

**EGE PROFİL TİCARET VE SANAYİ A.Ş.**

**1 January – 31 December 2021**

**ANNUAL REPORT**

**EGE PROFİL TİCARET VE SANAYİ A.Ş.**  
**ANNUAL REPORT OF THE BOARD OF DIRECTORS**

**SECTION 1 - GENERAL INFORMATION**

<b>Title</b>	:	Ege Profil Ticaret ve Sanayi A.Ş.
<b>Reporting Period</b>	:	01.01.2021 – 31.12.2021
<b>Registered Capital Ceiling</b>	:	120.000.000,00 TRY
<b>Issued Capital</b>	:	80.980.793 TRY
<b>Date of Registration</b>	:	January 13th, 1981, Turkey
<b>Company Headquarters</b>	:	Atatürk Plastik OSB Mahallesi, 5. Cadde No: 4 Menemen/İzmir
<b>Tax Office and Number</b>	:	Menemen 325 005 4933
<b>Trade Registry Number</b>	:	5065
<b>Registry of Commerce</b>	:	Menemen
<b>Mersis No</b>	:	0325005493300015 – Menemen 0325005493300026 – Kartepe
<b>Corporate Website</b>	:	<a href="http://www.egeprofil.com.tr">www.egeprofil.com.tr</a>
<b>Place of Production</b>	:	MENEMEN FACILITY Atatürk Plastik OSB Mahallesi, 5. Cadde No: 4 Menemen/İzmir Tel 0 232 398 98 98 / Fax 0 232 376 98 99
<b>Place of Production</b>	:	KARTEPE FACILITY Sarimeşe Mah. Suadiye Cad. Winsa İdari Bina Apt. No:5 Kartepe/Kocaeli Tel 0 262 371 57 27 / Fax 0 262 371 57 28
<b>India Branch</b>	:	Building no 09, Casa Grande Distripark, Satharai Village, Trivallur Taluk, Trivallur District, Tamil Nadu- 631 203, INDIA Tel_Fax No: +919600111788
<b>India (Subsidiary)</b>	:	Building no 09, Casa Grande Distripark, Satharai Village, Trivallur Taluk, Trivallur District, Tamil Nadu- 631 203, INDIA Tel_Fax No: +919600111788

**Independent Audit Company and Responsible Partner Lead Auditor:**

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş

# EGE PROFİL TİCARET VE SANAYİ A.Ş.

## ANNUAL REPORT OF THE BOARD OF DIRECTORS

### REGARDING THE FIELD OF ACTIVITY AND EGE PROFİL

Ege Profil Ticaret ve Sanayi A.Ş. (Ege Profil) is a registered company in Izmir. The main field of activity of Ege Profil is the production and sale of all kinds of plastic pipes and spare parts, as well as all kinds of profiles and plastic goods.

Ege Profil was established in 1981 with the title of Namık Mazhar Zorlu ve Oğulları Plastik Profil Sanayii Collective Company. The company took its current form in 1982 with the change of title. In 1993, the shares of the company were offered to the public and started to be traded in BİAŞ. In 2000, 47% of Ege Profil shares were sold by Mazhar Zorlu Group to the Belgian Deceuninck Group, one of the world's largest PVC Profile manufacturers. In 2001, Mazhar Zorlu Group sold an additional 30% of the company's shares to Deceuninck Group, and Deceuninck Group bought 21% of it from BİAŞ and owned 97.54% of the company. With the agreement signed between the company and Pilsa A.Ş. in 2004, all activities carried out under the name of Winsa trademark were transferred to Ege Profil. Production with the Winsa brand has started to be carried out in Kartepe /Kocaeli Facilities, which have been built mainly with advanced technology since the beginning of 2008. In December 2017, Pimaş Plastik İnşaat Malzemeleri A.Ş. merged with Ege Profil by takeover, Deceuninck Group's share reached 95.82% after the withdrawal rights were used. Our company's controlling shareholder, Deceuninck Group, sold its Ege Profil Ticaret ve Sanayi A.Ş. shares in Borsa Istanbul A.Ş. in order to increase the actual circulation rate from the publicly traded bearer shares in the following period. As of the date of the report, the Deceuninck Group share is 88.32.

The confidence and market knowledge carried by Egepen Deceuninck and Winsa brand are integrated with Deceuninck Group's customer-oriented approach, high technology and quality understanding. Deceuninck NV, being an integrated community worldwide, specializes in compounding, design, development, extrusion, finishing and recycling. The Group summarizes its goals, quality and service understanding with the passion of achieving excellence.

Ege Profil has shown a high performance since 2001 and has achieved continuous growth. Behind this success, the role of the Market experience and the motivation of the staff is important. In a company dominated by a horizontal organizational model, personnel at all levels are supported by management in terms of using initiative, sharing authority and responsibility.

Ege Profil's young and dynamic staff continues to create trends that determine the Market in Turkey in accordance with Deceuninck's leadership mission in the world. The training opportunities offered to the employees, the importance given to R&D activities, the quality policy applied and the great knowledge sharing created by the community make success indispensable.

Ege Profil operates in the PVC profile sector with its three main brands, Egepen Deceuninck, Winsa and Pimapen. The products and sales and marketing channels of all brands have been created separately. The investment in Menemen Plastic Specialized Organized Industrial Zone, which started in 2015 with an environmentally sensitive process without compromising the production quality at world standards, was completed in 2017 and became fully operational. It has a total closed area of **86,258 m<sup>2</sup>**, consisting of a production facility of 54,968 m<sup>2</sup>, an administrative building of 8,995 m<sup>2</sup> and a logistics center of 22,295 m<sup>2</sup>, on a total area of 110,000 m<sup>2</sup>. The facility has a capacity of 60,000 tons in the first stage and has the infrastructure to reach a capacity of 100,000 tons. The company's production in Kartepe/Kocaeli is carried out in its own facility with a closed area of **34,591 m<sup>2</sup>** and a capacity of 41,490 tons on an area of 40.667.96 m<sup>2</sup>. Logistics services for the products produced in these facilities of the company are carried out in the logistics center on a closed area of **21.515 m<sup>2</sup>** in Kartepe, purchased by Ege Profil, through a company providing logistics services.

In addition, all three brands have Regional Offices in Izmir, Istanbul, Ankara and Adana.

There are up to 233 manufacturer dealers and close to 292 sales points belonging to the Winsa brand, up to 228 manufacturer dealers and close to 877 sales points belonging to the Egepen brand, and up to 294 manufacturer dealers and close to 657 sales points belonging to the Pimapen brand.

Countries in the continents of Europe, America, Asia, Africa and Australia are among the import and export countries.

## EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS

As Ege Profil, our place in the world market is increasing day by day. Ege Profil, which started to operate as a branch with a warehouse in India in 2012, participated in the company named Deceuninck Importadora Limitada in Chile with a 99.9% share in 2013 and continued its activities in developing markets as Deceuninck Brasil in 2014 as a distributor in Brazil. With the decision of the board of directors dated June 21, 2017, the company sold its subsidiary in Brazil. The Company sold all of its shares in its subsidiary Deceuninck Chile, of which it has a 99.9% stake, to its parent company Deceuninck NV, as of 17 December 2020, pursuant to the share sale agreement, with the decision of the Board of Directors dated December 16, 2020. Pursuant to the decision of the board of directors dated 22 June 2018, the subsidiary of Deceuninck Profiles India Private Limited (India) has been purchased with a 99% share.

Ege Profil also entered the aluminum sector in 2013.

In June 2017, 87.60 percent of Deceuninck NV's share in Pimaş with a nominal value of 31,535,339,898 TRY was purchased for 2,7081 TRY for each share, for a total price of 85,400,364 TRY; The shares with a nominal value of 2,127,845 Brazilian Reals in Deceuninck do Brasil Limitada located in Brazil were sold to Deceuninck N.V. for 1,000 Euros over the liquidation value due to loss. The process regarding the merger decision taken with Pimaş in August 2017, with all its assets and liabilities as a whole, was completed on 25 December 2017.

As of 2021, work has been started to establish a Mold Factory in İzmir / Menemen Factory and the warehouse used for rent in Kartepe Factory has been purchased from Modul Çelik A.Ş. Company.

Customer expectations are met at the highest level through new products and technological developments, dealer training seminars, practical business trainings and technical publications. Today, our company, which has the widest product range in its sector, produces more than three hundred molds developed by itself. With the belief of our dealers in our brands and the effort to meet customer expectations at the highest level, our increasing sales make us feel superior to our competitors.

### THE MISSION AND VISION OF THE COMPANY AND ITS STRATEGIC OBJECTIVES

**For a sustainable future,**

***Why? Our Main Goal;***

#### ***Innovative and Pioneering***

Our aim is to carry the knowledge and accumulation we have gained to your environment by producing quality and innovative products with the support of our expert staff and to increase your living comfort. We are working intensively to protect your environment and your loved ones from adverse external conditions, we offer our new products to you by closely following the technology. Since our systems are extremely easy to manufacture, assemble and maintain, all of our products are produced in order to provide maximum customer satisfaction in a way that meets your needs at the highest level.

#### ***Ecology***

Our goal is to support all our customers in order to use energy efficiently in the construction of structures. For this reason, all of our products provide high insulation, have a long service life and require little maintenance. Our products are produced with recyclable structure and using minimum energy in such a way as to leave the least ecological trace in order not to disturb the form of nature.

#### ***Design***

Our goal is to help your environment become even more beautiful with our different designs and to reflect your own style in your architecture. Our products have a time-independent design with a wide range of colors that incorporate the colors of nature to meet your expectations, a natural texture and a unique surface quality.

## **EGE PROFİL TİCARET VE SANAYİ A.Ş.**

### **ANNUAL REPORT OF THE BOARD OF DIRECTORS**

#### ***Our Employees and Our Customers***

We create an open, honest and friendly working environment with our employees and all our customers. Thus, we keep employee and customer satisfaction at the highest level by creating long-term business partnerships. We work with a team spirit by giving importance to quality, safety, environment and people.

#### ***How? Our Core Values***

##### ***Honesty***

We always tell all the facts as they are, we act openly and sincerely in the entire communication process. We make feedback in a direct and positive way in our relations with our collaborators. We act with a team spirit with our employees and business partners. While taking corrective and preventive measures, we state the wrongs with an open heart and defend the truths with all reality. What we think and what we say cannot be different from each other. This is our originality.

##### ***High Performance***

Our performance is regularly measured by our employees, customers, society and shareholders. With our passion to achieve excellence, we strive for continuous improvement in all our business processes and continue our path with success without deviating from our basic goals, values and vision. We do what we say, we share what we do, this is our understanding of responsibility and discipline. While aiming for high performance, our preference priority is: Human, Environment, Quality, Service and Earnings. Profit is necessary for a business with continuity. At every stage of our business, we work to improve our performance every day in all our processes from production to after-sales.

##### ***Entrepreneurship***

We are open to the world and to all ideas. We see and evaluate opportunities. In the name of using authority, we create an environment of trust, foresee risks and manage all processes successfully by using initiative. We own our business as if it were our own. We respect the decisions of all our employees, encourage them to take responsibility and then appreciate them.

#### ***What? Our Passion***

##### ***Our Culture***

As a result of the company culture we have created, all our employees and business partners are proud to work together. They continue all their work according to the principles of honesty, high performance and entrepreneurship.

##### ***Long-Lasting, Environmentally Friendly Products***

We work to produce high-insulated, long-lasting, high-quality, durable and recyclable products.

##### ***Leadership in the Industry***

Our company is one of the leading organizations in its sector. It is among the top three companies with its wide market share. Behind this success are high performance in quality and service and customer relationships based on mutual trust.

##### ***Strong Financial Structure***

Our company has a strong sustainable financial structure. We convert all our activities into financial goals and achieve our goals successfully.

# EGE PROFİL TİCARET VE SANAYİ A.Ş.

## ANNUAL REPORT OF THE BOARD OF DIRECTORS

### SECTION 2 - BENEFITS PROVIDED TO THE MANAGEMENT BODY AND SENIOR MANAGERS

#### QUALIFICATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE POWERS AND RESPONSIBILITIES OF THE MANAGERS

Although there is no regulation regarding the selection criteria of the members of the board of directors in the articles of association of the company, our current board members consist of persons who have the qualifications specified in the Corporate Governance Principles. There are provisions on the duties and powers of the Board of Directors. Although the powers and responsibilities of other managers are not included in the articles of association, job descriptions showing their powers and responsibilities, including senior managers, have been determined for all employees throughout our company.

#### OUR MEMBERS WHO SERVED ON THE BOARDS OF DIRECTORS AND AUDITORS DURING THE YEAR OF ACTIVITY

##### Board of Directors

Name and Surname	Position
Francis Van Eeckhout(*)	Chairman of the Board of Directors
Ergün Çiçekçi	General Manager and Deputy Chairman of the Board of Directors
Ann Bataillie	Member of the Board of Directors
Zeynep Pınar Güventürk	Member of the Board of Directors (Independent Member)
Ayşe Yenel	Member of the Board of Directors (Independent Member)

(\*) In accordance with the decision of the Board of Directors dated 07/01/2022, instead of Francis Van Eeckhout, who left the membership and Presidency of the Board of Directors effective from 01/01/2022; It was decided to elect Bruno Jozef Maria Humblet as the Chairman of the Board of Directors to be submitted to the approval of the first general assembly.

