered space, the company continues its organomineral fertilizer production activities with state-of-the-art equipped laboratories.

The production facility holds ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certificates, accrediting according to standards by following all legal regulations.

Organomineral fertilizer is produced in the Adana (Organomineral Fertilizer) production facility. The total production quantities realized by the end of 2023 amount to 24,758,000 kg.

<b>Capacity Utilization Rate (PRODUCTIVITY) (01 January - 31 December)</b>			
<b>Production Facility</b>	<b>2021*</b>	<b>2022**</b>	<b>2023</b>
Adana (OMG)	74 %	43%	25%

*CUR: Capacity Utilization Rate (calculated based on 8 hours/day and 300 days/year)*

*\*Adana OMG Production Capacity increased by 15,000 tons annually and reached 99,000 tons in 2021.*

*\*Some of the products produced in the production facility are subcontracted.*

<b>Adana Production Facility</b>	<b>Production Realization (kg/lt) (01 January-31 December)</b>		
<b>Production Quality</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Organomineral Fertilizer (Product)	71,790,150	70,149,825	24,758,000
<b>Grand Total</b>	<b>71,790,150</b>	<b>70,149,825</b>	<b>24,758,000</b>

### **Ankara High Technology Center (Ankara)**

At the address Alcı OSB Mah. 2024 Cad. No: 25 Sincan / Ankara, within a total area of 12,000 m<sup>2</sup>, including 8,100 m<sup>2</sup> of covered space, the company operates with the aim of bringing value-added products to our country that support food and environmental health by reducing the use of conventional chemical and animal fertilizers for the production of protein-based plant nutrients, beneficial microorganisms, and organic acids.

The center, with an annual production capacity of 21,000,000 liters, aims to ensure the production of strategically developed products in the short term through R&D and UR-GE activities, focusing on imported, high-value-added products with a supply chain at risk.

### **Sales activities**

The Company's sales by product categories for the financial statement periods that should be included in the Prospectus are given in the table below.

#### **a) Annual comparison of sales by product categories**

<b>Fields of Activity (Net Sales) - TRY</b>	<b>2021 (**)</b>	<b>%</b>	<b>2022 (*)</b>	<b>%</b>	<b>2023 (*)</b>	<b>%</b>
Plant protection	1,240,511,969	61.39%	6,172,068,487	61.71%	3,880,323,711	64,25%
Plant Nutrition (Fertilizer)	723,413,264	35,80%	3,518,765,496	35.18%	1,676,047,511	27,75%
Animal Health	51,520,940	2,55%	274,281,257	2,74%	454,002,986	7,52%
Seed	5,272,164	0,26%	36,159,549	0,36%	28,621,202	0,47%
<b>Grand Total</b>	<b>2,020,718,336</b>	<b>100.00%</b>	<b>10,001,274,789</b>	<b>100.00%</b>	<b>6,038,995,409</b>	<b>100,00%</b>

(\*) The Turkish Lira ("TRY") is presented as TRY based on the purchasing power as of December 31, 2023.

(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021.

### **7.1.2. Publicly disclosed information about significant products and services under ongoing research and development, and the stages reached in the research and development process related to these products and services, without revealing trade secrets:**

The Company has been entitled to receive an R&D center certificate from the Ministry of Science, Industry and Technology of the Republic of Turkey within the framework of Law No. 5746 on "Supporting Research and Development Activities".

In 2024, the application submitted by HEKTAŞ Ticaret Türk A.Ş. Orhangazi Branch, operating in Bursa province, to obtain an R&D Center Certificate under Law No. 5746 was approved by the Ministry of Industry and Technology. It was decided to grant an R&D Center Certificate to our Orhangazi Branch and to allow the enterprise to benefit from the incentives and exemptions provided under Law No. 5746 based on the durations determined by the legislation. This information has been made available to investors through the Public Disclosure Platform (PDP).

At Hektaş Gebze R&D Center;

- As of the first quarter of 2024, the number of people working in R&D is 27.
- The number of registrations received as of the first quarter of 2024 is 8.
- Cooperation is made with TUBITAK, TAGEM and Universities.
- It has 2 laboratories.
- 20 of the 56 projects transferred from the third quarter of 2023 have been completed and 1 new project has been added.
- A total of 37 R&D projects have been transferred to 2024. In the first 3 months of 2024, 3 of the 37 projects were completed and 15 new projects were started.
- Licenses were obtained on behalf of Hektaş for 2 new formulations, for which R&D studies in the field of plant protection were completed.
- As of the end of 2023, a total of 18 Licenses were obtained and 13 products were commercialized and added to the portfolio. In the first 3 months of 2024, 3 products were commercialized and added to the portfolio.

At Areo Seed Technologies R&D Center;

Areo Tohumculuk helps to reduce Turkey's external dependence on seeds and increase its export volume with its R&D studies on seed breeding. Hektaş began to increase its competitiveness with international brands by developing varieties that are suitable for market conditions and meet the needs of producers with Areo Tohumculuk.

Breeding work on vegetables and field crops continues in the seed field. The legal registration processes of domestic wheat varieties, whose breeding work was completed at the R&D Center, were started in 2020. At the Field Crops registration committee meeting held in April 2022, the registration decision and names of the varieties whose evaluations were finalized were given. Significant progress has been made in disease-resistant wheat breeding studies using biotechnological methods carried out in climate chambers, and field trials are continuing. Optimization studies are continuing to enable disease-resistant wheat breeding at the facility using biotechnological methods and Double Haploid technology. In addition, in April 2024, 3 varieties were registered and their names were given.

Elite seed production of two einkorn varieties (Atasiyez and Mergüze), whose sales rights belong to Hektaş, is carried out by the General Directorate of Agricultural Research, and the seeds were delivered to our institution at the end of the harvest. In 2022, cotton in Aydın, Denizli, Diyarbakır, Şanlıurfa; einkorn wheat, barley, chickpea, peas in Ankara; corn in Sakarya; sunflower in Edirne were under research. With the establishment of a 4,500-decare facility in Aydın/Köşk district in 2023, all field crop product groups were centralized at this location. Trials for tomato, pepper, and cucumber vegetable groups are conducted in Orhangazi and Antalya using modern technologies.

Breeding work on vegetables and field crops continues in the seed field. The legal registration processes of domestic wheat varieties, whose breeding work was completed at the R&D Center, were started in 2020. At the Field Crops registration committee meeting held in April 2022, the registration decision of the varieties whose evaluations were finalized were given. In this regard, in 2023, micro trials were conducted for our vegetable product groups (Tomato, Pepper, Cucumber, Eggplant) in various locations in Turkey (Konya, Antalya, Bursa, Mersin), and trials of the prominent candidate

varieties were carried out. For these prominent candidate varieties, demo trials are being followed in different locations in 2024. Seed production activities are continuing in our Antalya-Teknokent and Orhangazi facilities, according to the sales targets given in 2023 for 14 varieties registered in the Vegetable group, including July 2024. Our first sales of our registered varieties were made in the tomato product group in foreign markets (Middle East, America, Azerbaijan, Turkmenistan). Simultaneously, promotion, launch and sales activities are carried out for our tomato, pepper and cucumber product groups in line with domestic and international market demands. In addition, trial studies of our commercial varieties and prominent variety candidates in all our product groups are carried out in the foreign market (Lebanon, Azerbaijan, Spain).

- As of the first quarter of 2024, the number of people working in R&D is 16.
- There is cooperation with the Ministry of Industry and Universities.
- The cumulative number of projects carried out is 11.
- The "Speed Breeding" system, developed through R&D efforts to meet the food needs of astronauts for NASA's Mars mission, has been established.
- Areo Seed Technologies Center includes biotechnology, tissue culture laboratories, and a phytopathology test greenhouse. Molecular marker analyses are efficiently conducted using the Real-Time PCR device, optimized with cost-effective, capacity-enhancing methods that are subject to patents. The biotechnology laboratory, testing genetic resistance to pathogens in breeding materials, operates at 100% capacity, making a significant contribution to breeding studies. The tissue culture laboratory successfully develops pure parental lines of hybrid varieties using "double haploid" methods and conducts micropropagation activities in various plant species. These laboratories play a crucial role in plant breeding and genetic research.
- At its R&D center, it carries out projects involving genetic modifications compatible with goals such as increasing the productivity of the cotton plant and strengthening its resistance to pests and diseases. By paving the way for genetic editing in field and vegetable crops, the projects undertaken by our laboratory hold the potential to create a more efficient, resilient, and environmentally sustainable agricultural model in the future.
- In cotton, more than 2,000 genetic lines, 1389 individual plant field observations and generation advancement processes, 32 variety micro-yield trials, and field observations, 15 varieties of large-area field observations, and yield performance studies continue in Aydın, Nazilli, and Şanlıurfa in 2021. Additionally, 8 varieties of large-area observations and yield performance studies are ongoing in Şanlıurfa.
- In 2022, in Aydın Söke, 2 variety yield trials, and 1 drought trial were conducted on 60 acres of R&D land. Crossbreeding studies were carried out in 13 combinations to develop high-fiber varieties. Furthermore, 5000 individual plant selections were made from over 2000 advanced lines at the F4 stage, and analysis processes were performed. In Şanlıurfa, 20 varieties were used for variety yield trials in 1 location. The resulting materials were processed and analyzed, and the seeds were prepared for planting the lines.
- In 2023, variety yield trials were established in Aydın, Denizli, Şanlıurfa, and Diyarbakır provinces. At the cotton station Aydın Söke R&D Station, hybridization studies continued with 6 varieties and 15 different combinations. From the previous year's promising varieties, 2500 individual plant selections were made. As a result of the trials conducted in 4 locations, production permission was obtained for 2 varieties and 2 new cotton varieties were introduced.
- The double haploid method is used for selected pepper, cucumber, and eggplant.
- In the vegetable group, hybrid trials were established to meet market demands such as disease resistance, different fruit types, and quality, focusing on increasing the genetic material numbers in the Middle East, South America, Mexico, Europe (Italy, Spain), and Morocco.

- Analysis and breeding studies for disease resistance in 11 different types of tomatoes are ongoing.
- Registration stages for varieties with adaptation to different regions and high genetic resistance are in progress.
- Breeding, adaptation, regional disease resistance, and registration studies are ongoing for 16 types of peppers.
- Breeding, adaptation, regional disease resistance, and registration studies are ongoing for 5 types of cucumbers.
- Optimization studies are ongoing for the implementation of wheat breeding using the Double Haploid technology at the facility.
- In the Vegetable Breeding Program, preliminary yield trials with numerous plant seeds at various stages, extensive farmer trials for variety candidates (second screen), pre-commercialization (registration) extensive farmer demonstration trials have been initiated according to the plan. Large-scale farmer trials for variety candidates before commercialization continue in the vegetable breeding program. Additionally, thousands of hybrid variety candidates were obtained using newly developed lines (Parental) with completed genetic analyses in different vegetable groups.
- Nazilli Cotton Research Institute has acquired the production and sales rights of 2 cotton varieties, Volkan and Selçuk Bey, in exchange for royalties, and the commercial seed production of 2 cotton varieties, which were registered as R&D project outputs, was produced in 26,556 kilograms in 2 different regions, on an area of 218 decares.
- In wheat, observations, analyses, and evaluations of over 2.000 different genetic materials in terms of yield, disease, and quality continue on 100 acres of land at Ankara University Faculty of Agriculture, Haymana Research Farm. The genetic materials selected in the 2023 season for yield and preliminary yield trials are sown for observation in the 2024 season, and their development processes are monitored.
- In the 2023-2024 season, planting trials for drought-tolerant varieties and disease resistance, using genetic materials obtained from international organizations, are ongoing in wheat breeding areas.

At Ankara High Technology Center;

- As of the first quarter of 2024, the number of people working in R&D is 14.
- The cumulative number of projects carried out is 13.
- It has 7 laboratories.

*Microbiology and Genetics*

- Obtaining, purifying and activity measurement of microbiologically based enzymes for use in industrial areas;
- Obtaining herbal amino acids;
- Isolation and testing of microorganisms to be used to obtain microbial protective agents for use in products produced in industrial areas such as food and agriculture;
- Optimization studies in obtaining and purifying secondary metabolites (antibiotics, insecticides, growth hormones) to be obtained from microbial species;
- Selection, development and optimization studies of necessary microorganisms for starter cultures commonly used in food technology;
- Renewal and control of stocks of existing bacterial species in stock;
- Isolating and purifying bacteria from different sample sources;
- Genetic characterization studies of isolated bacteria; and
- Isolation and purification of toxic proteins with microbiology-based insecticide properties were carried out.



### *Fermentation*

- Obtaining biomass in an industrial scale fermenter;
- Offering multiple strains for industrial use;
- Development of the downstream process of industrially produced bacteria; and
- Final formulation and development of metabolites were carried out.

### *Chemistry*

- Design of necessary equipment for industrial production planning of formula development of Agrifor, Tradite, and Natsu Series; Accordingly, the development of 6 different liquid fertilizer formulations (Nitrogen-containing, Zinc-Phosphorus-containing, Potassium-containing, Zinc-Boron containing, Calcium-Boron-Nitrogen-containing, Rooting Agent) and their trials for industrial production;
- Conducting trials for the industrial production of Natsu Ca with existing Ca (NO<sub>3</sub>)<sub>2</sub>·4H<sub>2</sub>O;
- Studying the formulations required for Fe-EDDHA synthesis and initiating pilot trials;
- Conducting studies on biostimulant formula development and recycling of waste generated during its production;
- Conducting laboratory studies to produce nanosize plant micronutrients; and
- Progress has been made in the development and operation of analytical, spectrometric, chromatographic, gravimetric and volumetric analysis methods for all studies carried out in the laboratory.

## **7.2. Major sectors/markets:**

### **7.2.1. Information about the sectors/markets in which it operates, the issuer's place in these sectors/markets, and its advantages and disadvantages:**

The company operates in the Plant Protection, Plant Nutrition and Seed markets. The Company tries to develop and increase its fields of activity and product portfolio through both product development and R&D activities and collaborations.

#### **Agriculture and Plant Protection**

Agricultural production is one of the cornerstones of the economy, providing food and raw materials and creating employment. According to data from the United Nations Food and Agriculture Organization (FAO), the share of agriculture in total global production is 4%. The value of agricultural production is increasing every year, and Africa and Asia are the biggest supporters of the increase. The agricultural sector has an important place in global employment. In 2000, more than 1 billion people worldwide worked in the agricultural sector. In 2000, the share of agriculture in the total global workforce was 40%. By 2021, the number of people working in the agricultural sector was 873 million. With the impact of urbanization, the share of agriculture in the global workforce has decreased to 27%.

With the increasing world population, the need to increase agricultural production becomes more important every year. However, the decrease in agricultural areas and the decrease in soil fertility, the negative effects of global warming and climate changes on production require an increase in the amount of product purchased per unit. In addition, changes in consumers' eating habits have led to the need for quality production as well as increased productivity. When we look at FAO plant production statistics, there are four crops grown most in the world, these products are respectively; sugarcane, corn, wheat and paddy. The total production amount of these products constitutes more than 50% of the world's herbal production and is increasing every year. These crops are the main source of raw materials for different sectors such as feed and biofuel, as well as the food sector. Among these products, corn has shown the highest growth in the last 4 years, with an increase of 9%. The most important reasons for this are that the increase in consumers' income levels along with

increasing urbanization triggers a protein-based diet; As a result, the need for feed in livestock farming increases.

Turkey has an important place in world agriculture with its rich biological diversity, different climate and geographical conditions, large agricultural lands and workforce, and ranks at the top in the production of many products in the world. Therefore, agriculture is one of the most important areas of our economy. When the demographic data of the past years is examined, migration from rural to urban areas has increased significantly and the number of people engaged in agricultural activities in rural areas has decreased.

This situation has increased the need for food production as the population that was a producer in the rural areas has become a consumer in the city. While Türkiye was one of the few countries that was self-sufficient in terms of agricultural products in the past, today it has become an importer of some products. The share of the agricultural sector in Turkey's GDP has mostly been in a declining trend over the years, and in 2022 the agricultural sector will constitute 5.8% of Turkey's GDP. With this agricultural GDP ratio, Turkey is above the world average and converges to the average of the middle-high income group, and has the 8th largest agricultural GDP in the world.

Although a modest growth of 0.4% compound annual growth was observed in agricultural areas between 2017 and 2022, it is parallel to world growth trends. In the same period, agricultural lands corresponded to 30% of the total country surface area. In 2022, approximately 70% of agricultural areas will be allocated to grain and forage crops, while fallow lands will receive a 3% share of the total. While it is seen that grain cultivation is mainly done in the Central Anatolia, Southeastern Anatolia and Eastern Anatolia Regions, it is observed that fruit and vegetable cultivation is especially intense in the Aegean and Mediterranean regions. Land consolidation efforts, which have been ongoing since 1961, have accelerated in the last 5 years, and an area of 1.3 million decares has been subject to consolidation tenders in 2021, and a total of 6 million decares of land since 1961.

Production amounts will increase by 10.3% in grains and other plant products (excluding forage crops) in 2023 compared to the previous year; 0.6% in vegetables; It increased by 2.3% in fruits, beverage and spice plants. Accordingly, 77.7 million tons of grains and other plant products will be produced in 2023; 31.8 million tons in vegetables; 27.4 million tons of production was achieved in fruits, beverages and spice plants.

Production amounts of grain products increased by 9.1% compared to the previous year and reached approximately 42.2 million tons in 2023. Compared to the previous year, wheat production increased by 11.4% to 22 million tons, barley production increased by 8.2% to 9.2 million tons, rye production increased by 11.7% to 305 thousand tons, and oat production increased by 12.3%. increased and reached 410 thousand tons. In the dried legumes group, the production of chickpeas, dried beans and red lentils was 580 thousand tons, 240 thousand tons and 424 thousand tons, respectively. Potatoes, one of the tuber plants, were produced by 5.7 million tons, increasing by 9.6% compared to the previous year. Among oilseeds, soybean production decreased by 11.3% to 137.5 thousand tons, and sunflower production decreased by 13.8% to approximately 2.2 million tons. Sugar beet production increased by 22.1% and reached 23.5 million tons. The production amount of vegetable products increased by 0.6% compared to the previous year and reached approximately 31.8 million tons in 2023. The production amount of fruits, beverages and spice plants increased by 2.3% compared to the previous year and reached approximately 27.4 million tons in 2023.

One of the most important problems of the agricultural sector in our country is that there are many actors in the value chain between producers and consumers, that is, from field to table. One of the biggest problems experienced in recent years is the increases in food prices. The fact that there are many actors in the value chain and that it is heavily dependent on foreign sources for basic inputs such as fertilizer, seed, diesel fuel and feed used in agricultural production negatively affects the

sector from increases in exchange rates. In addition, unplanned production leads to serious fluctuations in crop prices and a foreign trade deficit.

Sales channels for plant protection and plant nutrition, which are inputs of plant production, are quite similar. According to the law, these products cannot be sold directly to the end consumer by companies. Therefore, there are intermediary institutions such as wholesalers, dealers, cooperatives and unions between companies and producers. In addition, direct sales can only be made to large manufacturers. Dealers constitute the most important channel for companies as a retail channel.

Seed has a similar channel structure, but there is no legal obstacle to selling it directly to the consumer. Especially in vegetable production, the purchase of seedlings from seedlings has increased in recent years.

While some global companies with a large share in the market, which are experiencing difficulties in supplying raw materials and products due to the pandemic, have seen decreases in their turnover, it is estimated that local companies have increased their turnover. According to market research; With the increasing trends towards biological products with integrated control and the production of resistant varieties in seed breeding, a decrease in plant protection global market growth rates is expected. The market is expected to exceed 70 billion USD with a compound annual growth rate (CAGR) of 3.3% between 2021 and 2025.

Domestic products applied in higher doses compared to the original formulas of global companies had an impact on the increase in quantity. On a value basis, it is estimated that the Turkish plant protection market will reach 14 billion TRY in 2023.

All 389 active substances used in our country are imported. Domestic companies produce CPPs using active substances whose patent protection has expired and license them according to the precedent licensing system. As a result of this situation, while 30% of the amount of pesticides used are imported, this rate reaches 60% in terms of value.

Domestic players who invest in terms of production capacity also need to produce more value-added products by increasing their R&D investments on active ingredient production and original product development. When the companies in the market are examined; Hektaş, together with its subsidiaries (Ferbis, Sunset), continued to be one of the most important players in the market, and its total market share increased to 22%.

Agricultural pesticide use is shaped according to climatic conditions and product types after planting, and is independent of seed and fertilizer consumption trends. When calculated by the size of agricultural land excluding fallow areas, it is observed that 0.27 kg of pesticides per decare is used in Turkey in 2022, and it is seen that the use is above the world average of 0.18 kg/da.

The agricultural input price index announced by TURKSTAT has been affected by the disruption of supply chains due to the COVID-19 pandemic, hindering international trade and logistics. This has pressured access to mostly imported inputs and caused an upward movement in prices. By 2022, the dramatic rise in natural gas prices caused by the Russia-Ukraine tension has also increased the prices of fertilizer, which has the highest share in agricultural inputs.

The Turkish plant protection market is expected to grow at similar growth rates in terms of quantity in the coming period, in parallel with the global market. It is estimated that the market will reach a volume of 78 thousand tons in 2025 with a compound annual growth of 7%.

Today, plant protection practices try to suppress pests by combating them. Contemporary plant protection approaches aim to keep pests under control with natural mechanisms found in nature, rather than eliminating them completely. In this regard, it is expected that in the future the plant protection sector will focus on smart and sensitive agricultural practices by preventing the emergence of pests and diseases, controlling existing pests.

Our country is adjacent to geographically important plant production regions. These are the Commonwealth of Independent States (CIS), North Africa and the Middle East. When we look at the planted areas of these regions, we see an increase of 34% in the last 10 years. The largest growth occurred in the North Africa region with 102%.

When exporting plant protection products, it is important that the target countries have similar plant patterns, pests and climatic conditions. In addition, investment costs for licensing in different countries are quite high and the licensing process takes years. Due to these difficulties encountered in the licensing cost and process, instead of licensing investments; Inorganic growth is expected to occur through acquisitions or mergers with companies that currently have licenses in foreign countries.

## **PLANT NUTRITION**

Although the Covid-19 epidemic, which had negative effects worldwide, negatively affected production in the sector in early 2020, production gradually increased with the measures taken and met market demand.

According to the International Fertilizer Association (IFA) Report, global consumption of plant nutrition products is given as 195 million tons. The biggest factors that make the sector less affected are:

- States should take measures and actions to support agricultural production in order to meet the food supply.
- Product prices have decreased due to the decrease in natural gas prices, which is one of the most important inputs in fertilizer production.

The global plant nutrition market is estimated at 384 billion USD in 2024. Between 2024 and 2030, the market is expected to reach 543.2 billion USD with a compound annual growth rate of 5.93%. According to IFA, it is thought that demand will gradually increase after 2024 and innovative products will gain importance.

The pandemic has once again shown the importance of food safety. With the increasing population, the decrease in agricultural areas and the infertility of soils create the need for increased productivity in agricultural production and special products that nourish the soil. The increasing awareness of consumers has brought quality agricultural production to the fore. The most important factors that will affect the plant nutrition market in the future will be productivity increase and quality product production.

Environmental problems such as climate change and global gas emissions will require states to make regulations in the use of agricultural inputs. The European Union is trying to reduce the rate of nitrogen and other nutrients mixed into ground and surface waters with the EU Nitrate Directive. In this way, it is aimed to prevent excessive and incorrect use of plant nutrients; The use of high-yield special fertilizers such as slow release and controlled release is encouraged. Another important factor that will affect the sector in the future is the widespread use of agricultural technologies. Especially advanced irrigation systems are changing the use of plant nutrition by producers.

Nowadays, the transition from classical fertilizers to liquid or water-soluble drip irrigation fertilizers is increasing, and this trend is expected to continue increasingly in the future. With modern irrigation systems, more effective fertilization can be done and at the same time, less labor is required. This shows that the market share of these products will increase rapidly. It is estimated that the global specialty fertilizer market will reach 21 billion USD in 2025. For this reason, many global manufacturers' interest in this market has increased and they are trying to increase their market shares by developing new strategies and products in this direction. In 2020, meeting food demand has

become important in our country, as in the world, due to the pandemic, and the importance of supporting agricultural activities has been understood to achieve this.

An average of 6 million tons of fertilizer is consumed annually in Turkey. According to Ministry data, consumption in 2023 increased by approximately 18% compared to the previous year, with 7 million tons.

Companies such as Toros, Gübretaş, İgsaş, Gemlik Gübre are important players in the market. Interest in special fertilizers is increasing in our country, as in the world. Our country has an important place among the countries in the Mediterranean climate zone in greenhouse cultivation, and the special fertilizer market shows steady growth. Greenhouse production in Turkey is concentrated in the Mediterranean and Aegean regions and increases every year.

In addition, the increasing use of smart irrigation systems in field crop production enables the growth of the water-soluble or liquid special fertilizer market. Organic agriculture is becoming widespread in the world and in our country. Especially with the increasing consumer demands and the importance of food safety, value-added products such as organic and organomineral are becoming more prevalent in the market. According to research conducted in our country, only 3% of our agricultural soil has a good level of organic matter. In order to eliminate this situation, which causes loss of efficiency in agricultural production, "Solid Organic Organomineral Fertilizer Use Support" was announced by the Turkish Ministry of Agriculture and Forestry for the first time in 2019. With the influence of support programs and campaigns supporting organic agriculture, the organic and organomineral fertilizer market is growing rapidly in Turkey. This growth has attracted the attention of domestic classical fertilizer producers, and classical fertilizer producers, who have dominated the market in recent years, have made organomineral investments.

The company quickly created the "Tradite" brand in the fertilizer market it entered in 2017, and under this brand it currently produces, packages and stores organomineral fertilizer in its own facility in Adana. The annual capacity of this facility has reached 100 thousand tons. As a result of product differentiation and development studies, organomineral fertilizer was produced with a different production method, its content was changed and it was put on sale after the necessary field and R&D studies were carried out under the name "Tradite Premium".

The company also carries out studies on chemical and organic liquid fertilizers, enzymes, bacteria, amino acids and organic acids at its new investment, the High Technology Center in Ankara. The total capacity of this facility is capable of producing 10 million liters of liquid. Liquid chemical and liquid organomineral fertilizers are produced at the facility and will be available for sale in 2024. In addition, efforts to produce chelated iron and three Plant Protection active substances continue.

## **BIOLOGICAL PRODUCTS**

The Food and Agriculture Organization estimates that the world population will reach 9 billion people by 2050. In this context, traditional and classical pesticides used are subjected to intensive examination and are used in the management of pests and diseases; In order to access correct and reliable food, the use and implementation of sustainable biorational solutions is important for agriculture.

According to climate change and European Green agreement requirements, chemical pesticides, which are planned to be banned by approximately 50% by 2030, will be replaced by biological products that can be used in integrated control. This situation guides us in establishing a strategic infrastructure to take important steps both in the domestic market and in exports.

While biological products appear to be a sector that takes a share from the plant protection and plant nutrition sectors, with the potential growth it has shown in recent years, it has become a strategic business line that should be used in integrated combat. Many large agricultural input producers

around the world are taking various strategic actions, making R&D investments and collaborating with companies with these infrastructures to increase the number of biological products in their portfolios.

The global market for biological products is considered to be approximately 13.2 billion USD in 2023, and this figure is expected to reach 28 billion USD by 2028.

The food shortage experienced with the food security crisis and the production of innovative products to be used to access safe food with new technologies and environmentally friendly products are accelerating the tendency of the process towards the biological side. Especially in the transition period, the programs to be implemented will be integrated and using products with low residue levels that are compatible with IPM processes will increase the increase of biological products and product awareness.

In order to increase the use of biological products globally, countries are facilitating the regulation processes and organizing their strategies according to chemical pesticides in order to reduce the MRL values that arise in producers' export problems. Especially in Brazil, the use of biological products appears to have increased by 30% in the last two years.

In our country, the approach to biological products is still at a 5% usage level due to many factors such as lack of technical knowledge, access to the product, technological restrictions, and supply chain problems. In terms of product usage, microbial biopesticides, macro organisms, and biotechnical products are among the most commonly used biological products.

Companies continue to work in areas such as classification of biological products, biopesticides, macro organisms, biotechnical products, biochemical products, biofertilizers, biostimulants, soil structure bioregulators. Companies working in these parts; Companies such as Biobest, Koppert, Corteva, Syngenta, FMC, Bayer, UPL come to the fore.

In our country, biological products are preferred especially in greenhouse studies, and they reduce the risk of residue in exports. Pheromone-traps and macro-organisms used in biotechnical control reduce pesticide usage rates and are accepted as products that receive producer support from the Ministry of Agriculture and Forestry. Due to the increasing demand for organic products and good agriculture, there are trends that such uses will increase in many areas of agriculture.

Since 2020, the company will try to quickly enter the Turkish market for alternative products to chemical pesticides, with its R&D investments, project work and collaboration with global companies.

## **SEED**

It is estimated that the Turkish seed market will reach 30 billion TRY in 2023. The market is expected to reach 39 billion TRY in 2025 with a compound annual growth rate of 14%. Field crops make up 80% of the market. Approximately 70% of the field crops market; Wheat, potato and corn seeds dominate.

In field crops; TİGEM has the largest market share in products such as wheat, barley and oats; Local companies such as Öz Buğday and Beta Tarım come to the fore. It is seen that global companies such as Bayer, BASF, Corteva and Limagrain have the majority of the market in industrial products such as corn, sunflower and cotton.

The largest share among vegetable seeds belongs to tomatoes. Tomato continues to be the most produced vegetable in our country with 13.2 million tons. Domestic and global players compete in the Turkish vegetable seed market; Among these, Syngenta, Bayer, HM Clause, Yüksel Tohum, May Tohum can be given as examples. The share of the vegetable seed market is expected to grow in the coming years. One of the most important factors in this increase is the increasing greenhouse

production areas. In the last 5 years, the cover areas in Turkey have increased by 22% and reached 805 thousand decares. In addition, since vegetable products have more added value, there is an increase in the tendency of producers to turn their fields into vegetable gardens.

While Turkey's seed import value was 55.3 million USD in 2002, it increased by 352% and reached 250 million USD in 2023. While its exports were 17.3 million USD in 2002, it increased by 1,790% to 327 million USD in 2023. This situation shows that exports are in a higher increasing trend than imports. While the import coverage ratio of our country's seed exports was 31% in 2002, this ratio increased to 131% in 2023.

**7.2.2. Information about the distribution of the issuer's net sales amount according to the field of activity and geographical structure of the market as of the financial statement periods that should be included in the prospectus:**

Consolidated net sales amounts according to the Company's fields of activity and the geographical structure of the market as of the financial statement periods that should be included in the prospectus are given in the tables below.

**a) Consolidated net sales by business areas**

Fields of Activity (Net Sales) - TRY	2021 (**)	%	2022 (*)	%	2023 (*)	%
Plant protection	1,240,511,969	61.39%	6,172,068,487	61.71%	3,880,323,711	64,25%
Plant Nutrition (Fertilizer)	723,413,264	35,80%	3,518,765,496	35.18%	1,676,047,511	27,75%
Animal Health	51,520,940	2,55%	274,281,257	2,74%	454,002,986	7,52%
Seed	5,272,164	0,26%	36,159,549	0,36%	28,621,202	0,47%
<b>Grand Total</b>	<b>2,020,718,336</b>	<b>100,00%</b>	<b>10,001,274,789</b>	<b>100,00%</b>	<b>6,038,995,409</b>	<b>100,00%</b>

**b) Consolidated net sales according to the geographical structure of the market**

Geographic Distribution (Net Sales) - TRY	2021 (**)	2022 (*)	2023 (*)
Domestic Sales	1,934,128,243	9,646,203,813	5,786,060,169
Export Sales	86,590,093	355,070,976	252,935,240
<b>Grand Total</b>	<b>2,020,718,336</b>	<b>10,001,274,789</b>	<b>6,038,995,409</b>

Regional Distribution of Domestic Sales (TRY)	2021 (**)	2022 (*)	2023 (*)
Mediterranean	216,917,216	853,334,733	681,817,504
Çukurova	386,196,531	1,727,913,600	1,088,237,307
Aegean	193,366,715	901,878,928	596,493,271
Gap	255,067,568	1,626,113,065	659,960,915
Central Anatolia	568,967,781	3,017,796,998	1,908,163,555
Marmara	313,612,433	1,519,166,488	851,387,617
<b>Grand Total</b>	<b>1,934,128,243</b>	<b>9,646,203,812</b>	<b>5,786,060,169</b>

<b>Distribution of International Sales by Country (TRY)</b>	<b>2021 (**)</b>	<b>2022 (*)</b>	<b>2023 (*)</b>
Azerbaijan	58,353,922	209,736,477	138,056,225
Georgia	2,147,586	19,942,764	0
Algeria	373,041	8,340,185	28,417,956
T.R.N.C.	6,317,102	19,927,225	39,215,613
Egypt	107	9,176,790	35,925
Uzbekistan	1,887,931	15,809,656	2,129,674
Jordan	2,467,440	9,233,467	9,184,638
Other	15,042,963	62,904,412	35,895,209
<b>Grand Total</b>	<b>86,590,093</b>	<b>355,070,976</b>	<b>252,935,240</b>

(\*) The Turkish Lira (“TRY”) is presented as TRY based on the purchasing power as of December 31, 2023.

(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021.

The domestic/international division of the Company's net sales revenue as of the annual financial statement periods is given in the table above. 3.6% of the net sales revenue in 2022 and 4.2% in 2023 will consist of sales made abroad.

### **7.3. Information about the situation where the information listed in Articles 7.1.1 and 7.2. is affected by extraordinary factors:**

There are no risk factors other than the risk factors explained in section 5 of this prospectus.

### **7.4. Patents, licenses, industrial-commercial, financial, etc., which are important for the issuer's commercial activities and profitability. Summary information about the agreements and the extent to which the issuer's activities and financial situation depend on these agreements or new production processes:**

Product licenses and registrations are assets of great importance for the Company's activities. “Licenses” are an important item for the Company's activities. Licenses are rights that enable the sale and production of products granted to the Company by the Ministry of Agriculture and Forestry of the Republic of Turkey. The company cannot sell, market or produce any product that is not licensed and registered by the Ministry of Agriculture and Forestry of the Republic of Turkey.

In this regard, it is important for the Company to develop new products and increase the diversity of product usage areas. In this regard, the Company attaches importance to new product development and R&D activities.

### **7.5. The basis for the statements made by the issuer regarding its competitive position:**

Information regarding the plant protection market in which the company operates and its position in this market has been obtained from the ZİMİD (Plant Protection Products Manufacturers Association) database and the statistical studies of the association related to the market. The data prepared by ZİMİD regarding the market is received by the Company within certain periods. ZİMİD's official website is [www.zimid.org.tr](http://www.zimid.org.tr).

The data provided by the company regarding the Plant Nutrition (Fertilizer) market is specified on the official website of the Republic of Turkey Ministry of Agriculture and Forestry at [<https://www.tarimorman.gov.tr/TAGEM/Belgeler/yayin/G%C3%BCbre%20Sekt%C3%B6r%20Politika%20Belgesi%202018-2022.pdf>](<https://www.tarimorman.gov.tr/TAGEM/Belgeler/yayin/G%C3%BCbre%20Sekt%C3%B6r%20Politika%20Belgesi%202018-2022.pdf>). No data has been presented yet for 2023.

### **7.6. Information regarding work interruptions that have or may have significantly affected the financial situation in the last 12 months:**



None.

