



**EİS ECZACIBAŞI İLAÇ, SİNAİ VE FİNANSAL YATIRIMLAR
SANAYİ VE TİCARET A.Ş.**

JANUARY 1 - JUNE 30, 2025 ACCOUNTING PERIOD

ANNUAL REPORT OF THE BOARD OF DIRECTORS

EİS ECZACIBAŞI İLAÇ, SİNAİ VE FİNANSAL YATIRIMLAR SANAYİ VE TİCARET A.Ş.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Trade Name : EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş.
Trade Registration Number : İstanbul Trade Registry Office - 44943
Contact Details : Büyükdere Caddesi, Ali Kaya Sokak No: 5 Levent 34394, İstanbul
Phone : (0212) 350 80 00 - 371 70 00 Fax: (0212) 371 73 99
Web : www.eis.com.tr , www.eczacibasi.com.tr
Report Period : 01.01.2025 – 30.06.2025

EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. ("Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar" or "Company") was incorporated on 24 October 1951. While being operated in a holding structure with its existing affiliates and subsidiaries, the Company does not engage in any actual manufacturing activity. As of 30 June 2025, the companies where the Company holds a direct interest in the capital, and shareholding ratios within such structure are shown in the table below:

Trade Name	Share Ratio (%)
Gensenta İlaç Sanayi ve Ticaret A.Ş.	99,97
EİP Eczacıbaşı İlaç Pazarlama A.Ş.	99,92
Eczacıbaşı Gayrimenkul Geliştirme ve Yatırım A.Ş.	99,49
Eczacıbaşı İlaç Ticaret A.Ş.	94,70
Eczacıbaşı Holding A.Ş. ¹	37,28
Ekom Eczacıbaşı Dış Ticaret A.Ş.	26,36
VitrA Karo Sanayi ve Ticaret A.Ş.	25,00
Eczacıbaşı Bilişim Sanayi ve Ticaret A.Ş.	11,21

Capital and Shareholding Structure

Shareholder	30 June 2025		31 December 2024	
	Share Ratio (%)	Share Amount (₺)	Share Ratio (%)	Share Amount (₺)
Eczacıbaşı Holding A.Ş.	50,62	346.845.461	50,62	346.845.461
Eczacıbaşı Yatırım Holding Ortaklığı A.Ş.	30,62	209.803.928	30,62	209.803.928
Other (Publicly Traded Portion)	18,76	128.610.611	18,76	128.610.611
Total	100,00	685.260.000	100,00	685.260.000

According to the data dated 30 June 2025, as reported by Central Registry Agency (CRA), outstanding share percentage is 18.74% of the Company's capital. (31 March 2025: 18.34%)

The issued capital of the Company has been divided into 68,526,000,000 shares, with a nominal value of 1 (one) kurus each. All shares are bearer shares. There is no privileged share, and each share has one voting right. The company has not acquired its own shares.

EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. is traded on Borsa İstanbul A.Ş. (BİST) at Star Market under the code ECILC.

¹ Our Company holds %37,28 of the shares in our main shareholder Eczacıbaşı Holding A.Ş., and it does not have any directive effect or control over the organization and investment policies of Eczacıbaşı Holding A.Ş. It is included under financial assets reflected at fair value through other comprehensive income in our financial statements.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Amendments made in the Articles of Association during the Period and Their Reasons

Our Company's Board of Directors resolved as follows in its meeting, dated 09.01.2025:

- 1) To determine the validity period of the current authorized capital ceiling of our Company, which is ₺ 1,920,000,000.- as 2025-2029, pursuant to the provisions of the Communiqué of the Capital Markets Board No. II-18.1 on the Authorized Capital System;
- 2) To make the necessary applications to the Capital Markets Board and the Ministry of Trade of the Republic of Turkey in order to amend the article 7 entitled "Authorized Capital" of the Articles of Association according to the amendment text,
- 3) To present the amendment of the Articles of Association to the shareholders for approval at the first general assembly to be held after obtaining the abovementioned permits and consents.

Within the framework of the resolution, an application was made to the Capital Markets Board to obtain permission to amend Article 7 titled “Registered Capital” of the Articles of Association and the application was approved by the Board on 10.01.2025. The Ministry of Trade authorized this amendment as of 27.01.2025.

Having approved the amendment to the articles of association to extend the validity period of the registered capital ceiling until the end of 2029 at the ordinary general assembly meeting of our Company, dated 30.04.2025, it was registered by the İstanbul Trade Registry Office on May 9, 2025.

Board of Directors

The Board of Directors consists of six members, two being independent members. Below is the information on members of board of directors elected for an office term of one year at the ordinary general assembly meeting held on 30 April 2025:

Name, Surname	Position	Commencement of Office Term	Independency Status
Ferit Bülent Eczacıbaşı	Board Chairman	30 April 2025	-
Rahmi Faruk Eczacıbaşı	Deputy Board Chairman	30 April 2025	-
Emin Fadıllıoğlu	Member	30 April 2025	-
İpek Güleç	Member	30 April 2025	-
Erol Ulukutlu	Member	30 April 2025	Independent Member
İhsan Rifat Öktem	Member	30 April 2025	Independent Member

Members of the Board of Directors did not engage in any activities that were in violation of the prohibition on competition during the period between 1 January and 30 June 2025.

Committees Established within the Board of Directors

“Committee In Charge Of Audit”, “Corporate Management Committee” and “Early Risk Identification Committee” were established by the Board of Directors are established by Board of Directors within the framework of the provisions in the Corporate Governance Communiqué of the Capital Markets Board. Duties of Nomination Committee and Remuneration Committee are fulfilled by the Corporate Governance Committee. Committees in which members of the board of directors elected to serve for a period of one year at the ordinary general assembly meeting of the Company held on 30 April 2025 were determined by a board resolution adopted on 30 April 2025, and the structures of such committees as of the date of the report are detailed below.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Auditing Committee

<u>Name & Surname</u>	<u>Position</u>
Erol Ulukutlu	Chairman
İhsan Rifat Öktem	Member

Corporate Governance Committee

<u>Name & Surname</u>	<u>Position</u>
Erol Ulukutlu	Chairman
İpek Güleç	Member
Tuğçe Fetvacı	Member

Early Risk Detection Committee

<u>Name & Surname</u>	<u>Position</u>
İhsan Rifat Öktem	Chairman
İpek Güleç	Member

Board of Directors' Assessment of Committee Efficiency

Established by the Board of Directors, the committees discharged their duties and responsibilities set forth in their duty and working principles and took care to convene at frequencies deemed necessary for effective work. The Board of Directors provided the committees with any resource and support required for the fulfillment of their duties.

Changes made in the Senior Management during the Period and Names, Surnames and Professional Experiences of Those still in the Office

No change took place in the senior management during the period. Emin Fadılhoğlu has been serving as General Manager of our company.

