



Annual Report

2025 / Q1

**We stand with
our farmers**
to keep the hands
that cultivate
the land strong.



HEKTAŞ TİCARET T.A.Ş.

INTERIM BOARD OF DIRECTORS ACTIVITY REPORT

Prepared Pursuant to Communiqué No. II-14.1

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INTERIM BOARD OF DIRECTORS ACTIVITY REPORT
Prepared Pursuant to Communiqué No. II-14.1

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HEKTAŞ TİCARET T.A.Ş.**INTERIM BOARD OF DIRECTORS ACTIVITY REPORT****Prepared Pursuant to Communiqué No. II-14.1****A- GENERAL INFORMATION****1. Reporting Period**

01.01.2025- 31.03.2025

2. Corporate Information

COMMERCIAL TITLE	HEKTAŞ TİCARET TÜRK ANONİM ŞİRKETİ
INCORPORATION DATE	1956
BUSINESS ACTIVITIES	Production, import and marketing of agricultural and veterinary medicines
HEADQUARTERS ADDRESS	Gebze Organize Sanayi Bölgesi 700. Sokak No:711 41480 Gebze/Kocaeli
WEBSITE ADDRESS	www.hektas.com.tr
E-MAIL	info@hektas.com.tr
TELEPHONE	262 751 1412
FAX	262 751 3717
PRODUCTION FACILITY ADDRESSES	
-HEKTAŞ / Plant Protection Production Facility	Gebze Organize Sanayi Bölgesi 700. Sokak No:711 41480 Gebze/Kocaeli
-HEKTAŞ / Adana Organomineral Fertilizer Production Facility	Acidere Osb Mahallesi Atatürk Blv. No: 19 Sarıçam/ADANA
-FERBİS / Niğde Plant Protection Production Facility	Organize Sanayi Bölgesi Mah. 2 B No'lu Yol Cad. No.6 Bor / Niğde
-AREO / Seed Breeding and Production Facility	Pınarbaşı Mahallesi Dumlupınar Bulvarı No:812 Konyaaltı / Antalya
AGRİVENTİS	Level 36, Gateway, 1 Macquarie Place, Sydney NSW Australia 2000
ANKARA HIGH TECHNOLOGY CENTER	Alcı OSB Mah. 2024 Cad. No: 25 Sincan / Ankara
TAX OFFICE / NO	İlyasbey / 4610015898
TRADE REGISTRY DIRECTORATE / NO	Gebze Trade Registry Directorate / 6535-10921
MERSİS NO	461001589800013
PAID-IN CAPITAL	TRY 8,430,000,000
AUTHORIZED CAPITAL CAP	TRY 8,500,000,000
INDEPENDENT AUDITOR (*)	DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

(*) At the Ordinary General Assembly Meeting to be held on May 23, 2025, the Board of Directors' proposal regarding the selection of the independent external audit firm for the audit of the accounts and transactions for the year 2025, in accordance with the regulations of the Turkish Commercial Code, the Capital Markets Board, and the Public Oversight, Accounting and Auditing Standards Authority, will be discussed and resolved.

HEKTAŞ TİCARET T.A.Ş.**INTERIM BOARD OF DIRECTORS ACTIVITY REPORT****Prepared Pursuant to Communiqué No. II-14.1****3. Shareholding Structure, Capital Distribution, Voting Rights, and Subsidiaries****Shareholding Structure**

Partners	Share Amount (TRY)	Percentage Share
Ordu Yardımlaşma Kurumu (OYAK) (Armed Forces Pension Fund)	4,667,398,975.06	55.37
Other	3,762,601,024.94	44.63
Grand Total	8,430,000,000.00	100

Capital Distribution

The company adopts the registered capital system in accordance with the provisions of the Capital Markets Law (CML). The company's registered capital ceiling is TRY 8,500,000,000, divided into 850,000,000,000 shares, each with a nominal value of 1 (one) Kuruş. The registered capital ceiling approval granted by the Capital Markets Board is valid for the years 2023-2027 (5 years).

The company's issued capital is fully paid and amounts to 8,430,000,000 (eight billion, four hundred thirty million) Turkish Lira, consisting of 843,000,000,000 (eight hundred forty-three billion) shares, each with a nominal value of 1 (one) Kuruş.

Each share carries 1 voting right. Founders' usufruct certificate holders have a 5% dividend right arising from the company's articles of association.

Voting Right

There is no voting privilege Each share carries 1 voting right.

The shares representing the capital are tracked electronically in accordance with the principles of dematerialization.

Affiliates & Subsidiaries

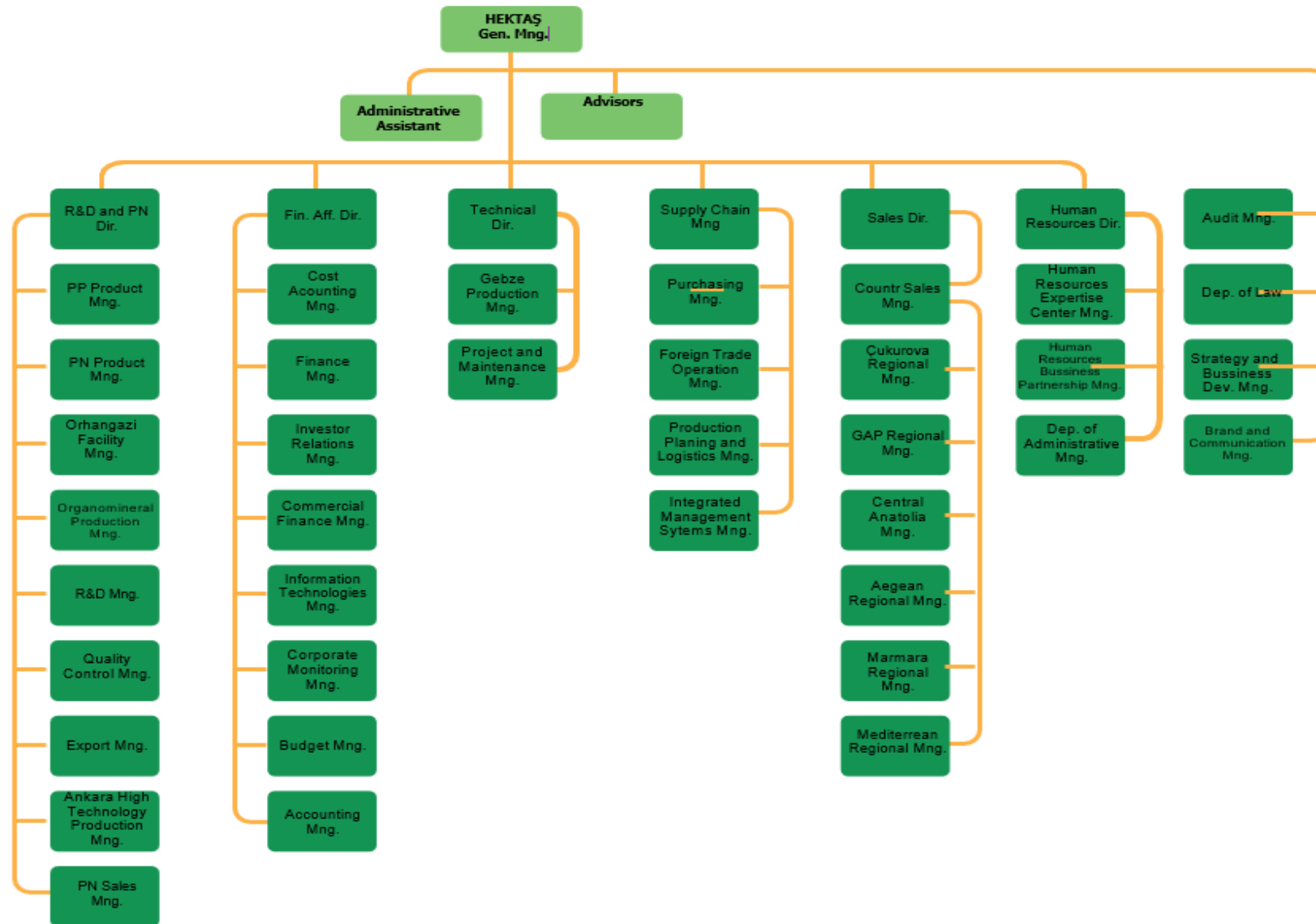
Company Name	Shareholding Percentage (%)
Ferbis Tarım Ticaret ve Sanayi Anonim Şirketi	100.00
Areo Tohumculuk Arge Sanayi ve Dış Ticaret Anonim Şirketi	100.00
Sunset Kimya Tarım Ürünleri Ve Aletleri İmalat Pazarlana Sanayi Ve Ticaret Anonim Şirketi	100.00
Agriventis Technologies Pty.Ltd	51.00
Hektas Asia LLC	100.00
Takimsan Tarım Kimya Sanayi ve Ticaret Anonim Şirketi	99.78
Çantaş Çankırı Tuz Ürünleri Üretim ve Dağıtım Anonim Şirketi	0.37