## 8. INFORMATION ABOUT THE GROUP

### 8.1. Summary information about the group to which the issuer belongs, the activities of the group companies, their relations with the issuer and the place of the issuer within the group:

The main shareholder of the Company is Ordu Solidarity Corps (“OYAK”) with 55.37% share ownership. OYAK is an organization with legal personality, subject to the provisions of private law, financially and administratively autonomous, and was established on March 1, 1961 by law no. 205.

OYAK has direct and indirect subsidiaries and affiliates operating in the industry, finance, and service sectors. OYAK's subsidiaries operate in sectors such as mining metallurgy, cement/concrete/paper, automotive/logistics, chemistry/agriculture, energy, finance and food.

OYAK Mining Metallurgy Companies, operating in the fields of steel production, mining, engineering and project management, produces and distributes steel at high standards in facilities equipped with modern technology. Additionally, the companies carry out a significant portion of Turkey's iron ore production. In 2023, OYAK's companies operating in the mining and metallurgy sector were ranked in the ISO 500 list as follows: Ereğli Demir ve Çelik Fabrikaları T.A.Ş. at 10th, İskenderun Demir ve Çelik A.Ş. at 12th, Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. at 75th, and Erdemir Madencilik Sanayi ve Ticaret A.Ş. at 204th. Shares of Ereğli Demir ve Çelik Fabrikaları TAŞ and İskenderun Demir ve Çelik A.Ş. are traded on BIST.

The merger of OYAK's publicly traded cement companies—Adana Çimento, Mardin Çimento, Bolu Çimento, Ünye Çimento, and Aslan Çimento—under Mardin Çimento San. ve Tic. A.Ş. was completed in May 2020, and the name of Mardin Çimento was changed to OYAK Çimento Fabrikaları A.Ş.

The merger of OYAK Çimento A.Ş. and Denizli Çimento Sanayii T.A.Ş. under OYAK Çimento A.Ş. through a simplified procedure was registered on June 19, 2023. After the merger, OYAK Çimento A.Ş. continued its operations under the name OYAK Denizli Çimento A.Ş. continued with the title.

OYAK Çimento Fabrikaları A.Ş., which operates in the same sector in line with the targets in the cement sector. and OYAK Denizli Çimento A.Ş. under a single roof, and accordingly, the transfer of OYAK Denizli Çimento A.Ş. as a whole to OYAK Cement Factories was approved by the Capital Markets Board on 22 November 2023. Merger registration procedures were completed on December 28, 2023.

However, the sale of all shares of Cimpor Portugal Holdings, which OYAK Cement Concrete Paper, in which OYAK indirectly holds a 60% stake, participated in 2019 as part of its international operations, to Taiwan Cement Corporation (TCC), and the transfer of 20% of the shares in OYAK Cement Factories Inc., 24.19% of which is publicly traded and in which OYAK indirectly holds a 60% stake, to TCC, were completed on March 6, 2024. With this transfer, OYAK's indirect shareholding rate in OYAK Çimento Fabrikaları A.Ş. became 30.324%. OYAK Çimento Fabrikaları A.Ş. ranked 47th in the ISO 500 list in 2023. OYAK Cement Factories Inc. Its shares are traded on BIST.

Operating as a manufacturer in the Turkish automobile industry, the OYAK group company is OYAK Renault. OYAK Renault ranked 8th in the general ranking of Turkey and 3rd in the sector ranking in the list of the top thousand exporter companies of the Turkish Exporters Assembly (TİM) for 2023. OYAK Renault ranks 6th in the ISO 500 list created according to 2023 data.

MAİS, whose sales reached a total of 176,984 units in 2023, including 158,830 automobiles and 18,154 light commercial vehicles, captured a market share of 14.4%.

As one of the companies operating in the logistics sector under OYAK, OMSAN Logistics provides logistics services to leading companies in various sectors, including automotive, iron and steel, cement-construction, fuel, textile, retail, food, and communication sectors. These services include domestic and international road, sea, air, and rail transportation, warehousing, distribution, warehouse management, project logistics, finished vehicle logistics, hazardous material transportation, home and office logistics, customs clearance, and insurance services.

OYAK Denizcilik ve Liman İşletmeleri A.Ş. (OYAK Liman) is engaged in establishing and operating ports, docks, loading and unloading facilities, warehouses, and cold storage facilities.

In Port Yarımca, which is a key investment project for our country's automotive industry, the first imported vehicle was unloaded in April 2021 and the service started to be provided.

In 2012, Akdeniz Kimya, one of the world's leading companies in producing and marketing additives that provide features such as color, flexibility, and durability to PVC-based window and construction profiles, pipes, injection products, cable insulation, and soft surface coatings, and the leader in meeting Turkey's stabilizer consumption, joined OYAK Chemistry. In 2013, Chemson, a market leader in producing polymer additives used in the manufacturing of PVC-based window and construction profiles, pipes, injection products, cable insulation, and soft surface coatings, also joined OYAK Chemistry.

In line with its goal of sustainability and profitability in the sectors in which it operates, OYAK has merged Akdeniz Kimya and Chemson, two of its companies serving the chemical industry, together with all their operations under the brand "Akdeniz Chemson". With this major merger move, Akdeniz Chemson Global (AC Global) has gained the title of the world's largest company in the field of PVC stabilizers, operating in 5 continents and selling to more than 100 countries. Additives produced by the group; It is used in the manufacturing of final products in many different industrial fields such as building, construction, electrical-electronics and automotive. Stabilizers, which are additives for products such as PVC-based rigid window and building profiles, pipes, cables and surface coatings in the mentioned sectors, are produced by the company.

Following the share purchase agreement signed in 2015, all of Almatıs' shares were taken over by OYAK Global Investments BV and Almatıs and its subsidiary joined the OYAK Companies. Almatıs produces and sells special alumina by processing aluminum raw material, aluminum oxide (alumina). Operating globally in this market and being the single largest manufacturer in the world, Almatıs is also unique with the breadth of its product range.

Kümaş Magnesite, which joined OYAK Group Companies on February 3, 2021, is Turkey's leading and largest vertically integrated refractory manufacturer. The entire operation, from mineral procurement to sales process, is carried out by the Company.

HEKTAŞ, which operates in all inputs of agricultural production and is the plant protection market leader, works for the development and growth of the Turkish agricultural sector with its R&D-oriented new product studies and national projects developed in the field of agricultural technologies. HEKTAŞ produces, sells and markets more than 400 plant protection, plant nutrition and seed products. It is the pioneer of Smart Agriculture practices. Under the Tradite Premium brand, it produces organomineral fertilizer that regulates the organic structure of soils. Marketing and sales activities of its products are provided by regional directorates located in six geographical regions of Turkey. HEKTAŞ ranked 484th in the ISO 500 List prepared according to 2023 year-end data.

OYAK Energy Companies operate in the energy market in the fields of fuel oil, mineral oil, LPG, electrical energy and energy conversion. In April 2004, OYAK acquired a 24% stake in İskenderun Enerji Üretim ve Ticaret A.Ş. (İSKEN) from STEAG GmbH, thus becoming a partner in the company. In October 2004, OYAK also acquired a 25% stake from the other partner, RWE Power

AG, increasing its participation in İSKEN to 49%. The imported coal-based thermal power plant located in Yumurtalık district of Adana province, one of Turkey's largest power plants in the field of electrical energy production, has a total installed net electricity production capacity of 1,341 MW/1,308 MW. With this capacity, OYAK Energy Group Companies meet approximately 3% of Türkiye's total electricity consumption.

Pursuant to the share transfer agreement signed on February 22, 2020, Güzel Enerji Akaryakıt A.Ş., which operates in the petroleum products trading sector. The shares of TotalEnergies Stations and Milan Petrol San. ve Tic. A.Ş. (M Oil) were 100% acquired by OYAK as of March 16, 2020.

OYAK Finance Companies serve investors in the capital markets with OYAK Investment, OYAK Investment Partnership and OYAK Portföy Yönetimi companies. With the establishment of OYAK Grup Sigorta in 2017, insurance and reinsurance brokerage was added to the field of activity of finance companies. Abroad, it offers individual and corporate banking services with OYAK ANKER Bank, a member of the German Banks Association.

OYAK operates with Sagra, Tamek and Satem companies in the food industry, which exceeds 500 billion TRY in Turkey.

In 2021, it took a big step in the food industry, which it attaches strategic importance to in line with its sustainable growth vision, by acquiring the 87-year-old well-established brand of the chocolate products market, Sagra, as well as the Tadelles, Sarelle and Gol brands.

It made its second strategic move by purchasing Tamek, a 100% Turkish food manufacturer established in Bursa in 1955. Tamek, which has a wide product portfolio with over 300 different types and packaging types in nine categories, exports to 32 countries in addition to its domestic activities.

In addition, Satem was established in 2021 with the vision of becoming Turkey's largest sales and distribution platform. The company serves various sales points, including national chains, local chains, traditional channel sales points, out-of-home consumption points, e-commerce, and export customers in Turkey. It delivers the products and brands it represents through all its administrative and operational units, primarily sales, trade marketing, and sales operations.

Among the OYAK group companies operating in the service sector are OYAK Security, which provides physical and electronic security services; OYAK Construction, which develops construction projects and building works; OYAK Marketing, which offers tourism, organization, facility management, and technological services; OYAK Automotive Energy and Logistics Holding, established to develop new businesses and national and international investments in the energy sector and its sub-branches such as oil, fuel, electricity, and natural gas, including exploration, research, production, transportation, processing, operation, distribution, storage, import, export, re-export, and trade; and OYAK Capital Investments, which was established to evaluate investment opportunities.

While preparing the consolidated financial statements of the Issuer Company, the subsidiaries subject to consolidation, the fields of activity of these partnerships and the Company's shareholding rates in these partnerships are as follows.

<b>Trade Name</b>	<b>Field of Activity</b>	<b>Company's Share in Capital and Voting Ratio (%)</b>	<b>Capital of the Subsidiary Included in Consolidation</b>	<b>Currency</b>	<b>Country of Establishment of the Subsidiary Included in Consolidation</b>	<b>Capital Commitment</b>
Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş	Production and Marketing of Agricultural Pesticides	99,78%	49,891.49	TRY	Türkiye	None
Ferbis Tarım Ticaret ve Sanayi A.Ş	Production and Marketing of Agricultural Pesticides	100%	40,500,000	TRY	Türkiye	None
Areo Tohumculuk ARGE Sanayi Ve Dış Ticaret A.Ş	To carry out activities for the development of all kinds of seed production and to establish related greenhouses and equipped areas	100%	95,750,000	TRY	Türkiye	None
Sunset Kimya Tarım Ürünleri ve Aletleri İmalat Pazarlama Sanayi ve Ticaret A.Ş	To engage in wholesale and retail trade, production, import, and export of all kinds of agricultural pesticides, and to market them in domestic and international markets	100%	2,000,000	TRY	Türkiye	None
Hektas Asia LLC	Plant Protection and Plant Nutrition	100%	229,248,747,392.41	UZS	Uzbekistan	None
Agriventis Technologies Pty.Ltd	Seed and Seed Breeding	51%	457,375	AUD	Australia	None

## 9. INFORMATION ABOUT TANGIBLE AND INTANGIBLE ASSETS

### 9.1. Information about tangible fixed assets:

9.1.1. Information regarding significant tangible assets owned by the issuer, including those acquired through financial leasing, as of the date of the last financial statement, which must be included in the prospectus, and planned to be acquired by the issuer in accordance with the decision of the board of directors:

As of 31.12.2023, the Company's tangible assets and investment properties are listed below:

	Type	Year Acquired	Location	Net Book Value (TRY)	Purpose of use	If Leased, Leasing Person/Institution	Rental Period	Annual Rental Amount
Land	Tarsus Şehit İshak Mah. Land	1.12.1995	Tarsus-Mersin	222,078	For Investment Purposes			
	Manisa Alaşehir Land	6.11.2014	Alaşehir-Land	1,071,646	For Investment Purposes			
	Manisa Alaşehir Land Expertise	5.12.2014	Alaşehir-Land	6,155	For Investment Purposes			
	Prefabricated Reinforced Concrete Carcass System Factory	15.12.2018	Bor-Niğde	2,265,925	Use			
	Additional land for the GAP Regional Şanlıurfa Main Building	1.10.2019	Şanlıurfa	921,701	For Investment Purposes			
	Adana Factory	25.08.2022	Adana	46,540,709	Use			
	Niğrde Bor Land-Annex	1.06.2022	Bor-Niğde	352,437	Use			
	<b>Grand Total</b>			<b>51,380,651</b>				

	Type	Year Acquired	Location	Net Book Value (TRY)	Purpose of use	If Leased, Leasing Person/Institution	Rental Period	Annual Rental Amount
Underground and Overland Plants	Miscellaneous		Çukurova-Adana	3,358,888	Use	-	-	-
	Miscellaneous		Çukurova-Adana	4,859,644	For Investment Purposes	-	-	-
	Miscellaneous		Bor-Niğde	940,529	Use	-	-	-
	Miscellaneous		Orhangazi-Bursa	1,824,332	Use	-	-	-
	Miscellaneous		Antalya	1,832,902	Use	-	-	-
		<b>Grand Total</b>			<b>12,816,295</b>			

	<i>Type</i>	<i>Year Acquired</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>	<i>Purpose of use</i>	<i>If Leased, Leasing Person/Institution</i>	<i>Rental Period</i>	<i>Annual Rental Amount</i>
<b>Buildings</b>	Regional Sales and Warehouse Buildings	1986	Adana	1,487,766	Use			
	Regional Sales and Warehouse Buildings	1991	Bornova-İzmir	103,014	Use			
	Regional Sales and Warehouse Buildings	1992	Bornova-İzmir	1,061,236	Use			
	Regional Sales and Warehouse Buildings	1993	Bornova-İzmir	19,960	Use			
	Regional Sales and Warehouse Buildings	1995	Adana	39,026	Use			
	Regional Sales and Warehouse Buildings	1995	Antalya	1,961,017	Use			
	Regional Sales and Warehouse Buildings	1996	Bornova-İzmir	5,374	Use			
	Regional Sales and Warehouse Buildings	1997	Antalya	58,409	Use			
	Regional Sales and Warehouse Buildings	1997	Orhangazi-Bursa	2,274,096	Use			
	Regional Sales and Warehouse Buildings	1998	Antalya	8,784	Use			
	Regional Sales and Warehouse Buildings	1998	Bornova-İzmir	147,432	Use			
	Regional Sales and Warehouse Buildings	1999	Antalya	129,428	Use			
	Regional Sales and Warehouse Buildings	2004	Orhangazi-Bursa	2,074,484	Use			
	Regional Sales and Warehouse Buildings	2007	Orhangazi-Bursa	11,096	Use			
	Regional Sales and Warehouse Buildings	2009	Bornova-İzmir	18,920	Use			
	Regional Sales and Warehouse Buildings	2010	Antalya	166,085	Use			
	Regional Sales and Warehouse Buildings	2012	Adana	727,430	Use			
	Regional Sales and Warehouse Buildings	2013	Orhangazi-Bursa	384,889	Use			
	Regional Sales and Warehouse Buildings	2018	Adana	525,271	Use			
	Regional Sales and Warehouse Buildings	2018	Antalya	213,348	Use			
	Regional Sales and Warehouse Buildings	2018	Bornova-İzmir	6,005,334	Use			
	Regional Sales and Warehouse Buildings	2018	Orhangazi-Bursa	243,258	Use			
	Regional Sales and Warehouse Buildings	2021	Antalya	273,381	Use			
	Regional Sales and Warehouse Buildings	2021	Orhangazi-Bursa	1,731,736	Use			
	Regional Sales and Warehouse Buildings	2022	Antalya	1,018,645	Use			
	Regional Sales and Warehouse Buildings	2022	Bornova-İzmir	3,376,781	Use			
	Regional Sales and Warehouse Buildings	2022	Orhangazi-Bursa	1,496,887	Use			
	Regional Sales and Warehouse Buildings	2023	Adana	64,521	Use			
	Regional Sales and Warehouse Buildings	2023	Orhangazi-Bursa	79,179	Use			
	Warehouse space	2020	Bor-Niğde	18,628,306	Use			

	<i>Type</i>	<i>Year Acquired</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>	<i>Purpose of use</i>	<i>If Leased, Leasing Person/Institution</i>	<i>Rental Period</i>	<i>Annual Rental Amount</i>
<b>Buildings</b>	Factory	1999	Haliliye-Şanlıurfa	21,633,888	For Investment Purposes	Cmc İletişim ve Çağrı Merkezi Hizmetleri A.Ş.	2023	1,660,149
	Factory	2020	Adana Center	10,553,112	For Investment Purposes	Alça Yapı İnşaat San.Ve Tic.Ltd.Şti.	2023	794,175
	Administrative building	2020	Bor-Niğde	5,789,935	Use			
	Administrative building	2023	Bor-Niğde	5,222,779	Use			
	Social facility	2023	Bor-Niğde	2,120,782	Use			
	Production area	2018	Cukurova-Adana	44,418	Use			
	Production area	2020	Bor-Niğde	46,157,610	Use			
	Production area	2021	Cukurova-Adana	894,118	Use			
	Production area	2022	Bor-Niğde	982,451	Use			
	Production area	2022	Adana	44,727,135	Use			
	Production area	2023	Adana	5,590,610	Use			
	Production area	2022	Bor-Niğde	12,260,674	Use			
	Production area	2023	Bor-Niğde	213,006,757	Use			
<b>Grand Total</b>				<b>413,319,362</b>				

	<i>Type</i>	<i>Year Acquired</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>	<i>Purpose of use</i>	<i>If Leased, Leasing Person/Institution</i>	<i>Rental Period</i>	<i>Annual Rental Amount</i>
<b>Facility Machinery and Devices</b>	Miscellaneous		Çukurova-Adana	73,110,214	Production			
	Miscellaneous		Antalya	20,848,398	Use			
	Miscellaneous		Ankara	235,201,409	Use			
	Miscellaneous		Izmir	745,258	Use			
	Miscellaneous		Bor-Niğde	380,641,521	Production			
	Miscellaneous		Gebze-Kocaeli	527,015,931	Production			
	Miscellaneous		Adana-Merkez	794,056	Use			
	Miscellaneous		Orhangazi-Bursa	279,966,869	Use			
	Miscellaneous		Agriventis	7,236,698	Use			
	<b>Grand Total</b>				<b>1,525,560,354</b>			

	<i>Type</i>	<i>Year Acquired</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>	<i>Purpose of use</i>	<i>If Leased, Leasing Person/Institution</i>	<i>Rental Period</i>	<i>Annual Rental Amount</i>
<b>Vehicles</b>	Miscellaneous		Gebze-Kocaeli	6.034.966.00	Use			
	Miscellaneous		Çukurova-Adana	3,964,606.00	Use			
	Miscellaneous		Antalya	525,903.00	Use			
	Miscellaneous		Orhangazi-Bursa	6,838,973.00	Use			
	Miscellaneous		Australia	2,118,862.00	Use			
	<b>Grand Total</b>			<b>19,483,310</b>				

	<i>Type</i>	<i>Year Acquired</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>	<i>Purpose of use</i>	<i>If Leased, Leasing Person/Institution</i>	<i>Rental Period</i>	<i>Annual Rental Amount</i>
<b>Fixtures</b>	Miscellaneous		Çukurova-Adana	8,847,214	Use			
	Miscellaneous		Ankara	2,763,830	Use			
	Miscellaneous		Antalya	12,105,367	Use			
	Miscellaneous		Bor-Niğde	51,619,807	Use			
	Miscellaneous		Orhangazi-Bursa	113,494,246	Use			
	Miscellaneous		Bursa	710,224	Use			
	Miscellaneous		Gebze-Kocaeli	51,780,017	Use			
	Miscellaneous		Bornova-İzmir	628,391	Use			
	Miscellaneous		Adana-Merkez	882,501	Use			
	Miscellaneous		Australia	60,698	Use			
	<b>Grand Total</b>			<b>242,892,295</b>				

	<i>Type</i>	<i>Year Acquired</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>	<i>Purpose of use</i>	<i>If Leased, Leasing Person/Institution</i>	<i>Rental Period</i>	<i>Annual Rental Amount</i>
<b>Ongoing Investments</b>	Underground and aboveground-Miscellaneous		Bor-Niğde	4,103,477	Use			
	Building-Production area		Ankara	232,612,785	Production			
	Advance classification		Bor-Niğde	280,078,046	Production			
	Advance classification		Gebze-Kocaeli	511,479,279	Production			
	Facility machinery and equipment - Miscellaneous		Bor-Niğde	373,815,633	Production			
	Facility machinery and equipment - Miscellaneous		Gebze-Kocaeli	446,320,714	Production			
	Rights-Drug Licenses		Bor-Niğde	37,785,751	Use			
	Rights-Drug Licenses		Gebze-Kocaeli	78,572,845	Use			
	Rights-Drug Licenses		Adana-Merkez	961,095	Use			
	Development costs-medicine-fertilizer		Antalya	49,489,922	Use			
	Development costs-medicine-fertilizer		Gebze-Kocaeli	124,254,006	Use			
	<b>Grand Total</b>			<b>2,139,473,553</b>				



**9.1.2. Information on all environmental matters that will affect the use of the Issuer's tangible assets:**

Environmental impact assessment reports (EIA) have been prepared for the Company's Gebze plant protection production facilities and Adana Organomineral production facilities and have been approved by the Ministry of Environment and Urbanization. Likewise, an environmental impact assessment report was prepared for the plant protection production facilities of Ferbis, a 100% subsidiary of the Company, in Niğde and was approved by the relevant ministry.

**9.1.3. Information about restrictions, real rights and mortgage amounts on tangible fixed assets:**

None.

**9.1.4. If the current/fair value of tangible fixed assets is known, information about the current value and the valuation report on which it is based:**

Type of Tangible Asset	Acquisition Date	Appraisal Value (TRY)	Expertise Report Date and Number	Expertise Company	Classification (whether it is for investment purposes or not)	MDV Valuation Fund Amount/Impairment Amount (TRY)
Manisa Alaşehir Land	6.11.2014	1,380,000	12.12.2023-23-157	Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş.	Land for Investment Purposes	302,199.41
Tarsus Şehit İshak Mah. Land	1.12.1995	1,316,000	13.12.2023-23-158	Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş.	Land for Investment Purposes	1,093,922.65
Ş. Urfa Facility	1.06.1999	60,070,000	13.12.2023-23-159	Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş.	Building for Investment Purposes	38,436,111.14
Adana Center	9.06.2020	24,295,000	14.12.2023-23-160	Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş.	Building for Investment Purposes	20,683,800.00

## 9.2. Information about intangible assets:

### 9.2.1. Information about the composition of intangible assets owned by the issuer as of the financial statement periods that should be included in the issuer information document:

The Company's intangible assets as of the financial statement periods that should be included in the prospectus are given below.

#### Intangible assets as of 31.12.2023:

	<i>Type</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>
<b>Rights</b>	Pharmaceutical Licenses	Gebze-Kocaeli	148,281,730
	Undergraduate	Gebze-Kocaeli	9,509,807
	Logo	Gebze-Kocaeli	19,659
	Brand	Gebze-Kocaeli	160,372
	Software	Gebze-Kocaeli	18,146,145
	Pharmaceutical Licenses	Adana	84,658,215
	Software	Adana	699,294
	Seed	Antalya	116,430,963
	Pharmaceutical Licenses	Ankara	184,341,136
	Seed	Australia	157,748,401
	Software	Bor-Niğde	1,736,641
	Brand	Bor-Niğde	25,935
	Pharmaceutical Licenses	Bor-Niğde	44,190,822
<b>Development costs</b>	Medicine-fertilizer-animal health promotion	Gebze-Kocaeli	27,265,769
	Seed	Antalya	6,661,148
	Digitalization-artificial intelligence	Gebze-Kocaeli	1,712,352
<b>Other Intangible Fixed Assets</b>	Miscellaneous	Adana	4,207,990
	Miscellaneous	Ankara	1,092,272
	Miscellaneous	Bursa	69,412
	Miscellaneous	Gebze-Kocaeli	13,821,383
	Miscellaneous	Orhangazi-Bursa	2,235,593,176
	Miscellaneous	Australia	7,944,290
	Miscellaneous	Antalya	8,079,101
<b>Intangible Assets</b>	Ferbis	Bor-Niğde	59,020,774
	Sunset	Adana-Merkez	235,684,857
	<b>GRAND TOTAL</b>		<b>3,367,101,643</b>

**Intangible assets as of 31.12.2022:**

	<i>Type</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>
<b>Rights</b>	Pharmaceutical Licenses	Gebze-Kocaeli	102,441,231
	Undergraduate	Gebze-Kocaeli	10,215,171
	Logo	Gebze-Kocaeli	25,149
	Brand	Gebze-Kocaeli	104,224
	Software	Gebze-Kocaeli	26,140,841
	Pharmaceutical Licenses	Adana	87,110,204
	Software	Adana	1,024,087
	Seed	Antalya	123,776,713
	Pharmaceutical Licenses	Ankara	10,803,384
	Seed	Australia	174,363,171
	Software	Bor-Niğde	879,571
	Brand	Bor-Niğde	35,456
	Pharmaceutical Licenses	Bor-Niğde	41,963,517
<b>Development costs</b>	Medicine-fertilizer-animal health promotion	Gebze-Kocaeli	26,290,460
	Seed	Antalya	9,957,224
	Digitalization-artificial intelligence	Gebze-Kocaeli	1,845,928
<b>Other Intangible Fixed Assets</b>	Miscellaneous	Adana	3,528,230
	Miscellaneous	Ankara	592,885
	Miscellaneous	Bursa	107,274
	Miscellaneous	Gebze-Kocaeli	548,794
	Miscellaneous	Australia	7,045,189
	Miscellaneous	Antalya	8,957,224
<b>Intangible</b>	Ferbis	Bor-Niğde	59,020,774
	Sunset	Adana-Merkez	235,684,857
	Arma	Ankara	149,157,439
	<b>GRAND TOTAL</b>		<b>327,324,140</b>

**Intangible assets as of 31.12.2021:**

	<i>Type</i>	<i>Location</i>	<i>Net Book Value (TRY)</i>
<b>Rights</b>	Pharmaceutical Licenses	Gebze-Kocaeli	23,552,486
	Undergraduate	Gebze-Kocaeli	1,961,920
	Logo	Gebze-Kocaeli	4,390
	Brand	Gebze-Kocaeli	24,579
	Software	Gebze-Kocaeli	4,159,176
	Pharmaceutical Licenses	Adana-Merkez	15,984,148
	Undergraduate	Adana-Merkez	3,368
	Software	Adana-Merkez	342,565
	Seed	Antalya	25,990,280
	Pharmaceutical Licenses	Ankara	5,208,033
	Software	Ankara	5,190
	Undergraduate	Ankara	13,790
	Software	Bor-Niğde	270,663
	Brand	Bor-Niğde	41,340
	Seed	Australia	85,278,324
	Undergraduate	Bor-Niğde	164,690
	Pharmaceutical Licenses	Bor-Niğde	9,552,704
	<b>Development costs</b>	Medicine-fertilizer-animal health promotion	Gebze-Kocaeli
Seed		Antalya	3,106,717
Digitalization-artificial intelligence		Gebze-Kocaeli	723,998
<b>Other Intangible Fixed Assets</b>	Miscellaneous	Adana	908,342
	Miscellaneous	Ankara	198,580
	Miscellaneous	Bursa	38,917
	Miscellaneous	Gebze-Kocaeli	202,000
	Miscellaneous	Australia	734,285
	Miscellaneous	Antalya	2,731,919
<b>Betterment</b>	Ferbis	Bor-Niğde	10,321,922
	Sunset	Adana-Merkez	59,047,335
	Arma	Ankara	36,950,435
	<b>GRAND TOTAL</b>		<b>294,956,738</b>

The majority of intangible assets consist of goodwill arising from the accounting of subsidiaries acquired by the Company. Detailed explanations about goodwill are included in section 9.2.6 of the Prospectus.

Another important item among intangible assets is Pharmaceutical Licenses. The company must obtain a license from the Turkish Ministry of Agriculture and Forestry in order to produce and sell fertilizer products, especially plant protection products, which it produces and sells within the framework of sectoral regulations. These licenses obtained from the relevant public authority give the Company the right to produce and sell. Therefore, these licenses are intangible fixed economic assets for the Company.

A lot of product development expenses are spent in order to obtain a proper product license. These expenses constitute the cost of the economic asset in question. The economic life of the drug licenses in question is 15 years; They are amortized during this period.

On the other hand, subsequent expenses made to extend the validity period of the license or to increase the quality of existing licenses increase the value and economic life of the economic assets in question.

**9.2.2. Information about the role of intangible assets in the issuer's activities and the degree of dependence of the activities on intangible assets:**

“Licenses”, which are included in intangible assets, are an important item for the Company's activities. As we stated in section 9.2.1, "Licenses" are the rights that enable the sale and production of products granted to the Company by the Ministry of Agriculture and Forestry of the Republic of Turkey. The company cannot sell, market or produce any product that is not licensed and registered by the Ministry of Agriculture and Forestry of the Republic of Turkey.

In this regard, it is important for the Company to develop new products and increase the diversity of product usage areas. In this regard, the Company attaches importance to new product development and R&D activities. The company carries out the actions of developing intangible assets, acquiring new intangible assets and extending the economic life of existing rights through 2 (two) product directorates (Plant Protection Product Directorate and Plant Nutrition Product Directorate).

**9.2.3. If there are intangible assets created within the business, information about the details of the development expenses made for these assets as of the financial statement periods that should be included in the prospectus:**

Intangible asset items created within the company include drug licenses and product registrations. Information regarding intangible assets and development expenses created within the business as of the financial statement periods that should be included in the prospectus is given in the tables below.

**As of 31.12.2023:**

<b>Cost Value (TRY)</b>	<b>Rights</b>	<b>Development costs</b>	<b>Other Intangible Fixed Assets</b>	<b>Total</b>
Opening balance as of January 1, 2023	747,027,943	89,956,357	26,041,964	863,026,264
Foreign currency conversion differences	-7,201,962	-	3,109,020	-4,092,942
Purchases	254,775,123	-	89,235,233	344,010,356
Outgoing	-708,726	-96,319	-17,599,941	-18,404,986
Outflow from sale of subsidiary	-19,549,334	-	-92,362,523	-111,911,857
Transfers from investments in progress	18,100,354	7,685,242	2,342,628,869	2,368,414,465
<b>Closing balance as of December 31, 2023</b>	<b>992,443,398</b>	<b>97,545,280</b>	<b>2,351,052,622</b>	<b>3,441,041,300</b>
Accumulated Amortization Shares				
Opening balance as of January 1, 2023	-168,145,224	-51,862,745	-5,262,368	-225,270,337
Foreign currency conversion differences	-1,596,166	-	-372,890	-1,969,056
Period expense	-64,780,417	-10,043,266	-77,521,387	-152,345,070
Outgoing	653,514	-	62,228	715,742
Outflow from sale of subsidiary	7,374,014	-	2,849,419	10,223,433
<b>Closing balance as of December 31, 2023</b>	<b>-226,494,279</b>	<b>-61,906,011</b>	<b>-80,244,998</b>	<b>-368,645,288</b>
<b>Net book value as of December 31, 2023</b>	<b>765,949,119</b>	<b>35,639,269</b>	<b>2,270,807,624</b>	<b>3,072,396,012</b>

**As of 31.12.2022:**

<b>Cost Value (TRY)</b>	<b>Rights</b>	<b>Development costs</b>	<b>Other Intangible Fixed Assets</b>	<b>Total</b>
Opening balance as of January 1, 2022	692,589,671	77,009,725	17,564,429	787,163,825
Foreign currency conversion differences	-55,340,723	-	-4,177,552	-59,518,275
Purchases	62,003,323	96,320	12,655,087	74,754,730
Transfers from investments in progress	47,775,672	12,850,312	-	60,625,984
<b>Closing balance as of December 31, 2022</b>	<b>747,027,943</b>	<b>89,956,357</b>	<b>26,041,964</b>	<b>863,026,264</b>
Accumulated Amortization Shares				
Opening balance as of January 1, 2022	-124,886,124	-39,776,597	-2,246,703	166,909,424
Foreign currency conversion differences	9,583,659	-	716,460	10,300,119
Period expense	-52,842,759	-12,086,148	-3,732,125	-68,661,032
<b>Closing balance as of December 31, 2022</b>	<b>-168,145,224</b>	<b>-51,862,745</b>	<b>-5,262,368</b>	<b>-225,270,337</b>
<b>Net book value as of December 31, 2022</b>	<b>578,882,719</b>	<b>38,093,612</b>	<b>20,779,596</b>	<b>637,755,927</b>

**As of 31.12.2021:**

<b>Cost Value (TRY)</b>	<b>Rights</b>	<b>Development costs</b>	<b>Other Intangible Fixed Assets</b>	<b>Total</b>
Opening balance as of January 1, 2021	112,883,505	6,494,095	1,105,511	120,483,111
Foreign currency conversion differences	37,328,434	-	244,143	37,572,577
Purchases	43,187,298	121,678	3,769,244	47,078,220
Outgoing	-54,696	-	-	-54,696
Transfers from investments in progress	3,532,005	7,645,692	252,500	11,430,197
<b>Closing balance as of December 31, 2021</b>	<b>196,876,546</b>	<b>14,261,465</b>	<b>5,371,398</b>	<b>216,509,409</b>
<b>Accumulated Amortization Shares</b>				
Opening balance as of January 1, 2021	-12,726,797	-1,321,189	-85,887	-14,133,873
Foreign currency conversion differences	-1,954,012	-	-57,166	-2,011,178
Period expense	-9,657,194	-1,674,919	-414,302	-11,746,415
Outgoing	19,103	-	-	19,103
<b>Closing balance as of December 31, 2021</b>	<b>-24,318,900</b>	<b>-2,996,108</b>	<b>-557,355</b>	<b>-27,872,363</b>
<b>Net book value as of December 31, 2021</b>	<b>172,557,646</b>	<b>11,265,357</b>	<b>4,814,043</b>	<b>188,637,046</b>

**9.2.4. If the current/fair value of intangible assets is known, information about the fair value and the valuation report on which it is based:**

None.

**9.2.5. Information about contracts or other restrictive provisions restricting the use or sale of intangible assets:**

None.

**9.2.6. If there is goodwill among intangible assets, information about the transactions that led to the acquisition of goodwill as of the financial statement periods that must be included in the prospectus:**

Transactions that lead to the acquisition of goodwill for the financial statement periods that must be included in the prospectus are stated below.

The company purchased 100% of the shares of Arma İlaç on 28.07.2021, and this transaction was accounted using the pooling of rights method in accordance with the KGK's principle decision on the accounting of business combinations subject to common control.

On December 29, 2023, all shares of Arma, a 100% subsidiary of the Company, will be transferred to OYAK Gıda ve Tarım Holding A.Ş. It was transferred to.

	<b>Main Field of Activity</b>	<b>Date of acquisition</b>	<b>Share in Capital Received</b>	<b>Transferred Amount (Cash) (TRY)</b>
<b>Arma İlaç</b>	Production of Veterinary Medicines	28.07.2021	100	50,485,985

The company purchased 100% of Sunset's shares on 9.06.2020 and this transaction was accounted for using the purchase method. Within the scope of purchase method accounting, the purchase price must be compared with the fair value of the purchased asset and the amount exceeding the fair value amount must be defined as goodwill.