##### Audit Committee

Name and Surname	Position
Zeynep Pınar Güventürk	Chairman
Ayşe Yenel	Member

##### Early Detection of Risk Committee

Name and Surname	Position
Zeynep Pınar Güventürk	Chairman
Ayşe Yenel	Member

##### Corporate Governance Committee

Name and Surname	Position
Zeynep Pınar Güventürk	Chairman
Francis Van Eeckhout	Member
Gülsüm Yardım	Member

# EGE PROFİL TİCARET VE SANAYİ A.Ş.

## ANNUAL REPORT OF THE BOARD OF DIRECTORS

### BACKGROUNDS OF THE MEMBERS OF THE BOARD OF DIRECTORS

#### Francis Van Eeckhout (Chairman of the Board of Directors)

He graduated from Leuven Catholic University in 1990 with a Master's degree in Communication Engineering. In 1991, he obtained the Aix en Provence Applied Marketing License. In 1992, he received an Accounting License from WHU in Koblenz. He worked in the marketing department of Hannover Bahlsen Keksfabrik between 1992-1993. In 1994-2011, he was the director of VVM NV (cement), Diamut NV (mortar) and Nivelles Beton NV (concrete).

He has been the manager of Gramo BVBA (Holding) since 2012 and the CEO of Deceuninck Group since 2016. He also serves on the board of directors of Pollet Water Group NV and Cemminerals NV.

#### Ergün ÇİÇEKÇİ (General Manager and Vice Chairman of the Board of Directors)

He was born in 1954 in Ödemiş. He graduated from the Mechanical Engineering Department of Istanbul Technical University in 1975. He completed his master's degree at Aston University in Birmingham in 1979. After his military service, he started to work in the plastics industry in 1981 and continued his business life at Mazhar Zorlu Group by taking on various duties and responsibilities.

He has been working at Ege Profil A.Ş. as the General Manager since 1994. He has been a member of the Board of Directors since 2001.

#### Ann Batallie (Member of the Board of Directors)

She earned her Master of Laws from the Catholic University of Leuven in 1981. She completed her training on European Law with the training she received at the European Commission (General Directorate of Internal Market). She completed her European Law Master's degree in 1982 at the University of Nancy II, France. She has worked as a Legal Counsel at Barco Group for 15 years since 1987.

She has been working as a Legal Advisor at Deceuninck Group since 2002. Since 2013, she has been working as Human Resources Group Director together with Legal Counsel at Deceuninck Group.

#### Ayşe Yenel (Independent Member)

Terakki Foundation Schools - Istanbul - Şişli Terakki High School, 1984-1987  
Marmara University - Istanbul - Faculty of Economics and Administrative Sciences, 1987-1992 Mills  
College Oakland - San Francisco/USA - Business English Program, 1992-1993  
Koçbank Co. Central Branch - Customer Representative, 1994-1997  
Demir Leasing co. - Marketing Director (Istanbul), 1997-1998  
Demir Leasing co. - Marketing Manager (Istanbul), 1998-2005  
Eurobank - Tekfen A.Ş - Marketing Manager (Izmir), 2006-2008  
Turkey Sınai Kalkınma Bankası A.Ş Branch Manager (Izmir), 2008-2018

#### *Declaration of Independence - Ayşe Yenel (Independent Member)*

I herewith declare that I am a candidate to serve as an "independent member" in the Board of Directors of Ege Profil Ticaret ve Sanayi Anonim Şirketi (Company) within the scope of the criteria determined in the legislation, articles of association and the Corporate Governance Principles announced by the Capital Markets Board, within this scope;

a) Between the company, the partnerships in which the company has management control or significant influence, the partners who hold the management control of the company or have significant influence in the company, and the legal entities over which these partners have management control, and myself, my

## EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS

spouse and my relatives by blood and marriage up to the second degree; that I do not have an employment relationship in a managerial position who will assume important duties and responsibilities in the last five years, I do not own more than 5% of the capital or voting rights or privileged shares, together or alone, or that a significant commercial relationship has not been established,

b) That I am not a partner (5% or more), a manager who will assume important duties and responsibilities, or a member of the board of directors during the periods when services or products are purchased or sold, in companies from which the company has purchased or sold significant services or products within the framework of the agreements made, especially in the last five years, the company's audit (including tax audit, legal audit, internal audit), rating and consultancy,

c) That I possess the professional education, knowledge and experience to fulfill the duties I will undertake since I am an independent member of the board of directors,

d) That I am not working full-time in public institutions and organizations after being elected as a member, except for university teaching, provided that it is in compliance with the legislation to which they are affiliated,

e) That I have strong ethical standards, professional reputation and experience that can contribute positively to the company's activities, maintain impartiality in conflicts of interest between the company and the shareholders, and decide freely by taking into account the rights of the stakeholders,

f) That I can contribute positively to the company's activities, that I will maintain my impartiality in conflicts of interest between company partners, that I have strong ethical standards, professional reputation and experience to make decisions freely by taking into account the rights of stakeholders,

g) That I am able to spare enough time for company affairs to follow the operation of the company activities and fully fulfill the requirements of the duties I have undertaken,

h) That I have not been a member of the board of directors of the company for more than six years in the last ten years,

i) That I do not act as an independent member of the board of directors in more than three companies in which the same person, company or partners holding the management control of the company have management control, and in more than five companies listed on the stock exchange in total.

### **Zeynep Pinar Güventürk (Independent Member)**

She was born in Istanbul in 1968. She graduated from Boğaziçi University in 1990.

Treasury Analyst, 1990 -1991

Procter & Gamble Tüketim Malları San. A.S. (Istanbul, Turkey) Financial Analysis Manager- Laundry and Home Maintenance, 1991 – 1993

Eczacıbaşı Procter & Gamble A.S. (Istanbul, Turkey) Assistant Sales Finance Director, September 1993 – September 1997

Accounting and Control Assistant Finance Director, September 1997 – September 1999

Procter & Gamble Tüketim Malları San. A.S. (Istanbul) Deputy Director of Budget and Financial Planning, September 1999 - February 2002

The Procter & Gamble Company (Cincinnati, OH, USA) Global Female Bonds Category Executive Vice President, February 2002 - January 2004

Eastern Mediterranean Region Financial Budget and Planning Director, March 2005 - March 2006 Eastern Mediterranean Region Finance Director, April 2006 - December 2008

Southeast Europe Vice President, Finance, January 2009 – July 2012

Turkey Business Transformation Vice President, July 2012 – April 2017

SEV (Health Education Foundation) Board Member and Trustee

She has been a member of the Ege Profil Board of Directors since 2013.