Upon examining the financial statements of Çantaş, they are not been included within the scope of consolidation since they are immaterial compared to the financial statements of the Company in terms of amount and quality and activities of Çantaş are very limited.

The other affiliates and subsidiaries within the Group are consolidated in the financial statements.

4. Organizational Structure of the Company

The organizational chart of HEKTAŞ is as follows: There has been no change in the company's organizational structure between January 1, 2025 and March 31, 2025.



5. Information about the Board of Directors, Committees, and Senior Management

Board of Directors;

As of the reporting date, our Company's current Members of the Board of Directors are:

Board of Directors	Title	First Election Date of Legal Entity Representatives and Independent Members to the Board of Directors
Omsan Lojistik A.Ş. (Representative: EREN ZİYA DİK)	Chairman of the Board	21/07/2023
Oytaş İç ve Dış Ticaret A.Ş. (Representative: CAN ÖRÜNG)	Vice Chairperson of the Board of Directors	28/12/2023
Oyak Pazarlama Hizmet ve Turizm A.Ş. (Representative: FERHAT BAĞLARLIOĞLU)	Board Member	08/05/2024
Oyak Denizcilik ve Liman İşletmeleri A.Ş. (Representative: ŞANSEL YILMAZ)	Board Member	01/06/2023
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş. (Representative: GÖZDE ERKOÇ)	Board Member	27/03/2024
Bülent Şamil YETİŞ (*)	Member of the Board of Directors (Independent)	31/03/2020
Kadri ÖZGÜNEŞ (**)	Member of the Board of Directors (Independent)	06.04.2022
Kurtuluş Bedri VAROĞLU (*)	Member of the Board of Directors (Independent)	03/04/2023

(*) At the Ordinary General Assembly Meeting to be held on May 23, 2025, it will be proposed, in accordance with the applicable legislation, that Independent Board Members Mr. Bülent Şamil Yetiş and Mr. Kurtuluş Bedri Varoğlu be re-elected for a term of one year for the year 2025.

(**) At the Ordinary General Assembly Meeting to be held on May 23, 2025, it will be proposed, in accordance with the applicable legislation, that Mr. Bekir Yener Yıldırım be appointed as an Independent Board Member in place of Mr. Kadri Özgüneş for a term of one year for the year 2025.

At the Ordinary General Assembly Meeting held on March 30, 2023, the legal entity Board Members were elected for a term of three years.

Changes Made in the Board of Directors During the Period

There were no changes among the members of our Company's Members of the Board of Directors during the period.

Duties and Powers of Members of the Board of Directors

The Chairperson and Members of the Board of Directors have the duties and powers specified in the relevant articles of the Turkish Commercial Code and Articles 14 and 15 of the Company's Articles of Association.

The election of the Legal Entity Chairman of the Board and the Legal Entity Vice Chairman of the Board will be carried out by the Board of Directors following the Ordinary General Assembly Meeting for the year 2024, which will be held on May 23, 2025, and will be disclosed on the Public Disclosure Platform (KAP).

Board of Directors Committees and Committee Members

The Audit Committee, the Early Detection of Risk Committee, and the Corporate Governance Committee have been established by the Board of Directors.

The working principles of the Audit Committee have been determined by the directive titled "Hektaş Ticaret T.A.Ş. Board of Directors Audit Committee" dated 24.07.2012. The working principles of the Early Detection of Risk Committee have been determined by the directive titled "Hektaş Ticaret T.A.Ş. Early Detection of Risk Committee" dated 24.07.2012. The working principles of the Corporate Governance Committee have been determined by the directive titled "Hektaş Ticaret T.A.Ş. Corporate Governance Committee" dated 24.07.2012. . These instructions are available on the website www.hektas.com.tr.

HEKTAŞ TİCARET T.A.Ş.**INTERIM BOARD OF DIRECTORS ACTIVITY REPORT****Prepared Pursuant to Communiqué No. II-14.1****Committees;**

Committee	Title	Name and Surname	Quality	Meeting Frequency
Audit Committee	Chairperson	Kurtuluş Bedri VAROĞLU (*)	Independent Member	At least four times a year, once every three months.
	Member	Kadri ÖZGÜNEŞ (**)	Independent Member	
Corporate Governance Committee	Chairperson	Bülent Şamil YETİŞ (*)	Independent Member	At least four times a year, once every three months.
	Member	Kurtuluş Bedri VAROĞLU (*)	Independent Member	
	Member	Tuba BEKTAŞ	Investor Relations Director	
Early Detection of Risk Committee	Chairperson	Kadri ÖZGÜNEŞ (**)	Independent Member	At least six times a year, once every two months.
	Member	Bülent Şamil YETİŞ (*)	Independent Member	

(*) At the Ordinary General Assembly Meeting to be held on May 23, 2025, it will be proposed, in accordance with the applicable legislation, that Independent Board Members Mr. Bülent Şamil Yetiş and Mr. Kurtuluş Bedri Varoğlu be re-elected for a term of one year for the year 2025, and a public disclosure regarding the restructuring of the committees will be made on the Public Disclosure Platform (KAP).

(**) At the Ordinary General Assembly Meeting to be held on May 23, 2025, it will be proposed, in accordance with the applicable legislation, that Mr. Bekir Yener Yıldırım be appointed as an Independent Board Member in place of Mr. Kadri Özgüneş for a term of one year for the year 2025, and a public disclosure regarding the restructuring of the committees will be made on the Public Disclosure Platform (KAP).