	<b>Main Field of Activity</b>	<b>Date of acquisition</b>	<b>Share in Capital Received</b>	<b>Transferred Amount (Cash) (TRY)</b>
<b>Sunset Kimya</b>	Wholesale and retail trade, production, import and export of all kinds of agricultural pesticides and marketing in domestic and foreign markets.	9.06.2020	100	65,000,000

The company purchased 100% of AREO's shares on 22.02.2019 and this transaction was accounted for using the purchase method. Within the scope of purchase method accounting, the purchase price must be compared with the fair value of the purchased asset and the amount exceeding the fair value amount must be defined as goodwill.

	<b>Main Field of Activity</b>	<b>Date of acquisition</b>	<b>Share in Capital Received</b>	<b>Transferred Amount (Cash) (TRY)</b>
<b>Areo Seed</b>	Carrying out all kinds of seed production and development activities, related greenhouses and special establishing well-equipped areas	22.02.2019	100	25,150,000

## **10. EVALUATIONS ON ACTIVITIES AND FINANCIAL SITUATION**

### **10.1. Financial Position:**

**10.1.1. The issuer's financial position as of the financial statement periods that should be included in the prospectus, changes in its financial position from year to year and the reasons for these changes:**



The independently audited financial position statements (balance sheet) of the Company for the years 2021, 2022 and 2023, as of the financial statement periods that should be included in the prospectus, are given below:

<b>STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) (TRY)</b>	<b>Independent Audited 31.12.2021 (**)</b>	<b>Independent Audited 31.12.2022 (*)</b>	<b>Independent Audited 31.12.2023 (*)</b>
<b>CURRENT ASSETS</b>	<b>3,282,552,383</b>	<b>15,444,424,164</b>	<b>15,129,705,656</b>
<i>Cash and Cash Equivalents</i>	107,447,303	2,523,329,279	4,622,175,507
<i>Financial Instruments</i>	0	268,026	970,858,747
<i>Derivative Financial Instruments</i>	169,694,609	48,039,917	0
<i>Trade Receivables</i>	1,654,632,440	6,735,950,671	3,034,963,794
<i>Other Receivables</i>	3,561,437	62,645,715	1,500,633,961
<i>Stocks</i>	1,148,641,360	5,405,788,009	4,250,506,812
<i>Prepaid Expenses</i>	107,996,108	136,121,020	111,027,965
<i>Assets Regarding the Current Period Taxes</i>	1,079,923	105,002,617	59,757,193
<i>Other Current Assets</i>	89,499,203	427,278,910	579,781,677
<b>NON-CURRENT ASSETS</b>	<b>1,448,249,128</b>	<b>7,769,057,079</b>	<b>10,325,630,860</b>
<i>Trade Receivables</i>	8,623,198	2,481,983	0
<i>Other Receivables</i>	851,455	2,484,647	4,206,751
<i>Investment Properties</i>	4,775,883	40,270,485	39,268,224
<i>Tangible Fixed Assets</i>	1,044,072,504	5,431,834,357	4,365,657,596
<i>Right-of-Use Assets</i>	43,014,887	273,709,047	148,361,836
<i>Intangible Fixed Assets</i>	294,956,738	1,081,618,997	3,367,101,643
<i>Prepaid Expenses</i>	20,706,311	476,957,316	853,240,946
<i>Deferred Tax Asset</i>	31,248,152	459,700,247	1,547,793,864
<b>TOTAL ASSETS</b>	<b>4,730,801,511</b>	<b>23,213,481,243</b>	<b>25,455,336,516</b>
<b>SHORT-TERM LIABILITIES</b>	<b>3,112,947,762</b>	<b>13,781,668,875</b>	<b>15,798,265,820</b>
<i>Short-Term Debts</i>	2,210,061,295	11,661,732,895	13,485,548,498
<i>Trade Payables</i>	816,788,417	1,576,102,206	1,400,078,976
<i>Employee Benefits</i>	37,126,829	136,243,514	81,300,469
<i>Other Liabilities</i>	26,276,907	43,991,812	758,741,816
<i>Derivative Financial Instruments</i>	10,935,886	7,527,677	1787136
<i>Deferred Income</i>	2,817,455	324,455,331	27,873,085
<i>Period Income Tax Liability</i>	2,948,394	11,654,398	26,471,235
<i>Short-term Provisions</i>	5,992,579	19,961,042	16,464,605
<b>LONG-TERM LIABILITIES</b>	<b>171,279,534</b>	<b>1,100,941,550</b>	<b>2,117,295,054</b>
<i>Long-Term Debts</i>	61,213,837	359,326,831	950,514,278
<i>Other Liabilities</i>	52848957	116,625,112	111,954,399
<i>Long-Term Provisions</i>	21,376,652	94,912,389	73,865,372
<i>Deferred Tax Liability</i>	35,840,088	530,077,218	980,961,005
<b>EQUITIES</b>	<b>1,446,574,215</b>	<b>8,330,870,818</b>	<b>7,539,775,642</b>
<b>Equities belonging to Parent Company</b>	<b>1,429,679,635</b>	<b>8,318,521,003</b>	<b>7,548,835,979</b>
<i>Paid-up Capital</i>	860,000,000	2,530,000,000	2,530,000,000
<i>Capital Adjustment Differences</i>	0	4,239,263,374	4,239,263,374
<i>Effect of Mergers Involving Undertakings or Businesses Subject to Common Control</i>	8147726	0	0
<i>Premiums/Discounts on Shares</i>	5,203,762	50,040,977	50,040,977
<i>Other comprehensive accrued income or expenses that will not be reclassified to profit or loss</i>	-7,685,734	-32,816,730	-41,575,122
<i>To be Reclassified to Profit or Loss Other Accumulated Comprehensive Income (Expense)</i>	25,192,601	24,257,225	142,329,037
<i>Restricted Reserves from Profit</i>	46,485,140	285,927,506	316,226,001
<i>Prior Years' Profits and Losses</i>	172,945,200	55,324,867	1,190,790,759
<i>Net Period Profit</i>	319,390,940	1,166,523,784	-878,239,047
<i>Non-Controlling Interests</i>	16,894,580	12,349,815	-9,060,337
<b>TOTAL LIABILITIES</b>	<b>4,730,801,511</b>	<b>23,213,481,243</b>	<b>25,455,336,516</b>

(\*) Unless otherwise stated, all amounts are expressed in TRY based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2023.

(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021. The year 2021 is shown only in the financial statements. Comparisons between 2023 and 2022 were made in the analysis and explanations sections.

Considering the financial position statements (balance sheet) of the Company given above, the total assets of the Company are TRY 23,213,481,243 as of December 31, 2022 and TRY 25,455,336,516 as of December 31, 2023. The company's earnings increased by 10% between 2022 and 2023.

The increase in net working capital in parallel with the increases in sales and production, as well as the tangible and intangible fixed asset investments resulting from the Company's growth trends, constitute the main reasons for this situation.

#### **Cash and Cash Equivalents**

While the Company's cash and cash equivalents were TRY 2,523,329,279 on 31 December 2022, they increased by 83% to 4,622, TRY 175,507 on 31 December 2023. Cash and cash equivalents increased due to the Company's method of collecting the income from the sale of tangible fixed assets in September 2023 and keeping cash at a certain level for its working capital needs.

#### **Change in Trade Receivables and Stocks:**

The majority of the Company's total assets consist of trade receivables and inventories.

Trade receivables consist of receivables arising from sales made to customers spread over many geographical areas arising from agriculture, pesticides and seed production.

Looking at the balance sheet for 2022, it is seen that 29% of total assets and 12% in 2023 consist of trade receivables, and as of the same periods, 23% and 17% respectively consist of stocks.

The Company's trade receivable balance is TRY 6,735,950,671 and TRY 3,034,963,794 for the periods ending on 31.12.2022 and 31.12.2023, respectively. However, the average trade receivables collection period is 287 days as of December 31, 2023. The Company's trade receivables in 2023 decreased by 55% compared to 2022.

Stocks; The Company's stock balance from plant protection, plant nutrition, seed and animal health and other stocks items is TRY 5,405,788,009 and TRY 4,250,506,812, respectively, for the periods ending on 31.12.2022 and 31.12.2023. Compared to 2023, the inventory balance decreased by 21%.

#### **Change in Long-Term Prepaid Expenses:**

The Company's long-term prepaid expenses mainly consist of fixed asset advances. It was TRY 476,957,316 on 31 December 2022, and increased to TRY 853,240,946 on 31 December 2023.

#### **Change in Other Current Assets:**

The balance of other current assets is TRY 427,278,910 and TRY 579,781,677 for the financial periods ending on 31 December 2022 and 31 December 2023, respectively. The increases in the transferred VAT amounts in parallel with the increasing trade volume of the Company are the main reason for the increase in other current assets.

#### **Deferred Tax Asset / (Liability):**

The Company's deferred tax asset / (liability) is (70,376,971) TRY and TRY 566,832,859 as of 31 December 2022 and 31 December 2023, respectively. The main reason for the increase from 2022 to 2023 is due to the balance recognized due to accumulated financial losses.

#### **Change in Tangible and Intangible Assets:**

The net book value of the Company's tangible fixed assets is TRY 5,431,834,357 as of December 31, 2022, while it is TRY 4,365,657,596 as of December 31, 2023. The increase in

the Company's tangible fixed assets consists of some capacity increasing, maintenance and modernization investments made in all production facilities.

The Company's intangible assets are TRY 1,081,618,997 and TRY 3,367,101,643 as of December 31, 2022 and December 31, 2023, respectively. The main reason for the increase is due to transfers from tangible fixed assets. The majority of the amounts constituting the balance from the relevant transfers arise from the investments made by the Company in Orhangazi district of Bursa province. In addition, another reason for the increase in balance is new product licenses and registrations.

In addition, the goodwill amounts resulting from the purchase accounting of our 100% subsidiaries Ferbis, Sunset and Arma are included under the intangible assets item. While the goodwill balance was TRY 443,863,070 on December 31, 2022, it decreased to TRY 294,705,631 on December 31, 2023. The reason for this decrease is due to the transfer of all shares of Arma, a 100% subsidiary of the Company, to OYAK Gıda ve Tarım Holding A.Ş. on December 29, 2023.

The company first started to apply the TFRS 16 Leases standard as of January 1, 2019. In addition, some other standard changes have come into force as of January 1, 2019. However, these changes do not have a significant impact on the Group's financial statements. TFRS 16 introduced a single lease accounting model for lessees. As a lessee, the Group has included the right-of-use asset, which represents the right to use the underlying asset, and the lease liabilities, which represent the lease payments it is obliged to pay, in its financial statements.

#### **Change in Short and Long Term Borrowings:**

The total of the Company's short and long-term borrowings was TRY 12,021,059,726 as of December 31, 2022, and TRY 14,436,062,776 as of December 31, 2023. As of December 31, 2023, it increased by 20% compared to the previous year. This increase is due to financial debts used to meet working capital needs and fund investments.

#### **Change in Equity:**

The Company's equity consists of paid-in capital, capital adjustment differences, premiums/discounts related to shares, restricted reserves set aside from profits, other comprehensive income/expenses to be reclassified and not to be reclassified to profit or loss, retained earnings/(losses) from previous years, net period profit/(loss), and non-controlling interests. While the total equity of the Company was TRY 8,330,870,818 as of December 31, 2022, it decreased by 9% to TRY 7,539,775,642 as of December 31, 2023. The ratio of shareholders' equity within total resources is at 36% and 30% on 31 December 2022 and 31 December 2023, respectively.

## 10.2. Activity results:

### 10.2.1. Information regarding the issuer's operating results as of the financial statement periods that must be included in the prospectus:

The Company's independently audited income statements for the years 2021, 2022 and 2023, as of the financial statement periods that should be included in the prospectus, are given below:

INCOME STATEMENT (TRY)	Audited Independently 31.12.2021 (**)	Audited Independently 31.12.2022 (**)	Audited Independently 31.12.2023 (**)
<i>Revenue</i>	2,020,718,336	10,001,274,789	6,038,995,409
<i>Cost of Sales</i>	-1,312,393,367	-6,973,894,150	-5,223,402,568
<b>GROSS PROFIT (LOSS)</b>	<b>708,324,969</b>	<b>3,027,380,639</b>	<b>815,592,841</b>
<i>General Administrative Expenses</i>	-87,414,515	-397,993,806	-811,728,317
<i>Marketing Expenses</i>	-87,391,904	-451,979,081	-595,185,392
<i>Research and Development Expenses</i>	-35,379,921	-179,185,298	-208,192,131
<i>Other Income from Main Operations</i>	5,187,259	80,222,216	152,001,237
<i>Other expenses from real operating</i>	-86,011,169	-414,731,965	-809,940,124
<b>MAIN OPERATING PROFIT (LOSS)</b>	<b>417,314,719</b>	<b>1,663,712,705</b>	<b>-1,457,451,886</b>
<i>Income from Investment Activities</i>	2,578,830	13,960,325	1,269,902,029
<i>Expenses from Investment Activities</i>	-181,144	-3,271,588	-1,806,889
<b>OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSE)</b>	<b>419,712,405</b>	<b>1,674,401,442</b>	<b>-189,356,746</b>
<i>Financial expenses</i>	126,884,880	457,022,477	1,627,399,948
<i>Financial Expenses</i>	-225,369,779	-2,281,967,173	-4,544,850,733
<i>Monetary Loss/Gain</i>	0	1,329,598,322	1,591,953,665
<b>PROFIT (LOSS) FROM CONTINUED OPERATIONS BEFORE TAX</b>	<b>321,227,506</b>	<b>1,179,055,068</b>	<b>-1,514,853,866</b>
<i>Continuing Activities Tax (Expense) Income</i>	-7,952,991	-34,349,604	620,396,034
<i>Period Tax (Expense) Income</i>	-4,438,104	-141,420,483	-56,347,009
<i>Deferred Tax (Expense) Income</i>	-3,514,887	107,070,879	676,743,043
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>313,274,515</b>	<b>1,144,705,464</b>	<b>-894,457,832</b>
<i>Distribution of Profit/Loss for the Period</i>	<i>313,274,515</i>	<i>1,144,705,464</i>	<i>-894,457,832</i>
<i>Non-Controlling Interests</i>	-6,116,425	-21,818,320	-16,218,785
<i>Parent Company Shares</i>	319,390,940	1,166,523,784	-878.239.047

(\*) Unless otherwise stated, all amounts are expressed in TRY based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2023.

(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021. The year 2021 is shown only in the financial statements. Comparisons between 2023 and 2022 were made in the analysis and explanations sections.

While the Company's revenue was TRY 10,001,274,789 in the period ending 31.12.2022, it was TRY 6,038,995,409 in the period ending 31.12.2023.

The Company's sales revenue decreased by 40% between 2022-2023. The main reasons for this decrease in sales revenue are; 11 provinces, which are the heart of the country's agriculture, were affected due to earthquake disasters, and fertilizer use decreased to a minimum level due to climatic effects.

However, when looking at the gross sales profit between the same periods, it is seen that the Company operates with a gross sales profitability of 30.2% in 2022, and this rate decreases to 13.5% in 2023.

Our gross profitability decreased as a result of the increase in raw material prices, which are dependent on foreign exchange prices, and the parallel increase in TRY-based production expenses.

In addition, due to the rapid increase in inflation in 2023, our company's TRY-based costs increased, and as a result, the cost of goods sold increased. However, due to the shrinking sales volume in the domestic market and the stable situation in product prices, the gross sales profitability in 2023 remained at 13.5%.

Looking at the company's operating expenses, general administrative expenses increased by 104% between 2022-2023. The biggest reasons for the increases in general administrative expenses in the past period are depreciation expenses and increases in external services expenses.

It is seen that marketing sales and distribution expenses increased by 32% between 2022-2023. The main reason for the increase is; It arises from the advertising expenses related to the opening of the R&D innovation center located in Orhangazi district of Bursa province.

Other income / (expense) from main activities consists of foreign exchange gains and expenses, interest income and expenses and other miscellaneous income and expenses arising from net operations. Other income/expenses from main activities increased to -TRY 334,509,749 and TRY -657,938,887 for the financial periods ending 31 December 2022 and 31 December 2023, respectively. The main reason for the increase in other expenses from main activities is the import exchange rate difference.

Continuing operations Tax (Expense) Income consists of current period corporate tax expense and deferred tax income / (expense). For the period ending December 31, 2022, deferred tax income is TRY 107,070,879 and current tax expense is TRY -141,142,483. For the period ending December 31, 2023, deferred tax income is TRY 676,743,043 and current tax expense is TRY -56,347,009.

The main reason for the increase in deferred tax income compared to the 2022 period; It arises from the accumulated financial loss advantage and the tax advantage arising from investment discount.

While the Company's net financing expense was TRY 1,824,944,696 in the period ending 31 December 2022, it increased by 60% and reached TRY 2,917,450,785 in the period ending 31 December 2023. The net working capital need and the high financing need created by growth have had an increasing effect on financing expenses from time to time.

While the Company's net profit for the period was TRY 1,144,705,464 in the period ending 31 December 2022, it decreased by 178% and became TRY -894,457,832 in the period ending 31 December 2023.

#### **10.2.2. Explanation of significant changes in net sales or revenues and the reasons for these changes:**

The company's product portfolio began to enrich, the production and sales of organomineral and wound fertilizer products, in short, the development of new business lines and products, not only in certain periods; Enabled it to have the ability to make sales in all periods of the year

### **10.2.3. Information about public, economic, financial or monetary policies that have directly or indirectly significantly affected or may affect the issuer's activities as of the financial statement periods that should be included in the prospectus:**

Due to the extreme volatility in exchange rates, there has been an increase in the prices of raw materials and other technical materials used in the Company's production. Nearly 85% of the Company's production cost consists of raw material and auxiliary material costs, and the increase in exchange rates also had an impact on the Company's production cost. However, as we have stated in this Prospectus, the increase in commodity prices caused by high volatility and the natural hedge and stock working methods against both changes that may occur in the exchange rate and contractions in supply sources have had a limited impact on costs.

On the other hand, public bans, especially on the use of active substances, have led to the risk of product removal from the product portfolio, and this situation has been prevented by new product development and equivalent product finding efforts.

#### **Stocks**

Stocks; It consists of raw materials and materials, semi-finished products, finished goods, commercial goods and other stocks. While stocks were TRY 5,405,788,009 on December 31, 2022, they decreased by 21% to TRY 4,250,506,812 on December 31, 2023. The main reason for this decrease is due to the Company's prudence in managing its net working capital.

The Company's stocks for the periods 31 December 2022 and 31 December 2023 are listed in the table below.

<b>Stocks (TRY)</b>	<b>31.12.2022</b>	<b>31.12.2023</b>
Raw material and materials	1,982,047,104	1,868,408,590
Semi Finished Goods	447,561,374	405,828,816
Finished Goods	772,612,920	1,112,227,826
Trade Goods	765,009,636	802,293,840
Other Stocks(*)	1,444,449,930	243,940,647
Provision for Inventories (-)	-5,892,955	-182,192,907
	<b>5,405,788,009</b>	<b>4,250,506,812</b>

(\*) As of December 31, 2023, TRY 238,607,051 (December 31, 2022: TRY 1,439,222,658) of other inventories consist of goods in transit.

#### **Gross profitability and costs**

It is seen that the company operates with a gross sales profitability of 30.2% in 2022, and this rate decreases to 13.5% in 2023. Our gross profitability decreased as a result of the increase in raw material prices, which are dependent on foreign exchange prices, and the parallel increase in TRY-based production expenses.

In addition, due to the rapid increase in inflation in 2023, our company's TRY-based costs increased, and as a result, the cost of goods sold increased. However, due to the shrinking sales volume in the domestic market and the stable situation in product prices, the gross sales profitability in 2023 remained at 13.5%.

### 10.3. Issuer's indebtedness status

The Company's indebtedness status for the interim period of 31.12.2023, which is the last financial statement period to be included in the prospectus, is given below.

<b>Indebtedness Status (31.12.2023)</b>	<b>Amount (TRY)</b>
<b>Short-term liabilities</b>	<b>13,485,548,498</b>
<b>Long-term liabilities (excluding short-term portions of long-term debts)</b>	<b>950,514,278</b>
Guaranteed	-
Secured	-
Without Guarantee/Unguaranteed	-
<b>Total Short and Long Term Liabilities</b>	<b>14,436,062,776</b>
<b>Equities</b>	<b>7,539,775,642</b>
Paid/issued capital	2,530,000,000
legal reserves	316,226,001
Other spares	-
<b>TOTAL LIABILITIES</b>	<b>25,455,336,516</b>
<b>Net Debt Situation</b>	<b>Amount (TRY)</b>
A. Cash	4,465,171,525
B. Cash Equivalents	157,003,982
C. Financial Assets for Trading Purposes and Bank Deposits for Use	970,858,747
<b>D. Liquidity (A+B+C)</b>	<b>5,593,034,254</b>
E. Short Term Financial Receivables	-
F. Short-Term Bank Loans	10,441,192,335
G. Issued Debt Instruments	2,496,302,404
H. Other Financial Liabilities	494,994,619
<b>I. Rental Obligations</b>	<b>53,059,140</b>
<b>I. Short-Term Financial Liabilities (F+G+H+I)</b>	<b>13,485,548,498</b>
<b>J. Short-Term Net Financial Debt (IED)</b>	<b>7,892,514,244</b>
Northern Long Term Bank Loans	913,189,540
L. Rental Obligations	37,324,738
M. Other Long-Term Loans	-
<b>N. Long-Term Financial Debt (L+L+L)</b>	<b>950,514,278</b>
<b>O. Net Financial Debt (J+N)</b>	<b>8,843,028,522</b>

There is no change in the information in question after the last financial statement date.

## 11th. FUNDING SOURCES OF THE ISSUER

### 11.1. Working capital statement:

The gross and net working capital of the Company is given by years in the table below. The company has a working capital deficit; does not have sufficient working capital for at least a 12-month period. However; There is no risk that the business will not be able to fulfill its due obligations.

(TRY)	31.12.2021	31.12.2022	31.12.2023
Current Assets	3,282,552,383	15,444,424,164	15,129,705,656
Short-Term Liabilities	3,112,947,762	13,781,668,875	15,798,265,820
<b>Net Working Capital</b>	<b>169,604,621</b>	<b>1,662,755,289</b>	<b>-668,560,164</b>

As of December 31, 2023, the Company's short-term liabilities exceed its current assets by TRY 668,560,164. The most significant share of current liabilities consists of short-term financial borrowings obtained by the Company from financial institutions. Since a significant portion of the borrowings are provided as short-term loans, a liability-oriented position arises in the net working capital, and this indicates the Company's need for resources to meet its short-term liabilities. Company management does not foresee a significant risk in meeting short-term liabilities.

## 12. TREND INFORMATION

### 12.1. Information on the latest important trends in production, sales, inventories, costs and selling prices:

#### *Hektaş Plant Protection Production Facility (GEBZE)*

At the production facility located at Gebze OSB Mahallesi 700. sok. no: 711/1 Gebze / Kocaeli, plant protection, plant nutrition, disinfectant, and biocidal products are manufactured. The facility, which has a total area of approximately 75,000 m<sup>2</sup>, including 31,000 m<sup>2</sup> closed area, operates with its modern infrastructure and automation systems.

In 2023, the facility produced approximately 3,436 tons of technical materials and approximately 13,777 tons of finished products, totaling approximately 17,213 tons. The product portfolio created is such that it meets all the needs of agricultural production. Our production facility is the first facility in its field to produce in accordance with Industry 4.0 standards. The production facility, designed in accordance with Industry 4.0, has a total of four different production areas for liquid herbicide, other liquid, powder and granule products. All filling lines operate under a robotic system.

The production facility has ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 27001:2013 certificates, and all legal regulations are followed and accredited within the framework of respective standards.



In the Gebze (Plant Protection) production facility, plant protection products are produced in technical substance, liquid form, herbicide liquid form and powder form. The total production amount as of the end of 2023 is 17,213,034 kg.

<b>Capacity Utilization Rate (PRODUCTIVITY) (01 January - 31 December)</b>			
<b>Production Facility</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Gebze (Plant Protection)	136%	169%	89%

\*CUR: Capacity Utilization Rate (calculated based on 8 hours/day and 300 days/year)

<b>Gebze Production Facility</b>	<b>Production Realization (kg/lt) (01 January-31 December)</b>		
<b>Production Quality</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Technical Article	4,889,992	5,628,500	3,435,500
Liquid Form	6,430,690	7,644,117	6,011,278
Herbicide Liquid Form	2,747,142	3,557,932	3,406,824
Solid Form	6,791,735	6,449,343	4,359,432
<b>Grand Total</b>	<b>20,859,559</b>	<b>23,279,892</b>	<b>17,213,034</b>

The number of licenses relating to its produces increased from 155 in 2020 to 173 in 2021. This figure reached 179 at the end of 2022 and 205 in 2023, with licenses developed through the recommendation method.

#### ***Ferbis Plant Protection Protection Products Production Facility (NİĞDE)***

Ferbis production facility; Organize Sanayi Bölgesi Mah. 2 B No'lu Yol Cad. It operates in the field of plant protection products production at No:6 Bor / Niğde. The facility, with a total area of 24,000 m<sup>2</sup>, including approximately 11,000 m<sup>2</sup> of covered area, includes a second building, where the construction phase has been completed, and a third building, whose construction is ongoing and where the management of the facilities to be established within will be conducted through an automation system. The aim is for the investments made in the facility to make it one of the most qualified production facilities in the agricultural pesticide market in Turkey. Within the facility, there are warehouses for storing finished products and raw materials.

Currently, there are 2 finished product warehouses, and with the construction of 2 additional warehouses that started in 2023, the number of finished product warehouses will be increased to 4. While the storage area is currently 1,400 pallets as of 2022, it will reach 4,000 pallets with the new warehouses.

Similarly, there are currently 4 raw material warehouses, and with the construction of 1 additional warehouse that started in 2023, the number of raw material warehouses will be increased to 5. While it has a storage capacity of approximately 2,000 m<sup>2</sup> as of 2022, with the new warehouse it will be increased by 1,000 m<sup>2</sup> and the storage capacity will reach 3,000 m<sup>2</sup>.

There are 2 different laboratories in this facility. Physical and chemical laboratory studies are conducted in these laboratories to ensure the production of the highest quality products, considering factors such as PH density, emission pool, and instrumental analysis.

The production facility holds ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certificates, accrediting according to standards by following all legal regulations.

In the Niğde (Plant Protection) production facility, plant protection products are produced in technical, liquid form, herbicide liquid form, and powder form varieties. The total production quantities realized by the end of 2023 amount to 6,656,872 kg.

<b>Capacity Utilization Rate (PRODUCTIVITY) (01 January - 31 December)</b>			
<b>Production Facility</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Niğde (Plant Protection)	112%	126%	52%

\*CUR: Capacity Utilization Rate (calculated based on 8 hours/day and 300 days/year)

<b>Niğde Production Facility</b>	<b>Production Realization (kg/lt) (01 January-31 December)</b>		
<b>Production Quality</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Technical Article	2,636,320	2,747,230	1,440,280
Liquid Form	2,276,908	2,729,110	2,163,762
Herbicide Liquid Form	3,874,718	3,804,641	2,203,313
Powder Form	0	975,281	849,517
<b>Grand Total</b>	<b>8,787,946</b>	<b>10,256,262</b>	<b>6,656,872</b>

### ***Hektaş Organomineral Fertilizer Production Facility (ADANA)***

Since 2017, at the address Acıdere OSB Mahallesi Hacı Sabancı OSB Atatürk Bulvarı No:19 Sarıçam/Adana, within a total area of 20,000 m<sup>2</sup>, including approximately 12,400 m<sup>2</sup> of covered space, the company continues its organomineral fertilizer production activities with state-of-the-art equipped laboratories.

The production facility holds ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certificates, accrediting according to standards by following all legal regulations.

Organomineral fertilizer is produced in the Adana (Organomineral Fertilizer) production facility. The total production quantities realized by the end of 2023 amount to 24,758,000 kg.

<b>Capacity Utilization Rate (PRODUCTIVITY) (01 January - 31 December)</b>			
<b>Production Facility</b>	<b>2021*</b>	<b>2022**</b>	<b>2023</b>
Adana (OMG)	74 %	43%	25%

CUR: Capacity Utilization Rate (calculated based on 8 hours/day and 300 days/year)

\*Adana OMG Production Capacity increased by 15,000 tons annually and reached 99,000 tons in 2021.

\*\*Some of the products produced in the production facility are subcontracted.

<b>Adana Production Facility</b>	<b>Production Realization (kg/lt) (01 January-31 December)</b>		
<b>Production Quality</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Organomineral Fertilizer (Product)	71,790,150	70,149,825	24,758,000
<b>Grand Total</b>	<b>71,790,150</b>	<b>70,149,825</b>	<b>24,758,000</b>

### **Ankara High Technology Center (Ankara)**

At the address Alcı OSB Mah. 2024 Cad. No: 25 Sincan / Ankara, within a total area of 12,000 m<sup>2</sup>, including 8,100 m<sup>2</sup> of covered space, the company operates with the aim of bringing value-added products to our country that support food and environmental health by reducing the use of conventional chemical and animal fertilizers for the production of protein-based plant nutrients, beneficial microorganisms, and organic acids.

The center, with an annual production capacity of 21,000,000 liters, aims to ensure the production of strategically developed products in the short term through R&D and UR-GE activities, focusing on imported, high-value-added products with a supply chain at risk.

### **Sales activities**

The Company's sales by product categories for the financial statement periods that should be included in the Prospectus are given in the table below.

#### **b) Annual comparison of sales by product categories**

<b>Fields of Activity (Net Sales) - TRY</b>	<b>2021 (**)</b>	<b>%</b>	<b>2022 (*)</b>	<b>%</b>	<b>2023 (*)</b>	<b>%</b>
Plant protection	1,240,511,969	61.39%	6,172,068,487	61.71%	3,880,323,711	64,25%
Plant Nutrition (Fertilizer)	723,413,264	35,80%	3,518,765,496	35.18%	1,676,047,511	27,75%
Animal Health	51,520,940	2,55%	274,281,257	2,74%	454,002,986	7,52%
Seed	5,272,164	0,26%	36,159,549	0,36%	28,621,202	0,47%
<b>Grand Total</b>	<b>2,020,718,336</b>	<b>100,00%</b>	<b>10,001,274,789</b>	<b>100,00%</b>	<b>6,038,995,409</b>	<b>100,00%</b>

(\*) Shown in TRY based on the purchasing power of Turkish Lira ("TRY") as of 31 December 2023.

(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021.

### **Stocks**

Stocks; It consists of raw materials and materials, semi-finished products, finished goods, commercial goods and other stocks. While stocks were TRY 5,405,788,009 on December 31, 2022, they decreased by 21% to TRY 4,250,506,812 on December 31, 2023. The main reason for this decrease is the decrease in the accrual amount for goods in transit included in "Other Stocks". As of December 31, 2022, goods in transit amounted to TRY 1,439,222,658, whereas as of December 31, 2023, they amounted to TRY 238,607,051. The Company's stocks for the periods 31 December 2022 and 31 December 2023 are listed in the table below.

<b>Stocks (TRY)</b>	<b>31.12.2022</b>	<b>31.12.2023</b>
Raw material and materials	1,982,047,104	1,868,408,590
Semi Finished Goods	447,561,374	405,828,816
Finished Goods	772,612,920	1,112,227,826
Trade Goods	765,009,636	802,293,840
Other Stocks	1,444,449,930	243,940,647
Provision for Inventories (-)	-5,892,955	-182,192,907
	<b>5,405,788,009</b>	<b>4,250,506,812</b>

## **Gross profitability and costs**

It is seen that the company operates with a gross sales profitability of 30.2% in 2022, and this rate decreases to 13.5% in 2023. Our gross profitability decreased as a result of the increase in raw material prices, which are dependent on foreign exchange prices, and the parallel increase in TRY-based production expenses.

In addition, due to the rapid increase in inflation in 2023, our company's TRY-based costs increased, and as a result, the cost of goods sold increased. However, due to the shrinking sales volume in the domestic market and the stable situation in product prices, the gross sales profitability in 2023 remained at 13.5%.

## **12.2. Information about trends, uncertainties, demands, commitments or events that may materially affect the Issuer's prospects:**

### **Agricultural production data:**

The agricultural producer price index (Agri-PPI) decreased by 0.91% in May 2024 compared to the previous month, increased by 19.58% compared to December of the previous year, increased by 61.24% compared to the same month of the previous year, and increased by 61.72% compared to the 12-month averages.

When looking at the change compared to the previous month in sectors, a 1.18% decrease in agricultural and hunting products and related services, a 0.43% decrease in forestry products and related services, and an 8.4% increase in fish and other fishing products, aquatic products, and supporting services for fishing were observed.

- In the main groups, there was a 6.67% decrease in annual (non-perennial) plant products, a 4.98% increase in perennial (long-lived) plant products, and a 2.98% increase in live animals and animal products compared to the previous month. According to the annual Agri-PPI, 7 subgroups showed lower and 5 subgroups showed higher changes.
- The group with the least annual increase was live poultry and eggs with 21.91%. Other subgroups with the lowest annual increase were cereals (except rice), legumes and oilseeds with 35.99%, and fibrous plants with 41.14%. . On the other hand, the subgroups with high annual increases are oily fruits with 154.81% and live sheep and goats with 95.41%; They had processed milk and wool.

According to the monthly Agri-PPI, 5 subgroups showed lower and 7 subgroups showed higher changes.

- The group that showed the biggest decrease compared to the previous month was vegetables, melons, roots and tubers with minus 16.04%, and live poultry and eggs with minus 10.24%. On the other hand, the subgroups with the highest monthly increase are sheep and goat livestock with 6.28%; It was recorded as their processed milk and wool and oily fruits with 5.03%.

### **Supports:**

According to the information shared in the bulletins of the Ministry of Agriculture and Forestry, 4 billion 708 million TRY grant was paid for development investments in rural areas in 2023, and 13 thousand 481 people were employed with the supported projects. In 2023, a total of 63.4 billion TRY in agricultural support payments were transferred to the accounts of producers.

Within the scope of the support payments made by the Ministry of Agriculture and Forestry of the Republic of Turkey, approximately 13 billion TRY support was given to producers in January 2024. While approximately 3 billion TRY support payments were made in February and approximately 11 billion TRY in March, tea support payments amounting to 363 million 608 thousand 530 liras were also made to producers.

Support payments amounting to TRY 2,477,946,000 (TRY 2,393,722,650 under the Diesel and Fertilizer support, TRY 70,407,750 under the Small-Scale Fisheries support, and TRY 13,815,600 under the Animal Genetic Resources support) were deposited into farmers' accounts on April 5, 2024.

A total of TRY 694 million 461 thousand in agricultural support payments was transferred to farmers' accounts on April 19, 2024.

The details of the support payments are as follows:

- For cereal-legume and grain corn support, TRY 462 million 933 thousand 480,
- For animal disease compensation support, TRY 112 million 371 thousand 560,
- For biological/biotechnical control support, TRY 31 million 718 thousand 569,
- For certified seed production support, TRY 26 million 458 thousand,
- For rural development investment support, TRY 23 million 709 thousand 934,
- For bumblebee usage support, TRY 18 million 86 thousand 500,
- For large breeding (heifer) animal purchase support, TRY 10 million 850 thousand,
- For small family business support, TRY 5 million 865 thousand 479,
- For certified seedling usage support, TRY 2 million 467 thousand 478.

On April 26, 2024, TRY 4 billion 435 million 821 thousand in agricultural support was transferred to farmers' accounts by the Ministry of Agriculture and Forestry.