Personnel and Worker Movements, Collective Contract Applications, Rights and Benefits provided to Personnel and Workers

The Company's total number of personnel as of 30 June 2025 is 8² (31 March 2025: 18) and they are all subject to the Labor Law. There are no collective labor agreements in force. The wages and rights of the employees should be determined in accordance with the relevant legislation and the internal regulations of Eczacıbaşı Group. In this framework, the employees have the opportunity to participate in training and career programs suitable for their personal and professional development in addition to the benefits they might have according to their positions, such as private health and life insurance, individual pension, clothing, relocation and meal benefits, marriage, birth-death, and child benefits. As of the date of the report, there are Legal and Investor Relations units in the organizational structure of EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. reporting to the Directorate General.

Financial Information

	30 June 2025	31 December 2024
Liquidity Ratios		
- Current Ratio (%)	2,16	2,02

² The consolidated number of employees is included in the financial report.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

- Liquidity Ratio (%)	1,60	1,49
Ratios Related to Financial Position		
- Total Liabilities / Total Assets	0,19	0,20
- Total Equity / Total Assets	0,81	0,80
- Total Equity / Total Liabilities	4,20	3,97
Profitability Ratios		
- Net Profit for the Period / Total Shareholders' Equity	0,04	0,02
- Net Profit for the Year / Total Assets	0,03	0,02
- Net Profit / Revenue for the Period	0,45	0,12

Dividend distributed in Previous Years and Its Ratio

At the Board Meeting dated 28.03.2025;

regarding our Company's Fiscal Period between 01.01.2024 and 31.12.2024;

i. According to the independently audited consolidated financial statements prepared on the basis of Turkish Financial Reporting Standards ("TFRS") in accordance with the Capital Markets Board's "Communiqué on Principles Regarding Financial Reporting in Capital Markets" No. II-14.1, the consolidated net distributable profit for the period of the parent company is ₺ 1,023,611,000 and the consolidated net distributable profit for the period including donations is ₺ 1,023,699,408;

ii. Net profit for the period is ₺ 1.280.114.220 according to the statutory financial statements prepared in accordance with the Tax Procedure Law ("TPL"), after deducting the previous year's commercial losses amounting to ₺ 334,515 from this amount, the distributable dividend base is ₺ 1,279,779,705, moreover, according to the statutory financial statements prepared in accordance with TPL, although there are losses from previous years arising from the application of inflation adjustment amounting to ₺13.986.775.693, there is an amount of Inflation Adjustment Differences related to Equity Accounts sufficient to cover the whole of ₺ 13.986.775.693;

iii. Since the amount of the general legal reserve fund at the rate of 5%, which is required to be set aside pursuant to paragraph 1 of Article 519 of the Turkish Commercial Code, has reached the limit of 20% of the issued capital in the legal records, no general legal reserve fund will be set aside for the year 2024 in accordance with this provision;

Taking the foregoing issues into consideration, it was decided to make proposals to the partners on the following issues regarding the distribution of our Company's profit for the fiscal year of 2024 at the Ordinary General Assembly Meeting for the year 2024:

- 1) Distributing dividend amounting to ₺ 1,200,000,000 corresponding to 175% of the issued capital of our Company;
- 2) Covering ₺ 933,670,273 of the total cash dividend of ₺ 1,200,000,000 to be paid to partners in accordance with the financial statements prepared in accordance with TFRS from net distributable profit for the period, and the remaining from the retained earnings;
- 3) Not offsetting items arising from inflation adjustments in equity, as required by tax regulations, according to legal records prepared in accordance with the provisions of the Tax Procedure Code, and covering ₺ 1,166,550,914 of the total cash payments of ₺ 1,200,000,000 from net distributable profit for the period, and the remaining from the extraordinary reserves;
- 4) Setting aside the legal reserves required to be set aside pursuant to Article 519, Paragraph 2, Subparagraph c of the Turkish Commercial Code;

ANNUAL REPORT OF THE BOARD OF DIRECTORS

- 5) Paying a dividend of gross 175% in cash to a share of ₺1 nominal value, and of the net amount found, after deducting the withholding rates included in the tax laws, to our full taxpayer natural person partners and to our limited taxpayer natural person and legal entity partners;
- 6) Initiating dividend distribution on 14 May 2025,

The said proposals were approved at the Ordinary General Assembly for the fiscal year 2024 held on April 30, 2025. Dividend distribution was completed as of 16 May 2025.

The profit distribution information of the Company for the last five years is as follows:

Year	Profit Distribution Starting Date	Amount (₺)	Ratio (%)	
			Gross	Net
2020	26.04.2021	150.757.200	22,00	18,70
2021	24.05.2022	200.095.920	29,20	26,28
2022	25.04.2023	280.956.600	41,00	36,90
2023	05.06.2024	808.606.800	118,00	106,20
2024	14.05.2025	1.200.000.000	175,12	148,85

Financing Sources of the Enterprise

For use in financing of Gensenta İlaç Sanayi ve Ticaret A.Ş. acquisition, on 1 November 2022, a bank loan in Euro equivalent of US\$ 85,000,000 with 1-year grace period, a total tenor of 5 years, was taken out. In the actual state, the cash assets corresponding to a significant part of the net financial assets are composed of Euro, USD and Turkish Lira. The company has not issued any capital market instruments during the period.

Investment Policy applied by the Organization in order to strengthen Its Performance

The Company has established its investment policy as engaging in investment activities for the purpose of growth in healthcare and real estate development sectors.

Information on the Internal Control System and Internal Auditing Activities

Internal Control is the system that ensures that processes and transactions are carried out in accordance with relevant legislation and rules, in line with management strategies and policies, that errors, fraud, and irregularities are detected and prevented, that the integrity and reliability of accounts and records are ensured, and that information in the data system can be obtained in a timely and accurate manner. The internal control system has been designed to provide reasonable assurance in terms of effectiveness and efficiency of activities, reliability of reporting as well as achieving objectives of compliance with the relevant legislation.

Elements within the flow of business processes, including standard definitions, tasks and responsibilities, authorizations, policies and procedures, constitute the Internal Control System. This system, which also includes risk management, information systems and processes, is assessed under internal audit activities and its efficiency is audited.

The Audit Committee is responsible for the accounting system, disclosure of financial information to the public, review of financial reports and sustainability reports for submission to the board of directors for approval, selection of an independent audit company, and oversight of the operation and effectiveness of the internal control system and independent audit processes. During the period, the Committee monitored the accounting and internal control systems, independent audit and financial reporting processes, and encountered no irregular finding and concluded that operations were carried out properly.

In addition to the duties performed by the Audit Committee, legal records are audited every quarter by a Certified Public Accounting Company in accordance with the Turkish Commercial Code, Uniform Chart of Accounts, and Tax Legislation. Furthermore; the compliance of financial statements for the intermediary

ANNUAL REPORT OF THE BOARD OF DIRECTORS

fiscal period between January - June and for the fiscal period between January and December with the Turkish Financial Reporting Standards is audited by the independent auditing company.