Senior Management;

Senior Management	Title	Starting Date*	Graduated From
Enis Emre TERZİ	General Manager	27.01.2024	Istanbul University Faculty of Economics and Administrative Sciences (Undergraduate)
Murat KILIÇ	Finance Director	15.04.2024	Middle East Technical University Faculty of Economics and Administrative Sciences – Economics (Undergraduate)
Ayhan GÖKBAĞ	Technical Affairs Director	23.01.2024	Istanbul Technical University – Mechanical Engineering (Undergraduate) Boğaziçi University – Mechanical Engineering (Master)
Tendü ARSAN	Human Resources Directorate	26.10.2023	Marmara University – ÇEKO (Undergraduate and Graduate)
Mehmet DERİN	R&D and Plant Nutrition Director	17.11.2021	Çukurova University – Agricultural Engineering (Bachelor's Degree)
Emrah ÖZDEMİR	Supply Chain Manager	11.10.2023	Istanbul University – Chemical Engineering (Bachelor's Degree) Gebze Yildiz Technical University – Business Administration (Master's Degree)
Cüneyt KÖSEOĞLU	Sales Director	09/09/2024	Çukurova University – Agricultural Engineering Plant Protection (Undergraduate) Çukurova University – Agricultural Engineering Field Crops (Masters)

* The dates of commencement of duty in the table are based on the last titles of the persons in question.

6. Changes Made in the Board of Directors During the Period

No changes were made in the Senior Management during the period.

7. Transactions carried out by Members of the Board of Directors with the Company on behalf of themselves or others and their activities within the scope of the Prohibition of Competition

No transactions within this scope were carried out during the first three months of 2025.

An agenda item was added to the Ordinary General Assembly Meeting to be held regarding the Company's 2024 activities, concerning the granting of authorization to the Members of the Board of Directors to carry out transactions in 2025 within the scope of the relevant provisions of the Turkish Commercial Code.

8. Personnel, Worker Movements, Collective Bargaining Practices, Rights and Benefits Provided to Personnel and Workers

As of 31.03.2025, the number of employees of our company is 574 people, 211 of whom are blue-collar workers and 363 of whom are white-collar workers.

The calculation of our Company's "Severance Pay" liability is carried out by an actuarial firm, and the provision for severance pay set aside at the end of the period amounts to TRY 93,556,225.

Employees are provided with their legal social rights monthly and regularly within the scope of the legislation. Our company does not have a Collective Bargaining Agreement.

9. Corporate Governance Principles Compliance Report

Compliance with the "Corporate Governance Principles" published by the Capital Markets Board was also achieved in the January – March 2025 period.

10. Amendments to the Articles of Association

No changes were made to the Company's Articles of Association during the period.

B- FINANCIAL RIGHTS PROVIDED TO BOARD MEMBERS AND SENIOR EXECUTIVES

1. Total Amount of Financial Benefits Provided, Such as Attendance Allowance, Wage, Premium, Bonus, Dividend Amount

At the Ordinary General Assembly Meeting for the year 2024, to be held on May 23, 2025, the remuneration of the Members of the Board of Directors will be determined under agenda item number 9.

No performance-based payments were made to the Members of the Board of Directors during the period.

During the period, no loans were granted to any Board Member or executive, nor were any personal loans extended directly or through a third party, and no guarantees such as sureties were provided on their behalf.

The monthly salaries of the company's senior managers are determined by the Company's Board of Directors. Within the company, including company's senior executives, non-unionized personnel receive performance-based additional payments.

C- RESEARCH AND DEVELOPMENT STUDIES

At the HEKTAŞ Gebze R&D Center:

- As of the first quarter of 2025, 2 out of the 40 projects carried over from 2024 have been completed,
- 2 new projects were developed during the first quarter of 2025,
- 40 R&D projects have been carried over to the second quarter of 2025,
- Licenses were obtained for 4 new formulations whose R&D studies were completed in the first quarter of 2025,
- 2 new products developed as project outcomes were launched on the market in the first quarter of 2025.

At the HEKTAŞ Orhangazi R&D Center:

- R&D studies continue for fruit trees, field crops, berry groups, vineyards, as well as summer and winter vegetables,
- As of the first quarter of 2025, 5 projects were carried over from 2024,
- 1 new project was developed during the first quarter of 2025,
- A total of 6 R&D projects have been carried over to the second quarter of 2025.

At the Areo R&D Center:

- As of the first quarter of 2025, 5 projects were carried over from 2024,
- 1 new project application was submitted in the first quarter of 2025, and the referee evaluation process by Antalya Technopark is currently pending,
- A total of 5 R&D projects have been carried over to the second quarter of 2025.
- In the first quarter of 2025, in addition to our 28 registered products carried over from 2024, registration was obtained for 2 additional products.

At the Ankara High Technology Center:

In the field of Microbiology and Genetics

- Microbiologically-based enzyme production, purification, and activity measurement for use in industrial applications,
- Plant-based amino acid production,
- Isolation and testing of microorganisms to be used for the production of microbial preservatives for products in industries such as food and agriculture,
- Optimization studies for the production and purification of secondary metabolites (antibiotics, insecticides, growth hormones) obtained from microbial species,
- Selection, development, and optimization studies for the necessary microorganisms used in starter cultures commonly applied in food technology,
- Renewal and quality control of the existing bacterial strains in stock,
- Isolation and purification of bacteria from various sample sources,
- Genetic characterization studies of the isolated bacteria,
- Isolation and purification of toxic proteins with insecticidal properties based on microbiology,

In the field of Fermentation

- Improvement of fermentation conditions for *Bacillus amyloliquefaciens*, *Bacillus subtilis*, *Bacillus thuringiensis*, *Bacillus megaterium*, and *Bacillus pumilis* bacteria,
- Production of biomass in bioreactors at an industrial scale,
- Industrial application of the production of multiple strains,
- Development of the downstream process for industrially produced bacteria,
- Development of the final formulations and metabolites,

In the field of Chemistry

- Formulation development and design of the necessary equipment for Agrifor, Tradite, and Natsu series as well as planning for industrial production. In this context, the development of 6 different liquid fertilizer formulations (Nitrogen-based, Zinc-Phosphorus-based, Potassium-based, Zinc-Boron-based, Calcium-Boron-Nitrogen-based, Rooting agent) and trials for their industrial-scale production are being carried out,
- Trials for the industrial-scale production of Natsu Ca using the existing $\text{Ca}(\text{NO}_3)_2 \cdot 4\text{H}_2\text{O}$,
- Development of the necessary formulations for Fe-EDDHA synthesis and initiation of pilot-scale trials,
- Development of biostimulant formulations and efforts to recover the waste generated during production,
- Laboratory studies for the production of plant micronutrients at the nano scale,
- Development and implementation of analytical methods in the laboratory, including spectrometric, chromatographic, gravimetric, and volumetric analysis techniques,

Progress has been made in these respective fields.

D- ACTIVITIES OF THE COMPANY AND IMPORTANT DEVELOPMENTS REGARDING ACTIVITIES

1. Investment Activities

Our Company made an investment cost of TRY **86,801,203** during the first three months of 2025.

2. Internal Control System and Internal Audit Activities

Within the scope of the Corporate Governance Principles published by the Capital Markets Board (CMB), the Audit Committee was established as of June 2012, and its working directive was prepared. By the decision of our Company's Board of Directors dated 24.07.2012, the Early Detection of Risk Committee was established in order to comply with Article 378 of the Turkish Commercial Code No. 6102, which came into force on 1 July 2012, and it was announced on PDP with a material disclosure dated 24.07.2012. Guidelines regarding these committees are available on our Company's website.

3. Disclosures on Special Audits and Public Audits

The Company's activities are regularly and periodically audited by the Independent External Auditor(s) appointed by the General Assembly. The selection of the Independent Audit Firm for the independent audit activities for the year 2025 will be determined by the votes of the shareholders at the Ordinary General Assembly Meeting for the year 2024 to be held in 2025.