2016 – Trustee

### *Declaration of Independence - Zeynep Pinar Güventürk (Independent Member)*

I herewith declare that I am a candidate to serve as an "independent member" in the Board of Directors of Ege Profil Ticaret ve Sanayi Anonim Şirketi (Company) within the scope of the criteria determined in the legislation, articles of association and the Corporate Governance Principles announced by the Capital Markets Board, within this scope;

a) Between the company, the partnerships in which the company has management control or significant influence, the partners who hold the management control of the company or have significant influence in the company, and the legal entities over which these partners have management control, and myself, my spouse and my relatives by blood and marriage up to the second degree; that I do not have an employment relationship in a managerial position who will assume important duties and responsibilities in the last five years, I do not own more than 5% of the capital or voting rights or privileged shares, together or alone, or that a significant commercial relationship has not been established,



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- b) That I am not a partner (5% or more), a manager who will assume important duties and responsibilities, or a member of the board of directors during the periods when services or products are purchased or sold, in companies from which the company has purchased or sold significant services or products within the framework of the agreements made, especially in the last five years, the company's audit (including tax audit, legal audit, internal audit), rating and consultancy,
- c) That I possess the professional education, knowledge and experience to fulfill the duties I will undertake since I am an independent member of the board of directors,
- d) That I will not work full-time in public institutions and organizations after being selected as a member, with the exception of university teaching in accordance with the legislation,
- e) That I am deemed to be a resident in Turkey according to the Income Tax Law (G.V.K.) dated 31/12/1960 and numbered 193,
- f) That I have strong ethical standards, professional reputation and experience that can contribute positively to the company's activities, maintain impartiality in conflicts of interest between the company and the shareholders, and decide freely by taking into account the rights of the stakeholders,
- g) That I am able to spare enough time for company affairs to follow the operation of the company activities and fully fulfill the requirements of the duties I have undertaken,
- h) That I have not been a member of the board of directors of the company for more than six years in the last ten years, i) That I do not act as an independent member of the board of directors in more than three of the companies in which the company or the shareholders holding the management control of the company, and in more than five of the companies traded in Borsa Istanbul in total,
- i) That I have not been registered and announced on behalf of the legal entity elected as a member of the board of directors.

# EGE PROFİL TİCARET VE SANAYİ A.Ş.

## ANNUAL REPORT OF THE BOARD OF DIRECTORS

### MEETINGS OF THE BOARD OF DIRECTORS HELD DURING THE YEAR

A total of 20 meetings were held.

### BENEFITS PROVIDED TO MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGERS

As of 31 December 2021, the sum of remuneration and similar benefits provided to the Chairman and Members of the Board of Directors, senior executives such as general manager and assistant general managers in the current period is 14,947,238 TRY. (31 December 2020 – 10.231.715 TRY)

*The distribution of personnel and duties in the senior management staff of our company is as follows:*

Ergün Çiçekci	General Manager
Nurcan Güngör	Assistant General Manager (Financial Affairs)
Tamer Özen	Assistant General Manager (Sales and Marketing Egepen-Maestro)
Vehbi Cem Korkmaz	Assistant General Manager (Sales and Marketing Winsa-Pimapen-Camoda)
Ethem Gökmen	Assistant General Manager (Izmir Management and Investments)
Nuri Aslan	Assistant General Manager (Kartepe Management)
Şadi Gödek	Assistant General Manager (Human Resources)

### RIGHTS AND BENEFITS PROVIDED TO PERSONNEL AND WORKERS

The average number of employees working in the period in terms of their categories is as follows:

	December 31, 2021	December 31, 2020
Administrative	302	283
Production	718	739
<b>Total</b>	<b>1.020</b>	<b>1.022</b>

Within the framework of the permission granted by the general assembly of the company, there are no transactions made by the members of the management body with the company or on behalf of anyone else within the scope of the prohibition of competition.

### SECTION 3 - RESEARCH AND DEVELOPMENT STUDIES

Taking into account the energy policies applied in the world and in Turkey, our company has R&D projects in order to develop products that consume less energy both as part of our environmental awareness and efficiency efforts.

The audits regarding the application made by our company to obtain the R&D Center Certificate within the scope of the Law No. 5746 were carried out on-site by the audience assigned within the framework of the provisions of the Implementation and Audit Regulation of the relevant Law; It was approved in July 2017 by the T.R. Ministry of Science, Industry and Technology to grant our company an R&D Center Certificate and to benefit from the incentives and exemptions provided under the Law No. 5746.

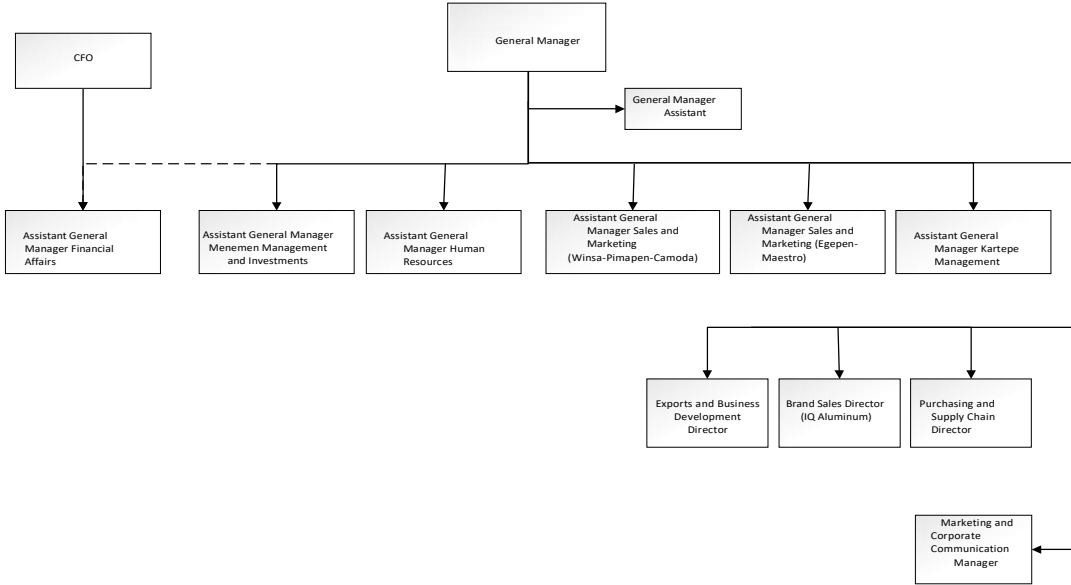
As of 31 December 2021, our R&D expenditures are **3,512,336** TRY. (31 December 2020 - 2.079.010 TRY)

# EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS

## SECTION 4 - IMPORTANT DEVELOPMENTS REGARDING THE COMPANY'S ACTIVITIES AND OPERATIONS

### ORGANIZATIONAL STRUCTURE

Our company has a structure that is constantly growing and sets big goals for itself, and in order for our internal organization to adapt to this structure, to keep the organization alive and dynamic, it has been decided to use the titles of "Assistant General Manager" and "Director" instead of the titles "Group Manager" and "Department/Division Manager" used within the company as of 22.02.2021.