The Company's Corporate Risk Management Policy, which is adopted to effectively manage risks that may be encountered in the process of achieving its strategic objectives, reduce uncertainties, and utilize opportunities, covers all units and activities of the Company and is in line with the Community Corporate Risk Management Policy.

Information about the Donations made during the Period

No solo donations were made by the Company during the period.

Events During the Period Between 01.04.2025 and 30.06.2025

The Company's Ordinary General Assembly meeting for the Fiscal Year of 2024 was held on 30 April 2025. The General Assembly approved the amendment of Article 7 titled "Authorized Capital" of the Articles of Association to determine the validity period of the Company's registered capital ceiling of ₺ 1,920,000,000 as 2025-2029. It was resolved to elect DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as the Independent Audit Company to audit the financial reports, to elect RSM Türkiye Uluslararası Bağımsız Denetim Anonim Şirketi to perform the Mandatory Assurance Audit for Corporate Sustainability Reports to be prepared in accordance with the Turkish Sustainability Reporting Standards published by the Public Oversight, Accounting and Auditing Standards Authority, to distribute dividends in accordance with the dividend distribution proposal, and to set the dividend payment date as May 14, 2025. The resolutions adopted at the said general assembly meeting were registered by İstanbul Trade Registry Office on 9 May 2025. Dividend distribution was completed as of 16 May 2025.

TSRS-Compliant Sustainability Report for the year 2024, which includes information on the sustainability practices and performance of the Company, issued in line with Turkish Sustainability Reporting Standards in accordance with the regulations of Republic of Türkiye Public Oversight, Accounting and Auditing Standards Authority and subjected to compulsory sustainability assurance audit by SM Turkey Uluslararası Bağımsız Denetim Anonim Şirketi, was made public on KAP and on the Company's website.

Milestone Events during the Period from the Closing of the Accounting Period to the Date when the Relevant Financial Statements are announced

No milestone event has occurred after the end of the reporting period.

Evaluation of Activities of the Period 1 January - 30 June 2025

Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar has a kind of holding structure and it engages in direct real estate development activities within such structure and runs its operations in the following sectors through its affiliated business partnerships and subsidiaries.

<u>Sector/Market of Activity</u>	<u>Corporate Name</u>
---	------------------------------

Health

Reference and generic pharmaceuticals market	Gensenta İlaç Sanayi ve Ticaret A.Ş. EİP Eczacıbaşı İlaç Pazarlama A.Ş. Eczacıbaşı İlaç Ticaret A.Ş.
--	--

Real Estate

Ayazağa³

³ There is a Revenue Sharing in Return for Land Share and Construction in Return for Flat Contract on our real estate in Ayazağa.

EİS ECZACIBAŞI İLAÇ, SİNAİ VE FİNANSAL YATIRIMLAR SANAYİ VE TİCARET A.Ş.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Real estate development	Kanyon ⁴ Eczacıbaşı Gayrimenkul Geliştirme ve Yatırım A.Ş.
Other	
Ceramic coating market	VitrA Karo Sanayi ve Ticaret A.Ş.
Export services	Ekom Eczacıbaşı Dış Ticaret A.Ş.

⁴ Our Company owns entire Kanyon Office Block and half of Kanyon Mall.

HEALTH SECTOR ACTIVITIES

Gensenta İlaç Sanayi ve Ticaret A.Ş.

Gensenta İlaç Sanayi ve Ticaret A.Ş. (Gensenta), which joined the Eczacıbaşı Group in 2022, continues its activities in the fields of manufacturing raw materials and finished pharmaceuticals, as well as research and development.

Operating for more than a century, Gensenta is one of the leading pharmaceutical manufacturers in Türkiye with its expert staff and modern facilities. Specializing in sterile manufacturing, the company maintains its claim in the sector with more than 50 years of experience in high capacity aseptic manufacturing. Exporting to over 12 countries, Gensenta holds 205 licenses for 88 brands that are recognized in Türkiye, and 113 licenses for 35 brands that are recognized internationally.

As being the most experienced company in Türkiye in the manufacturing of parenteral drugs in liquid and lyophilized forms in large-capacity injectable ampoule and vial preparation units, Gensenta introduces medicines manufactured in its manufacturing facilities in accordance with world-class “Current Good Manufacturing Practices (cGMP)” and “Current Good Laboratory Practices (cGLP)” rules to the service of human health both domestically and in many countries abroad.

Gensenta continues manufacturing in 2 main locations in İstanbul - Yenibosna and Kocaeli - Şekerpınar as of the beginning of 2025. On the other hand, Gensenta's Oncolytic Manufacturing Unit in Yenibosna, which was engaged in sterile oncology manufacturing, but the manufacturing and packaging activities of which were halted and shut down as of 13.09.2024 since its efficiency, capacity utilization performance and profitability were not at the desired level within the framework of Gensenta's targets, was sold as of 17.03.2025.⁵ Applications were made to the Turkish Medicines and Medical Devices Agency (TITCK) for the transfer of the licenses of the 32 products manufactured on the line by the company that carried out the acquisition. Applications for licenses for oncolytic facilities in international markets will also be made by the company.

On the other hand, it has been assessed that there is a need for additional investments in the raw material manufacturing facilities in Şekerpınar in order to maintain manufacturing in compliance with today's requirements, but such investments are not economically and operationally feasible due to the difficulties related to the commercialization of the products manufactured in the facility, and On 21.11.2024, the sale of the manufacturing facilities (excluding machinery and equipment) and the land on which they are located was realized for ₺ 783,148,140. The date of delivery of the immovable to the buyer has been determined as 31.12.2025. It is planned to continue manufacturing at the facility until the said date in line with the needs of Gensenta stakeholders.⁶

Finished pharmaceuticals manufacturing continues at Gensenta's Other Pharmaceuticals Manufacturing Unit facility in Yenibosna. In this facility, as a Contract Manufacturing Organization (CMO), contract manufacturing of products of Eczacıbaşı İlaç Pazarlama and some customers located abroad is carried out in addition to the manufacturing of Gensenta branded products. At Gensenta's Yenibosna facility, manufacturing is carried out in capsule tablet and film-coated tablet forms in the oral manufacturing site, while sterile manufacturing site hosts manufacturing in both liquid and lyophilized forms, as well as filling and lyophilization processes for vial and ampoule forms. While 39,000 bottles (vials) can be filled per hour in sterile manufacturing, the capacity in solid manufacturing is 750 million tablets per year for tablets and 160 million capsules per year for capsules. The efficiency studies carried out in 2024 for the facility in question are still in progress for 2025. Furthermore, the “High Speed Isolator Based Vial Filling Line (Vial 4) Investment Resolution” was passed with a budget of approximately € 32 million for liquid and lyophilization filling at the main finished pharmaceuticals manufacturing facility in Yenibosna.⁷ It is aimed with the investment in an isolator vial filling line with lyophilizer to increase Gensenta's sterile liquid vial filling capacity by 60% and lyophilized vial capacity by 24% in addition to its existing vial