4. Legal Issues

a) Lawsuits

There is no significant ongoing lawsuit filed against the company.

b) Administrative and Judicial Sanctions

There are no significant administrative sanctions or penalties imposed on the Company or the Members of the Board of Directors due to practices contrary to the provisions of the legislation.

5. General Assembly

The agenda and invitation letter for the Ordinary General Assembly Meeting for the year 2024, to be held on May 23, 2025, are as follows:

2024 Annual General Assembly Meeting

The Ordinary General Assembly Meeting for the year 2024 will be held on Friday, May 23, 2025, at 12:00 p.m., at the address Gebze OSB Mahallesi 700. Sk. No: 711 / 1 P.K. 41400 Gebze / KOCAELİ, to discuss and resolve the matters listed in the agenda below. (*)

In accordance with Article 30 of the Capital Markets Law, a list of shareholders present at the meeting is created based on the shareholder list provided by the Central Securities Depository (MKK). Only those shareholders whose names appear on this list are entitled to attend the General Assembly. According to Article 415 of the Turkish Commercial Code, shareholders whose names are included in the list prepared by the Board of Directors are eligible to attend the General Assembly meeting. The shareholder list for the preparation of the list of attendees is based on the "Shareholders List" provided by the Central Securities Depository, which is obtained at 23:59 on the day before the General Assembly meeting. Shareholders whose names appear on this list can attend the Ordinary General Assembly Meeting of the Company in person by presenting identification.

Shareholders who wish to attend the General Assembly meeting electronically, either personally or through their representatives, in accordance with Article 1527 of the Turkish Commercial Code, must inform their preference through the MKK system, using the Electronic General Assembly System (EGKS). In cases where a representative will attend the General Assembly meeting on behalf of the shareholder, the representative's identity information must be registered in the EGKS. In cases where the representative will attend the meeting physically, authorization can also be granted in this way.

Our shareholders can attend the Ordinary General Assembly Meeting either physically or electronically, personally or through their representatives. Participation in general assembly meetings electronically, appointing a representative, making proposals, expressing opinions, and voting will be carried out through the Electronic General Assembly System (EGKS) provided by the Central Securities Depository (MKK). Participation in the General Assembly meeting electronically requires the secure electronic signatures of the shareholders or their representatives. According to the provisions of the Turkish Commercial Code and the Capital Markets Law, shareholders who wish to perform transactions in the Electronic General Assembly System (EGKS) must first register on the Central Securities Depository (MKK) e-MKK Information Portal and provide

HEKTAŞ TİCARET T.A.Ş.

INTERIM BOARD OF DIRECTORS ACTIVITY REPORT

Prepared Pursuant to Communiqué No. II-14.1

their contact details. Additionally, they must possess a secure electronic signature. Shareholders or representatives who have not registered on the e-MKK Information Portal or do not have a secure electronic signature will not be able to attend the General Assembly meeting electronically via the EGKS.

Shareholders or representatives who wish to attend the General Assembly meeting electronically must fulfill their obligations in accordance with the "Regulation on General Assemblies to be Held Electronically in Joint Stock Companies," published in the Official Gazette No. 28395 on August 28, 2012, and the "Communiqué on the Electronic General Assembly System to be Applied in the General Assemblies of Joint Stock Companies," published in the Official Gazette No. 28396 on August 29, 2012. Otherwise, they will not be able to participate in the meeting. Detailed information regarding the EGKS can be accessed via the website www.mkk.com.tr.

In accordance with the CMB Corporate Governance Principles and CMB Communiqués, the following documents regarding the matters to be discussed at our Company's Ordinary General Assembly Meeting will be made available for the shareholders' review at least three weeks prior to the meeting date: the General Assembly agenda, the financial statements for the year 2024, the income statement, the Board of Directors' profit distribution proposal, the Board of Directors' Activity Report, the Independent Audit Report, and the resumes of the Independent Board Member candidates. These documents will be available at the Company's Headquarters located at Gebze OSB Mahallesi 700.Sk. No: 711 / 1 P.K. 41400 Gebze / KOCAELİ, on our website www.hektas.com.tr, and on the Public Disclosure Platform (KAP).

Shareholders who will be unable to attend the meeting physically or electronically themselves and will attend via a proxy should prepare their proxies according to the sample provided below or obtain a proxy form from the Company's Headquarters or from our website www.hektas.com.tr. Furthermore, they must fulfill the requirements stipulated in the CMB Communiqué II-30.1 "Voting by Proxy and Proxy Collection by Invitation" and submit their notarized power of attorney or a notarized signature declaration along with their proxy. A proxy appointed through the Electronic General Assembly System does not require the submission of a power of attorney document.

Power of attorney forms that do not comply with the mandatory format provided in the "General Assembly Invitation Announcement" will not be accepted due to our legal responsibilities.

In accordance with Article 415, Paragraph 4 of the Turkish Commercial Code No. 6102 and Article 30, Paragraph 1 of the Capital Markets Law, participation and voting rights in the General Assembly are not conditional upon the deposit of share certificates. Therefore, our shareholders who wish to participate in the General Assembly meeting do not need to block their shares. However, shareholders who do not wish for their identities and shareholding information to be disclosed to the Company, and as a result, such information is not visible to the Company, must contact their intermediary institutions to request that the "restriction" preventing the disclosure of their identities and shareholding information be lifted. This must be done by 16:30 on the day before the General Assembly Meeting to ensure that they can participate in the meeting. In the Ordinary General Assembly Meeting, the agenda items will be voted on by a show of hands, with the exception of electronic voting for certain items as stipulated.

For the General Assembly Meeting held physically:

- Individual shareholders must present their identification documents,
- Corporate shareholders must present the identification documents of the person authorized to represent and bind the legal entity, along with their authorization documents,
- Representatives of both individuals and legal entities must present their identification documents and power of attorney,
- Representatives authorized through the Electronic General Assembly System must present their identification documents and sign the attendance list to participate.

Shareholders wishing to attend the General Assembly electronically via the Electronic General Assembly System can obtain information about the procedures for participation, proxy designation, making proposals, expressing opinions, and voting from the website of the Central Securities Depository (MKK) at <https://www.mkk.com.tr>.

In accordance with Article 29 of the Capital Markets Law No. 6362, no additional registered mail will be sent to shareholders for the General Assembly meeting invitation.

We kindly request that our shareholders attend the meeting either in person or through their representatives.

Respectfully announced to our valued shareholders.

(*) In accordance with Article 29 of the Capital Markets Law, no additional registered mail will be sent to shareholders for the General Assembly meeting invitation.

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INTERIM BOARD OF DIRECTORS ACTIVITY REPORT

Prepared Pursuant to Communiqué No. II-14.1

HEKTAŞ TİCARET T.A.Ş.