### PARTNERSHIP STRUCTURE

As of December 31, 2021, the structure of the partnership is as follows:

Title of Partners	Share Amount (TRY)	Rate (%)
Deceuninck NV	71.521.651	88.32
Public Division	9.459.142	11.68
<b>Total</b>	<b>80.980.793</b>	<b>100.00</b>

There is one voting right for each share in the General Assembly and there is no privilege about voting.

### INVESTMENT ACTIVITIES

As of December 31, 2021, the Company made purchases of fixed assets amounting to 175,107,080 TRY (16,729,495 EUR) during the year.

1000 EURO & TRY	December 31 2021	December 31 2020	VARIATION %
EURO	16.729	1.884	888%
TRY	175,107	17.198	1018%

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### INTERNAL CONTROL AND AUDIT SYSTEM

The company carries out audits within the framework of the annual audit plan determined every year and reports the findings obtained from the audits. Related audits are carried out regarding the compliance of the transactions and activities with both the legal legislation and the company's policies.

The internal audit department communicated its relevant findings in its audit and identified areas of development. The action related to these areas of development has been taken with urgency. Items related to the follow-up of the findings were added to the audit plans for the next year.

In addition, within our company, whether the requirements of TS EN ISO 9001:2015 Quality, TS EN ISO 14001:2015 Environment, TS ISO 45001:2018 Occupational Health and Safety, TS EN ISO 50001 Energy and TS ISO / IEC 27001 Information Security Management Systems are fulfilled is controlled by internal audits held at periodic intervals and, when deemed necessary, corrective and improvement activities are initiated. In the audits and controls carried out during the relevant accounting period, no findings have been reached that have a negative impact on the functioning of the Company.

In addition, our company, which aims to continuously improve by using lean production techniques, controls the level of organization and layout in the factory on a team basis with the 5S inspections it conducts every month.

Our company aims to provide a healthier and safer working environment to its employees, dealers, visitors and suppliers in the company or on behalf of the company while carrying out its activities and to protect the environment. In this direction, it complies with the legal requirements related to occupational health, safety, energy and environment and works with the philosophy of continuous improvement. In addition to the service received from the Occupational Safety Consultant company, our company employs a full-time Occupational Safety Specialist in its staff.

### INFORMATION ON DIRECT AND INDIRECT SUBSIDIARIES AND SHARE RATIOS

**India (Subsidiary)** : Building no 09, Casa Grande Distripark, Satharai Village  
, Trivallur Taluk, Trivallur District, Tamil Nadu- 631 203,  
INDIA  
Tel\_Fax No: +919600111788

Our company is a 99% partner of Deceuninck Profiles India Private Limited.

### INFORMATION ABOUT THE COMPANY'S OWN SHARES ACQUIRED

The nominal amount of the shares acquired by the Company is 0 TRY as of December 31, 2021.

### INFORMATION ON THE PRIVATE AUDIT AND PUBLIC AUDIT CONDUCTED DURING THE YEAR OF ACTIVITY

A tax inspection was initiated by the tax authorities on November 27, 2020. The review period is 2019 and the scope of the review has been reported as general corporate tax and value added tax. On January 7, 2022, the examination was concluded by the tax inspector and the final report was prepared. On January 24, 2022, 6 tax penalty notifications amounting to TRY 303.222 were made to the Company. After the tax deductions, a total payment of TRY 149,523 was made on February 2, 2022.

### INFORMATION ABOUT THE LAWSUITS FILED AGAINST THE COMPANY AND THEIR POSSIBLE CONSEQUENCES

The responsibility for the lawsuits filed by the workers, whose jobs were terminated as a result of the transfer of the headquarters of the company Pimaş A.Ş., which merged with our Company through the takeover, from the factory in Gebze and the closure of this factory, continues regarding the labor claims.

## **EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS**

### **INFORMATION ON IMPORTANT ADMINISTRATIVE SANCTIONS AND PENALTIES IMPOSED ON THE COMPANY AND MEMBERS OF THE BOARD OF DIRECTORS DUE TO PRACTICES CONTRARY TO THE PROVISIONS OF THE LEGISLATION**

There is none.

### **LEGAL AND ENVIRONMENTAL RISKS**

Our Group is subject to different regulations in many different countries where it continues its operations. As a Group, we continue to develop our environmental policies and procedures in order to comply with environmental and local laws.

As management, we conduct regular examinations to identify these environmental risks and continue to establish various systems to control these risks.

In line with the sensitivity of compliance with legal and environmental regulations, which is one of the most important policies of our group, no administrative or judicial sanctions have been faced against the management body or our company due to any contrary practices to date. As of 31.12.2021 in the 2021 operating year, there has been no negative development in this direction.

### **INFORMATION AND EVALUATIONS REGARDING THE TARGETS DETERMINED IN PREVIOUS PERIODS, GENERAL ASSEMBLY RESOLUTIONS**

We have achieved our goals by fulfilling all of our ordinary general assembly resolutions in the 2021 activity year and by aiming at sustainable growth and high value-added investments.

### **EXTRAORDINARY GENERAL ASSEMBLY MEETINGS HELD DURING THE ACTIVITY PERIOD**

There is none.

### **AMENDMENTS TO THE ARTICLES OF ASSOCIATION MADE DURING THE ACTIVITY PERIOD**

The Board of Directors decided to extend the registered capital ceiling of the Company for a period of 5 (five) years, to be valid between 2021 and 2025, while maintaining the same registered capital value. Our company has made an application to the Capital Markets Board on 02.12.2021 for the permission to extend the registered capital permit period for 5 years, valid between 2021-2025, and to amend the relevant article of the articles of association to be approved at the first General Assembly.

With the decision of the Capital Markets Board and the T.R. General Directorate of Domestic Trade of the Ministry of Commerce, it was deemed appropriate to extend the validity period of our company's registered capital ceiling, which is 120,000,000 TRY, to be valid for 2021-2025, and to change the relevant articles of association.

## **EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS**

### **EXPENDITURES MADE WITHIN THE SCOPE OF DONATIONS, AID AND SOCIAL RESPONSIBILITY PROJECTS MADE DURING THE ACTIVITY PERIOD**

Our company may make donations and aids to foundations, associations, educational institutions and public institutions and organizations operating for social, cultural, educational, sports, etc. purposes, with the approval of the Management, in accordance with the principles set forth in the Capital Markets Board and the Turkish Commercial Code.

When making donations and aids, the relevant regulations of the Ministry of Finance are taken into account, and first of all, care is taken that there are organizations with recognized tax exemption.

Compliance with the criteria of social responsibility is taken into account in the selection of the form, amount of donation and the institution, organization or Non-Governmental Organization to which it will be made. Apart from these, donations and aids can be made to foundations, associations, etc. organizations established to operate in relation to the company's field of activity.

Detailed information is provided to the shareholders at the Ordinary General Assembly Meeting of the relevant year about all donations and aids made during the period.