The details of the support payments are as follows:

- For calf support, TRY 3 billion 344 million 15 thousand,
- For raw milk support, TRY 1 billion 11 million 71 thousand 779,
- For licensed warehousing support, TRY 32 million 155 thousand 447,
- For animal genetic resources support, TRY 29 million 216 thousand 20,
- For certified seed production support, TRY 10 million 42 thousand 754,
- For heifer purchase support, TRY 9 million 320 thousand,

Within the scope of agricultural support payments by the Ministry of Agriculture and Forestry, agricultural support payments of 5 billion 93 million 213 thousand TRY started to be transferred to farmers' accounts as of June 7, 2024.

In this context, payments are made as follows: TRY 4,539,601,000 for oilseed crop support, TRY 492,697,073 for cereal-legume and grain corn support, TRY 47,590,000 for heifer purchase support, TRY 9,035,638 for rural development investment support, TRY 3,680,300 for animal genetic resources support, and TRY 608,989 for fuel and fertilizer support.

### **Climate and its effects:**

Our country's areal rainfall in 2023 was 641.5 mm. The annual average spatial precipitation amount across Turkey is 573.4 mm (1991-2020). There was an increase in precipitation of 11.9% compared to normal and 27.3% compared to 2022 precipitation.

In 2023, the Western Black Sea and Eastern Black Sea coastal regions and the eastern part of Antalya received more than 1000 mm of precipitation, while in the surroundings of Giresun, Rize, and Artvin, precipitation exceeded 1600 mm. The western part of Ankara, Konya, Karaman, Aksaray, Niğde, Nevşehir, Kırıkkale, the surroundings of Iğdır, Kilis, the south of Şanlıurfa, and the east of Ağrı and Van received less than 400 mm of precipitation. In 2023, rainfall in the regions of Hatay, eastern Iğdır, Gaziantep, Kilis, and Mardin showed a decrease of more than 40% compared to the norms. In contrast, in the Western Black Sea region, western Eastern Anatolia, and the surroundings of Sinop, Samsun, Ordu, Giresun, Kütahya, Uşak, Isparta, and Burdur, rainfall increased by 40-60%. In terms of provincial precipitation, there was a decrease compared to the normal in Edirne, Gaziantep, Hatay, Iğdır, Karaman, Kilis, Mardin, Muğla, Osmaniye, Tekirdağ, and Van. The least precipitation was in Iğdır with 323.6 mm, and the highest decrease compared to the normal was in Hatay with 42%. The highest rainfall was in Rize with 1776.6 mm, and the highest increase compared to normal was in Tunceli with 64%. Annual precipitation was at its highest level in the last 63 years in Tunceli and in the last 56 years in Erzincan.

The 2024 water year precipitation covering the period from October 11, 2023, to May 31, 2024, was above the normal and the precipitation of the previous year. The water year precipitation across Turkey was 504.7 mm, the normal (1991-2020) was 484.5 mm, and the water year precipitation for the same period of the previous year was 440.9 mm. In the eight-month cumulative precipitation, there was an increase of 4% compared to the normal and an increase of 15% compared to the same period of the previous year. Precipitation increased by more than 40% in the surroundings of Diyarbakır, Tunceli, Siirt, Şırnak, and Hakkâri, while it decreased by more than 20% in the Aegean Region, the south of Konya, the west of Antalya, and the surroundings of Afyonkarahisar.

In general, the water year precipitation was below the normal in the Aegean, Mediterranean, and Central Anatolia regions, and above the normal in other regions. The highest increase was recorded in the Eastern Anatolia Region with 27%. In terms of provincial precipitation, the highest precipitation was in Rize with 1317.1 mm, the highest increase compared to the normal was in Şırnak with 53%, the least precipitation was in Afyonkarahisar with 284.0 mm, and the highest decrease compared to the normal was in Denizli with 27%. In the eight-month cumulative precipitation, Rize received the highest precipitation in the last 64 years, Van in the last 30 years, and Zonguldak in the last 26 years.

#### Marmara Region:

The water year precipitation of the region is 598.1 mm, the normal is 545.3 mm, and the 2023 water year precipitation is 416.2 mm. There was a 10% increase in precipitation compared to normal and a 44% increase compared to the 2023 water year precipitation. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Marmara Region was -1.7 °C in Balıkesir, and the highest temperature was 34.1 °C in Sakarya.

#### Aegean Region:

The water year precipitation of the region is 446.1 mm, the normal is 536.7 mm, and the 2023 water year precipitation is 470.5 mm. Precipitation decreased by 17% compared to the normal and by 5% compared to the 2023 water year precipitation. Average temperatures were around the seasonal normals throughout the region. In the Aegean Region, the lowest temperature was recorded as -3.4°C in Gediz, while the highest temperature was recorded as 37.1°C in Aydın.

#### The Mediterranean region:

The water year precipitation of the region is 549.8 mm, the normal is 609.8 mm, and the 2023 water year precipitation is 495.1 mm. Precipitation decreased by 10% compared to the normal and increased by 11% compared to the 2023 water year precipitation. Average temperatures were above the

seasonal normals in Kale/Demre, while they were around the seasonal normals in other parts of the region. The lowest temperature in the Mediterranean Region was -5.8 °C in Göksun, and the highest temperature was 38.4 °C in İskenderun.

#### Central Anatolia Region:

The water year precipitation of the region is 313.1 mm, the normal is 328.6 mm, and the 2023 water year precipitation is 291.7 mm. Precipitation decreased by 5% compared to the normal and increased by 7% compared to the 2023 water year precipitation. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Central Anatolia Region was -10.3 °C in Kangal, and the highest temperature was 32.7 °C in Ereğli.

#### Black Sea region:

The May precipitation of the region is 91.8 mm, the normal is 62.2 mm, and the May precipitation of 2023 is 78.4 mm. Precipitation increased by 48% compared to the normal and by 17% compared to the May precipitation of 2023. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Black Sea Region was -6.5 °C in Bayburt, and the highest temperature was 35.4 °C in Samsun.

#### Southeastern and Eastern Anatolia Regions:

The May precipitation of the Eastern Anatolia Region is 94.2 mm, the normal is 65.3 mm, and the May precipitation of 2023 is 73.7 mm. Precipitation increased by 44% compared to the normal and by 28% compared to the May precipitation of 2023. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Eastern Anatolia Region was -22.3 °C in Özalp, and the highest temperature was 32.4 °C in Iğdır.

The May precipitation of the Southeastern Anatolia Region is 50.5 mm, the normal is 40.4 mm, and the May precipitation of 2023 is 24.2 mm. Precipitation increased by 25% compared to the normal and by more than 100% compared to the May precipitation of 2023. Average temperatures were around the seasonal normals throughout the region. The lowest temperature in the Southeastern Anatolia Region was -4.1 °C in Batman, and the highest temperature was 39.6 °C in Ceylanpınar.

#### **Developments in Agriculture:**

The new regulation "Regulation on Licensing and Placing Plant Protection Products on the Market" came into force after being published in the Official Gazette dated 14.03.2024 and numbered 32498.

The Ministry of Agriculture and Forestry's "Indoor Plant Production Registration System Regulation", which aims to record plant production in closed environments, was published in the Official Gazette.

With the regulation, it was stated that all plant production carried out in partially or completely controllable closed areas such as greenhouses, vertical farming facilities and mushroom facilities, where farmers produce, will be recorded by identifying them with their geographical coordinates, regardless of ownership or place of production.

During the 2023/2024 campaign period, 9 million 60 thousand tons of beet was processed and 1 million 161 thousand 100 tons of sugar was produced, and 418 thousand 800 tons of molasses and 2 million 905 thousand 709 tons of fresh beet pulp were obtained as by-products.

The calendar for the calls to be issued in 2024 has been announced by the Agriculture and Rural Development Support Institution (TKDK), the relevant organization of the Ministry of Agriculture and Forestry. Minister İbrahim Yumaklı stated that the IPARD III Program, which will be

implemented as of 2024, has been expanded to 81 provinces and that 785 million euros of grant support will be provided within 7 years.

It was announced that in IPARD-1 and 2 programs, 27 application calls were announced and 45.6 billion liras of grant support in real figures was given to 25 thousand 645 projects to date. It was stated that thanks to these grants, an investment of 98.2 billion liras was provided to the country's agriculture and food sectors, and 96 thousand jobs were provided in these investments.

Construction works have started for investments that will bring water to 724 thousand 250 decares of agricultural land in Iğdır, Van, and Artvin.

The Presidential Decision on Supporting the Activation of the Use of Agricultural Lands was published in the Official Gazette. The decision entered into force as of January 1.

### Regional Crop Based Developments

#### *The Mediterranean Region:*

Crop	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024
Tomatoes	TRY 15	TRY 20	TRY 20	TRY 14	TRY 13	TRY 8
Cocktail	TRY 22	TRY 32	TRY 32	TRY 30	TRY 14	TRY 15
Charlie Pepper	TRY 19	TRY 20	TRY 26	TRY 17	TRY 10	TRY 25
Green Pepper	TRY 24	TRY 30	TRY 30	TRY 24	TRY 9	TRY 25
Stuffed Pepper	TRY 24	TRY 28	TRY 28	TRY 17	TRY 20	TRY 20
Banana	TRY 24	TRY 27	TRY 27	TRY 29	TRY 30	TRY 30
Eggplant	TRY 15	TRY 21	TRY 20	TRY 6	TRY 10	TRY 10
Cucumber	TRY 14	TRY 16	TRY 15	TRY 4	TRY 10	TRY 15
Silor	TRY 30	TRY 25	TRY 20	TRY 9	TRY 9	TRY 20

#### *Marmara Region*

The prices of bread wheat are 9.25 TRY/kg TMO price, 11.00 TRY/kg including support, the prices of durum wheat are 10.00 TRY/kg TMO price, 11.75 TRY/kg including support. Barley prices are 7.25 TRY/kg TMO price, 8.00 TRY/kg including support. Canola has been between 17.00 – 18.50 TRY/kg. In the region, the contract prices of tomato purchasing by tomato paste factories were between 3500-3750 TRY/Ton, Nectarines were between 30-32 TRY/kg, and Pears were between 16-19 TRY/kg.

#### *Southeastern Anatolia Region*

Specifically for grain products, wheat 8.50-9.50 TRY/kg, Red Lentils 20-24 TRY/kg, Chickpeas 13.52 TRY/kg, Barley 6.50-7.50 TRY/kg, Corn 7.6-8 .40 TRY/kg. In the case of cotton, product prices remaining in stock were in the range of 20-25 TRY/kg, depending on yield. In the region, the prices of dried apricots remaining in stock in Malatya ranged from 90-110 TRY/kg.

#### *Çukurova Region*

Pepper; 12 TRY/kg, Tomato 9 TRY/kg, Tangerine; 8.5 TRY/kg, Lettuce; 8.50 TRY/piece, Cucumber; It was realized between 9 TRY/kg, Eggplant 9 TRY/kg, Onion 7.50 TRY/kg, Lemon 7.-8 TRY/kg (predicted).



### 13. PROFIT FORECASTS AND EXPECTATIONS

13.1. The issuer's profit expectations and profit forecasts for the current or subsequent accounting periods:

None.

13.2. Assumptions forming the basis of the issuer's profit estimates and expectations:

None.

13.3. Independent assurance report on profit forecasts and expectations:

None.

13.4. Explanation that profit forecasts or expectations have been prepared in a way that can be compared with historical financial information:

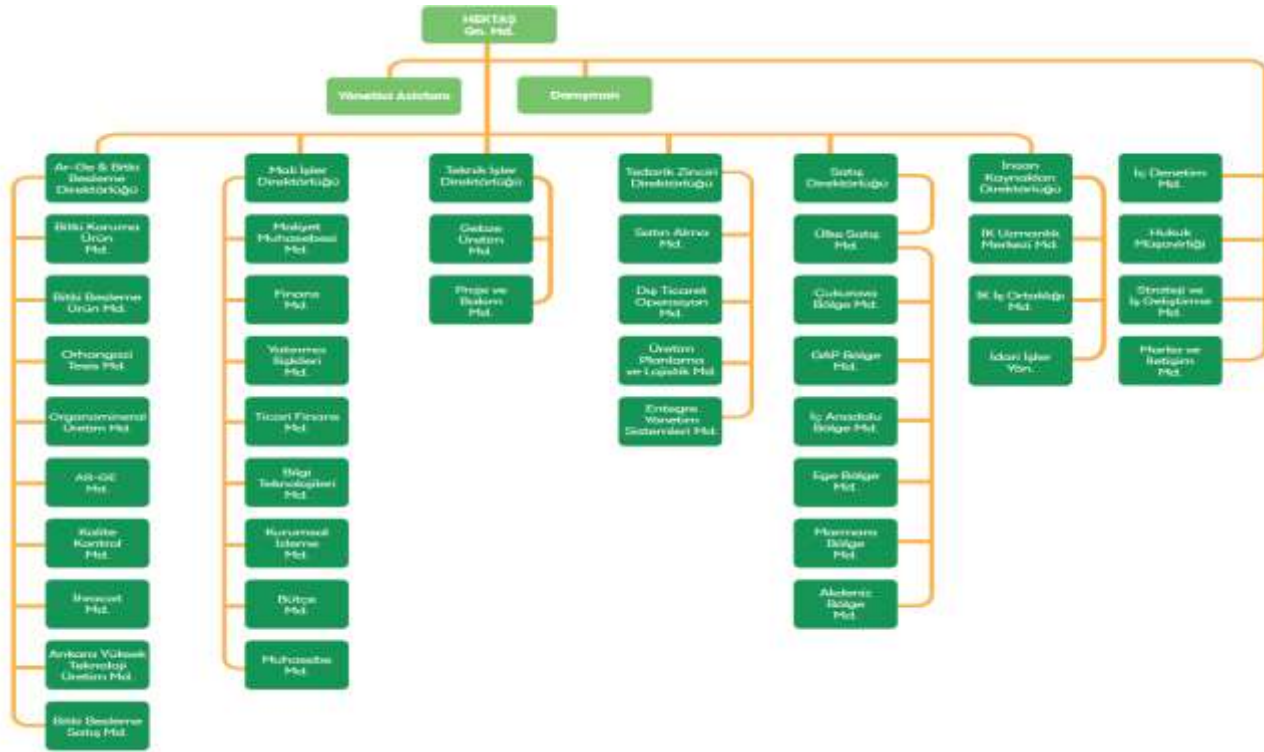
None.

13.5. Information on previous profit forecasts and whether these forecasts are still accurate as of the date of this prospectus:

None.

### 14. ADMINISTRATIVE STRUCTURE, MANAGEMENT BODIES AND SENIOR MANAGERS

14.1. The issuer's general organizational chart:



## 14.2. Administrative structure:

### 14.2.1. Information about the issuer's board members:

Name and Surname/Trade Name	Title	Beginning of Term of Office / Remaining Term of Office	Duties Assumed in the Company in the Last 5 Years	Capital	
				TRY	Ratio%
OMSAN LOJİSTİK ANONİM ŞİRKETİ ( <i>Representative: EREN ZİYA DİK</i> )	Chairperson of the Board of Directors	03.04.2023 - 21 Months	Chairperson of the Board of Directors	-	-
OYTAŞ İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ ( <i>Representative: CAN ÖRÜNG</i> )	Vice Chairperson of the Board of Directors	03.04.2023 - 21 Months	Vice Chairperson of the Board of Directors	-	-
AKDENİZ CHEMSON KİMYA SANAYİ VE TİCARET A.Ş. ( <i>Representative: GÖZDE ERKOÇ</i> )	Member of the Board of Directors	03.04.2023 - 21 Months	Member of the Board of Directors	-	-
OYAK PAZARLAMA HİZMET VE TURİZM ANONİM ŞİRKETİ ( <i>Representative: FERHAT BAĞLARLIOĞLU</i> )	Member of the Board of Directors	03.04.2023 - 21 Months	Member of the Board of Directors	-	-
OYAK DENİZCİLİK VE LİMAN İŞLETMELERİ ANONİM ŞİRKETİ ( <i>Representative: ŞANSEL YILMAZ</i> )	Member of the Board of Directors	03.04.2023 - 21 Months	Member of the Board of Directors	-	-
KADRI ÖZGÜNEŞ	Independent Member	09.05.2024 - 10 Months	Independent Member of the Board of Directors	-	-
KURTULUŞ BEDRİ VAROĞLU	Independent Member	09.05.2024 - 10 Months	Independent Member of the Board of Directors	-	-
BÜLENT ŞAMİL YETİŞ	Independent Member	09.05.2024 - 10 Months	Independent Member of the Board of Directors	-	-

The 12th article of the company's articles of association, titled "Term of the Board of Directors," states that "Independent board members are elected for one year, while other board members are elected for three years."

At the Company's 2022 Ordinary General Assembly meeting held on March 30, 2023, the above-mentioned Board Members were elected by majority vote for a 3-year period to serve until the 2025 General Assembly to be held in 2026.

In addition, at the 2023 Ordinary General Assembly meeting held on 26.04.2024, the above-mentioned Independent Board Members were elected by majority vote for a period of 1 year.

#### 14.2.2. Information about the personnel who have a say in the management:

Name and surname	Title	Duties Assumed in the Company in the Last 5 Years	Capital	
			TRY	Ratio%
Enis Emre TERZİ	General Manager	General Manager, Financial Affairs Director	-	-
Murat KILIÇ	Finance Director	Finance Director	-	-
Ayhan GÖKBAĞ	Technical Affairs Director	Technical Affairs Director, FERBİS Factory Director	-	-
Tendü ARSAN	Human Resources Directorate	Human Resources Directorate	-	-
Emrah ÖZDEMİR	Supply Chain Manager	Supply Chain Director, Integrated Management System Manager and Logistics Manager	-	-
Mehmet DERİN	R&D & Plant Nutrition Director	R&D & Plant Nutrition Director, Strategy and Marketing Consultant	-	-

#### 14.2.3. If the issuer was established within the last 5 years, information about the founders of the issuer:

None.

#### 14.2.4. Information about the issuer's current board members and personnel who have a say in the management, and the kinship relationships of the founders if the issuer was established within the last 5 years:

None.

#### 14.3. Information about the management and expertise experience of the issuer's board members and the personnel who have a say in the management:

##### **Eren Ziya DİK:**

Mr. Eren Ziya DİK, who serves as the Chairman of the Board of Directors of Omsan Lojistik A.Ş. as the Legal Entity representative; He was born in 1980 and completed his undergraduate education at Istanbul University, Department of Business Administration in 2002.

Dear DİK; He served as Senior Manager at PRICEWATERHOUSECOOPERS between 2002-2010, Financial Affairs Director at AKSA AKRİLİK between 2010-2017, General Manager at AKDENİZ CHEMSON KİMYA between 2017-2021, and OYAK Chemical Sector Group President between 2021-2023. Mr. DİK has been serving as OYAK Chemistry Agriculture Sector Group President since 2023.

##### **Can ÖRÜNG:**

Mr. Can ÖRÜNG, serving as the Deputy Chairman of the Board of Directors as the Legal Entity Representative of OYTAŞ İç ve Dış Ticaret A.Ş., was born in 1978. He graduated with a bachelor's degree in Industrial Engineering from Istanbul Technical University in 2001 and completed the Executive MBA program at KOÇ University in 2011.

Mr. ÖRÜNG served as the Head of Technology, Subsidiaries, and Retail Banking Group at ZIRAAT Bank from 2012 to 2016, as the Deputy Head of Human Resources Group at ERDEMİR from 2017

to 2020, and as the Deputy Head of Information Technologies Group at ERDEMİR from 2021 to 2023. Since 2023, he has been serving as the Head of the Human Resources Group at OYAK.

**Gözde ERKOÇ:**

The legal representative of Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş., Ms. Gözde ERKOÇ, who serves as a member of the Board of Directors, was born in 1985. She completed her undergraduate studies at Bilgi University Faculty of Law in 2007 and obtained a master's degree in Business Administration from Sabancı University in 2018.

Ms. ERKOÇ worked as a Lawyer at ESİN Law Partnership between 2007 and 2014, and subsequently held positions as Legal Counsel at SABANCI HOLDİNG from 2014 to 2021. Since 2021, she has been serving as the Group Legal Director at OYAK.

**Ferhat BAĞLARLIOĞLU:**

Ferhat BAĞLARLIOĞLU, who serves as a member of the Board of Directors and the legal representative of OYAK Pazarlama Hizmet ve Turizm A.Ş., was born in 1965. He completed his undergraduate studies in the Weapons Control Systems Department at the Naval Academy in 1987, and obtained a master's degree from the Naval War College in 1999.

Mr. BAĞLARLIOĞLU served as the Commander of Erdek Naval Base Command between 2013 and 2015, as the Head of Education at the Naval War College between 2015 and 2016, and as the Chief of Staff at the Southern Sea Area Command between 2016 and 2018.

**Sansel YILMAZ:**

The legal representative of OYAK Denizcilik ve Liman İşletmeleri A.Ş., Mr. Şansel YILMAZ, who serves as a member of the Board of Directors, was born in 1970. He completed his undergraduate studies in Management and Organization at the Turkish Military Academy in 1992. In 2007, he earned a master's degree in Economic Policy from Van 100th Year University, followed by another master's degree in Sociology from Selçuk University in 2009. Mr. YILMAZ served as the Head of Press and Public Relations Branch at the 3rd Corps (NRDC-T) Command in Istanbul between 2009 and 2015, as the Director of the Bursa Army House from 2015 to 2019, and undertook the role of General Coordinator at the KAYAPA Organized Industrial Zone Directorate from 2021 to 2022.

**Kadri ÖZGÜNEŞ:**

Mr. Kadri ÖZGÜNEŞ, who serves as an Independent Board Member, was born in 1973. He completed his undergraduate studies in Industrial Engineering at Istanbul Technical University in 1993, and earned a doctoral degree in Finance from Boğaziçi University in 2006.

Mr. ÖZGÜNEŞ served as the Strategy and Business Development Manager at H.Ö. SABANCI HOLDİNG between 2009 and 2013, as the Director of Business Development and Performance at the same company from 2013 to 2016, and as the Deputy General Manager for International Sales and Marketing at TEMSA Transportation Vehicles between 2016 and 2018. In 2018, he assumed the role of Deputy General Manager of Business Development at TEMSA and also served as an Assistant Professor at İSTİNYE University. He served as an Independent Board Member at OYAK Investment between 2021-2023. He is a Member of the Board of Directors HEKTAŞ as of 2022, and of ERDEMİR and İSDEMİR as of 2023.

**Kurtuluş Bedri VAROĞLU:**

Mr. Kurtuluş Bedri VAROĞLU, who serves as an Independent Board Member, was born in 1960. He completed his undergraduate studies in Law at Ankara University Faculty of Law in 1982, and obtained a master's degree from Ankara University Institute of Social Sciences in 1985.

Mr. VAROĞLU has been serving as a Legal Counsel and Lawyer at VAROĞLU Law Office since 1988. He served as an Independent Board Member at ERDEMİR from 2017 to 2023 and at İSDEMİR from 2019 to 2023. Mr. VAROĞLU is currently serving as a Member of the Board of Directors at HEKTAŞ as of 2023.

**Bülent Samil YETİŞ:**

Mr. Bülent Şamil YETİŞ, who serves as an Independent Board Member, was born in 1973. He completed his undergraduate studies in English Business Administration at Eastern Mediterranean University in 1997, and obtained a master's degree in English Business Administration from the University of Essex in 1998.

Mr. YETİŞ served as a Certified Public Accountant (SMMM) from 2004 to 2015, as a Certified Financial Advisor (YMM) in 2016, and as a Member of the Board of Directors at ÜNYE Çimento from 2017 to 2020. He is a Member of the Board of Directors at HEKTAŞ as of 2020.

**Below is information about the people who have a say in the management of the Company:**

**Enis Emre TERZİ: (General Manager)**

Mr. Enis Emre TERZİ, who has been serving as HEKTAŞ General Manager since January 26, 2024, was born in 1984 and completed his undergraduate education at Istanbul University, Department of Business Administration in 2008.

Mr. TERZİ, who started his professional career as an audit assistant at ERNST&YOUNG in 2008, left ERNST&YOUNG as a senior auditor in 2013 and started working at SABANCI HOLDING as a Financial Analysis and Investor Relations Specialist in the same year. Between 2014 and 2016, he worked as Internal Audit Manager, Financial Analysis Manager at YILDIZ HOLDING and Financial Affairs Group Manager at ÜLKER Romania. In 2016, he started working as the Financial Affairs Group Manager responsible for the sales and marketing company at AK GIDA, the Turkish subsidiary of GROUP LACTALIS, and later worked in areas such as Risk Management, Internal Control, Treasury and Finance Group Directorates. Before joining HEKTAŞ, he served as CFO of LACTALIS Türkiye. Mr. TERZİ started to work as HEKTAŞ Financial Affairs Director as of September 2022 and continues to serve as the General Manager of the company as of January 26, 2024. Mr. TERZİ also holds positions as General Manager at HEKTAŞ Group Companies.

**Murat KILIÇ: (Financial Affairs Director)**

Mr. Murat KILIÇ, who has been serving as the Finance Director at HEKTAŞ since April 15, 2024, was born in 1986. He completed his undergraduate studies in Economics at Middle East Technical University in 2009.

Mr. KILIÇ, who began his professional career in 2009, served as a Senior Audit Associate at PRICEWATERHOUSECOOPERS from 2009 to 2012, as a Consolidation Specialist and Financial Control Consolidation Manager at YILDIZ HOLDING from 2013 to 2017, as Budget Reporting Manager at EMAAR TURKEY from 2017 to 2018, and successively as Financial Control Manager, Director, and Finance Director at ÜLKER from 2018 to 2024. He has been working as Financial Affairs Director at HEKTAŞ since April 2024.

**Ayhan GÖKBAĞ: (Technical Affairs Director)**

Mr. Ayhan GÖKBAĞ, who has been serving as the Technical Affairs Director at HEKTAŞ since January 23, 2024, was born in 1970. He completed his undergraduate studies in Mechanical Engineering at Istanbul Technical University in 1991, and obtained a master's degree in Mechanical Engineering from Boğaziçi University in 1995.

Mr. GÖKBAĞ, who started his professional career in 1993, served as a Field Manager at BSH PROFİLO from 1993 to 2001, as Production Manager at TERMAL ELEKTRONİK from 2002 to 2003, as Technical Director at ODE YALITIM from 2003 to 2014, as Technical Director at ISIDEM YALITIM from 2014 to 2019, and as a Senior Executive at AKKAR SİLAH from 2019 to 2020. Mr. Ayhan GÖKBAĞ, who started as a Technical Consultant at HEKTAŞ on March 23, 2020, served as the Factory Director at FERBİS Tarım Ticaret ve Sanayi A.Ş., a wholly-owned (100%) subsidiary of HEKTAŞ, from July 2020. As of January 2024, he has been serving as the Technical Affairs Director at HEKTAŞ.

**Tendü ARSAN: (Human Resources Senior Manager)**

Mrs. Tendü ARSAN, who has been serving as the Director of Human Resources at HEKTAŞ since October 26, 2023, was born in 1981. She completed her undergraduate studies in Labor Economics and Industrial Relations at Marmara University in 2003, and earned a master's degree in Management and Organizational Psychology from Marmara University in 2008.

Mrs. ARSAN started her professional career at OYAK Marketing Company as the HR Manager for OYAK Technology from 2002 to 2014. She then served as the HR Manager at OYAK Marketing Company from 2014 to 2015, as the Payroll and Personnel Affairs Manager at OMSAN Logistics Company from 2015 to 2019, and as the HR Manager at OYAK Erdemir Engineering Company from 2019 to 2023. In 2023, she assumed the role of HR Manager at OYAK Ataer Mining Company. She has been serving as Human Resources Director since October 2023.

**Emrah ÖZDEMİR (Supply Chain Director)**

Mr. Emrah ÖZDEMİR, who has been serving as the Supply Chain Director at HEKTAŞ since October 11, 2023, was born in 1978. He completed his undergraduate studies in Chemical Engineering at Istanbul University in 2002, and obtained a master's degree in Business Administration from Gebze Institute of Technology in 2010.

He began his professional career as a Production Engineer at PLAS PLASTİK ve AMBALAJ Company from 2005 to 2006. He then worked as a Production Control Responsible at YORİM CAM Company in 2006, and from 2007 onwards, he held various roles at HEKTAŞ, including Production Engineering, Assistant Production Manager, Logistics Manager, and most recently, Integrated Management System Manager. He has been working as Supply Chain Director since October 2023.

**Mehmet DERİN (R&D & Plant Nutrition Director)**

Mr. Mehmet DERİN, who has been serving as the R&D and Plant Nutrition Director at HEKTAŞ since November 17, 2021, was born in 1973. He completed his undergraduate studies in Agricultural Engineering at Çukurova University in 1997.

He began his professional career in 1997 as a Director at 'S' ÇİÇEKÇİLİK VE SEBZECİLİK Company from 1997 to 2000. He then served as the Founder and Technical Manager at PILARQUIM MEDITERRENEAN (TAR-SAN) Company from 2000 to 2002, Sales Manager at FORM GIDA Company from 2002 to 2003, Technical Manager at BİONTİS Company from 2003 to 2008, Sales Manager at GÖKER Tarım LTD. Şirketinde from 2010 to 2016, Agronomist at AGROKİMYA Azerbaycan MMC Gilan Holding Company from 2017 to 2018, and General Manager at TARIM Bitki Koruma San. ve Tic. A.Ş. from 2018 to 2020. Mr. Mehmet DERİN, who served as the Strategy and Marketing Consultant at HEKTAŞ Ticaret T.A.Ş. from 2020 to 2021, has been serving as the R&D and Plant Nutrition Director since November 2021.

**14.4. Information regarding all companies where board members and key management personnel, including those currently in office, have served on the management and supervisory boards or have held ownership stakes in the past five years, including the companies' names, their shareholdings, and whether their membership or partnership in these management and supervisory boards is still ongoing.**

The titles of the companies in which the Members of the Board of Directors of the Company have been members of the management and audit boards or are partners in the last 5 years, and whether their duties continue or not are given in the table below. There are no companies where other personnel who have a say in the management are on the management or audit boards or are partners.

#### Members of the Board of Directors

Name and Surname/Trade Name	Companies He Worked For or Became a Partner in the Last 5 Years	Duties and Partnership Status (*)	Whether his position or partnership continues or not	Capital	
				TR Y	Ratio%
OMSAN LOJİSTİK ANONİM ŞİRKETİ ( <i>Representative: EREN ZİYA DİK</i> )	OYAK General Directorate	Group President - Chemistry Agriculture	Continues	-	-
OYTAŞ İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ ( <i>Representative: CAN ÖRÜNG</i> )	OYAK General Directorate	Head of Human Resources Group	Continues	-	-
AKDENİZ CHEMSON KİMYA SANAYİ VE TİCARET A.Ş. ( <i>Representative: GÖZDE ERKOÇ</i> )	OYAK General Directorate	Group Legal Director	Discontinued		
Independent Board of Directors ( <i>KADRİ ÖZGÜNEŞ</i> )	Erdemir-İsdemir	Independent Board of Directors	Continue	-	-

(\*)There are various Board Memberships (representatively) in OYAK Companies.

**14.5. In the last 5 years, information regarding whether the board members and authorized personnel in management roles of the issuer have been subject to criminal investigations or convictions for intentional crimes punishable by imprisonment for five years or more, or crimes such as embezzlement, misappropriation, bribery, theft, fraud, forgery, misuse of trust, fraudulent bankruptcy, disruption of tenders, data destruction or alteration, misuse of bank or credit cards, smuggling, tax evasion, or unfair acquisition of assets, even if the statutory periods specified in Capital Markets Legislation, Banking Law No. 5411, or Article 53 of the Turkish Penal Code have expired; and whether there are legal disputes or finalized judgments related to partnership matters:**

None.

**14.6. In the last 5 years, information regarding lawsuits/criminal complaints and sanctions disclosed to the public by judicial authorities, public administrations, or professional organizations concerning the current board members of the issuer and personnel with significant management authority:**

None.

**14.7. In the last 5 years, detailed information regarding bankruptcies, receiverships, and liquidations of companies where current board members and personnel with significant management authority in the partnership had management or controlling roles in management and supervisory boards:**

None.

**14.8. In the last 5 years, detailed information regarding whether current board members of the partnership and personnel with significant management authority have had their management and supervisory board memberships in any partnership terminated by courts or public authorities, or have been dismissed from other management positions within the issuer:**

None.

**14.9. Information regarding conflicts of interest between the duties of the board members, personnel with significant management authority, and founders of the issuer if the issuer was established within the last 5 years:**

None.

**14.9.1. Information regarding agreements made with main shareholders, customers, suppliers, or other parties for founders to serve on the board of directors or in senior management positions alongside board members and personnel with significant management authority if the issuer was established within the last 5 years:**

None.

**14.9.2. Details regarding any restrictions imposed on the sale of capital market instruments owned by founders for a specified period, if the issuer was established within the last 5 years and issued by board members or personnel with significant management authority:**

None.

## **15. FEES AND SIMILAR BENEFITS**

**15.1. As of the latest annual reporting period, details of compensation paid to board members and personnel with significant management authority of the issuer for any services rendered to the issuer and its subsidiaries, including contingent or deferred payments, and similar benefits provided:**

At the Ordinary General Assembly Meeting held on March 24, 2022, for the year 2021, it was resolved that Independent Board Members would receive a monthly net salary of TRY 11,000 effective from the beginning of the month following the month in which the General Assembly was held, while other Board Members would not receive any compensation."

At the Ordinary General Assembly Meeting held on March 24, 2023, for the year 2022, it was resolved that Independent Board Members would receive a monthly net salary of TRY 16,000 effective from the beginning of the month following the month in which the General Assembly was held, while other Board Members would not receive any compensation.

At the Ordinary General Assembly Meeting held on March 24, 2024, for the year 2023, it was resolved that Independent Board Members would receive a monthly net salary of TRY 26,500



effective from the beginning of the month following the month in which the General Assembly was held, while other Board Members would not receive any compensation.

(TRY)	1 January - 31 December 2021 (**)	1 January - 31 December 2022 (*)	1 January - 31 December 2023 (*)
Pay and Other Short-Term Benefits	14,861,528	54,374,511	52,219,031

(\*) Shown in TRY based on the purchasing power of Turkish Lira ("TRY") as of 31 December 2023.  
(\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021.

**15.2. As of the latest annual reporting period, the total amount allocated or accrued by the issuer or its subsidiaries to pay retirement pensions, severance pay, or similar benefits to board members and personnel with significant management authority:**

In accordance with the provisions of the Labor Law in force, employees are obliged to pay the legal severance pay to which they are entitled, to those whose employment contracts have ended in a way that entitles them to severance pay. Additionally, according to Article 60 of Law No. 506 on Social Insurance dated March 6, 1981, as amended by Law No. 2422 and Law No. 4447 dated August 25, 1999, the issuer is legally obligated to pay statutory severance pay to those who are entitled to severance pay upon termination of employment.

The severance pay obligation is calculated based on the estimation of the present value of the Group's possible future liability arising mainly from the retirement of employees. TMS 19 ("Employee Benefits") envisages that the obligations of the Group shall be determined using actuarial valuation methods within defined benefit plans. Severance pay liability was calculated by an independent actuary, and the Predicted Unit Credit Method was used in the calculation. The actuarial assumptions used in calculating the present value of liabilities are stated below.

	31.12.2021	31.12.2022	31.12.2023
Discount rate	19.00%	16.19%	24.27%
Inflation rate	15.00%	14.23%	21.02%

The company provides a benefit called "Seniority Incentive Bonus" to its employees above a certain seniority. In this context, the Group pays a salary severance incentive bonus for every 10-year working period. Calculation of the present value of the severance incentive premium obligation in the current year is carried out by an independent actuary.

There is no provision allocated for the Members of the Company's Board of Directors.

