

Dividend Distribution Policy

The purpose of the dividend distribution policy is to ensure that the Company follows a balanced and consistent approach between the interests of investors and the Company in compliance with the relevant legislation, to inform investors, and to maintain a transparent dividend distribution policy. The decision regarding dividend distribution, including its form and timing, is resolved by the General Assembly upon the proposal of the Board of Directors.

Provided that the relevant regulations and financial conditions permit, it is aimed to distribute dividends to shareholders and other persons entitled to profit participation within the framework of the Articles of Association, the Turkish Commercial Code, the CMB Dividend Communiqué (II-19.1), and tax regulations, by taking into account market expectations, the Company's long-term strategies, the capital requirements of subsidiaries and affiliates, investment and financing policies, profitability, and cash position. In line with these considerations, the distributable profit ratio may be reduced each year upon the proposal of the Board of Directors and approval of the General Assembly, or it may be decided not to distribute any dividend at all.

Dividends may be distributed in cash and/or in the form of bonus shares and/or through a combination of these methods at certain ratios. Subject to the resolution of the General Assembly where dividend distribution is approved, dividend advance payments may be made in equal or different amounts. The number of installments and payment dates shall be determined by the General Assembly or by the Board of Directors if authorized by the General Assembly. Dividends shall be distributed equally to all existing shares as of the distribution date, regardless of their issuance and acquisition dates.

The holders of the Company's A Group privileged shares have undertaken, through a commitment letter dated 19.04.2021, within the framework of Article 14 titled "Determination and Distribution of Profit" of the Company's Articles of Association, that the dividend privilege granted to A Group shares shall be applied and paid as 5% of the first and second dividends to be distributed in cash by the Company for a period of 5 years. Furthermore, in their commitment letter dated 22.03.2022, the privileged shareholders have undertaken that, during this 5-year period, they will not exercise any additional rights arising from the privilege if a higher dividend accrues to their shares under the Articles of Association, and in case of transfer of such privileged shares, they will ensure that the transferees provide the same commitment.

In addition, pursuant to the Board of Directors' resolution dated 01.08.2022, it has been resolved that, for a period of 5 years following the commencement of trading of the Company's shares on the stock exchange, a dividend distribution proposal of at least 40% of the Company's distributable profit to be distributed in cash each year shall be submitted for the approval of the General Assembly. Furthermore, the Company's shareholders Hasan Hüseyin Utbay and Mazlum Hüseyin Utbay have undertaken, through their commitments dated 01.08.2022, to vote in favor of distributing at least 40% of the distributable profit in cash at the General Assemblies to be held after the public offering.

Dividend distribution shall commence on the date determined by the General Assembly, provided that it begins no later than the end of the fiscal year in which the General Assembly approving the distribution is held. In accordance with the Articles of Association, the dividend distribution resolution adopted by the General Assembly cannot be revoked unless legally permitted. In the event that the Board of Directors proposes not to distribute dividends, the reasons for such proposal and the intended use of undistributed profits shall be included in the relevant agenda item and presented to the shareholders at the General Assembly.

Unless the legal reserves required under the Turkish Commercial Code and the dividends determined for shareholders in the Articles of Association or the dividend distribution policy are set aside, no other reserves may be allocated, no profit may be carried forward to the following year, and no profit distribution may be made to members of the Board of Directors, Company employees, or third parties

other than shareholders. Furthermore, unless the dividend allocated for shareholders is paid in cash, no profit distribution may be made to such persons.

In accordance with the Articles of Association, the dividend distribution resolution adopted by the General Assembly cannot be revoked unless legally permitted.

The Board of Directors' proposal regarding dividend distribution or its resolution regarding dividend advance distribution, together with the dividend distribution table or dividend advance distribution table, shall be publicly disclosed in accordance with the relevant regulations in terms of form and content.