Amounts of donations and aids made by the company in December 2021 and 2020:

<b>DONATIONS</b>	<b>December 31 2021</b>	<b>December 31 2020</b>
<b>TRY</b>	168.890	25.509

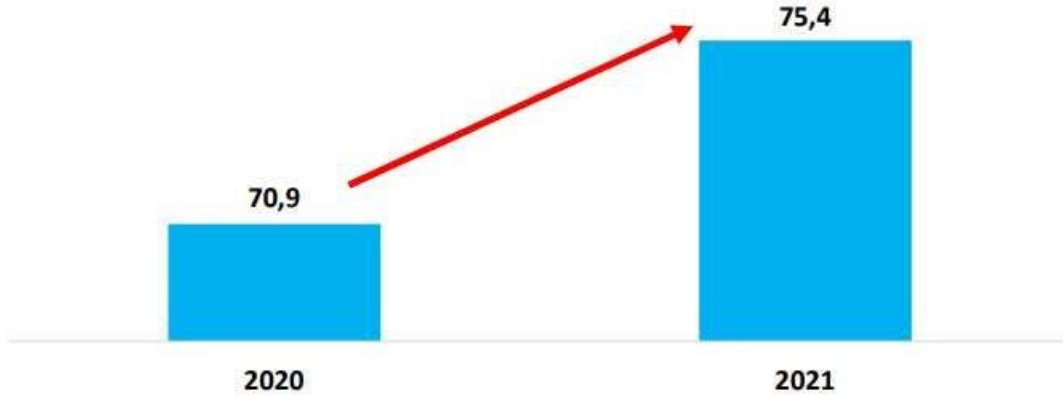
### **RELATIONS WITH THE CONTROLLING COMPANY, A COMPANY AFFILIATED WITH THE CONTROLLING COMPANY**

It was not carried out without appropriate compensation, in line with the initiative or interest of Ege Profil Ticaret ve Sanayi A.Ş. In all the legal transactions mentioned, it was done as if a transaction were made between third parties who are foreign to each other.

There are no measures taken or avoided for the benefit of Deceuninck NV or its affiliated company.

# EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS

## TURKISH PLASTICS INDUSTRY 2021 REALIZATIONS AND 2022 EXPECTATIONS



According to the Turkish Plastics Industrialists Research Development and Education Foundation, capacity utilization in the plastics industry increased by 4.5 points from 70.9% to 75% in the January-December period of 2021, compared to the equivalent period of 2020.

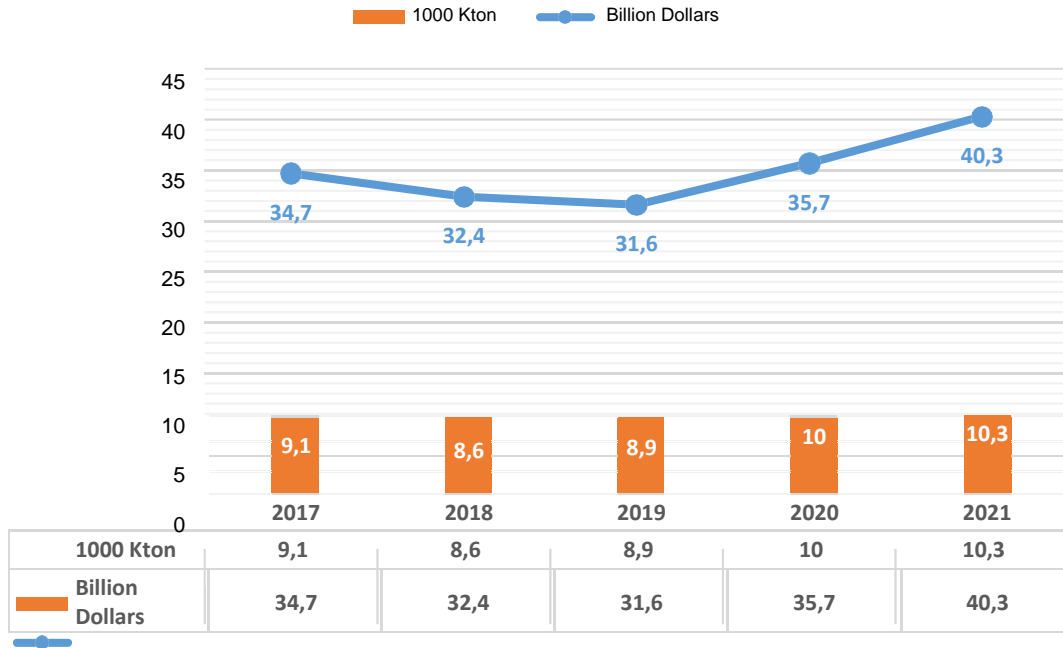
(Source Pagev)

- **Production**

In the January-December period of 2021, the production of plastic products increased by 0.3 on quantity basis compared to the same period of 2020, but increased by 5 billion dollars on value basis, reaching 10.3 tons and 40.3 billion dollars.

In the last 5 years, the average annual production of plastic products, which has increased by 3% on the basis of quantity and 4% on the basis of value, has reached a record level in its history on the basis of quantity and value in 2021.

It is seen that the production of plastic construction materials, out of the total plastic product production of 10.3 million tons in 2021, follows plastic packaging materials with 2.06 million tons.



## EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS

### • *Import*

Imports of plastic products increased by 13% on the basis of quantity and 19% on the basis of value in 2021 compared to 2020, reaching 660 thousand tons and 3 billion 373 million dollars.

Plastic product imports, which have increased annually by an average of 1% on quantity basis and 2% on value basis in the last 5 years, reached a historical record in 2021 on quantity and value basis.

8% of domestic consumption on the basis of quantity and 9% on the basis of value were covered by imports.  
(Source Pagev)

Country	1000 Tons	Million \$	Tons - %	\$ - %
Germany	104	670	16	20
China	132	576	20	17
Italy	68	408	10	12
South Korea	43	213	7	6
France	30	179	4	5
USA	12	116	2	3
Belgium	23	99	3	3
England	12	98	2	3
Spain	15	85	2	3
Poland	12	75	2	2
<b>10 Countries</b>	<b>450</b>	<b>2.520</b>	<b>68</b>	<b>75</b>
<b>Others</b>	<b>210</b>	<b>853</b>	<b>32</b>	<b>25</b>
<b>TOTAL</b>	<b>660</b>	<b>3.373</b>	<b>100</b>	<b>100</b>

Plastic raw material imports increased by 4% on amount and 60% on value basis in 2021 compared to 2020, reaching 8.3 million tons and 14.2 billion dollars. It is seen that plastic raw material imports, which have increased by 4% on an annual average amount and 9% on value basis in the last 5 years, reached a historical record level in terms of amount and value in 2021.

### • *Export*

Exports of plastic products increased by 11% on the basis of quantity and by 30% on the basis of value in 2021 compared to 2020, reaching 2 million 639 thousand tons and 7 billion 141 million dollars.

