

## **ANATOLIA TANI VE BİYOTEKNOLOJİ ÜRÜNLERİ ARAŞTIRMA GELİŞTİRME SANAYİ VE TİCARET A. Ş.**

### **PROFIT DISTRIBUTION POLICY**

Anatolia Tanı ve Biyoteknoloji Ürünleri Araştırma Geliştirme Sanayi ve Ticaret Anonim Şirketi ("**Company**") profit distribution policy ("**Policy**") has been issued in line with the Turkish Commercial Code Nr. 6102 ("**TCC**"), Capital Markets Law Nr. 6362 ("**CML**") and Capital Markets Board ("**CMB**") Dividend Communiqué (II-19.1), Capital Market Legislation and provisions of the articles of association of our Company.

After deducting the amounts required to be paid and set aside by the Company in accordance with the general accounting principles such as the Company's general expenses and depreciation fees, and the provisions set aside for the taxes and financial liabilities to be paid by the Company, from the revenues determined at the end of the account period of the Company in order to determine profit for the period seen in the annual balance sheet and the distributable net profit for the period is determined after deducting the previous year's losses, if any.

The Company aims to distribute a minimum of 40% of the distributable net profit for the period calculated in accordance with the Articles of Association, TCC, CML, Dividend Communiqué (II-19.1) and tax regulations, provided that it is approved by the general assembly and profit distribution is not restricted in accordance with the relevant legislation. Although the companies whose shares are traded on Borsa İstanbul A.Ş. are not obliged to take any share distribution decisions, the Company aims to establish a tradition of continuing dividend distribution. For the avoidance of doubt, this target is not a commitment and cannot be interpreted as a commitment. Profit share can be distributed in cash and/or in the form of bonus shares and/or by using these two methods together at certain rates. Implementation of this policy and the rate of dividend to be distributed are dependent upon some factors including but not limited to the Company's investment and financing strategies and needs, changes and developments in the relevant legislation, market expectations, the Company's medium and long-term strategies, the capitalization of the Company and/or its subsidiaries and affiliates as well as and investment requirements, profitability, financial position, indebtedness and cash position, and national and global economic conditions. In line with these conditions, the rate of distributable profit may be reduced each year with the recommendation of the board of directors and the approval of the general assembly, or it may be decided not to make any profit distribution within the framework of the above-mentioned principles.

Dividends will be distributed equally to the shareholders on the date determined by the general assembly following the approval of the general assembly within the legal period, regardless of all existing shares as of the distribution date and their issuance and acquisition dates. Dividend distribution can be made in one go, or it can be distributed in installments.

In case the company defaults due to non-fulfillment of its obligations arising from contracts to which it is a party, especially loan contracts, it may not be able to distribute profits due to the restrictions in the relevant contracts.

Period profit, if any, remaining in the annual balance sheet after deducting the amounts required to be paid or set aside by the Company, such as general expenses and miscellaneous depreciation, and the mandatory taxes to be paid by the Company's legal entity from the revenues determined at the

end of the operating period of the Company, the remaining amount after deduction of the loss is distributed in the following order and principles:

- a. General Legal Reserve:** Until it reaches 20% of the capital, 5% is set aside as general legal reserves.
- b. First Dividend:** From the remainder, the first dividend is allocated, in accordance with the TCC and capital market legislation, within the framework of the Company's profit distribution policy, over the amount to be found by adding the donation amount made during the year, if any.
- c.** After the above reductions are made, the General Assembly has the right to decide on the distribution of the dividend to the members of the Board of Directors, the employees of the partnership and the persons other than the shareholders.
- d. Second Dividend:** After deducting the amounts specified in subparagraphs (a), (b) and (c) from the net profit for the period, the General Assembly is authorized to decide to distribute the remaining part as a partial or complete second dividend, to add to the reserve fund set aside by law and the articles of association, to set aside as extraordinary reserves or to leave it on the balance sheet as a previous year's profit. Unless the amounts specified in subparagraphs (a) and (b) above are allocated, the General Assembly cannot decide to set aside other reserves, transfer profits to the next year, or distribute dividends under any other name.
- e. General Legal Reserve:** 10% of the amount found after 5% of the capital is deducted from the portion decided to be distributed to the shareholders and other persons participating in the profit is added to the general legal reserves.

Unless the reserves required to be set aside according to the TCC and the profit share determined for the shareholders in the articles of association are reserved; it can neither be decided to allocate other reserves, to transfer profits to the next year, and to distribute dividends to the members of the Board of Directors, not any dividend shall be distributed to these persons unless the dividend determined for the shareholders are paid in cash.

The dividend distribution decision made by the General Assembly in accordance with the provisions of the Articles of Association cannot be withdrawn unless permitted by the relevant legal regulations.

The dividend is distributed equally to all existing shares as of the distribution date, regardless of their issue and acquisition dates. The distribution method and time of the profit decided to be distributed is decided by the General Assembly upon the proposal of the Board of Directors on this matter.

The General Assembly may decide to distribute advance dividends to the shareholders within the framework of the relevant provisions of the Turkish Commercial Code and the capital market legislation.