2024 ORDINARY GENERAL ASSEMBLY MEETING AGENDA

- 1.** Opening, formation of the meeting presidency, and moment of silence,
- 2.** Granting authority to the Meeting Presidency for signing the General Assembly meeting minutes and other related documents,
- 3.** Reading, discussing, and submitting for approval the "Board of Directors Activity Report" for the 2024 fiscal year,
- 4.** Reading the summary of the "Independent Audit Report" for the 2024 fiscal year,
- 5.** Reading, discussing, and submitting for approval the "Financial Position Statement" and "Profit and Loss Accounts" for the 2024 fiscal year,
- 6.** Discussing and deciding on the approval of the Board of Directors members for the 2024 fiscal year,
- 7.** Discussing and submitting for approval the Board of Directors' proposal for profit distribution and the distribution date for the 2024 fiscal year,
- 8.** Selection of Independent Board Members and determination of their terms of office in accordance with the relevant legal provisions,
- 9.** Determining the remuneration of the Board of Directors members,
- 10.** Granting permission to the Board of Directors members to perform the activities specified in Articles 395 and 396 of the Turkish Commercial Code,
- 11.** Deliberation and resolution on the proposal of the Board of Directors regarding the selection of the independent external audit firm for the audit of the accounts and transactions for the year 2025, in accordance with the regulations of the Turkish Commercial Code, the Capital Markets Board, and the Public Oversight, Accounting and Auditing Standards Authority,
- 12.** Providing information regarding guarantees, pledges, mortgages, and sureties given in favor of third parties, as well as the income or benefits obtained from them,
- 13.** Presenting information about the donations and aid made in 2024 and deciding on the donation limit for the 01.01.2025-31.12.2025 accounting period,
- 14.** Presentation to the General Assembly of the amendments to be made in the Company's Disclosure Policy,
- 15.** Closing.

6. Donations and Social Responsibility Projects

By the company in 2025 in the first three months No donations were made to any institution or organization.

E- FINANCIAL POSITION**1. Summary of Financial Statements**

The financial statements have been prepared in accordance with the Capital Markets Board's Communiqué on Principles of Financial Reporting (II-14.1). The consolidated financial statements dated 31.03.2025 and 31.03.2024 have not been audited, whereas the consolidated financial statements dated 31.12.2024 have been independently audited.

Summary Balance Sheet (TRY)

(TRY)	31.03.2025	31.12.2024
Current Assets	8,159,168,864	9,738,810,266
Fixed Assets	17,253,138,075	16,761,399,434
Total Assets	25,412,306,939	26,500,209,700
Short-Term Liabilities	7,711,278,221	8,066,063,151
Long-Term Liabilities	3,212,013,585	3,317,925,009
Equities	14,489,015,133	15,116,221,540
Total Equities	25,412,306,939	26,500,209,700

Summary Income Statement (TRY)

(TRY)	31.03.2025	31.03.2024
Sales Income	2,088,991,701	1,783,606,024
Gross Profit/Loss	(43.442.495)	143,319,671
Real operating profit / loss	(509.253.492)	(526.431.989)
Profit / (Loss) for the Period	(578.130.614)	(378.408.773)

Our company prepares its budget every year within the framework of its strategic goals, and the prepared company budget is approved by the Board of Directors.

At regular Board of Directors meetings, the current situation of the Company is reviewed and company activities are compared with the previous period and budget targets.

2. Key Activity Indicators and Financial Ratios

Financial Indicators	31.03.2025	31.03.2024
Gross Profit Margin	-2,1%	8,0%
Net Profit Margin	-27,7%	-21,2%
EBITDA Margin	-13,0%	-14,1%

(*) EBITDA Margin: Calculated using the formula $(\text{Operating Profit} + \text{Depreciation} - \text{Interest Income} + \text{Interest Expenses}) / \text{Net Sales}$.

3. Financial Power

It has been observed that the company's capital has not remained unrequited within the framework of the calculation made by taking into account the rates specified in Article 376 of the Turkish Commercial Code.

4. Development of Financing Sources and Policies Implemented by the Company Within the Framework of This Development

The Company is exposed to market risk (exchange rate risk and price risk), credit risk, and liquidity risk due to its activities. While managing liquidity and credit risks, the company regularly reviews its relationships with financially strong financial institutions in the market with low funding costs. The Company's risk management program generally focuses on minimizing the potential negative effects of uncertainty in financial markets on the company's financial performance. The company uses derivative products in order to protect itself from these financial risks. Products for cash management solutions provided by banks are used to regulate cash flow and reduce collection risk.

Nature and Amount of Capital Market Instruments Issued

The Company did not issue any debt instruments during the first three months.

5. Dividend Distribution

Our Dividend Distribution Policy determined at the 2014 Ordinary General Assembly Meeting held on 27.03.2015 is listed below.

"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, taking into account national and global economic conditions, the Company's ongoing 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 the Dividend Advance in accordance with the provisions of the relevant legislation.

Dividend Distribution takes place within legal periods."

The decision regarding the profit distribution for the 2024 fiscal year of our Company will be made at the 2024 Ordinary General Assembly Meeting to be held in 2025.

6. Information About the Sector in Which the Company Operates

Agricultural Production Data:

According to data from TURKSTAT, the Agricultural Producer Price Index (Agriculture-PPI) (2020=100) increased by 6.91% in March 2025 compared to the previous month, by 12.81% compared to December of the previous year, by 31.54% compared to the same month of the previous year (March), and by 40.17% based on the twelve-month average.

Compared to the previous month, by sector, there was a 7.36% increase in agricultural and hunting products and related services, a 2.36% increase in forestry products and related services, and a 2.27% decrease in fish and other fishing products; aquaculture; and supporting services for fishing. In the main groups, compared to the previous month, there was a 9.61% increase in non-durable (single-year) plant products, an 11.30% increase in durable (multi-year) plant products, and a 3.07% increase in live animals and animal products.

Agricultural Growth:

According to the information shared in TURKSTAT data, the annual Gross Domestic Product (GDP) calculated using the production method, based on the sum of four quarters and expressed as a chain-linked volume index (2009=100), increased by 3.2% in 2024 compared to the previous year.

According to the production method, the Gross Domestic Product (GDP) at current prices increased by 63.5% in 2024 compared to the previous year, reaching TRY 43 trillion 410 billion 514 million.

When the activities comprising the GDP are examined, in 2024, agriculture increased by 3.9% compared to the previous year in terms of the chain-linked volume index.

Agricultural Product Exports:

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According to the provisional foreign trade data produced within the scope of the general trade system in cooperation with the Turkish Statistical Institute and the Ministry of Trade, Turkey's agriculture, food, and beverage sector recorded a foreign trade surplus of USD 9.4 billion in the January–December 2024 period. Over the 12-month period, exports of the sectors increased by 4%, rising from USD 26.4 billion to USD 27.6 billion. Imports, on the other hand, decreased by 13.6% during the same period, falling from USD 21.1 billion to USD 18.2 billion.

In the first two months of 2025, Turkey's agriculture, food, and beverage sector exports declined by 3.39% compared to the same period of the previous year, decreasing from USD 4.86 billion to USD 4.7 billion. During the same period, imports rose by 20.63%, increasing from USD 3.19 billion to USD 3.85 billion. As a result, the agriculture, food, and beverage sector posted a foreign trade deficit of USD 850 million in the first two months of the year. The unit export value increased by 0.21%, reaching USD 1,254 per ton.

As of February 2025, the sugar and confectionery sector achieved USD 516 million in exports during the two-month period, making it the top exporting sub-sector within the agriculture, food, and beverage industries. The fresh fruit sector, which managed to increase its exports by 0.39%, ranked second with USD 472 million in exports. The nuts sector, which increased its exports by 3.25%, ranked third with USD 457 million in exports during the same two-month period.

Supports:

According to the bulletin published by the General Directorate of Agricultural Reform, a total of TRY 32.6 billion in support payments was made in the first quarter of 2025. Of this amount, 88.5% was allocated to crop production, 6.3% to livestock production, 3.3% to rural development, 1.5% to agricultural R&D, and 0.3% to aquaculture production support.