⁵ <https://www.kap.org.tr/tr/Bildirim/1407594>

⁶ <https://www.kap.org.tr/tr/Bildirim/1359763>

⁷ <https://www.kap.org.tr/tr/Bildirim/1333751>

ANNUAL REPORT OF THE BOARD OF DIRECTORS

filling capacity. One of the most important features of the line is that, thanks to the isolator technology, the entire manufacturing line is managed in a closed process, minimizing any possible external human error. The additional manufacturing line is considered as a significant strategic investment for Gensenta's growth target in domestic and foreign markets, and it is aimed to enter the market in new countries. The project is planned to be completed in the second half of 2026. On the other hand, relevant incentive applications have been made to official institutions and organizations regarding the investment, and an Investment Incentive Certificate was obtained from the T.R. Ministry of Industry and Technology, which includes supporting elements, such as “VAT Exemption, Customs Duty Exemption, Tax Reduction (80%, YKO 40%), Interest or Dividend Support and Insurance Premium Employer Share Support (7 Years)”. Since the investment in question is a “priority investment”, the Investment Incentive Certificate covers fixed investments with a total amount of 1.346.015.999 TL, valid between 15.10.2024 and 15.10.2027, within the scope of regional support applied in the 5th region. The application made within the scope of YTAK (Investment Committed Advance Loan) to finance the investment was finalized as of the end of May, and the TSP (Technology Level Score) Certificate was submitted to Gensenta.

It was decided that, as of the end of 2025, the activities in the Light Ampolule Manufacturing Line located in Gensenta Yenibosna premises will be halted due to the high investment requirement within the scope of modernization, and by realizing the technology transfer of the products manufactured here, their manufacturing will be outsourced to a third party in the form of contract manufacturing. However, packaging activities are expected to continue until August 2026. The resolution in question is not expected to have a material impact on Gensenta's operations and financials. Necessary notifications were made to the T.R. Ministry of Health and other authorities in accordance with the relevant legislation.

Alongside its manufacturing activities, Gensenta maintains its presence among the strong players in the sector as one of the first R&D centers certified by the Ministry of Science, Industry and Technology. While formula development is monitored from the initial stage to the final process in the field of R&D, studies are focused particularly on the development of dietary supplements and value-added generics. Increasing Gensenta's share in R&D projects remains among the company's key objectives for the coming period.

Noteworthy activities performed in the Q2 of 2025

- The projects launched in 2023 for optimization of capacity utilization and perfection in manufacturing are progressing successfully in line with the defined plan. As of Q1 2025, these efforts have been further strengthened with the contribution of newly established agile teams, and are progressing in full compliance with the company's 2025 targets. This approach to improving the efficiency of processes continues to make significant contributions to the even more efficient use of manufacturing capacity.
- The number of human product licenses held has become 205 in Türkiye, and 113 in international markets.
- Verification of greenhouse gas emissions will be carried out in 2025. Calculation of scope 1-2-3 greenhouse gas emissions for 2024 has started within the scope of the Low Carbon Roadmap Project.
- The structural and non-structural earthquake retrofitting projects for the buildings in the Yenibosna finished pharmaceuticals facility were completed in 2024. On the other hand, since Gensenta has not fulfilled its obligations related to the share transfer agreement signed during the acquisition of Gensenta, EİS Eczacıbaşı Finansal Yatırımlar filed an arbitration application against the seller for compensation amounting to USD 3.26 million. The related arbitration proceedings are ongoing before the International Chamber of Commerce.
- Digital transformation projects were initiated to increase operational efficiency within the scope of Gensenta's digital transformation roadmap. It is aimed to reduce time losses due to manual processes, reduce costs and environmental impacts due to high energy consumption, and increase business continuity and productivity through proactive monitoring of critical performance indicators, thanks to these projects.
- Anticipating that there will be a decrease in solid manufacturing volume due to the decision of the customer, to whom contracted manufacturing services are provided in capsule manufacturing, to stop the manufacturing of the products in question globally by the end of 2024, studies on filling the line

ANNUAL REPORT OF THE BOARD OF DIRECTORS

with different products alongside those that will continue to be manufactured on the aforementioned manufacturing line have not yet been completed. Our EU GMP certificate was updated in February 2025, and the oral manufacturing field was included within the scope thereof, thanks to the EMA (European Medicine Agency) - AEMPS (Spanish Health Authority) audit, which was successfully passed between September 02-11, 2024.

Future goals of Gensenta include:

- Increasing the capacity, as well as the technological and digital competencies, by rapidly converting local and global opportunities encountered in the pharmaceutical sector into investments, and expanding the contract manufacturing business volume through new collaborations;
- Supporting projects and investments that have started to be carried out for more effective and efficient use of capacity, and abandoning inefficient and unprofitable fields;
- Boosting R&D investments and quick addition of new products to the product portfolio, assigning new projects for EİP Eczacıbaşı İlaç Pazarlama A.Ş. in addition to existing R&D projects
- Keeping pace with the rapidly changing world dynamics and technological developments in an efficient manner;
- Adhering to diversity, inclusion and equality by increasing organizational depth;
- Minimizing resource consumption and maximizing efficiency in all business processes for the sake of building a sustainable future;
- Focusing on CMO activities in the field of sterile manufacturing.

The rights and benefits provided to the personnel are in parallel with the human resources practices of Eczacıbaşı Group. The Company has 551 employees in total as of June 30, 2025. (31 March 2025: 545)

Eczacıbaşı İlaç Pazarlama A.Ş

Eczacıbaşı İlaç Pazarlama A.Ş. (Eczacıbaşı İlaç Pazarlama, EİP) was established in İstanbul in 1989. It is engaged in the promotion, marketing, sales and distribution of reference and generic pharmaceuticals and non-prescription products that it imports, produces by way of subcontracting, and adds to its portfolio through sales and marketing agreements, in cooperation with international and local companies in the pharmaceutical sector.

Eczacıbaşı İlaç Pazarlama conducts its activities through three main fields of business, namely: "Basic Treatments", "Specific Treatments", and "Consumer Health Products". Basic Treatments include products that have been on the market for a long time and serve primary care (Family Physician System). The operational markets and those expected to grow in the future have been prioritized when identifying specific fields of treatment. Four fields of treatment have been identified in this context, namely urology, dermatology, central nervous system, oncology - hematology. Investments are being made in the field of specific treatments in line with EİP's growth vision, and initiatives in the field of oncology, particularly those aimed at developing a generic portfolio, have been focused on while attempting to develop a portfolio. While diabetes and diabetes-related diseases are expected to create a significant economy in the coming period, in this context, "diabetes" will be added to the list of the fields of treatment in September 2025, and services will be provided in this field as well. Eczacıbaşı İlaç Pazarlama is also active in the field of food supplements, which consists of consumer health products that are freely priced, and can be offered to the market in a shorter period of time. In this context, Dynavit, which has its own brand in the field of food supplements, and is produced domestically, is the sponsor of Eczacıbaşı Women's Volleyball Team, and the brand perception continues to be strengthened by ensuring more intense media visibility. While resuming the efforts for adding freely priced products in the dietary supplements category to the product range alongside the reference and generic pharmaceuticals portfolio, diversification of the Dynavit portfolio continues. Approval has been obtained for 10 new products in the field of food supplements, as well as a new product (Dynavit Mag Night) to be included in the magnesium group during 2025. The total number of permits for Dynavit branded dietary supplements is 80. Selfit branded products, special healthy life brand, are offered for sale through online channels as part of e-commerce.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Along with its own products, Eczacıbaşı İlaç Pazarlama carries out the representation of the licensor companies' products. The respective product portfolio of Eczacıbaşı İlaç Pazarlama, which has 14 business partners that are specialized in their fields of operations, includes products by companies such as Abdi İbrahim, Alfa Sigma, Almirall, Aspen, BioGaia, Galderma, Juvise, Novartis, Otsuka, P&G, Sanofi, Synthon, and Tillotts. The ongoing collaboration with Novartis for three products in oncology and hematology has been extended until the end of 2026.