## 16. BOARD PRACTICES

### 16.1. Information regarding the term of office of the issuer's board members and the personnel who have a say in the management and the period in which they held this position:

Name and Surname/Trade Name	Duties Assumed in the Company in the Last 5 Years	Term of Office / Remaining Term of Duty
OMSAN LOJİSTİK ANONİM ŞİRKETİ ( <i>Representative: EREN ZİYA DİK</i> )	Chairperson of the Board of Directors	3 Years / 21 Months
OYTAŞ İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ ( <i>Representative: CAN ÖRÜNG</i> )	Vice Chairperson of the Board of Directors	3 Years / 21 Months
AKDENİZ CHEMSON KİMYA SANAYİ VE TİCARET A.Ş. ( <i>Representative: GÖZDE ERKOÇ</i> )	Member of the Board of Directors	3 Years / 21 Months
OYAK PAZARLAMA HİZMET VE TURİZM ANONİM ŞİRKETİ ( <i>Representative: FERHAT BAĞLARLIOĞLU</i> )	Member of the Board of Directors	3 Years / 21 Months
OYAK DENİZCİLİK VE LİMAN İŞLETMELERİ ANONİM ŞİRKETİ ( <i>Representative: ŞANSEL YILMAZ</i> )	Member of the Board of Directors	3 Years / 21 Months
KADRİ ÖZGÜNEŞ	Independent Member of the Board of Directors	1 Year / 10 Months
KURTULUŞ BEDRİ VAROĞLU	Independent Member of the Board of Directors	1 Year / 10 Months
BÜLENT ŞAMİL YETİŞ	Independent Member of the Board of Directors	1 Year / 10 Months
ENİS EMRE TERZİ	General Manager, Financial Affairs Director	26.01.2024- Ongoing
MURAT KILIÇ	Finance Director	15.04.2024-Ongoing
AYHAN GÖKBAĞ	Technical Affairs Director	23.01.2024-Ongoing
TENDU ARSAN	Human Resources Directorate	26.10.2023-Ongoing
MEHMET DERİN	R&D & Plant Nutrition Director, R&D Director,	17.11.2021-Ongoing
EMRAH ÖZDEMİR	Supply Chain Director, Integrated Management Systems Manager, Logistics Manager	11.10.2023-Ongoing

### 16.2. As of the completed latest financial statement period, information regarding contracts with the issuer and its subsidiaries concerning payments/benefits to be provided upon termination of employment relationships for board members and personnel with significant management authority, or statement of non-existence of such contracts:

Except for the Members of the Board of Directors, the senior management does not have any receivables arising from any other law or contract, except for the rights arising within the framework of the Labor Law No. 4857.

### **16.3. Names and surnames of the issuer's audit committee members and other committee members and the job descriptions of these committees:**

#### **Audit Committee**

The duties and powers of the audit committee are as follows:

The company; It oversees the accounting system, public disclosure of financial information, independent auditing and the operation and effectiveness of the Company's internal control system. Selection of the independent audit firm, initiation of the independent audit process by preparing independent audit contracts, and the work of the independent audit firm at every stage are carried out under the supervision of the Committee.

The independent audit firm from which the company will receive service and the services to be received from these organizations are determined by the Committee and submitted to the approval of the Board of Directors.

The methods and criteria to be applied by the audit committee for the investigation and resolution of complaints received by the Company regarding its accounting and internal control system, as well as independent audit, and for evaluating disclosures from Company employees on accounting and independent audit matters within the framework of confidentiality principles, are determined.

The Committee obtains the opinions of the responsible managers and independent auditors of the Company regarding the accuracy and conformity of the annual and interim financial statements to the accounting principles followed by the Company, and reports them in writing to the Board of Directors along with its own evaluations.

The Committee immediately notifies the Board of Directors in writing of its findings and suggestions regarding its field of duty and responsibility.

The duties and responsibilities of the Committee do not eliminate the responsibility of the Board of Directors arising from the Turkish Commercial Code.

The audit committee consists of the following members.

#### **Audit Committee Members:**

<b>Name-Surname</b>	<b>Committee</b>	<b>Job Description / Title</b>
Kurtuluş Bedri VAROĞLU	Chairman	Independent Member of the Board of Directors
Kadri ÖZGÜNEŞ	Member	Independent Member of the Board of Directors

#### **Corporate Governance Committee**

The duties and powers of the corporate governance committee are as follows:

To contribute to the development and implementation of the Company's corporate governance principles, and in this context, to provide the Board of Directors with solution-oriented recommendations. Also, to identify whether corporate governance principles are being applied within the Company, provide reasons if they are not being applied, identify conflicts of interest arising from

non-compliance with these principles, and make recommendations to the Board of Directors to improve corporate governance practices.

Overseeing the activities of the shareholder relations unit,

To work on creating a transparent system for identifying, evaluating and training suitable candidates for the Board of Directors and determining policies and strategies in this regard,

To make regular evaluations about the structure and efficiency of the Board of Directors and to present recommendations regarding possible changes in these matters to the Board of Directors,

To determine and supervise the approaches, principles and practices regarding performance evaluation and career planning of Board members and senior managers,

To determine the recommendations of Board members and senior managers regarding remuneration principles, taking into account the long-term goals of the Company,

The corporate governance committee consists of the following members.

**Corporate Governance Committee Members:**

<b>Name-Surname</b>	<b>Committee</b>	<b>Job Description / Title</b>
Bülent Şamil Yetiş	Chairman	Independent Member of the Board of Directors
Kurtuluş Bedri VAROĞLU	Member	Independent Member of the Board of Directors
Tuba Bektaş	Member	Investor Relations Manager

**Early Detection of Risk Committee**

The duty of the early risk detection committee is as follows:

The purpose of the Early Detection of Risk Committee (Committee) within this regulation and legal framework is to identify risks that could jeopardize the Company's existence, development, and continuity at an early stage, implement necessary measures related to identified risks, and manage the risks effectively.

The committee identifies, evaluates, calculates the impact and likelihood of strategic, operational, financial, and other risks that could endanger the company's existence, development, and continuity, in accordance with Capital Markets Regulations and principles outlined in this regulation. It implements necessary measures and solutions for early identification of factors threatening the company, manages risks, and reports findings to the Board of Directors, ensuring these risks are managed in line with the company's risk-taking profile, integrating effective internal control systems into decision-making processes.

**Early Detection of Risk Committee Members:**

<b>Name-Surname</b>	<b>Committee</b>	<b>Job Description / Title</b>
Kadri Özgüneş	Chairman	Independent Member of the Board of Directors
Bülent Şamil Yetiş	Member	Independent Member of the Board of Directors

**16.4. Explanation regarding the evaluation of the issuer's position against the Board's corporate governance principles:**

The Issuer has made the necessary amendments to the Articles of Association, the structuring of the Board of Directors and the establishment of Committees within the framework of the "Corporate Governance Communiqué" numbered II-17.1 of the Capital Markets Board. The implementation of the Corporate Governance Principles published by the Capital Markets Board is of decisive and increasing importance for our Company. Accordingly, it continues its work by adopting to comply with the Corporate Governance Principles and to make improvements and regulations on the issues to be adapted depending on the developing conditions.

1st Term of the Capital Markets Board for 2022 within the framework of the provisions of the Corporate Governance Communiqué. It is among the group companies and compliance with the mandatory principles has been achieved. Some of the non-mandatory issues were complied with, but structures that would lead to excessive employment of personnel, increasing operating expenses, and thus reducing the dividend income of the Company and its partners were avoided.

Unimplemented Corporate Governance Principles are not of a nature that would cause any conflict of interest.

Issuer's Corporate Governance Principles Compliance Report and Declaration; It is available in the "Annual Activity Report" published for the years 2021, 2022 and 2019.

The reports in question are available at <https://hektas.com.tr/yatirimci-iliskileri/yonetim-kurulu-faaliyet-raporlari/>.

**16.5. Information about the activities of the issuer's shareholder relations unit, which is required to be established in accordance with the Board regulations, and the manager of this unit:**

The shareholder relations unit is the unit that operates regarding the exercise of our shareholders' rights, reports to the board of directors and ensures communication between the board of directors and shareholders.

The main duties of the department are as follows:

- To ensure that records regarding correspondence and other information and documents between the investors and the partnership are kept healthy, secure and up-to-date.
- To respond to written information requests of partnership shareholders regarding the partnership.
- To prepare the documents required for shareholders' information and inspection regarding the General Assembly meeting, and to take measures ensuring that the General Assembly meeting is

conducted in compliance with relevant regulations, the Articles of Association, and other internal partnership regulations.

d) To oversee and monitor the fulfillment of obligations arising from capital markets legislation, including all matters related to corporate governance and public disclosure.

The names and contact information of the employees in the unit are as follows:

NAME-SURNAME	TITLE	LICENCE	E-MAIL	TELEPHONE
Tuba BEKTAŞ	Investor Relations Director	The Capital Markets Board Level 3 License includes Corporate Governance Rating, Derivatives Instruments, and Credit Rating.	<a href="mailto:investorrelations@hektas.com.tr">investorrelations@hektas.com.tr</a> / <a href="mailto:yatirimciiliskileri@hektas.com.tr">yatirimciiliskileri@hektas.com.tr</a>	0 262 888 19 56
Füsun DÖNERTAŞ	Investor Relations Manager		<a href="mailto:investorrelations@hektas.com.tr">investorrelations@hektas.com.tr</a> / <a href="mailto:yatirimciiliskileri@hektas.com.tr">yatirimciiliskileri@hektas.com.tr</a>	0 262 888 19 56

## 17. INFORMATION ABOUT PERSONNEL

**17.1. Description regarding the average number of personnel or personnel figures at period ends for each financial statement period mentioned in the prospectus, significant changes observed in this number, and if feasible and significant, distribution of personnel by major areas of activity and geographic region.**

The number of employees in the Company's Head Office, Regional Directorates, production facilities and subsidiaries as of the financial statement periods required to be included in the prospectus is given below in consolidated form.

	31.Dec.21	31.Dec.22	31.Dec.23
<b>HEKTAŞ</b>	<b>548</b>	<b>713</b>	<b>452</b>
<b>a) Head Office and Gebze Production Facility</b>	<b>303</b>	<b>375</b>	<b>263</b>
1. White Collar	211	269	194
2. Blue Collar	92	106	69
<b>b)Mediterranean Regional Directorate</b>	<b>25</b>	<b>26</b>	<b>12</b>
<b>c)Marmara Regional Directorate</b>	<b>17</b>	<b>27</b>	<b>13</b>
<b>d)Central Anatolia Regional Directorate</b>	<b>27</b>	<b>41</b>	<b>22</b>
<b>d)GAP Regional Directorate</b>	<b>16</b>	<b>20</b>	<b>9</b>
<b>e) Çukurova Regional Directorate</b>	<b>19</b>	<b>27</b>	<b>16</b>
<b>f) Aegean Regional Directorate</b>	<b>15</b>	<b>25</b>	<b>12</b>
<b>g)Orhangazi Agricultural Innovation Training and Experience Center</b>	<b>9</b>	<b>37</b>	<b>42</b>

<b>h)Adana Organomineral Fertilizer Production Facility</b>	<b>117</b>	<b>135</b>	<b>63</b>
1.White Collar	20	29	21
2.Blue Collar	97	106	42
<b>TAKİMSAN</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>SUNSET</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>FERBİS</b>	<b>72</b>	<b>109</b>	<b>112</b>
<b>a) Head Office and Ferbis Production Facility</b>	<b>63</b>	<b>85</b>	<b>83</b>
1.White Collar	27	32	30
2.Blue Collar	36	53	53
<b>b)Mediterranean Regional Directorate</b>	<b>-</b>	<b>5</b>	<b>8</b>
<b>c)Marmara Regional Directorate</b>	<b>3</b>	<b>8</b>	<b>8</b>
<b>d)Central Anatolia Regional Directorate</b>	<b>1</b>	<b>1</b>	<b>3</b>
<b>d)Çukurova Regional Directorate</b>	<b>4</b>	<b>8</b>	<b>7</b>
<b>e) Aegean Regional Directorate</b>	<b>1</b>	<b>2</b>	<b>3</b>
<b>AREO</b>	<b>35</b>	<b>47</b>	<b>47</b>
1.White Collar	20	29	26
2.Blue Collar	15	18	21
<b>TOTAL NUMBER OF STAFF</b>	<b>665</b>	<b>879</b>	<b>621</b>

## 17.2. Share ownership and share options:

### 17.2.1. Information about the options held by the board members regarding the issuer's shares:

None.

### 17.2.2. Information about the options that the personnel who have a say in the management have regarding the shares of the issuer:

None.

### 17.2.3. Information about any agreements that enable staff to provide funds to the issuer:

None.

## 18. MAIN SHAREHOLDERS

**18.1. In the knowledge of the issuer, as of the most recent general assembly meeting and the latest situation, the shareholding structure or a statement indicating the absence of such persons if there are none, with the real and legal persons who directly or indirectly hold 5% or more of the capital or total voting rights separately shown.**

The Company's last Ordinary General Assembly Meeting for 2023 was held on 26.04.2024, and the decisions taken after the meeting were announced on KAP and the website. As of the current situation, natural and legal persons whose shares in the capital or total voting rights are directly or indirectly 5% or more are listed in the table below.

<b>Information on Direct Share Ownership</b>				
<b>Your partner;</b>	<b>Capital Share / Voting Right</b>			
<b>Trade Name</b>	<b>26.04.2024</b>		<b>09.07.2024</b>	
<b>Name - Surname</b>	<b>(TRY)</b>	<b>(%)</b>	<b>(TRY)</b>	<b>(%)</b>
Turkish Armed Forces Pension Fund (OYAK)	1,400,773,362.20	55.37%	1,400,773,362.20	55.37%
Other Partners	1,129,226,637.80	44.63%	1,129,226,637.80	44.63%
<b>TOTAL</b>	<b>2,530,000,000</b>	<b>100%</b>	<b>2,530,000,000</b>	<b>100%</b>

**18.2. Information regarding the different voting rights held by natural and legal person partners whose direct shares in the capital or total voting rights are 5% or more, or a statement regarding their absence:**

None.

**18.3. Information about the shares representing the capital:**

Group	Registered/Bearer Shares	Type of privileges (Who owns it)	Nominal Value of One Share (TRY)	Total (TRY)	Ratio to Capital (%)
-	Registered Shares	No Concessions	0.01	2,530,000,000	100
			<b>TOTAL</b>	<b>2,530,000,000</b>	<b>100</b>

On the other hand, the Company has 300 founder shares given to its founders. These shares do not represent the capital of the Company.

The founding shares of the company have the right to participate in the net profit from the remaining amount after setting aside 5% of the legal reserve fund and the first dividend (5% dividend).

**18.4. Names, surnames, trade names, source of management dominance, and measures taken to prevent the abuse of this power of those who directly or indirectly have management power over the issuer or control the issuer, within the knowledge of the issuer:**

Ordu Yardımlaşma Kurumu (OYAK) has management control and control power over the Company with a 55.37% shareholding.

There are no measures taken other than the TCC, CMB regulations and Corporate Governance Principles to prevent the abuse of power arising from management dominance.

**18.5. Information about agreements/arrangements that may lead to a change in the management control of the issuer:**

None.

**18.6. Kinship relationships of real person partners with a direct share of 5% or more in the capital or total voting rights:**

None.



## 19. INFORMATION ABOUT RELATED PARTIES AND TRANSACTIONS WITH RELATED PARTIES

### 19.1. Detailed explanation within the framework of IAS 24 about the accounting periods included in the prospectus and the transactions made with related parties as of the latest situation:

#### Buying and Selling Transactions with Related Parties:

As of 31.12.2023, 31.12.2022 and 31.12.2021, the Company's transactions and balances with related parties are as follows.

İlişkili taraflarla olan işlemler	1 Ocak - 31 Aralık 2021 (****)		1 Ocak - 31 Aralık 2022 (***)		1 Ocak - 31 Aralık 2023 (***)	
	Alımlar	Satışlar	Alımlar	Satışlar	Alımlar	Satışlar
OYAK İnşaat A.Ş. (*)	30.885.057	21.895	510.158.635	8.332	1.202.379.878	-
OYAK Pazarlama Hizmet Turizm A.Ş. (*)	11.777.208	56.177	38.381.647	7.754	87.185.154	16.276.459
OYAK Biyoteknoloji Sanayi ve Tic.A.Ş. (*)	2.387.200	59.790	55.265.978	1.470	71.356.937	2.003.005
OYAK Savunma ve Güvenlik Hir. A.Ş. (*)	7.799.493	130.626	20.172.223	-	70.280.801	-
OYAK Elektrik Enerjisi Toptan Satış A.Ş.(*)	391.025	-	30.910.124	-	41.639.474	-
OYAK Yatırım Menkul Değerler A.Ş. (*)	518.450	-	10.992.151	-	32.183.848	-
Omsan Lojistik A.Ş. (*)	12.530.085	6.268	45.709.500	-	33.611.642	-
Güzel Enerji Akaryakıt A.Ş. (*)	3.070.286	43.770	14.885.792	17.359	22.229.649	-
Doco Petrol ve Danışmanlık A.Ş. (*)	540.830	117.207	3.895.902	6.658	3.283.198	-
İndisol Bilişim ve Teknoloji A.Ş. (*)	-	-	-	-	4.754.717	-
OYAK Yenilenebilir Enerji A.Ş. (*)	-	-	-	-	4.196.853	-
Mais Motorlu Araçlar İmal ve Satış A.Ş. (*)	34.212	32.651	15.326	15.073	28.783	-
Lülitgaz Dağıtım Ve Endüstri A.Ş. (*)	-	64.369	-	44.762	-	-
OYAK Sermaye Yatırımları A.Ş. (*)	-	-	1.306.497	-	4.471.878	-
Ordu Yardımlaşma Kurumu (**)	-	67.315	366.245	11.080	-	-
Satem Grup Gıda Dağıtım ve Pazarlama A.Ş. (*)	-	-	64.805	2.866	-	21.595.953
Tamek Grup Gıda Üretim A.Ş. (*)	577.497	174.453	-	3.707.488	-	5.576.475
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (*)	-	732.653	-	260.793	-	-
İskenderun Demir Ve Çelik A.Ş. (*)	-	271.695	-	41.164	-	-
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş. (*)	-	86.722	-	23.366	-	-
OYAK Denizcilik ve Liman İşletmeleri A.Ş. (*)	-	20.428	-	17.315	-	-
Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş. (*)	-	31.569	-	15.698	-	4.988
OYAK Çimento Fabrikaları A.Ş. (*)	-	26.790	-	7.188	-	-
Erdemir Madencilik San Ve Tic. A.Ş. (*)	-	26.101	-	5.158	-	-
Diğer (*)	-	123.512	-	36.913	-	-
	<u>70.511.343</u>	<u>2.093.991</u>	<u>732.124.825</u>	<u>4.230.437</u>	<u>1.577.602.812</u>	<u>45.456.880</u>

İlişkili taraflarla olan bakiyeler	31.12.2021 (***)		31 Aralık 2022 (***)		31 Aralık 2023 (***)	
	Ticari		Ticari		Ticari	
	Alacaklar	Borçlar	Alacaklar	Borçlar	Alacaklar	Borçlar
OYAK İnşaat A.Ş. (*)	-	-	-	31.721.543	-	64.063.873
OYAK Pazarlama Hizmet Turizm A.Ş. (*)	-	2.532.511	-	10.423.566	3.394.773	4.620.197
OYAK Biyoteknoloji San.ve Ticaret A.Ş. (*)	-	2.392.365	-	4.975.023	-	11.108.712
OYAK Savunma ve Güvenlik Hiz. A.Ş. (*)	-	1.653.161	-	11.413.342	-	11.479.276
Omsan Lojistik A.Ş. (*)	-	2.173.789	-	3.686.941	-	5.371.658
İnkönel Bilişim ve Teknoloji A.Ş. (*)	-	-	-	-	-	1.675.300
OYAK Akaryakıt ve LPG Yatırımları A.Ş. (*)	2.965	-	-	3.488.592	-	4.767.388
Güzel Enerji Akaryakıt A.Ş. (*)	-	483.594	1.328	2.266.707	-	1.525.463
OYAK Grup Sigorta ve Reasürans Brokerliği A.Ş. (*)	-	3.489.466	-	16.204.823	-	46.897.351
OYAK Elektrik Enerjisi Toptan Satış A.Ş. (*)	-	78.623	-	-	-	-
Tamsek Grup Gıda Üretim A.Ş. (*)	-	333.017	56.385	16.858	-	541.895
Ataer Holding A.Ş. (*)	-	-	-	186.449	-	989.330
Sistem Grup Gıda Dağıtım ve Pazarlama A.Ş. (*)	-	127.021	81.673	25.736	25.608.743	75.917
Lütfüoğlu Dağıtım Ve Endüstri A.Ş. (*)	20.527	-	-	-	356	-
Doco Petrol Ve Danışmanlık A.Ş. (*)	-	16.318	-	564	-	145.309
OYAK (**)	-	2.395.840	-	14.660.704	-	19.050.486
Mais Motorlu Araçlar İmal ve Satış A.Ş. (*)	-	582	-	-	-	-
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (*)	181.529	-	-	-	-	-
OYAK Gıda Ve Turizm Holding Anonim Şirketi (*)	28.661	-	43.012	-	57.272	-
Sagın Grup Gıda Üretim ve Ticaret A.Ş. (*)	220.975	-	-	-	-	-
OYAK Çimento Fabrikaları A.Ş. (*)	6.580	-	-	-	-	-
Künaş Manyezit San.A.Ş. (*)	51.522	-	2.597	-	-	-
Kaam Akaryakıt Sanayi ve Tic. A.Ş. (*)	14.806	-	-	-	-	-
Akdeniz Çimento Kimya Sanayi ve Ticaret A.Ş. (*)	9.322	-	-	-	-	-
Petrol Petrol Ür. Taahh. Ve Dağıtım Tic. A.Ş. (*)	3.613	-	-	-	-	-
Sagın Grup Gıda A.Ş. (*)	-	-	56.367	-	426.491	-
Oyak Denizcilik ve Liman İşletmeleri A.Ş. (*)	3.388	-	-	-	-	-
	523.890	15.696.283	241.382	101.079.848	29.487.635	172.312.155

(\*) Companies managed by the parent company

(\*\*) Main Partner of the Company

(\*\*\*) Shown in TRY based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2023.

(\*\*\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021.

Trade receivables from related parties arise from sales of goods and services and their average maturity is 2 months. These receivables are unsecured and no interest is charged.

Trade payables to related parties generally arise from purchases of goods and services and their average maturity is 1 month. No interest is charged on debts.

	31 Aralık 2021 (****)	31 Aralık 2022 (***)	31 Aralık 2023 (***)
<u>İlişkili taraflara kısa vadeli verilen avanslar</u>			
OYAK Elektrik Enerjisi Toptan Satış A.Ş. (*)	870.800	6.257.525	1.500.568
	<u>870.800</u>	<u>6.257.525</u>	<u>1.500.568</u>
<u>İlişkili taraflara kısa vadeli verilen avanslar</u>	31 Aralık 2021 (****)	31 Aralık 2022 (***)	31 Aralık 2023 (***)
Oyak İnşaat A.Ş. (*)	11.789.746	-	-
	<u>11.789.746</u>	<u>-</u>	<u>-</u>
<u>İlişkili taraflardan kısa vadeli diğer alacaklar</u>	31 Aralık 2021 (****)	31 Aralık 2022 (***)	31 Aralık 2023 (***)
Arma İlaç Sanayi ve Ticaret A.Ş. (*)	-	-	723.653.016
OYAK Gıda Ve Tarım Holding Anonim Şirketi (*)	-	-	456.034.600
OYAK (**)	-	-	312.500.000
	<u>-</u>	<u>-</u>	<u>1.492.187.616</u>
<u>İlişkili taraflara kısa vadeli diğer borçlar</u>	31 Aralık 2021 (****)	31 Aralık 2022 (***)	31 Aralık 2023 (***)
OYAK Akaryakıt ve LPG Yatırımları A.Ş.(*)	-	-	428.452.105
OYAK(**)	-	-	307.200.000
Ödenecek Temettü Kurucu Payları (***)	-	11.814.770	7.125.585
	<u>-</u>	<u>11.814.770</u>	<u>742.777.690</u>
<u>İlişkili taraflara uzun vadeli diğer borçlar</u>	31 Aralık 2021 (****)	31 Aralık 2022 (***)	31 Aralık 2023 (***)
OYAK Sermaye Yatırımları A.Ş. (*)	52.848.957	116.625.112	111.954.399
	<u>52.848.957</u>	<u>116.625.112</u>	<u>111.954.399</u>
<u>İlişkili taraflara vade farkı giderleri</u>	31 Aralık 2021 (****)	31 Aralık 2022 (***)	31 Aralık 2023 (***)
OYAK Akaryakıt ve LPG Yatırımları A.Ş.(*)	-	-	94.105.179
OYAK (**)	-	-	80.777.588
	<u>-</u>	<u>-</u>	<u>174.882.767</u>

(\*) Companies managed by the parent company

(\*\*) Main Partner of the Company

(\*\*\*) Shown in TRY based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2023.

(\*\*\*\*) Inflation accounting has not been applied to the annual financial statements as of December 31, 2021.

## 19.2. Information about the share of transactions with related parties in the issuer's net sales revenue:

The company does not record the revenue it obtains from sales of goods and services to its consolidated subsidiaries as income.

On the other hand, since it is a subsidiary of the OYAK group, which does not have a subsidiary relationship and is not within the scope of consolidation, its transactions with companies that have the title of related parties are quite small and these transactions do not arise from the sale of goods and services.

## 20. OTHER INFORMATIONS

### 20.1. Information About Capital:

The issued capital of the company is TRY 2,530,000,000. This capital is divided into 253,000,000,000 shares, each with a nominal value of 1 Kuruş. The company's capital has been fully paid, free from collusion.

### 20.2. Registered Capital Ceiling:

As stated in Article 7 of the company's articles of association, the registered capital ceiling is TRY 8,500,000,000.

### 20.3. Reconciliation of the number of shares in actual circulation at the beginning and end of the period and information on the subject if more than 10% of the capital has been paid in kind as of the financial statement periods that must be included in the prospectus:

The amounts and rates of shares in actual circulation as of the financial statement periods that should be included in the prospectus are given in the tables below, at the beginning and end of the period.

Date	Capital Share Amount (TRY)	Amount of Shares in Actual Circulation (TRY)	Share Ratio in Actual Circulation (%)
Beginning of Term (01.01.2021)	227,571,100.14	96,166,162.51	42.25
End of Term (31.12.2021)	860,000,000.00	320,496,278.61	37.26
<b>Date</b>			
<b>Date</b>	<b>Capital Share Amount (TRY)</b>	<b>Amount of Shares in Actual Circulation (TRY)</b>	<b>Share Ratio in Actual Circulation (%)</b>
Beginning of Term (01.01.2022)	860,000,000.00	320,496,278.61	37.26
End of Term (31.12.2022)	2,530,000,000.00	1,039,820,166.96	41.09
<b>Date</b>			
<b>Date</b>	<b>Capital Share Amount (TRY)</b>	<b>Amount of Shares in Actual Circulation (TRY)</b>	<b>Share Ratio in Actual Circulation (%)</b>
Beginning of Term (01.01.2023)	2,530,000,000.00	1,039,820,166.96	41.09
End of Term (31.12.2023)	2,530,000,000.00	1,128,318,985.84	44.59

The capital has not been paid in kind as of the financial statement periods that should be included in the prospectus.

**20.4. Founder's and usufruct shares, etc., which do not represent the capital. Information about the number and nature of shares:**

The company has 300 founder shares, and these shares, which do not represent the capital, have the right to participate in the net profit (5% profit share) specified in Article 34 of the Articles of Association. Founder shares are explained in Article 8 of the Company's Articles of Association.

Accordingly:

Three hundred founder shares, registered and free of charge, will be issued by the Board of Directors. These bonds will be distributed between the founders who paid the initial capital and those who replace them in whole or in part, and in proportion to their share amounts. However, if the amount to be obtained in this proportion corresponds to only half of the value of a share, it will not be taken into account, and if it exceeds half, it will be completed to the value of one share, and more than this amount of founder shares will not be given to more than fifty shareholders.

The founder shares that will increase as a result of this distribution, which will be made in proportion to the amount of shares, will be distributed to those who have made efforts in the establishment, development and operation of the company, at the discretion of the Board of Directors.

**20.5. Capital market instruments with warrants, bonds convertible into shares, bonds convertible into shares, etc. Information regarding the amount of capital market instruments and the principles of conversion, exchange or request:**

None.

**20.6. Capital market instruments of group companies that are subject to option or that have been decided to be subject to option with a conditional or unconditional agreement, and information about the option in question, including related persons:**

None.

**20.7. Information regarding capital increases and their sources, capital decreases, created/cancelled share groups and other transactions causing changes in the number of shares as of the financial statement periods that should be included in the prospectus:**

In 2021, the Company increased its capital by TRY 632,428,899.86, 175.76924% of which was paid and 102.13462% of which was free of charge. While the Company's paid-in capital was TRY 227,571,100.14 before the capital increase in 2021, after the 175.76924% paid and 102.13462% bonus capital increase, the Company's issued capital became TRY 860,000,000. As a result of this capital increase, the total number of shares increased to 86,000,000,000. As we stated, 175.76924% of this capital increase was paid and the use of new share purchase rights by existing shareholders, and 102.13462% was the addition of internal resources to the capital and the granting of free shares to existing partners.

In 2022, the Company increased its capital by TRY 1,670,000,000.00, 150% of which was paid and 44.18604% of which was free of charge. While the Company's paid-in capital was TRY 860,000,000.00 before the capital increase in 2022, after the 150% paid and 44.18604% bonus capital increase, the Company's issued capital became TRY 2,530,000,000. As a result of this capital increase, the total number of shares increased to 253,000,000,000. As we stated, 150% of this capital increase was paid and the existing shareholders used their rights to purchase new shares, and 44.18604% was the addition of internal resources to the capital and the granting of free shares to the existing partners.

**20.8. If the issuer has issued shares through public offering, private placement or sale to qualified investors within the last twelve months, explanations regarding the nature of these transactions, the amount and qualifications of the shares subject to these transactions:**

None.

**20.9. If the issuer's shares are currently traded on the stock exchange, information about which shares are traded on the stock exchange or whether there is an application regarding these issues:**

Shares with a nominal value of TRY 1,128,318,985.84, which is the amount of shares in actual circulation corresponding to 44.59% of the Company's capital of TRY 2,530,000,000 (as of 31.12.2023), are currently traded on Star Market under the code HEKTS at Borsa Istanbul A.Ş. The shares to be issued within the scope of this prospectus will be traded on Star Market at Borsa Istanbul A.Ş.

The shares to be issued by publicly listed companies due to capital increases through rights issues and/or bonus issues shall be included in the stock exchange listing following the registration of the new capital resulting from the capital increase in the Trade Registry, without the need for any further action or decision. (Borsa Istanbul A.Ş. Listing Directive Article 41)

**20.10. If the issuer is already a public corporation in the year in which the prospectus was prepared and in the previous year, information about takeover offers made by third parties on the shares of the issuer and the prices and results of such offers:**

None.

**20.11. Important information regarding the articles of association and internal directives:**

The Articles of Association of the issuer can be accessed at the following link on the website [www.kap.org.tr](http://www.kap.org.tr): <https://www.kap.org.tr/tr/sirket-bilgileri/ozet/978-hektas-ticaret-t-a-s> and from the company's corporate website at <https://hektas.com.tr/yatirimci-iliskileri/kurum-kimligi-ve-yonetimi/anasozlesme/>.

The Company's Internal Directive is included in Annex 2.

**20.12. Purposes and activities of the issuer with reference to the relevant article of the articles of association:**

The purpose and subject of the Company are regulated in Article 4 of the Company's Articles of Association. Accordingly:

The company's purpose and main business subjects are as follows:

A- All kinds of medical, veterinary, pharmaceutical, bacteriological, nutritional and chemical preparations and their raw materials,

B- All kinds of chemical substances and pesticide preparations and raw materials used in agriculture,

C- All kinds of hygienic and cosmetic materials and raw materials,

D- Dental preparations and raw materials,

E- All machinery, tools and installations related to the subjects listed in the above articles;

To deal with the production, import, export and distribution personally or through local or foreign companies that it will establish or participate in the capital of, to act as representatives of local or foreign companies in these branches, and to warehouse the materials and tools in these branches,

F- To undertake and carry out all kinds of commercial and industrial works both on its own behalf and on behalf of domestic and foreign real or legal persons,

G- Without prejudice to Article 21/1 of the Capital Markets Law, to establish or participate in companies in the country and abroad on the subjects stated above, or to purchase and sell their shares and bonds, provided that they do not qualify as investment services,

H- In compliance with the principles determined within the framework of the capital markets legislation, to purchase, sell, and make all kinds of legal dispositions on all types of commercial and industrial movable and immovable properties, to conclude lease agreements, to act as guarantor, to accept guarantees, to establish pledges and mortgages, to release established pledges and mortgages, to conclude commercial enterprise pledge agreements, and to conclude pledge agreements for the realization of the Company's founding purpose.

I- To acquire, transfer, pledge, take pledge, and make any other legal dispositions on patents, trademarks, industrial designs, geographical indications, utility models, and all kinds of industrial and/or intellectual property rights, licenses, privileges, models, images, trade names, know-how, and other similar intangible rights for transactions related to the Company.

J- To conduct research on agriculture and animal husbandry, to establish and operate the necessary breeding, testing, breeding, product processing, stations, institutions, laboratories and similar facilities.

K- To establish agricultural irrigation systems, to manufacture and construct the necessary pipes and all kinds of installations and necessary structures related to water distribution and transmission lines,

L- To operate in the fields of application related to the above-mentioned subjects (such as agricultural control, opening and operating animal hospitals, establishing and operating clinics, etc.) and providing consultancy.

M- To engage in agricultural activities for the production of agricultural, animal and aquatic products or, in addition to agricultural activities, to engage in purchasing, selling, marketing, storage, packaging, processing and all kinds of related import and export trade, and to cooperate with companies operating in these fields.

N- Cooperating with organizations operating in the valorization of the country's products and importing and exporting these products,

O- To engage in all kinds of activities that are directly or indirectly related to the above-mentioned purpose and field of activity of the Company.

P- To carry out transactions regarding its own shares within the framework of Articles 379, 382 and other relevant provisions of the Turkish Commercial Code, provided that it acts in accordance with the capital markets legislation and makes the necessary special situation disclosures.

R- Provided that it does not constitute a violation of the provisions of the Capital Markets Law regarding transfer of disguised earnings and other relevant legislation, that necessary disclosures of special circumstances are made, and that donations made during the year are presented to the shareholders at the general assembly, the Company may make all kinds of donations and aid in a manner that does not interfere with its own objectives and activities.

The Company may also engage in activities other than those listed here, provided that it fulfills the requirements stipulated within the framework of the legislation and does not constitute a violation of the legislation, if it deems such activities relevant to or beneficial for its objectives.

### **20.13. Summaries of important provisions regarding the board of directors and committees:**

Explanations regarding the Board of Directors are included in Article 11 of the company's articles of association. Accordingly, it was determined as follows:

The affairs and administration of the company are carried out by the Board of Directors.

By the Board of Directors, the General Assembly, in accordance with the provisions of the Turkish Commercial Code and the CMB; It consists of a minimum of 5 and a maximum of 9 members to be elected.

The number and qualifications of the independent members who will take office in the Board of Directors are determined according to the regulations of the Capital Markets Board regarding corporate governance.