In the first quarter of 2025, within the scope of support for crop production, the highest payments were made for cereals and fuel-fertilizer; within livestock production support, for animal disease compensation; within aquaculture production support, for aquaculture farming; within agricultural R&D support, for animal genetic resources; and within rural development support, for rural development investment support payments.

Developments in Agriculture:

Agricultural Production Planning has been launched alongside a new support model covering the 2025–2027 period. With this model, farmers will be able to know in advance how much support they will receive for each product before starting production. The new model has simplified the support mechanisms, making them more effective and predictable.

The Ministry of Agriculture and Forestry announced that a field study on the agricultural census will be conducted between July 1 and December 31, 2025. The preliminary results of the census will be released to the public by the Turkish Statistical Institute (TURKSTAT) in June 2026.

The Agriculture and Forestry Council, which plays a significant role in shaping Türkiye's agricultural strategies, will convene for the fourth time in April 2025.

A severe agricultural frost that struck the Çukurova region—particularly Adana, Mersin, and Hatay—between February 22–25, 2025, caused extensive damage to agricultural production. Due to nighttime temperatures dropping to between -5°C and -8°C, many agricultural products were adversely affected by the frost. Stone fruits, potatoes, lettuce, lemons, oranges, greenhouse crops, wheat, barley, and corn were among the products significantly damaged by the frost. Additionally, a second wave of frost occurred in the Aegean Region on March 21–22, where vineyards and early-season fruit varieties suffered substantial damage.

Under the IPARD III Program, 100 projects in sectors such as mushroom cultivation, greenhouse farming, beekeeping and the production, processing, and marketing of bee products, as well as renewable energy, have been deemed eligible for grant support following the completion of the evaluation process.

The Ministry of Agriculture and Forestry has launched a Fertilizer Inspection Mobilization. In all 81 provinces, 3,500 fertilizer inspectors will be deployed simultaneously to inspect fertilizer dealers, producers, and importers. These inspections will cover barcode, packaging, labeling, and content compliance.

7. The Position of the Company in the Sector

HEKTAŞ maintains its position among the leading companies in the pesticides sector with its performance in the first 3 months of 2025. In addition, the company ranks among the top in the organomineral fertilizer category in the plant nutrition industry. Within the scope of its breeding activities carried out under Areo Tohumculuk, the subsidiary operating in the seed sector, HEKTAŞ continues to register new vegetable and wheat seed varieties under the HEKTAŞ Tohum brand introduced to the market. As a result of the work conducted in the first quarter of the year, the total number of registered seed varieties has reached 30. Seed sales for cotton, tomato and pepper product varieties continue.

8. Development of the Company

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At HEKTAŞ's "Plant Protection Products" production facility located in the Gebze district of Kocaeli province, preparations for the ISO 50001 Energy Management Systems certification have been completed, and the quality certificate is planned to be obtained by the third quarter of 2025 following the certification audits.

At the Organomineral Fertilizer Production Facility located in the Seyhan district of Adana province, dust suppression system purchases have been made and equipment installation is currently ongoing.

At the FERBİS Tarım "Plant Protection Products" production facility located in the Bor district of Niğde province, the installation of a granule production and filling line aimed at increasing capacity has been initiated.

9. Products

Plant Protection Products

Fungicides

Herbicides

Acaricides

Insecticides

Fumigants and Nematicides

Harvest Aids & Plant Growth Regulators

Winter Dormant Oils and Summer Oils

Spreaders-Adhesives

Pheromones

Biological Products

Plant Nutrition Products

Smart Base Fertilizers

Organically Coated Fertilizers

Foliar Fertilizers

Pure Fertilizers

Organominerals

Drip Irrigation

Special Products

Biological Preparations

Other

Seed

Tomato Seed

Pepper Seed

Cucumber Seed

Eggplant Seed

Cotton Seed

Barley Seed

Wheat Seed

Bean Seed

Pea Seed

Corn Seed

Sunflower Seed

10. Capacity Utilization Rates

Capacity Utilization Rates for the First Quarter of 2025

At the **Gebze (Plant Protection)** production facility, the capacity utilization rate for the first quarter of 2025 was **86.20%**. The annual production capacity of the HEKTAŞ Gebze Production Facility for 2025 is **19,271** tons.

At the **Niğde (Plant Protection)** production facility, the capacity utilization rate for the first quarter of 2025 was **54%**. The annual production capacity of the FERBİS Niğde Production Facility for 2025 is **12,272** tons.

At the **Adana (Organomineral Fertilizer)** production facility, the capacity utilization rate for the first quarter of 2025 was **35%**. The annual production capacity of the Adana Organomineral Fertilizer Production Facility for 2025 is **99,000** tons.

11. Production (Amount)

Production Quantities for the First Quarter of 2025

At the **Gebze (Plant Protection)** production facility, plant protection products are manufactured in various forms including technical material, liquid form, herbicide liquid form, and powder form. As of the first quarter of 2025, the total production volume amounted to **4,153,290** kg.

At the **Niğde (Plant Protection)** production facility, plant protection products are manufactured in various forms including technical material, liquid form, herbicide liquid form, and powder form. As of the first quarter of 2025, the total production volume amounted to **1,664,084** kg.

At the **Adana (Organomineral Fertilizer)** production facility, organomineral fertilizer is produced. As of the first quarter of 2025, the total production volume amounted to **8,664,400** kg.

12. Development of Sales

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When the Company's sales for the first 3 months are examined, it is observed that there was an increase of approximately 17.12% in sales compared to the same period of 2024. The developments in sales by business line are as follows:

Crop Protection Business Line

In the first quarter of 2025, Hektaş maintained its leading position in the market in the crop protection business line thanks to its cash and short-term sales strategy. By shortening the average payment terms, the Company contributed both to improving the effectiveness of risk management and to increasing turnover compared to the same period of the previous year.

In the first 3 months of the year, according to regional sales analyses, the highest sales figures were recorded in the Central Anatolia and Çukurova regions, while the lowest sales were observed in the Marmara and Mediterranean regions. In terms of product groups, insecticides stood out in terms of sales volume, whereas lower sales were observed in herbicides and fungicides, particularly those targeting field crops.

Especially the previous year's crop prices, price/payment conditions, disease prevalence, pests, and climatic factors played a decisive role in the purchasing decisions of dealers and farmers during the first three months. In addition, global developments such as the detection of banned agricultural pesticides in Turkish agricultural exports — causing products to be returned from customs — and the banning or restriction of certain active substances in the European Union were among the significant factors affecting the crop protection business line.

The impact of recent frost events on sales has not yet become clear. The extent of the damage to crops will become evident in the coming days. However, risks such as open order cancellations from customers, product return requests, potential sales losses — especially in the insecticide and fungicide groups — and payment difficulties of dealers are foreseen.

Despite adverse factors affecting the sector and the overall economy — such as drought, aggressive and long-term sales approaches by competitors, difficulties in accessing trade credit, and general cash constraints — Hektaş has maintained its strong position thanks to effective planning and a customer-oriented approach. Taking into account competitor analysis and customer inventories, 90% of the sales target for the first 3 months of 2025 was successfully achieved through pre-sales negotiations held with key customers and campaigns launched with accurate timing.

Hektaş aims to continue its sustainable growth journey with determination throughout the rest of the year by acting with strategies that are sensitive to market dynamics.

Plant Nutrition Business Line

In the first quarter of 2025, Hektaş successfully achieved 86% of its targeted sales in the plant nutrition business line.