While gross profitability is one of the most crucial focuses of Eczacıbaşı İlaç Pazarlama, efforts are made to increase the market share or sales share of products with high profitability and licensor products. It is aimed in 2025 to launch 2 products in diabetes and 4 products in other fields of treatment, and to expand the portfolio by increasing the number of licenses with business partners. Sordena products, which have been included in the scope of reimbursement as of April 11, 2025, are made available to patients in the therapeutic field of the nervous system for the treatment of major depressive disorder. While the products are manufactured by Gensenta, sales and marketing thereof are carried out by Eczacıbaşı İlaç Pazarlama.

Although Eczacıbaşı İlaç Pazarlama does not have any R&D activities, it carries out studies on molecules in the Phase III stage within the scope of business development activities with outsourced R&D services. Additionally, efforts are carried on to develop products in the field of diabetics, dermatology and urology with local companies. It is projected that the financial structure will be strengthened by concluding contracts for unrivalled new products with high price, adding products with high free prices and market potential to the portfolio, and by rapidly assessing options of co-marketing and license transfer. Collaborative efforts to address innovative products and unmet patient needs in the field of oncology continue within the framework of new product agreements.

Collaboration is carried out in various fields thanks to the mutual integration efforts of Gensenta and Eczacıbaşı İlaç Pazarlama. In 2023, Eczacıbaşı İlaç Pazarlama took over the domestic marketing and sales of various products owned by Gensenta. In this context, it is planned to transfer the licenses held by Gensenta to Eczacıbaşı İlaç Pazarlama. Currently, Eczacıbaşı İlaç Pazarlama holds 43 licenses for 29 brands in total, and 114 licenses for 6 brands in the field of food supplements, while outsourcing services from Gensenta in the fields of R&D and contract manufacturing.

In 2024, the sales authorization of a probiotic product sold and marketed by Eczacıbaşı İlaç Pazarlama was suspended on the grounds of non-compliance with the regulation on brand name and it was reported that the products had to be withdrawn from the market. The sale of the said product was suspended upon the aforementioned administrative action, and an action for nullity was respectively filed with the administrative jurisdiction for a stay of execution. In the second quarter of 2025, as a result of the negotiations held with, and the requests submitted to the Ministry of Health and the Ministry of Agriculture and Forestry regarding the situation in question, the products manufactured on behalf of Eczacıbaşı İlaç Pazarlama in the warehouse, market and customs were allowed to be sold until the end of their shelf lives. Within the scope of this authorization, Eczacıbaşı İlaç Pazarlama has waived the administrative lawsuit, which is no longer relevant. On the other hand, the license and distribution agreement with Biogaia has been terminated.

At the end of June 2025, Eczacıbaşı İlaç Pazarlama ranked 26th in the Turkish pharmaceuticals market with a ₺ market share of 1.28% based on the last 12 months' sales.

The prices of the reimbursed drugs are converted into ₺ with the fixed € exchange rate, determined by the Ministry of Health, based on the lowest price (for imported products, in addition to those of the five countries, the prices of the country where the product was imported, where the batch was released and took its pharmaceutical form are also taken into account) of the drug in the five reference countries in the European Union. According to the Cabinet Decree relating to pricing of medicinal products for human use, ₺ equivalent of € 1 (one) to be used for drug pricing is determined by multiplying it with the rounding coefficient calculated as 60% of the previous year's average daily € selling rate. The fixed € exchange rate currently used was published in the Official Gazette, dated October 24, 2024, as being increased by 23.5% to ₺ 21.6721. Within the framework of this decision, it is stated that the current ₺ equivalent of € 1 (₺ 21.6721) will continue to be applied for the year 2025.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

The most important factor that challenges companies operating in the pharmaceutical sector, especially those engaged in imports, is the difference between the current € exchange rate and the € exchange rate calculated by the above-mentioned formula and used to determine pharmaceutical prices. The prices of all prescription/non-prescription medicines or reimbursed/non-reimbursed medicines which are sold by Eczacıbaşı İlaç Pazarlama other than free-priced food supplements are determined according to the price decree of the Ministry of Health.

The main factors affecting the performance of Eczacıbaşı İlaç Pazarlama are considered as follows:

- The reference price system applied by the Ministry of Health, the € Value which is used for the conversion of ₺, and of which calculation method was explained by the Cabinet Decree, and the drug budget application managed by the Social Security Institution (SSI);
- Keeping the share of the pharmaceutical budget within GDP limited/not increased over the years;
- The registration process of the Ministry of Health;
- The speed at which the registered products are included in the reimbursement lists of the Social Security Institution;
- Compulsory public entity discounts of SSI.

Noteworthy activities performed in the Q2 of 2025

- In-house cultural digital transformation efforts continue unabated.
- The management and monitoring of technology projects has been strengthened with the new Project Management Office structure, and these efforts are ongoing.
- Talent management programs to increase the depth of the talent pool have been put into practice, and efforts are ongoing in this direction.
- The strong presence in the field of consumer health is maintained through digital marketing activities and innovative campaigns carried out under the Dynavit brand, while brand awareness continues to be increased through social media interactions and digital campaigns.

Future goals and expectations of Eczacıbaşı İlaç Pazarlama include:

- Improving its competence in specific specialties and becoming a strong player in areas of high priority;
- Becoming one of the leading companies in the field of Consumer Health;
- Increasing weight of medicines used for treatment of chronic diseases in its portfolio;
- Increasing market shares in medicines used in acute treatments;
- Increasing the number of new products in the strategic growth areas it has determined;
- Ensuring customer loyalty by combining product promotions with the services it can offer in almost every field, especially in digital media, in order to maintain sustainable growth;
- Enhancing the use of AI, increasing the technology, data and AI literacy of business units through the Business Technologist program, and expanding the use of AI applications;
- Increasing awareness and efficiency to increase optimum multi-channel interactions with the right customer, right content, and right channel;
- Continuing to implement digital solutions that will ensure operational efficiency;
- Bringing the customer experience journey to the digital environment;
- Digitizing the launch excellence, being able to carefully monitor all stages of the product from idea to launch;
- Growing the e-commerce sales network, product volume and marketplace sales by creating value from data with what is learned from e-commerce experiences;
- Expanding the portfolio and increasing the market share by increasing the number of business partners and licenses.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Eczacıbaşı İlaç Pazarlama has no employees who are members of any trade union. The rights and benefits provided to the personnel are in parallel with the human resources practices of Eczacıbaşı Group. Eczacıbaşı İlaç Pazarlama has 432 employees in total as of June 30, 2025 (31 March 2025: 427). Eczacıbaşı İlaç Pazarlama's Head Office, where it provides all personnel management, is located in Levent (İstanbul). It serves across Turkey with all other provinces that have resident employees.