In the last 5 years, the export of plastic products, which has increased by 13% on the basis of average quantity and value per year, reached a historical record level in 2021.

26% of the production on amount basis and 18% on value basis were exported. It is seen that the growth achieved in the sector in the 8 months of 2021 is mostly due to exports.

In 2021, exports of plastic products to 10 countries accounted for 50% of total exports on the basis of quantity and 49% on the basis of value. During this period, Iraq, Germany, England, Israel and Italy formed our largest export markets for plastic products.

(Source Pagev)



**EGE PROFİL TİCARET VE SANAYİ A.Ş.**  
**ANNUAL REPORT OF THE BOARD OF DIRECTORS**

Export				
Country	1000 Tons	Million \$	Tons - %	\$ - %
Germany	281	566	11	8
China	136	497	5	7
Italy	188	490	7	7
South Korea	173	389	7	5
France	122	314	5	4
USA	102	308	4	4
Belgium	80	263	3	4
England	89	257	3	4
Spain	79	206	3	3
Poland	57	184	2	3
<b>10 Countries</b>	<b>1.307</b>	<b>3.474</b>	<b>50</b>	<b>49</b>
<b>Others</b>	<b>1.332</b>	<b>3.667</b>	<b>50</b>	<b>51</b>
<b>TOTAL</b>	<b>2.639</b>	<b>7.141</b>	<b>100</b>	<b>100</b>

- **Plastic Products Domestic Market Consumption**



The domestic market demand for plastic products increased by 2% on amount and 11% on value basis in 2021 compared to 2020, reaching 8.3 million tons and 36.6 billion dollars. At the end of 2021, domestic consumption of plastic products reached its historical peak on the basis of quantity and value.

Approximately 4.1 million tons of the 8.3 million tons of plastic product domestic consumption realized in the first half of 2021 was exported indirectly in the form of semi-finished products and finished products through exporting sectors such as automotive, packaging, construction and electronics. The remaining 4.2 million tons were consumed directly by the consumer.

The main sectors that lead plastic consumption in Turkey are the packaging and construction sectors, as in the world and Europe.

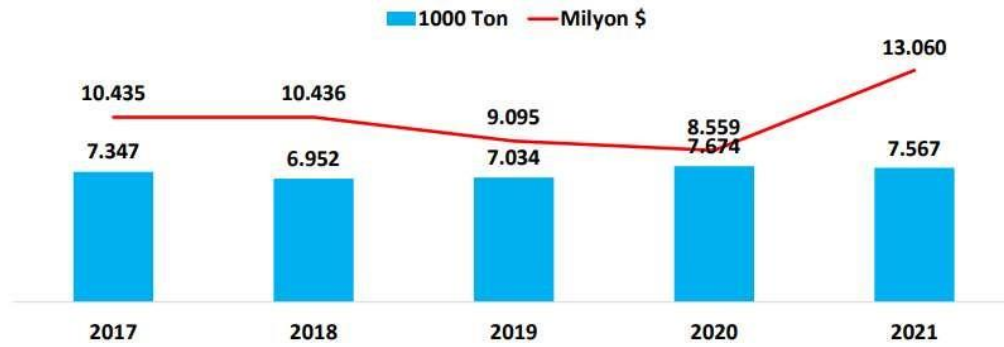
In this period, 31% of the total production was LDPE, 9% HDPE, 12% PP, 15% PVC, 10% PS and 23% PET.

On the other hand, according to TUIK data, total exports of plastic raw materials and plastic products in the January-August period of 2021 increased by 52% compared to the same period of 2020 and reached 6,538 million dollars.

(Source Pagev)

## EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS

- **Plastic Raw Material Domestic Consumption**



The domestic market demand for plastic raw materials increased by 53% on value basis in 2021 compared to 2020 and amounted to 7.6 million tons and 13.1 billion dollars. In 2021, it is seen that the domestic market consumption of plastic raw materials reached the highest level in its history on value basis.

In 2021, 89% of the plastic raw material supply was met by imports.  
(Source Pagev)

- **Expectations for 2022**

Although tightening monetary policies are prominent in the fight against inflation, the global economic recovery is expected to continue throughout 2022. Inflation pressures, potential interest rate hikes by the Fed and geopolitical concerns are among the important expectations that will hinder global GNP growth.

With the threat of inflation and its effect on interest rates, the Fed's three rate hikes that will likely be implemented in 2022 as part of the fight against inflation and the government's plans to reduce the pandemic period incentives put the US economy and developing economies at risk of slowdown in the long run. Rising interest rates are predicted to push up the dollar and cause capital outflows and currency fluctuations in emerging markets.

Due to the extended delivery backlog in 2021, disruptions in the supply chain were felt intensely. Although the delivery intensity has partially relaxed towards the end of the year, freight charges are still at high levels.

The logistics sector may have to push its limits due to the fact that long-term infrastructure improvements take time and the ongoing growth in consumer spending.

Although it is difficult to make a long-term forecast due to the negative developments observed in the economic conjuncture and rapid volatility, the plastics sector is likely to grow by 4-5% in 2022.

(Source Pagev)

# EGE PROFİL TİCARET VE SANAYİ A.Ş.

## ANNUAL REPORT OF THE BOARD OF DIRECTORS

### SECTION 5 - FINANCIAL SITUATION

Our company's consolidated financial statements and footnotes for the period ending on 31 December 2021, which have been independently audited, are attached.

#### MAIN FINANCIAL AND OPERATIONAL INDICATORS

Some information of our company's consolidated financial statements as of 31 December 2021 compared with the previous period is given below.

##### Revenue

1000 TRY	December 31 2021	December 31 2020	VARIATION %
Net Sales	2.626.442	1.323.255	98%

##### Import & Export

1000 EUROS	December 31 2021	December 31 2020	VARIATION %
Export	48.245	22.566	114%
Import	103.107	48.261	114%

**EGE PROFİL TİCARET VE SANAYİ A.Ş.**  
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**FINANCIAL RATIOS**

<b>LIQUIDITY RATIOS</b>	<b>December 31, 2021</b>	<b>December 31 2020</b>
Current Rate	1.22	1.45
Acid Test Rate	1.07	1.26

<b>PROFITABILITY RATIOS</b>	<b>December 31, 2021</b>	<b>December 31 2020</b>
Gross Profit Margin	0.27	0.32
Return on Equity	0.26	0.23

<b>LEVERAGE RATIOS</b>	<b>December 31, 2021</b>	<b>December 31 2020</b>
Total Liabilities/Equity	2.27	1.51
Total Liabilities / Total Assets	0.69	0.60
Equity Ratio	0.31	0.40
Short Term Liabilities/Total Assets	0.63	0.46
Long Term Liabilities / Total Assets	0.06	0.15

<b>ACTIVITY RATIOS</b>	<b>December 31, 2021</b>	<b>December 31 2020</b>
Accounts Receivable Turnover Rate	2.28	2.84
Inventory Turnover Rate	7.39	6.13
Assets Turnover Rate	0.72	0.76

# EGE PROFİL TİCARET VE SANAYİ A.Ş.

## ANNUAL REPORT OF THE BOARD OF DIRECTORS

### PROFIT DISTRIBUTION:

There is no concession in participation in company profits.