In the first 3 months of the year, according to regional sales analyses, the highest sales were recorded in the Çukurova Region, while the lowest sales volumes were observed in the Marmara and Southeastern Anatolia Project (GAP) regions. In terms of product categories, plant nutrition and specialty fertilizers stood out in terms of sales volume, whereas relatively lower sales figures were observed in the organomineral fertilizer group.

Factors That Positively Influenced First Quarter Sales:

- *Product Availability*

Thanks to effective inventory management in critical products and accurate pre-season planning, customer demands were met quickly and completely.

- *Strong Dealer Network*

Through an extensive dealer structure across Turkey and the emphasis placed on dealer training, the right products and services were delivered to end users in a timely manner.

- *Early Campaigns and Payment Term Support*

Attractive campaigns and flexible payment term options launched before the season encouraged farmers to bring forward their purchasing decisions, thereby accelerating sales.

- *Brand Trust and Effective Communication*

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Trust in the HEKTAŞ brand, particularly in the adoption of new products in the field, made market penetration easier. Technical promotional activities also contributed to this process.

- *Favorable Climatic Conditions (Early Season)*

In the first quarter of the year, favorable weather conditions in many regions supported product demand by enabling agricultural activities (planting and applications) to proceed without disruption.

Factors That Negatively Influenced First Quarter Sales

- *Transportation Costs and Logistics Constraints*

Rising transportation costs and capacity limitations in certain regions adversely affected the timely delivery of products to the field.

- *Exchange Rate Volatility*

Fluctuations in foreign exchange rates created challenges in maintaining stable product pricing, which led some customers to postpone their purchasing decisions or place smaller-volume orders.

- *Challenges in Accessing Finance*

Difficulties faced by farmers in accessing credit and rising financing costs had a negative impact on the pace of sales.

- *Supply Issues in Imported Inputs*

Delays in the supply of imported inputs such as fertilizer raw materials made stock planning difficult in certain product categories.

- *Weather Conditions*

Regional frost events and sudden temperature changes caused farmers to postpone their planting and application decisions, leading to fluctuations in product demand. The recent frost incidents did not affect all regions with the same severity; while the impact was more limited in Central Anatolia and Marmara, more significant damage was observed in certain parts of the Mediterranean region. Frost recovery packages and technical information campaigns have been launched to enhance customer loyalty and to explore additional sales opportunities for the next period.

Expected Impacts of Frost Events in Turkey in the Short and Medium Term

Short Term: Due to frost events, yield losses were experienced particularly in fruit and vegetable growing regions. This situation caused some farmers to postpone or reduce their early-season purchases, negatively impacting short-term sales.

Medium Term: In areas affected by frost, it is expected that producers will implement additional mid-season applications (such as plant strengtheners and recovery products) to compensate for harvest losses. This may create additional sales opportunities in the coming months, especially in the categories of specialty fertilizers and biostimulant products.

In response to these challenges, alternative procurement plans and flexible logistics solutions were implemented, and additional stock for fast-moving products was allocated to improve regional product availability. In addition, customer expectations were effectively managed through regular updates related to pricing and procurement processes.

Impact of Global Developments on the Plant Nutrition Business Line :

In the first quarter of 2025, there was a global contraction in access to fertilizer raw materials and a rise in logistics costs. Supply shortages in nitrogen-, phosphorus-, and potassium-based raw materials created pressure on production costs and product availability. In particular, the increase in container and transportation costs contributed to the cost of imported inputs being reflected in product prices.

Furthermore, there has been a growing trend towards sustainable and environmentally friendly products, especially in the European Union and other countries. This trend supported demand for biological and eco-friendly products, and in the aftermath of the Russia-Ukraine War, the issue of supply security in fertilizers and agricultural inputs has once again come to the forefront in both Europe and Asia.

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Seed Business Line

When **vegetable seeds** and **industrial crops** are evaluated, sales during the first three months of 2025 followed a challenging course due to the limited performance of cotton varieties in 2024 and the narrowing of cotton cultivation areas. Nevertheless, sales in both groups proceeded as planned.

As of the first quarter of 2025, sales targets set for the **vegetable seeds** and **industrial crops** groups were generally achieved. Sales performance in the field is being closely monitored, and final evaluations will be clarified based on this data.

In the **vegetable seeds** group, cucumber seeds (varieties Kuvars, Çoban, and Heybet) were sold during the first quarter of 2025. In the **industrial crops** group, the Volkan variety stood out in terms of sales figures.

The lowest sales in the **vegetable seeds** group were recorded in tomato seeds. In the **industrial crops** group, the Selçuk Bey variety had lower sales compared to the Volkan variety within the same category.

In the first quarter of 2025, increases and decreases in sales varied both regionally and by product group. An increase in sales was observed for the Çoban cucumber variety in the **vegetable seeds** group, particularly in the highland regions of Elmalı and Söğüt. Conversely, a decrease in sales was recorded for the California pepper in the coastal Antalya region and for tomato varieties in the Mersin/Erdemli region. In the **industrial crops** group, cotton sales remained lower in the Aegean Region compared to the GAP Region, due to the weak performance of 2024 varieties and the impact of drought.

Among the main factors that positively influenced sales in the **industrial crops** group during the first quarter of 2025 were the competitive sales approach implemented and the new sales channels gained in the GAP Region through campaigns. In the **vegetable seeds** group, the competitive approach was also among the factors that positively influenced sales. These factors contributed to the increase in sales and the strengthening of market share in certain regions.

The primary factors negatively affecting our sales in the first quarter of 2025 were the relatively lower performance of varieties in the **vegetable seeds** and **industrial crops** groups compared to competing varieties, as well as the decline in cotton cultivation areas. In addition, drought conditions had a negative impact on sales in the **industrial crops** group.

To overcome these challenges during the first quarter of 2025, it was decided to conduct trials of new vegetable seed varieties and monitor their performance in the **vegetable seeds** group. Furthermore, in the **industrial crops** group, strategies were implemented—and are still ongoing—to increase sales by focusing on new customer segments and regions.

The recent frost events did not affect open-field **vegetable seeds** and **industrial crops** product groups. As vegetable seeds are planted between mid-March and late April, and cotton is sown after this period, the frost events did not cause any adverse impact during this timeframe. Therefore, the frost had neither a positive nor negative effect on our sales.

During the first quarter of 2025, there were no difficulties in the supply and logistics processes for the **vegetable seeds** and **industrial crops** groups. All procurement and logistics operations were carried out smoothly.

Among the global developments in the **vegetable seeds** group during the first quarter of 2025, the underperformance of our cluster tomato variety in soilless agriculture practices in the Turkic Republics stood out. Additionally, low cotton prices and drought conditions in the **industrial crops** group negatively affected the industry, leading to challenges in both sales and production.

Export

When evaluating the first three months of 2025 from an export perspective, it appears to have been a balanced period. The effects of global climate change on agricultural production continued to be felt in many of the countries to which we export. Due to natural disasters such as floods, frosts, and hailstorms, producers acted more cautiously in their product selections, causing a noticeable slowdown in purchasing processes.

Despite all these challenges, the export sales targets set for the first quarter were successfully achieved. With the start of the season, fungicides in the fruit product group and both herbicides and fungicides in the field crops group came to the forefront in export sales. In contrast, sales in the acaricide group—which is typically used during the summer months—remained at the lowest levels. Demand for this group is expected to increase in the second quarter.