The General Assembly determines the number of members of the Board of Directors in a way that will enable the members of the Board of Directors to carry out productive and constructive work, make quick and rational decisions, and organize the formation and work of committees effectively.

Article 12 of the company's articles of association contains explanations regarding the term of the Board of Directors. Accordingly, it was determined as follows:

Independent board members are elected for one year, while other board members are elected for three years. Board members whose term has expired may be re-elected. In the event of a vacancy in any board membership for any reason, the Board of Directors shall temporarily appoint a person who meets the conditions specified in the TCC, capital markets legislation, and this Articles of Association to that position and submit it to the approval of the first General Assembly. Thus, the elected member completes the ex-member's term.

The General Assembly may change the members of the Board of Directors at any time if it deems necessary.

Explanations regarding the Meetings are included in the 13th article of the company's articles of association. Accordingly, it was determined as follows:

The Board of Directors meets at least six times a year or when Company business requires, at the Company headquarters or elsewhere by the decision of the Board of Directors. At its first meeting each year, the Board of Directors elects a chairman from among its members and at least one deputy chairman to represent him in his absence. The manner in which the Board of Directors meets, the quorum for meetings and decisions, voting, the duties, rights and powers of the Board of Directors are subject to the provisions of the Turkish Commercial Code and relevant legislation.

Decisions of the Board of Directors are recorded in the decision book. It is signed by the president and members.

Corporate Governance Principles required by the Capital Market Board are complied with. Transactions made and resolutions of the board of directors taken without complying with the mandatory principles are invalid and deemed contrary to the articles of association.

In transactions deemed significant in terms of the implementation of Corporate Governance Principles, in significant related party transactions of the company, and in transactions related to providing guarantees, pledges, and mortgages in favor of third parties, the regulations of the Capital Markets Board concerning corporate governance shall be adhered to.

The Board of Directors may delegate all or some of the authority to represent and manage the Company to one or more executive members of the Board, excluding the independent board members; the provisions of Article 367 of the Turkish Commercial Code are reserved in this regard.



If none of the members requests a meeting, the decisions of the board of directors may be made based on the written approval of at least the majority of the total number of members, based on a proposal written in the form of a decision made by one of the board members on a certain issue. It is a condition for the validity of the decision to be made that the same suggestion is made to all board members. The approvals do not have to be on the same paper; However, it is necessary for the validity of the decision to paste all the papers containing the approval signatures into the decision book of the board of directors or to convert it into a decision containing the signatures of those who accept it and to record it in the decision book.

The validity of decisions depends on whether they are written and signed.

Board members cannot vote to represent each other, nor can they attend meetings through proxy.

If the votes are equal, that issue is left to the next meeting. If there is a tie in the second meeting, the proposal in question is deemed to have been rejected.

Article 14 of the company's articles of association contains explanations regarding the Powers of the Board of Directors. Accordingly, it was determined as follows:

Except for the management and representation authorities determined by the Board of Directors' resolution regarding the appointment of executive members pursuant to paragraph 5 of Article 13 of the Articles of Association, all documents issued and contracts made by the company must bear the signatures of at least two persons authorized to bind the company under its title in order to be valid.

The terms of office of the general manager, deputy general managers, managers and other authorized signatory Company personnel are not limited to the term of office of the Members of the Board of Directors.

The persons who will be authorized to sign on behalf of the Company and how they will sign on behalf of the Company are determined, registered and announced by the Board of Directors.

Except for the non-transferable duties and powers defined in Article 375 of the Turkish Commercial Code, the Board of Directors is authorized, pursuant to Article 367 of the Turkish Commercial Code, to partially or fully delegate the management to one or more board members or third parties according to an internal directive it will arrange. Additionally, the board of directors may delegate its representation authority to one or more executive members or a third party as a manager. At least one member of the Board of Directors must have the authority to represent the company.

Acquisition, pledge, giving, etc. regarding the company's own shares. The Board of Directors carries out its operations. In this regard, the provisions of the Turkish Commercial Code and relevant legislation are complied with.

Article 15 of the company's articles of association contains explanations regarding the Duties of the Board of Directors. Accordingly, it was determined as follows:

The main duties of the Board of Directors are to implement the decisions of the General Assembly, to call the General Assembly to a meeting within the framework of the law and the provisions of the Articles of Association, to carry out any actions deemed necessary and beneficial on behalf of the Company, to purchase and acquire immovable properties and other real rights in the Company's assets, to encumber or sell the Company's immovable properties with a real right, to lease and rent any movable and immovable properties deemed necessary for the Company, to lend and borrow on behalf and account of the Company, to establish mortgages on the Company's immovable properties when necessary, to accept mortgages from natural or legal persons and to provide their discharge declarations on behalf of the Company, and to discharge these mortgages and any restrictions, and to provide the necessary discharge declarations.

The principles determined within the framework of capital markets legislation are complied with when the Company gives guarantees, guarantees, guarantees or establishes liens, including mortgages, on its own behalf and in favor of third parties.

The Board of Directors is authorized to take decisions on all transactions other than those that are left exclusively to the decision of the General Assembly in the Law and the Articles of Association.

In the 20th article of the Company's Articles of Association

The relevant legislative provisions apply to the formation, duties and working principles of the committees that the Board of Directors is obliged to establish within the scope of the relevant legislation, including the Capital Markets legislation and the early risk detection committee within the scope of Article 378 of the Turkish Commercial Code, and their relations with the Board of Directors.

**20.14. Information about the privileges, context and limitations of each share group:**

There are no privileges granted to shares representing the capital. However, the Company also has founder shares, and these shares have the right to participate in the net profit (5% profit share).

**20.15. Principles regarding changing shareholders' rights and privileges:**

None.

**20.16. Information about the procedures for holding ordinary and extraordinary general assembly meetings and the conditions for participation in the meetings:**

Articles 21, 22, 23, 24, 25, 26, 27, 28, 29 and 30 of the Company's Articles of Association contain explanations and regulations regarding the holding of ordinary and extraordinary general assembly meetings.

Accordingly:

**General Assembly Meetings:**

Article 21 - The Ordinary General Assembly meets within three months from the end of the Company's activity period and at least once a year to discuss and decide on the issues on its agenda. The Extraordinary General Assembly meets and takes the necessary decisions when required by the Company's business, in accordance with the law and the provisions written in this Articles of Association.

**Voting Rights and Form of Representation:**

Article 22 - Stakeholders or their proxies present at the Ordinary and Extraordinary General Assembly meetings exercise their voting rights in proportion to the total nominal value of the shares. Each share has one voting right. Stakeholders may have themselves represented at the General Assembly meetings by other stakeholders or by a proxy appointed from outside. Proxies who are stakeholders in the company are authorized to cast the votes of the stakeholders they represent, in addition to their own votes.

The functioning of the general assembly meeting is regulated by an internal directive. The general assembly meeting is conducted in accordance with the provisions of the Turkish Commercial Code, capital markets legislation and internal directives.

Participation in the general assembly meeting electronically;

The holders of the right to attend the general assembly meetings of the company may also attend these meetings electronically in accordance with Article 1527 of the Turkish Commercial Code. In

accordance with the provisions of the Regulation on General Assembly Meetings to be Held in the Electronic Environment in Joint Stock Companies, the Company may establish an electronic general assembly system that will allow the right holders to participate in the general assembly meetings electronically, express their opinions, make suggestions and vote, or may purchase services from systems created for this purpose.

Pursuant to this provision of the articles of association, in all general assembly meetings to be held, right holders and their representatives will be able to exercise their rights specified in the provisions of the aforementioned Regulation through the established system.

The Capital Markets Board's regulations regarding proxy voting are reserved.

**Quorum:**

Article 23 - In general assembly meetings and the decision-making quorum in these meetings, the provisions of the Turkish Commercial Code, the provisions of the capital markets legislation and the corporate governance principles regulations of the Capital Markets Board shall be complied with.

**Venue of Meeting:**

Article 24 - General Assemblies convene in the province where the company's headquarters is located or in a place deemed appropriate by the Board of Directors in Gebze. If the meeting will be held in a place other than where the company headquarters is located, the meeting place is clearly stated in the announcement regarding the general assembly meetings.

**Chairperson**

Article 25 - The chairman of the Board of Directors presides over the General Assembly meetings. In the absence of the president, the vice president performs this duty. If there is no deputy chairman, the person who will preside is elected by the General Assembly.

**Powers of the General Assembly:**

Article 26 - Powers of the General Assembly,

- a) To discuss and decide on issues that are beyond the authority of the Board of Directors,
- b) To grant special permissions to the Board of Directors and to determine their conditions and to determine the management method of company affairs,
- c) To accept or reject the reports to be prepared by the Board of Directors and auditors regarding the company's affairs, to decide on or discuss the balance sheet and profit and loss accounts and have them revised if necessary, to decide on the release from liability and accountability of the Board of Directors, to determine the distribution method of profits to be allocated, to elect the members of the Board of Directors and, except for the exceptions provided by law, the auditors, to dismiss them and appoint others in their place if deemed necessary, and to determine the amount of remuneration to be given to the members of the Board of Directors.

**Other Powers:**

Article 27 - The powers listed in the above article are not limited. Taking decisions on all issues that directly or indirectly concern the Company, such as the management of the Company's affairs and the amendment of the Articles of Association, are within the authority of the General Assembly within the framework of the provisions of the Turkish Commercial Code and the CMB.

**Release:**

Article 28 - The general assembly decision regarding the approval of the balance sheet results in the acquittal of the board members, managers and auditors, unless there is a clear statement to the contrary in the decision. However, if some issues are not stated at all or not properly in the balance

sheet, or if the balance sheet contains some issues that will prevent the true situation of the company from being seen and if a conscious action has been taken in this regard, approval will not have the effect of acquittal.

Ministry Representative:

Article 29 - The provisions of the relevant regulations regarding the circumstances in which the Ministry representative will be present at the general assembly and the procedures and principles regarding the appointment of representatives for general assembly meetings and their qualifications, duties and powers shall be complied with.

Announcement:

Article 30 - Announcements regarding the company will be made in accordance with the Turkish Commercial Code, Capital Markets Board regulations and relevant legislative provisions.

**20.17. Information about the provisions that may cause delay, delay or obstruction in the change of management control of the issuer:**

None.

**20.18. Principles regarding the transfer of shares:**

There are no restrictions regarding the transfer of Company shares within the scope of the Articles of Association. Company share transfers are made within the framework of TCC and CMB legislation.

**20.19. If the conditions stipulated in the articles of association regarding the increase and decrease of capital are more severe than required by law, information about the said provisions:**

As stated in Article 9 of the Company's Articles of Association, the Company's capital may be increased or decreased when necessary, within the framework of the provisions of the Turkish Commercial Code and Capital Markets Legislation.

**21. IMPORTANT CONTRACTS**

None.

**22. INFORMATION ABOUT THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE ISSUER**

**22.1. Financial statements of the Issuer prepared in accordance with the Board's accounting/financial reporting standards and required to be included in the prospectus and their independent audit reports:**

It has been prepared in accordance with the provisions of the Capital Markets Board's ("CMB") Communiqué on Principles of Financial Reporting in Capital Markets, Serial II, No. 14.1, published in the Official Gazette dated June 13, 2013, and numbered 28676, pursuant to Article 5 of the Communiqué. Turkish Financial Reporting Standards ("TFRS") adopted by the CMB and published by the Public Oversight Accounting and Auditing Standards Authority ("KGK") and their annexes and comments are taken as basis. In addition, the consolidated financial statements are presented based on the CMB's financial statement and footnote formats in accordance with the formats determined in the "TFRS Taxonomy" published by the POA on October 4, 2022 and the Financial Statement Samples and User Guide published by the CMB. The consolidated financial statements and footnotes for the years 2023, 2022 and 2021 and the independent audit reports containing a

positive opinion on these financial statements are available [on www.kap.org.tr](http://www.kap.org.tr) and the Company's website [www.hektas.com.tr](http://www.hektas.com.tr) .

Our company's independently audited financial statements for the annual accounting periods ending on 31.12.2023, 31.12.2022 and 31.12.2021 and the related independent audit reports have been published on [www.kap.org.tr](http://www.kap.org.tr) as of the dates stated below:

Year 2023: 29.03.2024

Year 2022: 15.02.2023

Year 2021: 11.02.2022

These financial reports can also be accessed at the Company's website [www.hektas.com.tr](http://www.hektas.com.tr) .

**22.2. Information about the titles of the organizations that performed the independent audit in the financial statement periods that should be included in the prospectus, the independent audit opinion and the reasons if the audit firm/responsible lead auditor has changed:**

Information about the organizations from which independent audit services are received, as of the financial statement periods that should be included in the prospectus, is given in the table below.

Period	Independent Audit Company	Auditor in Charge	Independent Audit Opinion
2023	DRT Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş	Volkan BECERİK	Positive
2022	DRT Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş	Volkan BECERİK	Positive
2021	DRT Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş	Nazlı İVAK	Positive

Independent audit services have been received from DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş for the fiscal years 2023, 2022, and 2021. As stated in the table above, the Responsible Auditor in 2023 and 2022 is Volkan Bakank and for the 2021 accounting period it is Nazlı İvak.

**22.3. A statement regarding significant changes that may affect the financial condition or commercial position of the issuer and/or the group after the date of the last financial statement (including developments regarding production, sales, inventories, orders, costs, and sales prices) or a statement indicating that there are no such matters.**

None.

**22.4. Pro forma financial information:**

None.

**22.5. Independent assurance report on pro forma financial information:**

None.

**22.6. Information regarding the profit distribution principles stated in the issuer's articles of association and other publicly disclosed information and documents, as well as the decisions taken on profit distribution for the financial statement periods required to be included in the prospectus.**

Article 34 of the Company's Articles of Association explains "Distribution and Determination of Profit." Accordingly: Accordingly, it was determined as follows:

The General Assembly is authorized to decide on whether to not distribute the profit or to distribute it partially or completely, within the framework of profit distribution policies. Applications regarding general legal reserve funds and dividend calculation are carried out within the framework of the Turkish Commercial Code, CMB and relevant legislation.

From the revenues determined at the end of the operating period of the company, after deducting the amounts required to be paid or set aside by the company such as general expenses of the company and miscellaneous depreciation, and the taxes required to be paid by the company's legal entity, the remaining period profit, which is seen in the annual balance sheet, is calculated as specified below, after deducting the previous year's losses, if any:

(a) 5% is set aside as legal reserves.

(b) From the remaining amount, the first dividend is allocated in accordance with the Turkish Commercial Code and Capital Markets Legislation, including the donations made during the year if any.

(c) After deducting the amounts specified in paragraphs a and b from the annual profit, 5% of the remaining amount is allocated as a profit share for the founders.

(d) The General Assembly is authorized to distribute the remaining part of the net profit for the period, after deducting the amounts specified in subparagraphs (a), (b), and (c), partially or completely as a second dividend or according to Article 521 of the Turkish Commercial Code, and to allocate it voluntarily as a reserve fund.

e) From the part decided to be distributed to the shareholders and other participants in the profit, 10% of the amount remaining after deducting 5% profit share is added to the general legal reserve in accordance with the second paragraph of Article 519 of the Turkish Commercial Code.

Unless the legal reserves required by law and the profit share determined for the shareholders are allocated, no other reserves can be allocated, no profit can be transferred to the next year, and no profit share can be distributed to the holders of usufruct shares, members of the board of directors, and employees of the partnership. In addition, the General Assembly is authorized to distribute profit advances in accordance with the provisions of the TCC, CMB, and relevant legislation.

Profits distributed in accordance with the provisions of the Articles of Association cannot be reclaimed. The return of profits in the case of advance dividend distribution is an exception to this rule.

Dividends shall be distributed equally to all of the shares that exist as of the date of distribution, regardless of their dates of issuance and acquisition.

The distribution method and time of the profit that is decided to be distributed is decided by the general assembly upon the proposal of the board of directors.

The company's statements on its profit distribution policy published on the Public Disclosure Platform (KAP) are as follows:

The Company has adopted the policy of distributing the entire distributable period profit in cash, within the framework of the applicable legislation and the provisions of the Company's Articles of

Association, to the extent permitted by the financial leverage ratios and investment/financing needs and future free cash generation expectations, including market forecasts. The profit distribution policy is reviewed annually by the Board of Directors according to national and global economic conditions, the company's current projects and the status of its funds.

Dividend distribution is authorized by the Board of Directors at the general assembly meeting where it is decided to distribute, and it is paid in installments of equal or different amounts within the framework of the legislation provisions, until December 15 of the relevant calendar year.

The General Assembly is authorized to distribute Dividend Advances within the framework of the relevant legislation.

At the Company's Ordinary General Assembly meeting for 2023 held on 26.04.2024, it was decided that the profit distribution would be made in accordance with the matters specified in the Company's profit distribution policy.

The profit distribution table of the Company for the 2023 operating year is shown below. As can be seen, the Company could not distribute profits due to the 2023 current year loss.

The profit distribution table for 2023 is shown in the table below. In addition, the profit distribution table for the 2023 activity period and the General Assembly's decision on this matter can be accessed at the link <https://www.kap.org.tr/tr/Bildirim/1278172>.

HEKTAŞ TİCARET T. A.Ş. 2023 YILI KAR DAĞITIM TABLOSU (TL)		
1. Ödenmiş/Çıkarılmış Sermaye		2.530.000.000,00
2. Genel Kanuni Yedek Akçe (Yasal Kayıtlara Göre)		80.026.870,00
Esas sözleşme uyarınca kar dağıtımında imtiyaz var ise söz konusu imtiyaza ilişkin bilgi		
	SPK'ya Göre	Yasal Kayıtlara (YK) Göre
3. Dönem Kârı	-894.457.832,00	-766.309.161,82
4. Vergiler (-)	0,00	0,00
5. Net Dönem Kârı (=)	-894.457.832,00	-766.309.161,82
6. Geçmiş Yıllar Zararları (-)	0,00	0,00
7. Genel Kanuni Yedek Akçe (-)	0,00	0,00
8. NET DAĞITILABİLİR DÖNEM KÂRI (=)	-894.457.832,00	-766.309.161,82
9. Yıl içinde yapılan bağışlar (+)	0,00	0,00
10. Bağışlar Eklenmiş Net Dağıtılabilir Dönem Karı		
11. Ortaklara Birinci Kar Payı		
-Nakit		
-Bedelsiz		
- Toplam		
12. İmtiyazlı Pay Sahiplerine Dağıtılan Temettü		
13. Dağıtılan Diğer Kar Payı		
-Yönetim Kurulu Üyelerine		
- Çalışanlara		
- Pay Sahibi Dışındaki Kişilere		
14. İntifa Senedi Sahiplerine Dağıtılan Temettü		
15. Ortaklara İkinci Kar Payı		
16. Genel Kanuni Yedek Akçe		
17. Statü Yedekleri		
18. Özel Yedekler		
19. OLAĞANÜSTÜ YEDEK	0,00	0,00
20. Dağıtılması Öngörülen Diğer Kaynaklar	0	0
- Geçmiş Yıl Kârı	0	0
- Olağanüstü Yedekler	0	0
- Kanun ve Esas Sözleşme Uyarınca Dağıtılabilir Diğer Yedekler	0	0

Pay Grup Bilgileri	Ödeme	1 TL Nominal Değerli Paya Ödenecek Nakit Kar Payı - Brüt(TL)	1 TL Nominal Değerli Paya Ödenecek Nakit Kar Payı - Brüt(%)	Stopaj Oranı(%)	1 TL Nominal Değerli Paya Ödenecek Nakit Kar Payı - Net(TL)	1 TL Nominal Değerli Paya Ödenecek Nakit Kar Payı - Net(%)
HEKTS, TRAHEKTS91E4		0,0000000	0	0	0,0000000	0

At the Company's Ordinary General Assembly meeting for 2022 held on 30.03.2023, it was decided that the profit distribution would be made in accordance with the matters specified in the Company's profit distribution policy.

The profit distribution table of the Company for the 2022 operating year is shown below. As can be seen, the Company did not distribute any profits from the profits it made in 2022 or from previous years' profits.

The profit distribution table for 2022 is shown in the table below. In addition, the profit distribution table for the 2022 operating period and the General Assembly's decision on this matter can be accessed at the link <https://www.kap.org.tr/tr/Bildirim/1129982>.

HEKTAŞ TİCARET T. A.Ş. 2022 YILI KAR DAĞITIM TABLOSU (TL)			
1.	Ödenmiş/Çıkarılmış Sermaye		2.530.000.000,00
2.	Genel Kanuni Yedek Akçe (Yasal Kayıtlara Göre)		58.311.835,62
Esas sözleşme uyarınca kar dağıtımda imtiyaz var ise söz konusu imtiyaza ilişkin bilgi			
		<b>SPK'ya Göre</b>	<b>Yasal Kayıtlara (YK) Göre</b>
3.	Dönem Kârı	544.685.543,00	477.986.884,33
4.	Vergiler ( - )	-244.362.717,00	43.686.196,71
5.	Net Dönem Kârı ( = ) <sup>(1)</sup>	802.289.709,00	434.300.687,62
6.	Geçmiş Yıllar Zararları ( - )	0,00	0,00
7.	Genel Kanuni Yedek Akçe ( - )	21.715.034,38	21.715.034,38
8.	<b>NET DAĞITILABİLİR DÖNEM KÂRI (=)</b>	<b>780.574.674,62</b>	<b>412.585.653,24</b>
9.	Yıl içinde yapılan bağışlar ( + )	37.500,00	37.500,00
10.	Bağışlar Eklenmiş Net Dağıtılabilir Dönem Karı	780.612.174,62	412.623.153,24
11.	Ortaklara Birinci Kar Payı		
	-Nakit		
	-Bedelsiz		
	- Toplam		
12.	İmtiyazlı Pay Sahiplerine Dağıtılan Temettü		
13.	Dağıtılan Diğer Kar Payı		
	-Yönetim Kurulu Üyelerine		
	- Çalışanlara		
	- Pay Sahibi Dışındaki Kişilere		
14.	İntifa Senedi Sahiplerine Dağıtılan Temettü		
15.	Ortaklara İkinci Kar Payı		
16.	Genel Kanuni Yedek Akçe		
17.	Statü Yedekleri		
18.	Özel Yedekler		
19.	<b>OLAĞANÜSTÜ YEDEK</b>	<b>780.574.674,62</b>	<b>412.585.653,24</b>
20.	Dağıtılması Öngörülen Diğer Kaynaklar	0	0
	- Geçmiş Yıl Kârı	0	0
	- Olağanüstü Yedekler	0	0
	- Kanun ve Esas Sözleşme Uyarınca Dağıtılabilir Diğer Yedekler	0	0

Pay Grup Bilgileri	Ödeme	1 TL Nominal Değerli Paya Ödenecek Nakit Kar Payı - Brüt(TL)	1 TL Nominal Değerli Paya Ödenecek Nakit Kar Payı - Brüt(%)	Stopaj Oranı(%)	1 TL Nominal Değerli Paya Ödenecek Nakit Kar Payı - Net(TL)	1 TL Nominal Değerli Paya Ödenecek Nakit Kar Payı - Net(%)
HEKTS, TRAHEKTS91E4		0,0000000	0	0	0,0000000	0

At the Company's Ordinary General Assembly meeting for 2021 held on 01.04.2022, it was decided that the profit distribution would be made in accordance with the matters specified in the Company's profit distribution policy.

The profit distribution table of the Company for the 2021 operating year is shown below. As can be seen, the Company did not distribute any profits from the profits it made in 2021 or previous years' profits.

The profit distribution table for 2021 is shown in the table below. In addition, the profit distribution table for the 2021 operating period and the General Assembly's decision on this matter can be accessed at the link <https://www.kap.org.tr/tr/Bildirim/1015245>



**HEKTAŞ TİCARET T. A.Ş. 2021 YILI KAR DAĞITIM TABLOSU (TL)**

1.	Ödenmiş/Çıkarılmış Sermaye	860.000.000,00
2.	Genel Kanuni Yedek Akçe (Yasal Kayıtlara Göre)	46.229.090,60
Esas sözleşme uyarınca kar dağıtımda imtiyaz var ise söz konusu imtiyaza ilişkin bilgi		
		<b>SPK'ya Göre</b>
		<b>Yasal Kayıtlara (YK) Göre</b>
3.	Dönem Kârı	334.330.223,00
4.	Vergiler ( - )	8.573.207,00
5.	Net Dönem Kârı ( = )	325.757.016,00
6.	Geçmiş Yıllar Zararları ( - )	0,00
7.	Genel Kanuni Yedek Akçe ( - )	12.082.745,02
<b>8.</b>	<b>NET DAĞITILABİLİR DÖNEM KÂRI (=)</b>	<b>313.674.270,98</b>
9.	Yıl içinde yapılan bağışlar ( + )	0,00
10.	Bağışlar Eklenmiş Net Dağıtılabilir Dönem Karı	229.684.888,46
11.	Ortaklara Birinci Kar Payı	
	-Nakit	
	-Bedelsiz	
	- Toplam	
12.	İmtiyazlı Pay Sahiplerine Dağıtılan Temettü	
13.	Dağıtılan Diğer Kar Payı	
	-Yönetim Kurulu Üyelerine	
	- Çalışanlara	
	- Pay Sahibi Dışındaki Kişilere	
14.	İntifa Senedi Sahiplerine Dağıtılan Temettü	
15.	Ortaklara İkinci Kar Payı	
16.	Genel Kanuni Yedek Akçe	
17.	Statü Yedekleri	
18.	Özel Yedekler	
<b>19</b>	<b>OLAĞANÜSTÜ YEDEK</b>	<b>313.674.270,98</b>
20.	Dağıtılması Öngörülen Diğer Kaynaklar	0
	- Geçmiş Yıl Kârı	0
	- Olağanüstü Yedekler	0
	- Kanun ve Esas Sözleşme Uyarınca Dağıtılabilir Diğer Yedekler	0

Pay Grubu	TOPLAM DAĞITILAN KAR PAYI - NAKİT (TL) - NET	TOPLAM DAĞITILAN KAR PAYI - BEDELSİZ (TL)	TOPLAM DAĞITILAN KAR PAYI / NET DAĞITILABİLİR DÖNEM KARI (%)	1 TL NOMİNAL DEĞERLİ PAYA İSABET EDEN KAR PAYI - TUTARI(TL) - NET	1 TL NOMİNAL DEĞERLİ PAYA İSABET EDEN KAR PAYI - ORANI(%) - NET
---	0	0	0	0	0
TOPLAM	0	0	0	0	0

**22.7. A statement regarding lawsuits, legal proceedings, and arbitration proceedings that have had a significant impact on the financial condition or profitability of the issuer and/or the group in the last 12 months, or that may have an impact in the following periods, or a statement indicating that there are no such matters.**

**Lawsuits**

There have been no lawsuits, legal proceedings or arbitration proceedings in the last 12 months that have had or may have a significant impact on the financial position or profitability of our Company.

### **Administrative-Judicial Sanctions**

There are no administrative sanctions or penalties imposed on our Company or our Board Members due to practices contrary to the provisions of the legislation.

#### **22.8. Other audited information included in the prospectus:**

None.

### **23. INFORMATION CONCERNING THE SHARES TO BE ISSUED AND PUBLIC OFFERED**

#### **23.1. Information regarding the types and groups of shares to be issued and/or traded on the stock exchange, including ISIN (international securities identification number) or other similar identification code information:**

<b>Group</b>	<b>Registered /Bearer Shares</b>	<b>Concessions</b>	<b>Number of Shares</b>	<b>Ratio of Number of Shares to Number of Group Shares (%)</b>	<b>Nominal Value of One Share (TRY)</b>	<b>Total (TRY)</b>	<b>Ratio to Capital (%)</b>
---	Registered Shares	None.	590,000,000,000	100	0.01	5,900,000,000	233.20158
					<b>TOTAL</b>		

The registered capital ceiling of the Company is 8,500,000,000 Turkish Liras. The issued capital of the Company is TRY 2,530,000,000. This capital is divided into 253,000,000,000 shares, each with a nominal value of 1 Kuruş. There is no group distinction in the Company's shares, nor are there any privileged shares. The rights to purchase new shares will be exercised at 1 Kuruş per share with a nominal value of 1 Kuruş.

Issued capital of TRY 2,530,000,000 within the registered capital ceiling of TRY 8,500,000,000; TRY 5,900,000,000 was increased in cash (paid); It will be increased to TRY 8,430,000,000.

The capital increase of TRY 5,900,000,000 will be made in cash (paid), and the pre-emptive rights of existing shareholders will not be restricted. In this capital increase, 590,000,000,000 shares with a nominal value of TRY 5,900,000,000 and 1 Kuruş each will be offered to the public.

The entire capital increase of TRY 5,900,000,000 will be made in cash (paid); the rights of existing partners to acquire new shares (preemption rights) will not be restricted. In this capital increase (ISIN: TRAHEKTS91E4), shareholders will be granted pre-emptive rights.

As can be seen in Article 7 titled Capital in the Articles of Association, each share has an equivalent vote. There are no privileged shares in terms of voting rights.

#### **23.2. According to which legislation the shares are created:**

Shares were created within the scope of Capital Markets Legislation.

#### **23.3. Information about whether the shares are dematerialized or not:**

Our partnership's shares are kept dematerialized at MKK within the framework of dematerialization principles.

#### **23.4. Information about the currency in which the shares are issued:**

Shares will be offered for sale in Turkish Lira.

#### **23.5. Information about the rights regarding shares, including restrictions, and the procedure for exercising these rights:**

The shares to be issued provide shareholders with the following rights in accordance with the relevant legislation:

**Dividend rights (Article 19 of the Capital Markets Law)** refer to the right to receive a share of the profit distributed in accordance with the profit distribution policies determined by the General Assembly of the Company and in compliance with the relevant legislation provisions.

Date of entitlement; In publicly held partnerships, dividends are distributed equally to all existing shares as of the distribution date, regardless of their issuance and acquisition dates. Time out; Dividend amounts not collected by partners and other persons participating in the profit and dividend advance amounts not collected by partners become statute-barred in 5 years from the date of distribution.

There are no restrictions on the use of rights. The rights exercise procedure is the same for shareholders resident at home and abroad. Dividend payments to shareholders whose shares are held in dematerialized form with the Central Securities Depository (MKK) and in investor accounts under Investment Firms are transferred to the investors' accounts through the MKK. Full and limited taxpayer legal entities are obliged to submit their liability information in their applications to receive dividends. In profit distribution, the periods determined by the Capital Markets Legislation are observed. In accordance with the Board's Dividend Communiqué numbered II-19.1, dividend distribution transactions must begin as of the end of the accounting period in which the General Assembly Meeting is held, no later than the distribution decision.

The General Assembly is authorized to decide on the non-distribution or partial or full distribution of profits within the framework of profit distribution policies. The practices related to general legal reserves and the dividend account are carried out in accordance with the provisions of the Turkish Commercial Code (TCC), the Capital Markets Board (CMB), and the relevant legislation.

From the revenues determined at the end of the operating period of the company, after deducting the amounts required to be paid or set aside by the company such as general expenses of the company and miscellaneous depreciation, and the taxes required to be paid by the company's legal entity, the remaining period profit, which is seen in the annual balance sheet, is calculated as specified below, after deducting the previous year's losses, if any:

- a) 5% is allocated to legal reserve funds.
- b) From the remaining amount, the first dividend is allocated based on the amount calculated by adding the amount of donations made during the year, if any, in accordance with the Turkish Commercial Code and Capital Markets Legislation.
- c) After deducting the amounts specified in paragraphs a and b from the Annual Profit, a 5% profit share is reserved for the founding partners from the remaining amount.
- d) After deducting the amounts specified in clauses (a), (b), and (c) from the net period profit, the General Assembly is authorized to distribute the remaining portion partially or fully as a second dividend or to allocate it as a voluntary reserve fund pursuant to Article 521 of the Turkish Commercial Code.

- e) One tenth of the amount found after deducting 5% dividend from the portion decided to be distributed to shareholders and other persons participating in the profit is added to the general legal reserve fund in accordance with the second paragraph of Article 519 of the TCC.

Unless the legal reserves required by law and the profit share determined for the shareholders are allocated, no other reserves can be allocated, no profit can be transferred to the next year, and no profit share can be distributed to the holders of usufruct shares, members of the board of directors, and employees of the partnership.

In addition, the General Assembly is authorized to distribute profit advances in accordance with the provisions of the TCC, CMB, and relevant legislation.

Profits distributed in accordance with the provisions of these Articles of Association cannot be taken back. The return of profits in the case of advance dividend distribution is an exception to this rule.

Dividends shall be distributed equally to all of the shares that exist as of the date of distribution, regardless of their dates of issuance and acquisition.

The distribution method and time of the profit that is decided to be distributed is decided by the general assembly upon the proposal of the board of directors.

**Voting rights (CMB article 30);** Even though each shareholder owns only one share, he or she has the right to at least one vote. Shareholders exercise their voting rights in proportion to the total nominal value of their shares at the general assembly.

As stated in Article 7 of the Company's Articles of Association titled Capital, each share has the right to 1 vote.

**Rights to acquire new shares (CMB n. for partnerships in the registered capital system. Article 18);** Each shareholder has the right to purchase newly issued shares according to the ratio of their existing shares to the capital. In the registered capital system, new shares cannot be issued unless the issued shares are completely sold and paid for, or unsold shares are cancelled.

As stated in Article 7 of the Company's Articles of Association titled Capital, the Board of Directors is authorized to limit the shareholders' right to purchase new shares and to issue shares above their nominal value, provided that it does not contradict the provisions of the Turkish Commercial Code and the Capital Markets Law.

The authority to restrict the right to buy new shares cannot be used in a way that causes inequality among the shareholders.

**Right to participate in the liquidation balance (Article 507 of the Turkish Commercial Code);** In the event of the dissolution of the Company, unless there is a different provision in the Articles of Association regarding the use of the assets of the dissolved company, each shareholder participates in the remaining amount after liquidation in proportion to their share.

**Sell-out right (Article 27 of the Capital Markets Law);** As a result of a tender offer or through other means including acting in concert, if the shares owned reach or exceed the ratio determined by the Board, the shareholders holding these shares acquire the right to force the minority shareholders to sell their shares and exit the company. These persons may request from the company, within the period determined by the CMB, the cancellation of the shares of the minority partners and the sale of new shares to be issued to them in return.

**Right to exit the partnership (Article 24 of the Capital Markets Law);** Shareholders who attend the general assembly meeting related to significant transactions, vote against them, and have their dissenting opinion recorded in the meeting minutes have the right to exit the partnership by selling their shares to the company.

**Right to receive bonus shares (Article 19 of the Capital Markets Law);** In the capital increases of the company, bonus shares are distributed to the existing shares as of the increase date.

**The right to invite and participate in the general assembly (Articles 29 and 30 of the Capital Markets Law);** The right to attend and vote in the general assembly cannot be conditioned on the shareholder depositing their shares with any institution. Shareholders whose names are included in the list of attendees prepared by the board of directors by taking into account the list of shareholders provided by the Central Registry Agency, may attend the general assembly meetings of public partnerships whose shares are registered. Shareholders whose names are on this list attend the general assembly by showing their ID.

**Right to information and examination (Article 14 of the Capital Markets Law, Article 437 of the Turkish Commercial Code);** Financial statements, the annual report of the Board of Directors, audit reports, and the Board of Directors' profit distribution proposal shall be made available for the shareholders' examination at the company's headquarters and branches at least 3 weeks before the general assembly meeting. Among these, financial statements are kept open for shareholders to obtain information at the headquarters and branches for a period of one year. Each shareholder may request a copy of the financial statements at the company's expense. At the general assembly, the shareholder may request information from the board of directors about the company's affairs, and from the auditors about the manner in which the audit is carried out and its results. The obligation to provide information also extends to the company's subsidiaries. The information to be given must be meticulous and truthful in terms of accountability and honesty principles.