Eczacıbaşı İlaç Ticaret A.Ş

The main activity of Eczacıbaşı İlaç Ticaret A.Ş. is the import, export and domestic wholesale of pharmaceuticals, pharmaceutical raw materials and pharmaceutical preparations within the framework of the current import and export regimes in force. The company does not have any active activities or personnel.

REAL ESTATE ACTIVITIES

Kanyon Office and Shopping Center

Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar owns 50% of Kanyon Shopping Mall, one of the top notch shopping malls of İstanbul, and the entire 26-floor office block ("Kanyon Office").

Kanyon Office has a total of 29,175 m² of leasable office space consisting of 25 floors of 1,167 m² each. Kanyon Shopping Mall has a leasable area of 41,102.5 m² with 146 stores, 16 kiosks, a cinema with 9 halls, a health and sports club, restaurants and cafes, and a total parking capacity of 1,134 cars.

As being recognized as investment properties in the financial statements of EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar, Kanyon Office and Shopping Mall yield value increase income and rental income.

Kanyon is ahead of its competitors with its architecture, location and physical environment offering different experiences as well as its operation, sustainable efforts, dynamic marketing projects, art-music-dance activities, use of chat-bot, artificial intelligence, and digital technology, and particularly with its chefs, restaurants, and brands.

Mall occupancy rate at Kanyon is 98%, whereas occupancy rate of Kanyon Office is 89% as of 2025 Q2. High potential brands continue to be located in Kanyon. The new brands are also given place by hiring trendy short-term pop-up stores and stands to attract attention. The main focal points for marketing activities are events, advertising, public relations, digital marketing and social media applications and customer relationship management activities. The marketing calendar is designed to increase the number of visitors and store turnovers, strengthen the perception of Kanyon brand and surprise the guests with new trends and experiences. New shopping centers opened in different regions increased the competition in the sector. Despite the increasing competition, Kanyon continues making difference and attracting a loyal customer group.

Incorporating stores of international brands, Kanyon aims to improve the shopping experience of its guests by supporting trend-setting local brands with growth potential and opening its doors to different local manufacturers. As a result of the assessments made in terms of design, building management and environmental performance in line with "BREEAM" criteria applied for the buildings taken into operation; Kanyon Shopping Mall achieved an important success by being the first commercial building in Turkey to obtain the "Extraordinary" certificate. Additionally, Kanyon was granted an award by outdistancing the other candidates in "BREEAM Retail In-Use" category for multiple-purpose buildings such as store, office, and residence.

Aiming to manage environmental impacts and zero carbon emissions for a sustainable world, Kanyon Shopping Mall has obtained the Renewable Energy Resource Guarantee System YEK-G Certificate in collaboration with Enerjisa for the year 2025, and carbon emissions from purchased electricity consumption have been zeroed as of 2021.

It is aimed to reduce Kanyon's greenhouse gas emissions through numerous operational changes since 2014. From 2016 to the end of the Q2 of 2025, 90.9 tons of domestic wastes have been recycled, generating 33.7 tons of compost. Constantly realizing improvements with the studies such as obtaining ISO 14001 environmental management system and zero waste certificates, taking cogeneration system into operation following the solar energy system of 100 panels, which heats the water and helps reduce the annual potable water energy consumption by up to 35%, disseminating LED lighting, acoustic measurements and insulations, putting carbon filter in exhaust hood and cooperation with İTÜ (Istanbul Technical University) Energy Institute; Kanyon gives space to a local producer every week, and strengthens sustainability and ethic environmental awareness with its "Organikanyon" organic and natural products marketplace which is open two days a week. Kanyon Office and Shopping Center started fulfilling requirements of the Turkish Accreditation Agency

ANNUAL REPORT OF THE BOARD OF DIRECTORS

(TÜRKAK)-certified ISO 50001 standard targeting constant improvement of energy efficiency, energy use and energy performance with operations under control as of 2025, with the aim of adding a new one to its certificates. ISO 50001:2018 certification was obtained in April 2025. It is to remain valid until April 2027 subject to surveillance audits.

It is Turkey's first ever e-charge shopping center with charging station for 20 cars in its car park. From 2023 to the end of Q2 of 2025, 16,309 cars were charged at Kanyon, in parallel to demand and use of electric cars increasing every year, and reduction of 508 tons of CO₂ was supported as a result.

Kanyon is a strong alternative for guests who prefer safe, healthy, open-air shopping, thanks to its location and distinctive and modern architectural design. The Shopping Mall is preferred for its image, its perception in the eyes of the guests and its experience-oriented quality events, entertainment, culture and arts elements, restaurants and cafes that are meeting points and addresses for business meetings. Apart from its foregoing features, Kanyon is ranked among one of the sector's leader shopping malls, thanks to its effective and original social media communication, sustainability investments, and the image it creates with environmental awareness, strong partners and CRM-oriented marketing activities

Kanyon increases its competitive power in shopping with its new brands added to the brand mix. Efforts are exerted to meet retail trends and customer expectations at all times with the addition of new brands to Kanyon brand mix and the concept changes made in the stores of old brands. The inclusion of new brands is deemed positive by Kanyon visitors and has a positive impact on both shopping and the customer traffic and turnover of restaurants.

Noteworthy Activities performed in the Q2 of 2025

Having opened its doors in 2006, Kanyon has hosted many events to date, and continues to organize these events with its brands and external business partners.

In the Q2 of 2025, many projects were successfully introduced at Kanyon, enriching the guest experience both physically and in Kanyon's digital assets.

As part of the May 19 Commemoration of Atatürk, Youth and Sports Day, a Youth Festival was organized in the Event Area on the 2nd floor of the Kanyon, where music, dance and sports were presented together. Organized in collaboration with Kanyon's brands, namely Saf, MAC/One, Zuhul Music and Sneaks Up, various experience areas were created and young visitors were provided with a dynamic and interactive festival atmosphere.

In the Q2 of 2025, many projects were introduced at Kanyon's digital channels. The video content prepared exclusively for World Jazz and Dance Day provided a pleasant interaction on social media platforms. As part of the campaign organized exclusively for April 23rd National Sovereignty and Children's Day, various surprise gifts were presented to children in cooperation with Zuhul Müzik, Armağan Oyuncak, OverGame and Keyif Bebesi brands located in Kanyon. Furthermore, the Mother-Child Workshop, organized in cooperation with USLA exclusively for the Mother's Day, provided a fun and meaningful experience for its attendants.