To strengthen export activities, intensive technical promotional campaigns were carried out in the field together with distributors. In this context, a comprehensive seminar was organized in Egypt. At this event, where new products were introduced, direct contact was made with producers, and technical specifications of the products were explained.

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Among the factors that positively influenced export sales in the first quarter was the effective inventory management by distributors. However, some challenges were also observed. In particular, political instability in the Red Sea region caused delays in shipping processes, leading to disruptions both in raw material procurement and in export shipments. Additionally, some raw material producers shifted to formulation manufacturing, causing price reductions and intensifying market competition.

To cope with these challenges, logistics processes were expedited through a strong communication network with customers. Moreover, thanks to the pre-season affordable pricing policy and timely product supply, distributors were able to ensure availability of products on sub-dealer shelves.

Finally, the potential impacts of the new U.S. customs tariffs on the industry are being closely monitored. Should Chinese-origin companies experience reduced access to the U.S. market, it is expected that these producers will shift toward other markets. This could lead to a decrease in product prices. However, so far, this development has not had a direct impact on market prices.

As a company, we are acting with preparedness and have established the necessary action plans.

13. Sales (Amount)

In the first quarter of 2025, the Company's sales volume for products in the plant protection and plant nutrition business lines amounted to **27,483,792 kg**. In the seed business line, sales volumes were recorded as **5,848,476 units** of vegetable seeds and **57,825 kg** of vegetable trial seeds.

It is planned that our company will reach its targeted sales amounts by the end of the year.

14. Incentives

During the relevant period, our Company benefited from the Investment Incentive Certificates it had obtained. The incentives the Company benefits from are as follows;

Social Security Institution (SGK) Incentive:

Through this incentive, the company receives a discount on Social Security Institution (SGK) premiums. This discount provides significant cost advantages for the company by reducing the financial burden of employees.

Tax Incentive – Investment Incentive Certificate:

The investment incentive certificate is a document required to benefit from the advantages of the Investment Incentive System, which offers various state-provided incentives if the investment meets the specified minimum criteria. Through this certificate, the company secures government support for its investments in the form of tax reductions, VAT exemptions, and customs duty exemptions, thereby lowering investment costs.

R&D Deduction:

In the Corporate Tax Law, R&D and the R&D deduction are defined as 'research and development expenditures carried out exclusively within enterprises in pursuit of new technology and knowledge.' Expenditures made for R&D activities are deducted from corporate tax within the rates determined by the legislation. This enables a cost-reducing effect on expenditures related to researching and developing new production methods, process improvements, and new techniques that enhance product quality and performance while lowering costs.

F - RISKS AND ASSESSMENT OF THE BOARD OF DIRECTORS

1. Risk Management Policy

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Within the scope of the Corporate Governance Principles published by the CMB, the Audit Committee was established in June 2012 and its working instructions were created. By the decision of our Company's Board of Directors dated 24.07.2012, the Early Detection of Risk Committee was established in order to comply with Article 378 of the Turkish Commercial Code No. 6102, which came into force on 1 July 2012, and it was announced on PDP with a material disclosure dated 24.07.2012. Guidelines regarding these committees are available on our Company's website.

2. Forward-Looking Risks

The risks that the Company will face in the future are regularly analyzed by the Early Detection of Risk Committee of the Board of Directors. As of the reporting period, the assessments indicate that no risks are anticipated to affect the Company's future operations.

G- MISCELLANEOUS

1. Off-Center Organizations

a. Our Production Facilities

- *Hektaş General Directorate and BKÜ Production Facility (GEBZE)*
- *Hektaş OMG Production Facility (ADANA)*
- *Ferbis BKÜ Production Facility (NİĞDE)*
- *Hektaş Asia LLC Plant Protection Products Production Facility (UZBEKISTAN/TASHKENT)*

b. Our Regional Directorates and Other Centers

- We have six Regional Directorates located in Çukurova, Central Anatolia, the Mediterranean, Marmara, the Aegean, and the GAP regions, as well as "HEKTAŞ F.A.R.M" in the Orhangazi district of Bursa province and the "Ankara High Technology Center" in the Sincan district of Ankara.

c. Our R&D Centers

- *Hektaş General Directorate and BKÜ Production Facility (GEBZE)*
- *Hektaş Orhangazi Branch (BURSA)*

2. Information on Legislative Changes That May Significantly Affect Company Activities

There are no legislative changes such as incentives and taxes that may significantly affect our Company's financial statements.

3. Information on the Conflicts of Interest Between the Company and the Institutions It Provides Services on Issues such as Investment Advisory and Rating, and the Measures Taken by the Company to Prevent These Conflicts of Interest

None.

4. Information on Social Rights, Vocational Training and Other Social and Environmental Consequences of Company Activities of Employees

In our company, employees are provided with health insurance, company-contributed Private Pension, education allowance, death allowance, marriage allowance, and maternity allowance as social rights. In addition, training programs are implemented to increase their professional development within the framework of training programs prepared on an annual basis. By closely monitoring the latest developments regarding human health, environmental protection and operational safety, priority is given to the development of environmentally friendly technologies to minimize the negative effects on the environment and society.

5. Information Mandatory to be Provided to Shareholders Regarding Related-Party Transactions and Balances

Information regarding our company's transactions with related parties is included in the footnotes No.19 of the financial statements dated 31.03.2025.

6. Information to Stakeholders

Information regarding our Company's Investor Relations Department is provided below.

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NAME-SURNAME	TITLE	LICENCE	E-MAIL	TELEPHONE
Tuba BEKTAŞ	Head of Investor Relations	CMB Level 3 License, Corporate Governance Rating License, Derivatives Instruments License, Credit Rating License.	yatirimciiliskileri@hektas.com.tr investorrelations@hektas.com.tr	+90 262 888 19 56
Fusun DÖNERTAŞ	Investor Relations Department Manager		yatirimciiliskileri@hektas.com.tr investorrelations@hektas.com.tr	+90 262 888 19 56

Events Occurring Within the Period:The Statement of Responsibility, Financial Statements, Activity Report, and Compliance Reports

as of the end of 2024 were prepared and disclosed to the public through the Public Disclosure Platform (KAP) on March 11, 2025, thereby informing our stakeholders.

Common and Continuous Transactions

Due to the fact that the commercial activity involving the sale of raw materials, packaging, and finished products between our Company and FERBİS Tarım Ticaret ve Sanayi Anonim Şirketi—our subsidiary—exceeded 10% of total sales and is considered extensive and continuous, a "Report on Extensive and Continuous Transactions" was prepared in accordance with the Capital Markets Board's Corporate Governance Communiqué No. II-17.1. This report was disclosed to the public and shared with our stakeholders via the Public Disclosure Platform (KAP) on March 11, 2025.

Events Occurring After the Reporting Period:Notification Regarding General Assembly Proceedings

The invitation text, agenda, dividend distribution procedures, and the announcement regarding the selection of the Independent Audit Firm for 2025 in relation to the 2024 Ordinary General Assembly Meeting to be held on April 25, 2025, were disclosed to the public and shared with our stakeholders via the Public Disclosure Platform (KAP) on April 25, 2025.

Notification Regarding the Disclosure Policy

The Board of Directors' resolution concerning the presentation to the General Assembly of the proposed amendments to the Company's Disclosure Policy at the 2024 Ordinary General Assembly Meeting to be held on April 25, 2025, was disclosed to the public and shared with our stakeholders via the Public Disclosure Platform (KAP) on April 25, 2025.