**Right to file a nullity lawsuit (Articles 18/6, 20/2 of the Capital Markets Law, Articles 445-451 of the Turkish Commercial Code);** To the extent that the damages can be personally attributed to them according to their faults and the requirements of the situation, the members of the board of directors and the independent auditors who prepared the reports are liable to the company, the shareholders, the company's creditors, and directly to the persons who acquired shares during the fiscal period in which the profit share advance was decided or paid, for damages arising from the interim financial statements not reflecting the truth in a fair manner or not being prepared in accordance with legislation and accounting principles and rules, and therefore, the inaccuracy of the distributed profit share advance. In case of situations arising from legal liability, shareholders and board members may file an annulment lawsuit within 30 days from the announcement of the decision. Shareholders who were present at the general assembly meeting and voted against the decision, having their dissenting opinion recorded in the minutes, or those who were not present at the meeting, or who did not vote against the decision, can file a nullity lawsuit within 3 months from the date of the decision if they claim that the call was not made in accordance with the procedure, the agenda was not properly announced, persons or representatives without the authority to attend the general assembly participated and voted, or if they were unjustly prevented from attending and voting, and if these irregularities influenced the adoption of the general assembly decision. Such shareholders can challenge the general assembly decisions that are contrary to the law or the provisions of the articles of association, and especially the principle of good faith.

**Minority rights (Articles 411, 412, 439 of the Turkish Commercial Code);** Shareholders representing at least one-twentieth of the capital may request the board of directors in writing, specifying the justifying reasons and the agenda, to call the general assembly to a meeting or, if the general assembly is already convened, to place the items they wish to be resolved on the agenda. If the board of directors rejects the shareholders' requests for a call and the inclusion of items on the agenda or does not respond positively to the request within 7 business days, the commercial court of first instance in the location of the company's headquarters may decide on the convening of the general assembly upon the application of the same shareholders.

**Right to request a special audit (Article 438 of the Turkish Commercial Code);** If it is necessary for the exercise of shareholders' rights and if the right to information or examination has been previously used, any shareholder may request from the general assembly, even if it is not on the agenda, that certain events be clarified through a special audit. If the general assembly approves the request, the company or any shareholder may apply to the commercial court of first instance in the location of the company's headquarters within 30 days for the appointment of a special auditor.

### **23.6. Authorized body decisions regarding the issuance of shares:**

In the decision of the Board of Directors dated 01/07/2024 and numbered 37, pursuant to the authority granted in Article 7 of the Company's Articles of Association, it has been resolved to increase the issued capital of our Company from 2,530,000,000 Turkish Liras to 8,430,000,000 Turkish Liras by an increase of 5,900,000,000 Turkish Liras (233.20158%) in cash (rights issue) within the registered capital ceiling of 8,500,000,000 Turkish Liras.

- 1.)
- 2.) The capital increase of TRY 5,900,000,000, made for a fee, without restricting the rights of the existing partners to acquire new shares (preemption rights); 1 Lot (100 shares) of shares will be paid at nominal value (TRY 1),
- 3.) It has been resolved to set the period for exercising pre-emptive rights (rights issue) to 15 days and to allow the use of these rights at the nominal value of the shares. In the event that the last day of this period falls on an official holiday, the period for exercising pre-emptive rights will end on the evening of the next business day.
- 4.) After the exercise of pre-emptive rights (rights issue), it has been resolved to sell the remaining shares on the stock exchange at the price to be determined on Borsa Istanbul A.Ş. for a period of 2 (two) business days, provided that it is not less than the nominal value.
- 5.) Within the scope of this decision, it has been resolved to determine the intermediary institution to be worked with during the period for exercising pre-emptive rights and the process of selling the remaining shares on the stock exchange after the exercise of pre-emptive rights, and to make the necessary applications to the Capital Markets Board, Borsa Istanbul A.Ş., Central Securities Depository (Merkezi Kayıt Kuruluşu A.Ş.), Istanbul Settlement and Custody Bank (Takasbank), and all other public and private institutions and organizations.
- 6.) Regarding the realization of all kinds of transactions regarding capital increase,

Authorization of the General Directorate,

It was decided by unanimous vote of those who attended the meeting.

### **23.7. Information regarding whether there are any provisions on the shares to be offered to the public that would restrict the transfer and circulation of shares or prevent the shareholder from exercising his or her rights:**

None.

## **24. ISSUES RELATED TO PUBLIC OFFERING**

### **24.1. Conditions of the public offering, information about the public offering, estimated public offering calendar and what needs to be done to participate in the public offering.**

#### **24.1.1. Conditions governing public offering:**

There is no other authority other than the Capital Markets Board that requires approval before public offering.

#### **24.1.2. Nominal value of shares offered to public:**

Issued capital of TRY 2,530,000,000 within the registered capital ceiling of TRY 8,500,000,000; TRY 5,900,000,000 was increased in cash (paid); It will be increased to TRY 8,430,000,000.

The capital increase of TRY 5,900,000,000 will be made in cash (paid), and the pre-emptive rights of existing shareholders will not be restricted. In this capital increase, 590,000,000,000 shares with a nominal value of TRY 5,900,000,000 and 1 Kuruş each will be offered to the public.

### **24.1.3. Information about the public offering period and participation in the public offering**

#### **24.1.3.1. IPO duration and estimated IPO calendar:**

The exercise of new share purchase rights will begin within 10 business days at the latest after the announcement of the Prospectus, and the period for using the new share purchase right for existing partners has been determined as 15 (fifteen) days. If the last day of this period falls on a public holiday, the right to purchase new shares will expire on the evening of the following business day.

The shares remaining from the exercise of the right to purchase new shares will be offered to the public in the Stock Exchange Primary Market, and the offering period is determined as 2 business days. The nominal amount of the remaining shares to be offered for sale and the dates of the public offering will be announced to the investors through the announcement of the sale to the investors and on the Company's corporate website ([www.hektas.com.tr](http://www.hektas.com.tr)), the Public Disclosure Platform (KAP) ([www.kap.org.tr](http://www.kap.org.tr)), and the website of OYAK Yatırım Menkul Değerler A.Ş. ([www.oyakyatirim.com.tr](http://www.oyakyatirim.com.tr)).

#### **24.1.3.2. Application process for public offering**

##### **a) Sales method and application form:**

The shares to be issued will be sold on the stock exchange at their nominal value during the exercise of pre-emptive rights (the nominal value of one share is 1 Kuruş, and 1 lot (100 shares) will be offered for sale at TRY 1). The shares remaining after the exercise of pre-emptive rights will be sold on Borsa İstanbul A.Ş. at a price not lower than the nominal value.

In sales to savers, CMB's II- 5.2. The "Sale on the Stock Exchange" method included in the Communiqué on the Sale of Capital Market Instruments no. will be used.

Savers who want to take a share in this capital increase must apply to one of the members of the stock exchange, which consists of institutions authorized to trade on BIST. They will be able to purchase shares through the channels offered by the said authorized institutions.

##### **b) Information regarding the place, method and duration of payment of share prices:**

Share prices will be deposited to the TRY account number **TR820001500158007331427246** opened in the name of the Company at Türkiye Vakıflar Bankası TAO, exclusively for use in this capital increase.

Shareholders who wish to exercise their pre-emptive rights and whose shares are held and monitored in investment accounts with investment institutions in the MKS, will deposit the amount for the new shares fully and in cash into their accounts with the investment institutions during the pre-emptive rights exercise period, for transfer by the MKK to the account opened at the bank branch mentioned above.

Our shareholders who do not want to exercise their right to purchase new shares in this capital increase can sell these rights within the exercise period of their right to purchase new shares. If there are shares remaining from the exercise of the pre-emptive right, these shares will be offered for sale at the price formed in the BIST Primary Market, not less than the nominal value, for a period of 2 business days.

Savers who want to become partners by purchasing a share in this capital increase must apply to one of the BİAŞ member banks or intermediary institutions within the sales period. "As the share payments are collected by the Borsa Member conducting the sales transactions, OYAK Yatırım Menkul Değerler A.Ş., they will be deposited into the TRY account with IBAN number **TR820001500158007331427246** at **Türkiye Vakıflar Bankası T.A.O.**

**c) Application places:**

The list of intermediary institutions authorized to trade on Borsa Istanbul A.Ş. is available in the monthly bulletin of Borsa Istanbul A.Ş., in the 'Members' section of its website ([www.borsaistanbul.com](http://www.borsaistanbul.com)), as well as on the websites of the Turkish Capital Markets Association (TSPB) ([www.tspb.org.tr](http://www.tspb.org.tr)) and the Capital Markets Board (CMB) ([www.spk.gov.tr](http://www.spk.gov.tr)).

**d) Distribution time and place of shares:**

The shares of our partners who received shares from the public offering will be monitored on a registered basis at MKK, on the basis of beneficiaries, within the framework of the Capital Markets Legislation.

**24.1.4. Explanation on when and under what conditions the public offering can be canceled or postponed and whether cancellation is possible after the sale has started:**

The cancellation or postponement of the public offering is possible under extraordinary circumstances such as the enactment of legal regulations by legislative and executive bodies, capital market authorities, and other official institutions and organizations that would make it impossible or significantly difficult for OYAK Yatırım and/or the Company to fulfill their obligations under the Brokerage Agreement; the occurrence of events, lawsuits, or investigations affecting the public offering of shares concerning the Company, its shareholders, subsidiaries, affiliates, Board of Directors members, related parties, and key personnel involved in management; or the occurrence of adverse changes resulting in the financial condition of the Company becoming inconsistent with the information provided in the Prospectus during the capital increase period.

Additionally, in accordance with Article 24 of the Capital Markets Board's Communiqué No. II-5.1 on Prospectus and Issue Document, if any changes or new matters that may affect investors' investment decisions arise in the information disclosed to the public through the Prospectus before the commencement of the sale or during the sale period, such situations must be immediately reported in writing to the Board by the issuer or the entity conducting the public offering. In case of changes or new issues arise, the sales process may be stopped by the issuer, the public offeror or authorized institutions upon their approval. This situation is notified to the Board in writing. If the sales process cannot be stopped by the issuer, public offering or authorized institutions, the Board may decide to stop the sales process if deemed necessary.



It may be possible to postpone the public offering due to reasons such as a country-wide disaster, state of emergency, declaration of a state of war, or the symptoms of economic crisis deepening to a level that cannot be overcome.

There is no cancellation of the public offering other than the reasons listed above, the sale will begin with the right to purchase new shares, and the public offering will not be canceled after the sale begins.

**24.1.5. Information about the refund of the amounts related to unmet demands and the amounts paid by investors above the sales price:**

There is no charge for unmet demand. There will be no amount above the price to be paid based on the sales price in the Primary Market.

**24.1.6. Information about the minimum and/or maximum share amounts that can be requested:**

Our company's shareholders have the right to purchase new shares at the rate of 233.201580% of their existing shares. There are no restrictions on the sale of shares remaining from the right to purchase new shares on the stock exchange.

The minimum transaction amount at the Stock Exchange is 1 lot (100 shares) and its multiples, and the amount requested will be shares with a nominal value of TRY 1 and its multiples.

No partner is obliged to exercise their right to purchase new shares.

**24.1.7. Information regarding investors' rights to waive purchase requests:**

In accordance with Article 8 of the Capital Markets Law, if any changes or new matters that may affect investors' investment decisions arise in the information disclosed to the public through the Prospectus before the commencement of the sale or during the sale period, such situations must be immediately reported to the Board by the issuer or the entity conducting the public offering through the most appropriate means of communication.

If changes are required or new issues arise, the sales process may be stopped.

The matters to be changed or newly added are approved by the Board within seven business days from the date of notification, within the framework of the principles set out in the Capital Markets Law, and the part of the prospectus regarding the changed or newly added matters is published.

Investors who made a request to purchase shares before the changes or new issues were published have the right to withdraw their requests within two business days from the publication of the supplements and changes made in the prospectus.

**24.1.8. Delivery method and duration of shares:**

The shares to be issued will be monitored on a registered basis by MKK on the basis of beneficiaries within the framework of dematerialization principles, and physical delivery of the shares will not be made. Registered shares will be delivered in cash during the right exercise period, on the day of the right exercise.

In the event that the remaining shares after the exercise of pre-emptive rights are offered to the public on Borsa Istanbul Primary Market, the shares will be transferred to the investors' accounts with the Central Securities Depository (MKK) two business days (T+2) after the transaction date.

**24.1.9. Information about how the results of the public offering will be announced to the public:**

The results of the public offering will be announced to the public within two business days following the finalization of the distribution list, in accordance with the principles set out in the Board's regulations on the sale of capital market instruments and the Board's regulations on public disclosure of material events.

#### **24.1.10. Information Regarding the Right to Obtain New Shares**

**a) Information on whether the rights to purchase new shares have been restricted and, if so, the reasons for the restriction:**

The rights to purchase new shares are not restricted.

**b) Separate nominal value and number of shares allocated to certain persons:**

None.

**c) Whether an allocation decision has been taken for the remaining shares after the right to purchase new shares has been exercised:**

None.

**d) Pre-emptive rights will be exercisable for a period of 15 days at the application locations specified below, within the dates to be announced later by the Company via the Public Disclosure Platform (KAP) ([www.kap.org.tr](http://www.kap.org.tr)). If the last day of this period falls on a public holiday, the exercise period of the right to purchase new shares will expire on the evening of the following business day.**

The nominal value of one share is 1 Kurus, and 1 lot (100 pieces) of shares will be offered for sale at TRY 1.

**e) Ratio of partners to acquire new shares according to their existing shares in paid/issued capital:**

The new share acquisition rate is 233.201580%.

**f) Information regarding the place and method of payment of share prices:**

Share prices will be deposited to the TRY account number **TR820001500158007331427246** opened in the name of the Company at **Türkiye Vakıflar Bankası TAO**, exclusively for use in this capital increase.

Shareholders who wish to exercise their pre-emptive rights and whose shares are held and monitored with intermediary institutions in the MKS can obtain their new shares by depositing the subscription fees into their accounts with the intermediary institutions where their shares are held and exercising their rights.

**g) Application method and time and place of distribution of shares:**

##### Principles Regarding Dematerialized Shares

i) From our partners who want to exercise their rights to purchase new shares,

a. Those whose shares are not in circulation can pay the new share amount through the intermediary institutions where they have an account or through the issuer.

b. Those whose shares are in circulation can pay the new share amount through the intermediary institutions where they have accounts.

The right to purchase new shares will be deposited in full and in cash within the exercise period.

ii) If the share prices are not paid within the specified period of exercise of the right to purchase new shares, the right to purchase new shares will not be exercised.

iii) Our partners who do not want to exercise their right to purchase new shares in this capital increase can sell this right within the exercise period of their right to purchase new shares.

**h) Information on how unused rights to purchase new shares will be evaluated:**

Our partners who do not want to exercise their right to purchase new shares in this capital increase can sell these rights within the exercise period of their right to purchase new shares (preemption). During the period determined for exercising pre-emptive rights (rights issue) set by companies listed on Borsa Istanbul for cash capital increases, the pre-emptive rights attached to these shares can be traded under the ticker symbol 'R' within the timeframe specified by Borsa Istanbul. New share acquisition (preemption) rights are traded in accordance with the rules valid in the Equity Market. The start day of the transactions is the start day of exercising the right to purchase new shares (preemption). The last day of transactions is the fifth trading day before the end of the exercise period for the right to purchase new shares (preemption).

In the sale of the remaining shares after the exercise of pre-emptive rights, the 'Sale on the Stock Exchange' method specified in the Capital Markets Board's Communiqué No. II-5.2 on the Sale of Capital Market Instruments will be used, and the shares will be offered for sale on the Borsa Istanbul Primary Market at a price not lower than their nominal value. In accordance with Article 25/(1)/(a) of the Communiqué on Shares (VII-128.1), if there are unsold shares following the end of the sales period, the unsold shares representing the increased capital will be canceled within 6 (six) business days after the completion of the sale on the Borsa Istanbul Primary Market.

**24.1.11. Information about the name, business addresses and purchase price of a share of real and/or legal persons who have committed to purchase, and the relationship of these persons with the issuer:**

None. However, the controlling shareholder OYAK declared that it will use all of its rights to acquire new shares (Annex/3).

**24.1.12. Newspapers, if any, in which the sales announcement to savers will be announced:**

None.

**24.1.13. Whether or not the proceeds collected due to public offering will be accrued, and if so, the principles:**

“There will be no benefit.”

**24.1.14. List of people in a position to access inside information in the public offering:**

The list of those who can access Inside Information is given below.

LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION	
MEHMET TAŞ	OYAK CHAIRPERSON OF THE BOARD OF DIRECTORS
SÜLEYMAN SAVAŞ ERDEM	OYAK GROUP SENIOR EXECUTIVE
ORHAN GÜRDAL	OYAK MEMBER OF THE BOARD OF DIRECTORS
FEHMİ KEÇECİ	OYAK GROUP SENIOR EXECUTIVE
BÜLENT ATABEK	OYAK GROUP SENIOR EXECUTIVE
CAN ÖRÜNG	OYAK GROUP SENIOR EXECUTIVE
KEMAL HALUK ERUYGUR	OYAK GROUP SENIOR EXECUTIVE
SERPİL GÜNGÖR ERDOĞAN	OYAK GROUP SENIOR EXECUTIVE
ÜMİT AYDINOĞLU	OYAK MEMBER OF THE BOARD OF DIRECTORS
SEBAHATTİN KARAKOÇ	OYAK GROUP SENIOR EXECUTIVE
YÜCEL DARCAN	OYAK MEMBER OF THE BOARD OF DIRECTORS
GULİZ KAYA	OYAK GROUP SENIOR EXECUTIVE
OGULCAN TOPER	OYAK GROUP SENIOR EXECUTIVE

<b>LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION</b>	
HALİL ERMAN	OYAK MEMBER OF THE BOARD OF DIRECTORS
BÜLENT TANRIVERDİ	OYAK MEMBER OF THE BOARD OF DIRECTORS
NURULLAH BATTAL	OYAK GROUP SENIOR EXECUTIVE
OKTAY DEMİRAY	OYAK GROUP SENIOR EXECUTIVE
BEŞİR FATİH DOĞAN	OYAK MEMBER OF THE BOARD OF DIRECTORS
ÇİĞDEM KÖKER ALPAYDIN	OYAK GROUP MANAGER
BÜLENT ŞAMİL YETİŞ	INDEPENDENT BOARD MEMBER
KADRİ ÖZGÜNEŞ	INDEPENDENT BOARD MEMBER
KURTULUŞ BEDRİ VAROĞLU	MEMBER OF THE BOARD OF DIRECTORS
EREN ZİYA DİK	HEKTAŞ CHAIRPERSON OF THE BOARD OF DIRECTORS
GÖZDE ERKOÇ	MEMBER OF THE BOARD OF DIRECTORS
ENİS EMRE TERZİ	HEKTAŞ GENERAL MANAGER
GÜLBAHAR KARACA	HEKTAŞ ASSISTANT GENERAL MANAGER
AYHAN GÖKBAĞ	HEKTAŞ TECHNICAL AFFAIRS DIRECTOR
TENDU ARSAN	HUMAN RESOURCES DIRECTOR
MEHMET DERİN	R&D DIRECTOR
EMRAH ÖZDEMİR	SUPPLY CHAIN DIRECTOR
DUYGU YÜCE KAVAS	TAMEK MARKETING DIRECTOR
DURAN ŞİMŞEK	AREO TECHNICAL AFFAIRS DIRECTOR
MURAT KILIÇ	FINANCIAL AFFAIRS DIRECTOR
AHMET SARAÇOĞLU	TECHNICAL AFFAIRS DIRECTOR
SİBEL GÜLER	SENIOR MANAGEMENT ASSISTANT
ERTUĞRUL AYDIN	OYAK GROUP SENIOR EXECUTIVE
ZULKÜF PATIENT	HEKTAŞ FOREIGN TRADE OPERATIONS MANAGER
ADEM DEMİRAL	OYAK YATIRIM MENKUL DEĞERLER A S
HASAN DUMANGÖZ	SAGRA PURCHASING MANAGER
DENİZ KUMCUOĞLU	OYAK YATIRIM MENKUL DEĞERLER A S
GÜRKAN CANKURT	OYAK GROUP SENIOR EXECUTIVE
AYLIN KIRKAYA	R&D CENTER COORDINATION MANAGER
CANAN ÖZER	OYAK INVESTMENT SECURITIES
AYŞE GÜLER	OYAK GROUP MANAGER
BARAN ÇELİK	OYAK GROUP SENIOR EXECUTIVE
ERSİN KAYALI	OYAK YATIRIM MENKUL DEĞERLER A S
MEHMET HÖKE	AXPART BİLİŞİM SOFTWARE CONSULTANT
SONER YONTAR	COST ACCOUNTING MANAGER
YAVUZ TOKAT	AXPART BİLİŞİM SOFTWARE CONSULTANT
ABDULLAH FATİH DOĞRUEK	ACCOUNTING MANAGER
AYHAN KOÇ	HEKTAŞ INTERNAL PURCHASING MANAGER
ALİ İHSAN POLAT	HEKTAŞ COST ACCOUNTING DIRECTOR
SEZGİ ENGİNOĞLU	AEGEAN ACCOUNTING OFFICER
NESLİHAN DUMAN	HEKTAŞ CHANNEL COMMUNICATION SPECIALIST
DENİZ GÜRÇAY	PLANT PROTECTION LICENSING SPECIALIST

<b>LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION</b>	
ÖZGÜR KOYUNCU	HEKTAŞ PLANT PROTECTION PRODUCT MANAGER
MEHMET ERSUN ERSUNAN	OYAK GROUP SENIOR EXECUTIVE
SAMİ BASIC	OYAK GROUP MANAGER
HAKKI TUNÇ ÇIĞGIN	CONSULTANT
TAMER AKSOY	OYAK GROUP EMPLOYEE
MUSTAFA ERKUT ATAY	COUNTRY SALES MANAGER
KADİR BERKAY AYTEKİN	OYAK YATIRIM MENKUL DEĞERLER A S
NEVESER SENA DALKIRAN	HEKTAŞ ANIMAL HEALTH PRODUCT MANAGER
TURGUT HIÇYAKMAZER	ÇUKUROVA REGIONAL MANAGER
BETÜL BURCU PATER	OYAK GROUP MANAGER
FÜSUN DÖNERTAŞ	HEKTAŞ INVESTOR RELATIONS MANAGER
ELİF DEMİRKOL	TAMEK FINANCE MANAGER
GÖKHAN UGAN	CONSULTANT
ÖZKAN SAÇKAN	AREO ACCOUNTING MANAGER
HAŞİM ÇAĞLAR YÜCEL	CENTRAL ANATOLIA ACCOUNTING OFFICER
MEHMET ERGİN DİNÇ	INFORMATION TECHNOLOGIES MANAGER
EZGİ YÜCEL KIYLIOĞLU	TAMEK MARKET RESEARCH MANAGER
ELIF KUVVET	OYAK GROUP MANAGER
MEFHARET İLKE MAT	OYAK GROUP EMPLOYEE
ÜMİT EĞİNLİOĞLU	LEGAL ADVISOR
MEHMET TEKSOY	HEKTAŞ ACCOUNTING MANAGER
MUSTAFA KOÇYİĞİT	ÇUKUROVA ACCOUNTING OFFICER
NAZLI İVAK	DELOIT INDEPENDENT AUDIT EMPLOYEE
EMRE ERZİNCANLI	GEBZE PRODUCTION MANAGER
EDA GÖKALP	QUALITY CONTROL MANAGER
SEDA KILINÇ AĞAOĞLU	INTEGRATED MANAGEMENT SYSTEMS MANAGER
HÜLYA ÜNAY AYGÜL	OYAK GROUP EMPLOYEE
ALPER TOPÇU	OYAK GROUP MANAGER
MEHMET SERTAÇ ÇANKAYA	OYAK GROUP SENIOR EXECUTIVE
ÇİĞDEM ASLAN	OYAK GROUP MANAGER
FİLİZ AYDOĞAN	FERBİS PRODUCTION PLANNING MANAGER
ELIF YILMAZ	ACCOUNTING MANAGER
BANU DOĞAN	HEKTAŞ COST ACCOUNTING MANAGER
GÖKHAN EROĞLU	OYAK GROUP MANAGER
ADEM KÖZ	WELOKS INFORMATION PROCESSING CONSULTANCY
MURAT KÖROĞLU	OYAK GROUP MANAGER
SERKAN DEMİRTON	CENTRAL ANATOLIA ACCOUNTING OFFICER
ALİ ÇARDAKÇI	OYAK AUDIT BOARD MEMBER
TUBA BEKTAŞ	INVESTOR RELATIONS MANAGER
AHMET KARAYİĞİT	ANNUAL REPORT DESIGN AGENCY STAFF
FAHRİ MURAT YILMAZ	AEGEAN ACCOUNTING OFFICER
SİNAN SÜLEK	ACCOUNTING SPECIALIST
GÖKHAN BÖLÜK	FINANCIAL REPORTING MANAGER
FATİH KAHRAMAN	SUNSET ACCOUNTING MANAGER

<b>LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION</b>	
ARDA KAAAN ALPMAN	OYAK GROUP MANAGER
ŞAKİR BÖKE İNCE	OYAK GROUP EMPLOYEE
YEKTA BALCA	ATOL LTD MANAGING PARTNER
NADİR KONUKLU	AXPART BİLİŞİM SOFTWARE CONSULTANT
ENİSE SELCEN AŞKUN	HEKTAŞ R&D MANAGER
BETÜL MADENÜS	HEKTAŞ BUDGET MANAGER
ŞENNUR SEVMEZ	FERBİS R&D AND QUALITY CONTROL MANAGER
KAAN KÜÇÜK	ARMA COMMERCIAL MARKETING MANAGER
CEREN MALYEMEZ BOSTAN	OYAK GROUP MANAGER
TOLGA AKKAYA	HEKTAŞ SOFTWARE SPECIALIST
DENİZ EZGİ KINA	OYAK GROUP MANAGER
SALİH SÜLEYMANOĞLU	ACCOUNTING SPECIALIST
SAFFET KÖR	FERBİS MARMARA REGIONAL MANAGER
HAKAN YILDIZ	FERBİS MEDITERRANEAN REGIONAL MANAGER
EMRE GÜNHAN	FINANCE MANAGER
ONUR SOYUER	KPMG YETKİN YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
YASİN SELÇUK YAŞAR	HEKTAŞ BRAND AND COMMUNICATIONS MANAGER
RAMAZAN AKCAN	INTERNAL AUDIT MANAGER
ZEHRA TÜRK YILMAZ	FINANCIAL REPORTING MANAGER
MURAT KARA	ATOL LTD SOFTWARE CONSULTANT
LEYLA KÖSEM ÖZCAN	OYAK GROUP MANAGER
UĞUR YÜKSEL	HEKTAŞ PLANT NUTRITION PRODUCT MANAGER
ÖMER TURKALI	FERBİS SALES MANAGER
FEYZA DEMETGÜL AKKOYUNLU	OYAK GROUP EMPLOYEE
FERHAT EVCİL	HEKTAŞ TREASURY MANAGER
VOLKAN BECERİK	DELOIT INDEPENDENT AUDIT PARTNER
GÜLŞEN TİRYAKİ	DELOIT INDEPENDENT AUDIT EMPLOYEE
TAYGUN ERKAN	DELOIT INDEPENDENT AUDIT EMPLOYEE
GÖZDE TOPAL	DELOIT INDEPENDENT AUDIT EMPLOYEE
FUAT BİLİCİ	ACCOUNTING MANAGER
BURCU SAROĞLU	OYAK GROUP MANAGER
ALİ CAN BAYRAK	CENTRAL ANATOLIA REGIONAL MANAGER
MERİÇ AYBERK ÖZKAYA	FERBİS ACCOUNTING OFFICER
HALET BERK KONUKLU	AXPART BİLİŞİM SOFTWARE CONSULTANT
HANDE ÇOLPAN SÜRÜCÜ	BRAND AND COMMUNICATION MANAGER
EMRAH ZENGİN	CORPORATE MONITORING SPECIALIST
İSMAİL HAKKI AYDIN	OYAK GROUP EMPLOYEE
TURGUT ALABUĞA	AEGEAN REGIONAL MANAGER
EMRE ÇETİN	OYAK GROUP EMPLOYEE
ÖZGE ERDEMİR GEÇER	OYAK GROUP EMPLOYEE
GÖNÜL GÜNEY	OYAK GROUP MANAGER
YÜCEL KUTLU	GAP REGIONAL MANAGER
ERSİN POLAT	ADMINISTRATIVE AFFAIRS STAFF
VOLKAN SOYLU	ADMINISTRATIVE AFFAIRS STAFF

<b>LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION</b>	
SERKAN HAKALMAZ	MEDITERRANEAN REGIONAL MANAGER
BURAK IŞIK	MARMARA REGIONAL MANAGER
SERKAN KORKMAZ	INTERNAL PURCHASING MANAGER
VOLKAN ÜNLÜEL	OYAK GROUP SENIOR EXECUTIVE
ERTAN AYGÜL	HEKTAŞ PAYROLL AND PERSONAL AFFAIRS MANAGER
MUSTAFA KANMAZ	OYAK GROUP EMPLOYEE
OZAN AYDINÖZ	AXPART BİLİŞİM SOFTWARE CONSULTANT
EREN CAN TEMEL	OYAK GROUP EMPLOYEE
BARAN ERDEM	OYAK GROUP EMPLOYEE
FATİH DEMİR	TECHNICAL SUPPORT SPECIALIST
BENGİSU SAYGILI	LEGAL ADVISOR
ÖZLEM MOHAMMAD	HEKTAŞ CORPORATE MONITORING MANAGER
EMİNE GÖKDEMİR	OYAK GROUP EMPLOYEE
ESRA ADVİYE BUDAK	OYAK GROUP EMPLOYEE
AYKUT ATEŞ	HEKTAŞ COMMERCIAL FINANCE MANAGER
GAMZE SOĞANCI	PURCHASING MANAGER
ECE CINGI	OYAK GROUP MANAGER
CELİL GÖKHAN ALTUN	OYAK GROUP MANAGER
ONUR UYSAL	OYAK GROUP MANAGER
ALARA KANDEMİR	INTERNAL AUDIT SPECIALIST
MÜMİN ÇELENLİ	OYAK GROUP EMPLOYEE
MEVRE TURAN	BDO INDEPENDENT AUDIT EMPLOYEE
TÜLİN YÜKSEL	QUALITY MANAGEMENT SYSTEMS CONSULTANT
EMEL YILDIRIM TOPALCA	AREO ACCOUNTING SPECIALIST
OSMAN AYYILDIZ	SOFTWARE DEVELOPMENT SPECIALIST
UFUK YORGANCI	OYAK GROUP EMPLOYEE
EBRU SOLMAZ	FERBİS ACCOUNTING SPECIALIST
EZGİ BAYBURTLU	OYAK GROUP EMPLOYEE
AYSİN GEZER	ACCOUNTING OFFICER
EMRE KÖSE	WELOKS INFORMATION PROCESSING CONSULTANCY
MURAT ÜNDAR	HEKTAŞ FINANCE MANAGER
CABİR DEMİREL	SYSTEM AND NETWORK ADMINISTRATOR
BİRCAN ŞAHİN ÇELİK	TALENT PERFORMANCE AND DEVELOPMENT MANAGER
BİRCAN KARACA	HEKTAŞ FOREIGN TRADE OPERATIONS MANAGER
MÜJEN BOROĞLU	HEKTAŞ FOREIGN TRADE PURCHASING OFFICER
YÜCE GÜRKAN GÜVEN	OYAK GROUP EMPLOYEE
GÜLŞAH KARACA	OYAK GROUP MANAGER
EMRAH DİRİCE	HUMAN RESOURCES BUSINESS PARTNERSHIP MANAGER
RAMAZAN ÇEVİK	WELOKS INFORMATION PROCESSING CONSULTANCY
GÖRKEM KARADENİZ	HEKTAŞ BRAND AND COMMUNICATIONS OFFICER

<b>LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION</b>	
HASANCAN MERCANKAYA	DIGITAL MARKETING SPECIALIST
UĞUR TEMİZYÜREK	PRODUCTION PLANNING MANAGER
DENİZ YOLSAL	OYAK GROUP MANAGER
İBRAHİM EMRE YATAR	FERBİS ÇUKUROVA REGIONAL MANAGER
İREM ATALAY	OYAK GROUP EMPLOYEE
SİNEM ALTINÖZ	BUDGET SPECIALIST
ÇAĞDAŞ UZUNOK	BDO INDEPENDENT AUDIT EMPLOYEE
ELİF CAN SÖKÜCÜ	PAYROLL AND PERSONAL AFFAIRS SPECIALIST
FEVZİ DİNÇEL	FERBİS PRODUCTION MANAGER
HAZAL GÜNEY ERDOĞAN	OYAK GROUP EMPLOYEE
MÜGE EMİL	FINANCE SPECIALIST
ALEYNA ÖZDER	FOREIGN PURCHASING SPECIALIST
MUSTAFA ÖMER GÜÇLÜTÜRK	CORPORATE MONITORING SPECIALIST
EBRU KURBAN	SATEM HUMAN RESOURCES MANAGER
ALPER TURAN	OYAK GROUP MANAGER
ECEM ULUBAY	OYAK GROUP EMPLOYEE
BURCU CAVLAK	HEKTAŞ COMMERCIAL FINANCE MANAGER
KÜBRA NUR TATAR	OYAK PRIVATE SECRETARY DIRECTORATE EMPLOYEE
ERSİN GENÇ	ATOL LTD CONSULTANT
MELTEM KARAKUŞ	CENTRAL ANATOLIA ACCOUNTING OFFICER
MURAT TEKİN	OYAK YATIRIM MENKUL DEĞERLER A S
TOLGA ATEŞ	OYAK GROUP EMPLOYEE
ÖZKAN DİKİCİ	OYAK GROUP EMPLOYEE
SİNEM AYDOĞAR	ULUAY TERCÜMANLIK PROJECT COORDINATOR
CAFER UMUT ÖZ	OYAK GROUP EMPLOYEE
GİZEM AYTAZ	OYAK GROUP EMPLOYEE
NESLİHAN KAVCI	OYAK GROUP EMPLOYEE
NESLİHAN APARI	OYAK GROUP EMPLOYEE
BAŞAK KUMAŞ	OYAK GROUP EMPLOYEE
VEYSEL DABAKOĞLU	HEKTAŞ ERP MANAGER
SERKAN DEMİR	OYAK GROUP EMPLOYEE
DENİZ MULLAOĞLU	ANNUAL REPORT DESIGN AGENCY STAFF
MUSTAFA ERDEN	OYAK GROUP EMPLOYEE
EBRU ŞENSOY	COMMERCIAL FINANCE SPECIALIST
BURAK YURTEN	INVESTMENT INCENTIVE CONSULTANT
OĞUZ UYAR	BDO INDEPENDENT AUDIT EMPLOYEE
BANU ALKANAT	ACCOUNTING OFFICER
SUAT ALP	LICENSING SPECIALIST
GÜŞTA ECMEL KIRICI	OYAK GROUP EMPLOYEE
HASAN ÖZKAYA	HEKTAŞ MEDITERRANEAN ACCOUNTING OFFICER
ANIL BALCI	HEKTAŞ WEB SOFTWARE MANAGER
HALUK EFEKAN MEHTER	OYAK GROUP EMPLOYEE
EGE SOYSALAN	OYAK GROUP EMPLOYEE



<b>LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION</b>	
BEGUM CÖMERT	OYAK GROUP EMPLOYEE
TAYLAN UZUNOĞULLARI	OYAK GROUP EMPLOYEE
TURGAY DEMİRCİ	HEKTAŞ PRODUCTION PLANNING AND LOGISTICS MANAGER
HASAN KILINÇ	ACCOUNTING MANAGER
GÜLTEN İKRA ÖZELGÜL	LICENSING SPECIALIST
ÖZGE GEÇ	OYAK GROUP EMPLOYEE
MERT ASILKAN COACH	OYAK GROUP EMPLOYEE
BENJAMİN COSIĆ	EXPORT MANAGER
MEHMET KÖSE	PROJECT AND MAINTENANCE MANAGER
SERKAN ALBAYRAK	ORHANGAZI FACILITY MANAGER
CÜNEYT KARAÇAL	INTERNAL PURCHASING SPECIALIST
AYKUT AKTEN	BDO INDEPENDENT AUDIT EMPLOYEE
GİZEM CEREN KADILAR	OYAK GROUP EMPLOYEE
DOĞUKAN GÜNEŞ	OYAK GROUP EMPLOYEE
SENA ALTUNOK	OYAK GROUP EMPLOYEE
YİĞİT ALTAY	HEKTAŞ ACCOUNTING OFFICER
YAHYA ÖZGÜR DALKILIÇ	BDO INDEPENDENT AUDIT EMPLOYEE
ABDULLAH BERKAY KÜÇÜK	BUDGET SPECIALIST
CANSU SARI	OYAK GROUP EMPLOYEE
ELİF ATAN	OYAK GROUP EMPLOYEE
SİNEM KÖSE	HEKTAŞ COMMERCIAL ACCOUNTING SPECIALIST
HANİFE ERTÜRK	ACCOUNTING SPECIALIST
AHMET CEM ÖZTEPE	PRODUCTION PLANNING AND PURCHASING SPECIALIST
EMİNE YURTOĞLU	R&D MANAGER
EMRECAN KALENDER	INTERNAL PURCHASING OFFICER
RUDİL BAYYURT	PLANT PROTECTION LICENSING SPECIALIST
OZAN IŞIKÇI	ERP SPECIALIST
MUKADDES AYAZ	ARMA INTERNAL PURCHASING MANAGER
BÜŞRA CİMOĞLU	FERBİS ACCOUNTING OFFICER
GÜLBAHAR ŞİK	TALLY-MAN
BURAK ÖZ	INTERNAL PURCHASING OFFICER
SİMİN KIŞINBAY	DATA ANALYSIS OFFICER
TÜLAY KOYUN	FOREIGN TRADE OPERATIONS MANAGER
EDA ÖZKAN	OYAK GROUP EMPLOYEE
FERHAT DEMİRKIYIK	OYAK GROUP EMPLOYEE
İLKER MET	OYAK AUDIT BOARD MEMBER
YAŞAR YOLCU	OYAK AUDIT BOARD MEMBER
ZAFER AYDOĞAN	OYAK MEMBER OF THE BOARD OF DIRECTORS
MELİS DOĞAROĞLU	OYAK GROUP EMPLOYEE
CİHAN ASLAN	OYAK GROUP MANAGER
GORKEM ARSLAN	WEB SOFTWARE RESPONSIBLE
FATMA GÜLER	ACCOUNTING OFFICER
HAMİ KÜÇÜK	HUMAN RESOURCES BUSINESS PARTNER
ÜZEYİR TOPAL	ARMA EXPORT MANAGER
KÜBRA DİNÇER	PROCESS SAFETY MANAGER

<b>LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION</b>	
SUNA ZEREN	ULUAY TERCÜMANLIK PROJECT OFFICIAL
BARBAROS SEVGEN	WEB SOFTWARE RESPONSIBLE
İBRAHİM OĞUZ BÜYÜKÇOBAN	OYAK GROUP EMPLOYEE
EDA ÖZDEMİR KARACALI	OYAK GROUP MANAGER
ENDER İNELLİ	BDO / BUSINESS PARTNER
MERVE TURAN	BDO / SPECIALIST
NAİM ZORLU	OYAK GROUP MANAGER
ARMAĞAN GÜNER	OYAK INVESTMENT /SENIOR MANAGER
ERDAL IŞIKDEMİR	OYAK INVESTMENT /SENIOR SPECIALIST
YUSUF ZİYAEDDİN SÖNMEZ	GÜNEL LAWY / LAWYER
ONUR GÜNEL	GUNEL LAW / BUSINESS PARTNER
ZEYNEP KARS	GÜNEL LAWY / LAWYER
ELIF YILMAZ	ACCOUNTING MANAGER
SİNEM KÖSE	COMMERCIAL ACCOUNTING SPECIALIST
HANİFE ERTÜRK	ACCOUNTING SPECIALIST
SİNAN SÜLEK	ACCOUNTING SPECIALIST
SALİH SÜLEYMANOĞLU	ACCOUNTING SPECIALIST
NESLİŞAH BAKAR	OYAK GROUP EMPLOYEE

## **24.2. Distribution and allocation plan:**

**24.2.1. To the best of the issuer's knowledge, information regarding whether the main shareholders or board members of the issuer, or persons with significant control in management, intend to commit to participating in the public offering, or whether any person intends to commit to more than 5% of the shares to be offered to the public:**

None.