In the third quarter of 2025, the Fun World of Games will continue to enrich the guest experience at Kanyon with events such as the FIVB Women's World Volleyball Championship.

Future goals of Kanyon include:

- Trying to strengthen the young, current and dynamic Kanyon perception with life style-oriented, target audience-specific events and campaigns by making trend-appropriate changes through both digital and holistic channels;

ANNUAL REPORT OF THE BOARD OF DIRECTORS

- Turning to leasing and partners focused on developing brands with an emphasis on life style;
- Revamping the existing Canyon app to enhance the visitor experience and ensure an effective presence on digital platforms;
- Providing effective guidance to visitors by renewing the in-Kanyon directions;
- Becoming an indispensable brand for the young target audience by reflecting the dynamic, vibrant and energetic theme with Kanyon's renewed image campaign;
- Ensuring the digitalization of internal processes and customer communication processes;
- Closely keeping track of sectoral innovations and trend changes and updating the brand mix every year in line with this focus;
- Keeping the brand mix up to date by renewing categories such as sportswear, cosmetics, food and beverage, which are in the focus of the young target audience

As of 30 June 2025, the total rent income generated by Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar from Kanyon offices and shopping center is ₺ 344 million 450 thousand.

Eczacıbaşı Gayrimenkul Geliştirme ve Yatırım A.Ş.

Eczacıbaşı Gayrimenkul Geliştirme ve Yatırım, which operates in real estate development and project management in the real estate sector, does not own any real estate, and the Company's operating income consists of income from service contracts and projects it has undertaken

Eczacıbaşı Gayrimenkul Geliştirme ve Yatırım has 16 employees as of 30 June 2025 (31 December 2025: 15) and has no collective labor agreement practice. The rights and benefits provided to the personnel are in parallel with the human resources practices of Eczacıbaşı Group.

Ayazağa, Cendere Valley, Urban Transformation Area

Upon completion of all legal processes and conditions stipulated in the contract for the realization of the project, including the application of Article 18 of the Zoning Law on our immovable properties located in Ayazağa, Cendere Valley, Urban Transformation Area, as well as the procedures regarding the zoning plan and construction building license to be obtained in accordance with the applicable zoning plan, a Revenue Sharing in Return for Land Share and Construction in Return for Flats Agreement was entered into with Artaş İnşaat Sanayi ve Ticaret A.Ş. (the “Contractor”) in July 2023 for the development of a real estate project on a revenue sharing basis. As per such agreement, the Contractor shall be responsible for conducting all project processes and obtaining permits and licenses, and shall develop independent units for sale to third parties, assuming all construction, marketing, sales and other related expenses. For the purpose of the said project, revenue sharing rate has been set as 47% for our company that is owner of the immovable property and as 53% for the contractor.

Following the finalization of the parceling plan prepared as a result of the land and ground arrangement works carried out by Sarıyer Municipality in the said region within the scope of Article 18 Zoning Application of the Zoning Law No. 3194, the land deeds were issued upon approval by the Cadastral Directorate, and registration by the Land Registry Directorate as of 17.03.2025. As a result of the legal deductions, the deed is approximately 41.5 thousand square meters in total.

As of the date of this report, project and other preparations related to the site are ongoing, and a building license can be obtained once the legally required project approvals have been obtained.

OTHER PARTICIPATIONS

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Vitra Karo Sanayi Ticaret A.Ş.

Having ranked first in its exports of tile products suitable for use in many different areas, such as bathrooms, pools, gardens, and exteriors, from Türkiye to the EU for five years in a row, Vitra Karo was inaugurated in 1991. Having producing ceramic tiles in its factory in Russia since 2011, Vitra Karo has a total annual production capacity of 33.5 million square-meters at home and abroad.

Production operations of Vitra Karo are conducted at production facilities located in Bozüyük (Bilecik), Türkiye and production facilities in Russia of Vitra Tiles Llc., its subsidiary.

Vitra Karo, which operates in around 99 countries, primarily in Turkey and Germany, realizes 69% of its annual sales to foreign markets on average, together with brands the Vitra, Villeroy & Boch and Engers.

Vitra's tiles with the Certificate "TSE Double Star" also hold the first eco-label given by the European Union to a ceramic brand from Türkiye.

In the first half of 2025, tile sales in the Turkish market, which accounted for 31% of Vitra Karo's consolidated sales revenue, were realized almost 40% higher than the same period of the preceding year on Turkish Lira basis.

According to the most recently published respective Sector Report of June 2025 prepared by the Association of Turkish Building Material Producers (IMSAD Türkiye);

- Industrial production of construction materials had been on a downward trend in the Q1 of 2025. The production in the first quarter decreased by 1.4 percent compared to the first quarter of last year. As for April, construction material industry production increased by 15.3 percent compared to the same month of the previous year. The number of working days decreased in April of last year. This year the number of working days has remained normal. This is a major factor for the higher increase compared to last year.
- In April 2025, production increased in most sub-sectors. In April, production increased at 21 sub-sectors compared to the April 2024, while decrease in production occurred only at 2 sub-sectors. In the January-April period, some sub-sectors recorded relatively higher production increases. Q1 of 2025 witnessed an increase in the production of plastic construction materials increased by 13.8 percent, construction plaster products by 15.2 percent, heating, cooling and ventilation equipment by 9.5 percent, metal doors and windows by 8.4 percent, insulated cables by 8.3 percent, and ceramic coating materials by 4.8 percent. Iron and steel construction products production grew by 6.5 percent, while marble and granite production grew by 5.3 percent.

According to the construction cost index for May 2025 published by the Turkish Statistical Institute (TÜİK):

- The construction cost index increased by 0.88% in May 2025 compared to the previous month, and by 22.40% compared to the same month of previous year. When compared to the previous month, the material index increased by 1.09%, and the labor index increased by 0.52% in May 2025. Furthermore, material index increased by 17.81%, and labor index by 31.39% compared to the same month of the previous year.
- The building construction cost index increased by 0.81% in May compared to the previous month and by 22.46% compared to the same month of previous year. When compared to the previous month, the material index increased by 1.08%, and the labor index increased by 0.35% in May. Furthermore, material index increased by 18.24%, and labor index by 30.40% when compared to the same month of the previous year. The construction cost index for non-building structures increased by 1.11% compared to the previous month, and by 22.20% compared to the

ANNUAL REPORT OF THE BOARD OF DIRECTORS

same month of previous year. When compared to the previous month, the material index increased by 1.11%, and the labor index increased by 1.12%. Furthermore, material index increased by 16.46%, and labor index by 35.03% when compared to the same month of the previous year.