**24.2.2. Information about the process of informing investors about the finalized share amount they received from the public offering:**

Investors who request the public offering will be able to learn the finalized share amount they have received from the public offering from the intermediary institution to which they applied to purchase shares from the public offering.

## **24.3. Information regarding the determination of the price of shares**

**24.3.1. Information about the sales price of a share with a nominal value of TRY 1,00 and the costs that the requesting investor will incur.**

Shares will be sold for 1 lot (100 shares) with a nominal value of TRY 1 at TRY 1 for the use of new shares, and the remaining shares will be sold for not less than TRY 1 in the primary market of the stock exchange. Investors making a request will be subject to the pricing policies of the brokerage firms they apply to, such as brokerage commissions, expenses and service fees. The service fee accrued to the intermediary institutions by MKK and calculated based on the share amount is applicable to the practices of the intermediary institutions. It can be collected from investors accordingly.

**24.3.2. Information on the methods used to determine the public offering price, the process of announcing the public offering price to the public if the sale price is not fixed, and who is responsible for determining the public offering price or the criteria for determining the price.**

The rights to purchase new shares will be available at TRY 1 for 1 lot (100 shares) with a nominal value of TRY 1, for 15 days between the dates to be announced to the public by the Company via KAP.

The remaining shares after the exercise of pre-emptive rights will be offered to the public on Borsa Istanbul A.Ş. Primary Market for a period of 2 (two) business days at a price not lower than their nominal value. The "Sale on the Stock Exchange" method specified in the Capital Markets Board's "Communiqué on the Sale of Capital Market Instruments" numbered 11-5.2 will be used in the sale. The public offering dates will be announced through the Announcement for the Sale to Savings Holders and will be published on the Company's corporate website ([www.hektaş.com.tr](http://www.hektaş.com.tr)), the website of OYAK Yatırım Menkul Değerler A.Ş. ([www.oyakyatirim.com.tr](http://www.oyakyatirim.com.tr)), and on the Public Disclosure Platform (KAP) ([www.kap.org.tr](http://www.kap.org.tr)).

**24.3.3. If the right to purchase new shares is restricted, information about those who benefit from the restriction of the right to purchase new shares:**

The rights to purchase new shares are not restricted.

**24.4. Brokerage Underwriting and Public Offering Brokerage**

**24.4.1. Information about the authorized institutions that will mediate the public offering:**

Trade Name: OYAK Yatırım Menkul Değerler A.Ş.

Head Office Address: Ayazağa Mahallesi Kemerburgaz Caddesi Vadi İstanbul Park 7 B Blok No:7C Kat:18 Sarıyer/ İstanbul

Phone: (0212) 319 12 00

Fax: (0212) 351 05 99

Website: [www.oyakyatirim.com.tr](http://www.oyakyatirim.com.tr)

**24.4.2. Names of custody and payment institutions located in the countries where the public offering will be held:**

The public offering will not be held in any country other than the Republic of Turkey.

**24.4.3. Information about brokerage type:**

			Shares Underwritten		Shares Not Underwritten	
Authorized Organization	Position in the Consortium, if established	Type of Brokerage	Nominal Value (TRY)	Ratio of Shares Offered to the Public (%)	Nominal Value (TRY)	Ratio of Shares Offered to the Public (%)
OYAK Yatırım Menkul Değerler A.Ş.	There is no consortium	Best efforts underwriting	None.	None.	5,900,000,000	100

**24.4.4. Information about the brokerage agreement**

Company and OYAK Yatırım Menkul Değerler A.Ş. Capital Increase Intermediation Agreement dated 21.04.2022 was made between . The contract covers the sale of shares remaining from the use

of intermediary and preemptive rights for the distribution of shares to existing partners at nominal price, representing the capital increased through the "best efforts" method. Sale is the offering of shares to the public on the Borsa Istanbul Primary Market. OYAK Yatırım Menkul Değerler A.Ş. does not have any commitment regarding the shares remaining from the sale of unused priority rights.

#### **24.5. Interests of relevant real and legal persons regarding the public offering:**

There is no real or legal person with a significant interest in the public offering. The Company's capital from the public offering of the Company's shares is transferred to OYAK Yatırım Menkul Değerler A.Ş., which provides brokerage services. will earn brokerage commission. The authorized institution has no direct or indirect economic interest related to the success of the public offering, except for the commission it will receive due to the capital increase. There is no agreement between the shareholders holding 5% or more of the issuer's capital and the authorized institution.

### **25. INFORMATION RELATED TO TRADING ON THE STOCK EXCHANGE**

#### **25.1. Whether an application has been made for the shares to be traded on the Stock Exchange and, if known, the earliest trading dates:**

The Company's shares are currently traded on the BIST Star Market under the code HEKTS. The new shares to be issued in the capital increase will be traded on Star Market at Borsa Istanbul A.Ş. following the necessary CRA transactions on the first day of exercising the right to purchase new shares.

The shares issued in the capital increase are transferred to the investors' accounts in dematerialized form following the payment of the priority fees by the investors and are subject to transaction at Borsa Istanbul A.Ş. In the event of shares remaining due to unexercised pre-emptive rights, these shares will be offered for sale using the 'Sale on the Stock Exchange' method, at a price not lower than their nominal value, based on the price determined on Borsa Istanbul A.Ş. Primary Market. These shares will be traded after the announcement of the primary market and public offering principles by Borsa Istanbul A.Ş.

The listing of shares to be issued due to rights issues by publicly listed companies is explained in Article 41 of the Borsa Istanbul A.Ş. Listing Directive.

#### **25.2. Information on whether the issuer's shares in the same group are listed on the stock exchange or whether it has an application regarding these issues:**

Existing shares are traded on BIST Star Market under the code HEKTS.

#### **25.3. Simultaneously with the shares intended to be traded on the stock exchange;**

- Offering the shares in the same group as the shares in question to private/qualified investors or committing to purchase them,

- In case another group of shares or capital market instruments of the issuer is subject to sale or public offering to private/qualified investors

**Detailed information about the nature of these transactions and the number, nominal value and characteristics of the capital market instruments to which these transactions belong:**

None.

#### **25.4. Market maker and the principles of market making:**

None.

## 26. INFORMATION AND COMMITMENTS ON THE SALE OF EXISTING SHARES

### 26.1. Information about the partner(s) who will offer their shares to the public:

None.

### 26.2. Nominal value of shares offered for sale by partners who will offer their shares to the public

None.

### 26.3. Commitments not to increase the amount of shares in circulation after the public offering:

None.

## 27. PUBLIC OFFERING PROCEEDS AND COSTS

### 27.1. The estimated total and per share cost that the issuer will incur and the net income it will receive regarding the public offering:

Expenses related to share issuance	
Board Fee (0.2% on issue value)	TRY 11,800,000
Borsa İstanbul A.Ş. Listing Fee (0.03%) (Including BITT)	TRY 1,858,500
Competition Protection Fund (0.04%)	TRY 2,360,000
MKK Issuer Service Fee (0.005%) (Including BITT)	TRY 309,750
Vehicle Setup Payment Amount (Including BSMV)	TRY 1,470,000
<b>Estimated Total Cost</b>	<b>TRY 17,798,250</b>
Total of Shares with 1 TRY Nominal Value	5,900,000,000
<b>Cost Per Share</b>	<b>0.003017 TRY</b>

### 27.2. Justification for public offering and uses of public offering proceeds:

It has been decided to increase the Company's existing issued capital of TRY 2,530,000,000 to TRY 8,430,000,000 by increasing it by TRY 5,900,000,000 (233.20158%).

The gross cash inflow expected from the sale of the shares to be issued for the planned rights issue of TRY 5,900,000,000 is anticipated to be TRY 5,900,000,000. After deducting the estimated issuance cost of TRY 17,798,250, the estimated net cash inflow to be obtained from the rights issue is expected to be TRY 5,882,201,750.

The resources envisaged to be provided as a result of this capital increase are planned to be used in the areas specified in the table below.

PLACE OF USE OF THE FUND (*)	RATIO TO NET CAPITAL INCOME (%)
Debt Repayment	100
<b>TOTAL</b>	<b>100</b>

*\*As a result of the paid-in capital increase made in 2022, TRY 187,878,850 of the TRY 1,027,546,620 amount obtained for our foreign investments was used for Uzbekistan investment, and the remaining TRY 839,667,770 has not been used yet.*

The report regarding the use of the fund and the relevant board of directors decision are included in Annex 4.

## 28. WATERING EFFECT

### 28.1. Amount and percentage of dilution effect resulting from the public offering:

<b>Watering Effect</b>	
Pre-IPO Equity (31.12.2023)	TRY 7,539,775,642
Paid-up Capital	TRY 2,530,000,000
Book Value Per Share	TRY 2,980
Cash Equity Increase	TRY 5,900,000,000
Public Offering Expenses	TRY 17,798,250
Post-IPO Equity	TRY 13,421,977,392
Post-IPO Capital	TRY 8,430,000,000
Book Value Per Share After Public Offering	TRY 1.59
(Negative) Dilution Effect for Existing Partners	TRY -1,388 (-46.57%)

The calculations in the table above have been made with the assumption that all of our investors will fully exercise their pre-emptive rights in the forthcoming rights issue. If there are differences in actual participation, there may be some variations in the calculations.

In the event that existing shareholders do not exercise their pre-emptive rights and all the unexercised shares are sold on the Borsa Istanbul primary market, the amount of shares in circulation will increase by the amount of shares sold. There are no restrictions on the rights of existing partners to purchase new shares. Therefore, this situation cannot be calculated.

### 28.2. The amount and percentage of the dilution effect if existing shareholders do not purchase shares from the public offering (if they do not exercise their right to purchase new shares):

The company has a paid capital of TRY 2,530,000,000; After the capital increase worth TRY 5,900,000,000, it will increase to TRY 8,430,000,000. The dilution effect calculated based on the Company's closing price of TRY 12.41 dated 05.07.2024 is presented in the table below.

<b>Watering Effect</b>	
Pre-IPO Equity (31.12.2023)	TRY 7,539,775,642
Paid-up Capital	TRY 2,530,000,000
Book Value Per Share	TRY 2,980
Cash Equity Increase	TRY 5,900,000,000
Public Offering Expenses	TRY 17,798,250
Post-IPO Equity	TRY 13,421,977,392
Post-IPO Capital	TRY 8,430,000,000
Book Value Per Share After Public Offering	TRY 1.59
(Positive) Dilution Effect for Existing Partners	TRY 2,605(-87.41%)

The calculations have been made in the light of the above assumptions/data, and there may be some differences in the calculations to be made after the actual data emerges.

## 29. EXPERT REPORTS AND INFORMATION RECEIVED FROM THIRD PARTIES

### 29.1. Information about those who advised the issuer during the public offering process:

OYAK Yatırım Menkul Değerler A.Ş. provides brokerage services to the Company regarding capital increase and public offering.

### 29.2. Expert and independent audit reports and information received from third parties:

Information about the organizations that performed the independent audit of the financial statements included in the prospectus and their independent audit opinions are included in the table below.

Financial Statement Periods	Trade Name of the Independent Audit Firm	Auditor in Charge	Independent Audit Opinion	Address
01.01.2023 – 31.12.2023	DRT Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş.	Volkan BECERİK	Positive	Eski Büyükdere Cad. No 1 Sarıyer / İSTANBUL
01.01.2022 – 31.12.2022	DRT Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş.	Volkan BECERİK	Positive	Eski Büyükdere Cad. No 1 Sarıyer / İSTANBUL
01.01.2021 - 31.12.2021	DRT Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş.	Nazlı IVAK	Positive	Eski Büyükdere Cad. No 1 Sarıyer / İSTANBUL

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜZAVİRLİK A.Ş., which carried out the independent audits of the financial statements for the years 2021, 2022, and 2023 included in the prospectus, does not have options that give or guarantee the right to acquire securities issued by the company or belonging to its group companies or securities of the issuer. These two audit firms were not previously employed by the Company or received any other fee other than the fee paid within the scope of the audit service. In addition, these two audit firms are not members of any of the management and audit bodies of the Company, and they do not have connections with the authorized institutions involved in the public offering of the Company's securities. Therefore, they have no interests other than the independent audit fee paid by the Company. The prospectus includes information obtained from third parties such as the Plant Protection Products Manufacturers Association (ZİMİD) ([www.zimid.org.tr](http://www.zimid.org.tr)), the Turkish Statistical Institute (TÜİK) ([www.tuik.gov.tr](http://www.tuik.gov.tr)), the General Directorate of Meteorology Research Department (MGM) ([www.mgm.gov.tr](http://www.mgm.gov.tr)), the Presidency of the Republic of Turkey Strategy and Budget Office (SBB) ([www.sbb.gov.tr](http://www.sbb.gov.tr)), and IPARD (EU Rural Development Grant Program). To the best of the issuer's knowledge and the extent that the issuer can ascertain from the information published by the relevant third parties, there are no omissions that would render the disclosed information false or misleading.

The reports regarding tangible asset valuations and financial fixed asset investments specified in this prospectus and information about the dates and numbers of these reports and the valuation institution that prepared the report are as follows:

	<b>Valuation Report Issue Number</b>	<b>Date of Valuation Report</b>	<b>Title of the Organization Preparing the Valuation Report</b>	<b>Address</b>	<b>Prepared the Valuation Report</b>	<b>Trade Name</b>
<b>FERBİS TARIM TİCARET VE SANAYİ A.Ş.</b>	001172017	23.08.2017	Ege Bağımsız Denetim A.Ş.	Halil Rifat Paşa Mah. No:1/1 Okmeydanı 34384 Şişli/İstanbul	Halil Kaya Özer	Auditor in Charge
<b>FERBİS TARIM TİCARET VE SANAYİ A.Ş.</b>	2562017	12.10.2017	Oyak Yatırım Menkul Değerler A.Ş.	Ayazağa mh.Kemerburgaz cd.Vadi İstanbul Park 7B Blok No:7C K:18 Sarıyer/İSTANBUL	Toygun Onaran	Research Group Manager
<b>AREO TOHUMCULUK ARGE SANAYİ VE DIŞ TİCARET A.Ş.</b>	000382019	8.02.2019	Oyak Yatırım Menkul Değerler A.Ş.	Ayazağa mh.Kemerburgaz cd.Vadi İstanbul Park 7B Blok No:7C K:18 Sarıyer/İSTANBUL	Toygun Onaran	Research Group Manager
<b>ARMA ILAC SANAYİ VE TİCARET A.Ş.</b>		16.02.2021	Oyak Yatırım Menkul Değerler A.Ş.	Ayazağa mh.Kemerburgaz cd.Vadi İstanbul Park 7B Blok No:7C K:18 Sarıyer/İSTANBUL		
<b>AGRİVENTİS TECHNOLOGİES PTY. LTD</b>		16.02.2021	Oyak Yatırım Menkul Değerler A.Ş.	Ayazağa mh.Kemerburgaz cd.Vadi İstanbul Park 7B Blok No:7C K:18 Sarıyer/İSTANBUL		



Expertise Report Issue No.	Expertise Report Date	Title of the Organization Preparing the Expertise Report	Address	Prepared the Expertise Report	Trade Name
2018/0276	30.11.2018	Atak Gayrimenkul Değerleme AŞ.	İçerenköy Mah. Halyolu Cad. Sağlık Sok. Erdoğanlar Apt. No:1/18 Ataşehir/İSTANBUL	Barış BARUTÇU Dilara DİNÇYÜREK	Appraiser Chief Appraiser
2018/059	29.11.2018	Atak Gayrimenkul Değerleme AŞ.	İçerenköy Mah. Halyolu Cad. Sağlık Sok. Erdoğanlar Apt. No:1/18 Ataşehir/İSTANBUL	Bülent YAŞAR Dilara DİNÇYÜREK	Chief Appraiser Chief Appraiser
2018/271	5.12.2018	Atak Gayrimenkul Değerleme AŞ.	İçerenköy Mah. Halyolu Cad. Sağlık Sok. Erdoğanlar Apt. No:1/18 Ataşehir/İSTANBUL	Bülent YAŞAR Dilara DİNÇYÜREK	Chief Appraiser Chief Appraiser
2018B137	28.05.2018	TSKB Gayrimenkul Değerleme AŞ.	Meclis-i Mebusan Cad. Molla Bayırı Sok. No.1 Fındıklı/İSTANBUL	Ayberk GÖKDEMİR Gökhan EFE Mesut KAYA	Appraiser Appraiser Chief Appraiser
2018B137	28.05.2018	TSKB Gayrimenkul Değerleme AŞ.	Meclis-i Mebusan Cad. Molla Bayırı Sok. No.1 Fındıklı/İSTANBUL	Ayberk GÖKDEMİR Gökhan EFE Mesut KAYA	Appraiser Appraiser Chief Appraiser
2018B137	28.05.2018	TSKB Gayrimenkul Değerleme AŞ.	Meclis-i Mebusan Cad. Molla Bayırı Sok. No.1 Fındıklı/İSTANBUL	Ayberk GÖKDEMİR Gökhan EFE Mesut KAYA	Appraiser Appraiser Chief Appraiser

### 30. TAXATION PRINCIPLES RELATED TO SHARES

The taxation principles summarized below have been prepared by taking into account the current tax legislation in order to provide general information on the taxation of income and earnings derived from the holding and disposal of shares to be traded on Borsa Istanbul (BİAŞ). We would like to remind you that tax legislation may change in the future and may even change retroactively, and that investors should consult their tax advisors in special cases.

In the taxation of profits and income from shares, it is important whether the investors are real persons or institutions, as well as whether they are full taxpayers or limited taxpayers.

#### (i) Full Taxpayer and Limited Taxpayer Distinction

##### For Real Persons

In Articles 3 and subsequent articles of the Income Tax Law (GVK), it is stated that individuals who are residents of Turkey, as well as Turkish citizens residing abroad who are affiliated with official departments, institutions, or organizations or establishments and enterprises headquartered in Turkey due to the work of these departments, institutions, organizations, establishments, and enterprises, shall be taxed on their worldwide income and earnings.

Under the application of the Income Tax Law (GVK), those who have their legal residence in Turkey according to the Civil Code and those who reside in Turkey continuously for more than six months within a calendar year (temporary absences do not interrupt the residence period in Turkey) are considered residents and are taxed on the basis of full liability on their total income earned both within and outside Turkey.

Natural persons who are not resident in Turkey are taxed only on the income and income they earn in Turkey, on the basis of limited liability. Determining whether a profit or income can be obtained in Turkey is determined according to the principles in Article 7 of the Income Tax Law.

### **For Institutions**

Entities listed in Article 1 of the Corporate Tax Law (KVK) that have their legal or business headquarters in Turkey are considered full taxpayers and are taxed on their total income earned both within and outside Turkey.

Those whose legal headquarters and business centers are not both in Turkey are considered as limited taxpayers and are taxed only on the earnings they earn in Turkey. Relevant provisions of the Income Tax Law apply when determining the earnings earned in Turkey.

### **(ii) Taxation of Gains from the Disposal of Shares Acquired from January 1, 2006, and Traded on Borsa Istanbul (BİAŞ):"**

In accordance with the temporary article 67 of the Income Tax Law, banks, intermediary institutions and depository institutions, to be implemented until December 31, 2025.

They will withhold tax at the rate of 0% (general rate 15%) on the profits obtained from stocks traded in BİAŞ (except stocks of securities investment trusts) as of quarterly periods of the calendar year. This rate is valid for all full and limited taxpayer real persons and institutions.

If some of the shares are sold after they are purchased on different dates, the first-in, first-out method will be taken as basis in determining the purchase price to be taken into account in determining the withholding base. In case the shares are disposed of before their purchase, the amount to be withheld is determined based on the first purchase transaction made after the date of disposal. If more than one purchase and sale is made on the same day, the weighted average method can be applied to determine the purchase cost on that day. Commissions paid due to buying and selling transactions and Banking and Insurance Transactions Tax are taken into account in determining the withholding base.

If more than one share purchase and sale transaction is made within a three-month period, these transactions are taken into account as a single transaction when performing withholding. Losses arising from stock trading can be deducted from the withholding base of the following periods, provided that the calendar year is not exceeded.

Withholding is not applied on the disposal of shares that belong to fully-fledged taxpayer institutions, are traded in BİAŞ and are held for more than one year. In addition, the provisions of Article 80 of the Income Tax Law will not be applied to the income obtained from the disposal of shares belonging to fully liable institutions, traded in BİAŞ and held for more than one year.

Individuals do not submit annual or individual declarations for stock trading gains subject to withholding. These incomes are not included in the annual declaration to be submitted due to other

incomes. Income obtained within the scope of commercial activities is taken into account in determining earnings within the framework of commercial income provisions. The taxes paid by withholding for these earnings are deducted from the tax calculated in the returns in which the earnings subject to withholding are declared.

In accordance with paragraph 5 of the Provisional Article 67 of the Income Tax Law, whether the income owner is a real or legal person, a limited or full taxpayer, whether he or she is tax liable, whether he or she is not exempt from tax, and whether the earned income is exempt from tax does not affect the taxation practice detailed above.

### **Proceeds from the Disposal of Shares Not Traded in BİAŞ and Shares Acquired Before January 1, 2006 and Traded in BİAŞ:**

Gains from trading in stocks that are not traded in BİAŞ and shares of fully-liable companies acquired before January 1, 2006 and traded in BİAŞ will not be subject to withholding. Taxation of the gains obtained from the disposal of the shares in question will be as follows:

#### **Real Persons**

##### **Fully Taxable Individuals:**

Gains from stock trading will be subject to income tax in accordance with Article 80 Bis of Income Tax Law. However, pursuant to the mentioned article, for incomes earned from January 1, 2006 onwards, gains from the disposal of 'shares acquired gratuitously or shares of fully taxable entities held for more than 2 years' will not be subject to tax.

Pursuant to the repeated Article 81 of the Income Tax Law (GVK), the acquisition cost in the disposal of assets and rights is determined by increasing the acquisition cost by the rate of increase in the wholesale price index determined by TÜİK, excluding the month in which the assets and rights are disposed of. In order for this indexing to be made, the increase rate must be 10% or more.

According to Article 86/I (c) of the Income Tax Law (GVK), fully taxable individuals must declare their withheld taxable capital gains if they exceed the amount in the second income bracket of Article 103 of the GVK (for the year 2024, this amount is TRY 230,000).

##### **Limited Taxpayer Individuals:**

Under the second paragraph of Article 86 of the Income Tax Law (GVK), if the entire taxable income in limited liability consists of wages, professional earnings, movable and immovable capital incomes, and other gains and incomes that have been taxed in Turkey by way of withholding, it is not subject to an annual tax return. If limited taxpayer individuals have income earned in Turkey that has not been taxed by withholding, they are required to declare the gains and incomes derived from the disposal of movable assets and rights with an individual tax return to the tax office in the location where the assets and rights were disposed of in Turkey, in accordance with the second paragraph of Article 101 of the Income Tax Law (GVK). However, the provisions of the double taxation avoidance agreement signed between Turkey and the foreign country where the relevant person is a resident must also be taken into account.

#### **Institutions**

##### **Gains from the Disposal of Shares Registered as Assets of Corporate Tax Payers:**

##### **Fully Taxpayer Institutions**

Trading profits earned within the business due to commercial activities will be declared as commercial income and taxed. On the other hand, pursuant to Article 5/1-e of the Corporate Tax Law (KVK), 75% of the gains derived from the sale of participation shares that have been held in the

assets of institutions for at least two full years are exempt from corporate tax." However, to benefit from this exemption, the gain from the sale must be held in a special fund account in the liabilities section of the balance sheet until the end of the 5th year following the year of the sale; the sale proceeds must be collected by the end of the second calendar year following the year of the sale; and the selling institution, which will benefit from the exemption, must not be engaged in securities trading.

### **Limited Taxpayer Institutions**

If the limited taxpayer institution has the status of an institution operating in Turkey by opening a business or through a permanent representative, trading profits, including exchange rate differences, will be subject to tax as commercial income. If these institutions are not continuously engaged in the trading of securities, 75% of the gains derived from the sale of participation shares that have been held in the assets of institutions for at least two full years are exempt from corporate tax, pursuant to Article 5/1-e of the Corporate Tax Law (KVK).

If the non-resident taxpayer institution does not have a workplace or permanent representative in Turkey, its earnings will be subject to tax. However, if there is an agreement to prevent double taxation between Turkey and the country where the non-resident taxpayer institution is resident, the provisions of the agreement will apply.

#### **(iii) Taxation of Stock Dividends:**

Taxation of dividends from stocks will be as follows.

### **Real Persons**

#### **Fully Taxable Individuals:**

According to subparagraph (b) of the 6th paragraph of Article 94 of the Income Tax Law (GVK), the withholding tax on dividends is deferred until the distribution of the profit. According to subparagraph (b) of the 6th paragraph of Article 94 of the Income Tax Law (GVK), a 10% withholding tax will be applied to dividends distributed by fully taxable entities to fully taxable individuals.

According to subparagraph (c) of the 1st paragraph of Article 86 of the Income Tax Law (GVK), a tax return will be required for dividends received from fully taxable entities, if the gross amounts of income taxed by withholding exceed TRY 230,000 for the year 2024 (the second bracket of the income tax tariff specified in Article 103 of the GVK).

According to Article 22 of the Income Tax Law, "half of the dividends" obtained by full taxpayer real persons from fully taxpayer corporations are exempt from income tax. In accordance with Article 94 of the Income Tax Law (GVK), withholding tax is applied to the entire gross dividend, including the exempt amount, and the total withheld tax is credited against the tax calculated on the annual tax return if the dividend is declared in the annual tax return.

Additionally, according to subparagraph (b) of the 6th paragraph of Article 94 of the GVK, the addition of profits to the capital is not considered a distribution of profits; therefore, no withholding tax will be applied on the bonus shares issued to individual shareholders due to the addition of profits to the capital, nor is it required to declare the dividend corresponding to these shares as 'movable capital income.'

#### **Limited Taxpayer Individuals:**

According to subparagraph (b) of the 6th paragraph of Article 94 of the Income Tax Law (GVK), a 10% withholding tax will be applied to dividends distributed by fully taxable entities to non-resident individuals. Some double taxation treaties to which Turkey is a party may specify lower withholding

tax rates. For non-resident individuals, the withholding tax on dividends is the final taxation, and there is no need for them to file an income tax return for these incomes. On the other hand, pursuant to the 5th paragraph of Article 101 of the GVK, non-resident individuals must declare their movable capital incomes, which have not been taxed by withholding, to the tax office where the income is earned in Turkey using an individual tax return.

## **Institutions**

### **Fully Taxpayer Institutions**

According to Article 6 of the Corporate Tax Law (KVK), since corporate income is determined in accordance with the provisions of the Income Tax Law (GVK) regarding commercial income, if the dividend income is earned within the commercial enterprise as part of commercial activities, such income shall be declared and taxed as commercial income.

However, profit distribution made by a corporation in Turkey to corporate taxpayers in Turkey is not subject to withholding.

On the other hand, pursuant to the first paragraph of Article 5 of the Corporate Tax Law (KVK), the dividends received by a corporation from its participation in another fully taxable corporation are exempt from corporate tax (since these dividends are subject to corporate tax at the distributing corporation, they are exempt from corporate tax at the receiving corporation). This includes dividends received from fully taxable venture capital investment fund shares and stocks, but excludes dividends received from shares and stocks of other funds and investment partnerships.

### **Limited Taxpayer Institutions:**

"Except for those receiving dividends through a workplace or permanent representative in Turkey, a 10% withholding tax will be applied, pursuant to the third paragraph of Article 30 of the Corporate Tax Law (KVK), on dividends distributed to non-resident corporations or non-resident corporations exempt from corporate tax. Lower withholding rates can be determined in some double taxation avoidance agreements to which Turkey is a party.

## **31. INFORMATION ABOUT THE PERMISSION GRANTED BY THE ISSUER OR PUBLIC OFFERER**

### **31.1. Statements by the issuer or the entity conducting the public offering acknowledging that they accept responsibility for the content of the prospectus used with permission and for any authorized institution's subsequent resale of shares using the prospectus.**

None.

### **31.2. Information about the period during which the use of the prospectus is allowed:**

None.

### **31.3. Information about the period during which shares can be offered for sale again by authorized institutions:**

None.

### **31.4. Information about the countries where the prospectus can be used within the scope of the shares being offered for sale again by authorized institutions:**

None.

### **31.5. Information about other clear and objective conditions that are a condition for granting permission to use the prospectus:**

None.

**31.6. Warning note written in bold letters stating that in case of subsequent resale of shares by authorized institutions, information regarding the conditions of the sale will be presented to investors by the authorized institution at the time of sale:**

None.

**31A ADDITIONAL INFORMATION TO BE GIVEN IF PROSPECTUS USE PERMISSION IS GIVEN TO ONE OR MORE DETERMINED AUTHORIZED AGENCIES**

**31A.1 List and identity information (trade names and addresses) of authorized organizations granted permission to use the prospectus:**

None.

**31A.2 Explanation on how new information that is not known to the authorized institutions as of the approval date of the prospectus, offering program prospectus, or offering program circular will be disclosed to the public and where the relevant information can be accessed:**

None.

**ADDITIONAL INFORMATION TO BE GIVEN IF 31B PROSPECTUS USE PERMIT IS GIVEN TO ANY AUTHORIZED AGENCY**

**Warning written in bold letters that each authorized institution that will use the prospectus must include a statement on their websites stating that they used the prospectus within the permission and conditions given:**

None.

**32. DOCUMENTS OPEN FOR REVIEW**

The following documents are available for inspection by the investors at the issuer's headquarters located at Gebze Organized Industrial Zone, İhsan Dede Street, 700th Street, Gebze/Kocaeli, at the application locations, on the issuer's website ([www.hektas.com.tr](http://www.hektas.com.tr)), and on the Public Disclosure Platform (KAP) ([www.kap.org.tr](http://www.kap.org.tr)):

**1) All reports or documents, as well as valuations and opinions (valuation, expert, activity, and independent audit reports, and reports prepared by authorized institutions, the articles of association, etc.) that form the basis of the information contained in the prospectus.**

**2) Financial statements of the issuer that must be included in the prospectus**

**33. ANNEXES**

**1. Signed Statements of Responsibility of Independent Auditors**

**2. Internal directive**

**3.OYAK's letter stating that it will exercise its rights to acquire new shares**

**4. Fund usage report and relevant board of directors decision**