- Residential sales across Türkiye increased by 35.8% in June compared to the same month of the last year, reaching 107 thousand 723 units. The cities with the highest number of residential sales were İstanbul with 17 thousand 656, Ankara with 9 thousand 428, and İzmir with 5 thousand 987, while the cities with the lowest number of sales were Ardahan with 38, Bayburt with 62, and Hakkari with 81. Residential sales across Türkiye increased by 112.6% in June compared to the same month of the last year, reaching 14 thousand 484 units. The share of sales with mortgage in total residential sales is 13.4%. Mortgage house sales during the January-June period increased by 100.5%, compared to the same period of the previous year, reaching 103 thousand 90.
- Construction industry faced a loss of pace accross Europe in May. Data released by Eurostat pointed to a decline in production across both the Eurozone and the European Union. According to data released by the European Statistical Office (Eurostat), construction production in the Eurozone fell by 1.7 percent in May compared to the previous month. However the same production yielded an increase by 2.9 percent on an annual basis. Construction industry displayed a similar course also across European Union (EU). Construction production in EU countries decreased by 1.3 percent on a monthly basis in May. However the industry achieved a growth by 2.7 percent on an annual basis.
- Slovenia ranked first among the countries with the highest increase in construction production on a monthly basis with an increase by 5.4 percent. It was followed Hungary with an increase by 2.5 percent, and Czechia with an increase by 2.3 percent. The most significant decline occurred in Germany. Construction production in Germany decreased by 3.9 percent in May. Similar decline occured in Belgium by 2.2 percent, and in Netherlands by 1.8 percent. Spanish construction sector came out on top in the annual comparison with a 44.6 percent increase. Noteworthy production increases were recorded by 11.6 percent in the Czech Republic and by 5.4 percent in Hungary and Portugal. On the other hand, construction production fell by 4.8 percent in Poland, by 3.4 percent in Germany, and by 3.3 percent in France on an annual basis.

The total amount of production at facilities of VitrA Karo in Türkiye and Russia was recorded at the level 13.3 million m², with a decrease by 0.9 million m² compared to the same period of the previous year. Approximately 91.6% of total production takes place in its Turkish facilities.

The total amount of the production capacity increase investment realized in Bozüyük facilities starting from March 2019 within the scope of Investment Incentive Certificate No. 502812 held by VitrA Karo amounted to ₺ 457 million, and the closing procedures regarding the incentive certificate were completed. On the other hand, the application for a new incentive certificate for the expansion and modernization of the existing production facility until the end of 2028, mainly for the purchase of domestic and imported machinery in an amount appropriate for the expenditures budgeted at € 29.5 million, was concluded positively.

VitrA Karo has a collective bargaining agreement in force in Türkiye, and blue collar employees have rights and benefits under that agreement. The white-collar employees have the rights and the benefits determined by Eczacıbaşı Group. In the Russian factory, however, there is no trade union connection and consequently there is no collective agreement in force.

Objectives

VitrA Karo strengthens its position in international markets with its production competence, experience in design and activities focused on sustainability. VitrA Karo aims to strengthen its

ANNUAL REPORT OF THE BOARD OF DIRECTORS

position in Türkiye, to further increase its market share in the European territory, in which its strategic markets are located, as well as to increase its market shares in new territories. With its export-oriented facility opened in Bilecik Bozüyük, VitroA Karo plans to accelerate its sustainable growth in the European market, while aiming to increase its share in the middle-upper segment of the Turkish market

VitroA Karo continues on its way with the aim of increasing its production competence day by day with new facility investments, modernization studies and automation technologies in all facilities, digital infrastructure and Industry 4.0 applications, and shapes its designs with the sustainability focus adopted in all end-to-end processes.

Ekom Eczacıbaşı Dış Ticaret A.Ş.

Ekom Eczacıbaşı Dış Ticaret A.Ş. (Ekom) was established in 1981 to provide operations, customs, financing and risk management support services to Eczacıbaşı Group companies in the framework of export intermediary operations. As Eczacıbaşı Group's export capital company, Ekom provides the most effective export, customs, financing and risk management services to the Group companies for which it acts as an intermediary in the export of Eczacıbaşı products.

Ekom's performance is partially affected by changes in the macroeconomic indicators. Since the fluctuations in the exchange rate policy particularly affect the commission income received on sales, they have a direct impact on the Company's financial outcomes.

As the marketing and sales organization is performed by the manufacturing companies to which service is provided, the developments in these issues are made out of the initiative of Ekom. Since it is an intermediary company, it cannot interfere with the production, marketing and sales policies of the products for which it acts as an intermediary for the exports thereof. Measurements related to the cost and quality of intermediary services are performed regularly.

Lacking any R&D activity, Ekom invests a limited amount to the extent required by its operational services. The Group's organizations, to which it provides service, benefit from the advantages that it has due to being an international trading company. As the equity of Ekom, being an intermediary institution and undertaking minimum risk during this intermediate process, is sufficient for this activity, Ekom does not use any external financing for its requirements. Number of Ekom's employees is 20 as of 30 June 2025 (31 December 2025: 20)

ANNUAL REPORT OF THE BOARD OF DIRECTORS

**DECLARATION OF RESPONSIBILITY PREPARED PURSUANT TO ARTICLE 9 OF CAPITAL MARKET BOARD'S COMMUNIQUÉ
NUMBERED II-14.1 ON PRINCIPLES GOVERNING FINANCIAL REPORTING IN THE
CAPITAL MARKET**

RESOLUTION OF BOARD OF DIRECTORS REGARDING ADOPTION OF FINANCIAL
STATEMENTS AND ANNUAL REPORTS

RESOLUTION DATE: 08.08.2025

RESOLUTION NUMBER: 2025/20

We hereby submit for your information that the consolidated Statement of Financial Status, Statement of Profit or Loss, Other Comprehensive Income Statement, Statement of Changes in Equity, Statement of Cash Flows (in comparison with the previous period) and Footnotes containing their explanations and the Annual Report ("Financial Reports"), which have been prepared by our Company for the period 1 January 2025 - 30 June 2025 under the Capital Markets Board's ("CMB") Communiqué no. II-14.1 on Principles Governing Financial Reporting in the Capital Market (the "Communiqué") and in compliance with Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS / TFRS"), published by Public Oversight, Accounting and Audit Standards Authority ("KGK") as well as the formats specified by KGK and CMB,

a) reviewed by us,

b) do not contain any misleading explanation on important matters or do not contain any deficiency which may render them misleading as of the date of explanation within the framework of our knowledge we have in our positions and area of responsibility in our company,

c) that the consolidated financial statements, as drawn up under the Communiqué, along with those covered by the consolidation, fairly reflect the facts concerning assets, liabilities, financial status and profit and loss of the organization within the framework of knowledge possessed by us due to our positions and responsibility field at our company and that the annual report, along with those covered by the consolidation, fairly reflects development and performance of the business and financial status of the organization as well as any substantial risks and uncertainties faced by the organization,

we declare that we are responsible for the foregoing explanation.

Best regards,

Erol Ulukutlu - Chairman of the Committee in Charge of Audit

İhsan Rifat Öktem - Member of the Committee in Charge of Audit

Emin Fadılloğlu - General Manager