According to the articles of association of our company, after deducting the amounts that must be paid and set aside by the company, such as general expenses and miscellaneous depreciation, and taxes that must be paid by the company's legal entity, from the income determined at the end of the accounting year, the remaining profit, which is seen in the annual balance sheet, is distributed as indicated in the articles of association, after deducting the previous year's losses, if any. The profit distribution proposals submitted to the approval of the General Assembly by our Board of Directors, taking into account the profit to be distributed for the relevant year and the provisions of the legislation, are prepared with a distribution policy that takes into account the profitability of our company, the expectations of the shareholders and the growth strategies of our company.

The proposal of the Board of Directors of the Company to allocate 3,184,782.67 TRY of reserve funds from the Company's profits within the framework of Article 519 of the TCC and to distribute 20% of the net period profit of 152,561,681.97 TRY in a single payment on October 18, 2021 was evaluated at the ordinary general assembly.

According to the financial statements for the accounting period of 01.01.2020-31.12.2020 prepared and independently audited in accordance with the provisions of the CMB's "Communiqué on the Principles of Financial Reporting in the Capital Markets" (II-14.1): "Net Distributable Profit for the Period" was calculated from 155.822.435,00 TRY by considering "Profit/Loss from Continuing Operations" and "Term Tax Income" together. After adding 25.509.36 TRY donations to this amount, due to the legal limit being reached, no general legal reserves for the 1st order were allocated and a distributable net profit of 155.847.944.36 TRY was reached.

In our legal records kept under the TCC and TPL, in the accounting period of 01.01.2020-31.12.2020, after allocating 183.194.645,36 TRY from the period profit, 30,632,963.39 TRY period tax, 3,184,782.67 TRY from general legal reserves and 113,480,032,96 TRY from previous years' profits, it has been determined that 35,896,866.35 TRY of distributable profit for the period has been reached, and it has been decided to distribute the profit.

The profit distribution table is published in KAP.

### **SECTION 6 - OTHER MATTERS**

#### **Insurance**

The total insurance amounts of the asset values as of the periods are as follows (TRY);

	<b>December 31, 2021 (TRY Amount)</b>	<b>December 30, 2021 (TRY Amount)</b>
Total insurance amounts of asset values	3.148.736.160	1.712.099.800

# **EGE PROFİL TİCARET VE SANAYİ A.Ş.**

## **ANNUAL REPORT OF THE BOARD OF DIRECTORS**

### **SECTION 7 - ANNUAL REPORTS OF THE PARENT COMPANY IN THE GROUP OF COMPANIES**

Annual reports of the controlling company Deceuninck NV are published on the website [www.deceuninck.com](http://www.deceuninck.com).

### **RESPONSIBILITY REPORT OF THE BOARD OF DIRECTORS WRITTEN ACCORDING TO ARTICLE 199 OF THE TCC**

#### **REPORTING PERIOD**

01 January 2021 and 31 December 2021 Activity Period

#### **SCOPE OF THE REPORT AND PRELIMINARY INFORMATION,**

This affiliation report is prepared within the framework of the obligation stipulated for the Board of Directors of the affiliated company in Article 199 of the Turkish Commercial Code. Our company is registered with the Menemen Trade Registry Office with the registration number 5065. Ege Profil Ticaret ve Sanayi A.Ş. is directly affiliated with Deceuninck NV company operating in Belgium.

This affiliation report covers all legal transactions and other measures that took place or were avoided during the 01.01.2021 - 31.12.2021 operating period between the controlling company Deceuninck NV and the controlling company's other subsidiaries.

Legal transactions in the form of services and goods were carried out with Ege Profil Ticaret ve Sanayi A.Ş. and its domestic and foreign subsidiaries, and transactions were made both as goods/service providers and goods/service buyers.

None of these legal transactions have been carried out without appropriate compensation in line with the initiative or interest of Ege Profil Ticaret ve Sanayi A.Ş. In all the legal transactions mentioned, it was done as if a transaction were made between third parties who are foreign to each other. No measures have been taken to the detriment of the company in line with the initiative or interest of Ege Profil Ticaret ve Sanayi A.Ş.

# EGE PROFİL TİCARET VE SANAYİ A.Ş.

## ANNUAL REPORT OF THE BOARD OF DIRECTORS

### INFORMATION ABOUT THE COMPANIES COVERED BY THE REPORT,

Deceuninck NV has a share of 71,521,651 TRY and 88,32% in our capital.

### TRANSACTIONS WITH THE CONTROLLING COMPANY,

#### *A- Capital and Partnership Structure,*

Paid-in capital:

As of 31 December 2021, the Company's paid-in capital and partnership structure are as follows:

<b>Title of Partners</b>	<b>Share Amount (TRY)</b>	<b>Rate (%)</b>
Deceuninck NV	71.521.651	88.32
Public Division	9.459.142	11.68
<b>Total</b>	<b>80.980.793</b>	<b>100.00</b>

As of 31 December 2021, and 31 December 2020, the registered capital ceiling of the Company is 120,000,000 TRY.

As of 31 December 2021, the historical paid-in capital of the Company is 80.980.793 TL (31 December 2020 - 80.980.793 TRY) and this amount consists of 8,098,079,300 shares (31 December 2020 – 8,098,079,300 shares) each worth 1 kuruş.

The Extraordinary General Assembly Meeting to discuss the merger of the Company and Pimaş was held on 7 December 2017. The merger of all assets and liabilities of Pimaş, which is a subsidiary with the Company, within the Company by "taking over" as a whole was adopted by a majority of votes at the extraordinary general assembly which was held in accordance with the provisions of Articles 134 of the Turkish Commercial Code and the following; Articles 19 and 20 of the Corporate Tax Law, Communiqué on Merger and Division (II-23.2), Common Principles on Significant Transactions and the Right to Leave (II-23.1), and other relevant legislation; and it was registered on 25 December 2017.

The application made to the CMB on 26 December 2017 to increase the capital of the Company from 79.600.000 (seventy-nine million six hundred thousand) TRY to 80.980.793 (eighty million nine hundred eighty thousand seven hundred ninety-three) TRY due to the merger was approved by the CMB and registered on 28 December 2017.

(b) Repurchased shares and exercise of the right to leave:

It consists of the shares bought back by the Company within the scope of the liquidity provider transactions carried out within the framework of the CMB legislation. The Company's repurchased shares are realized at the market prices on the date of the transaction in Borsa Istanbul, and are accounted for in the "Repurchased shares" accounts, including the parts exceeding the nominal value of the repurchased shares.

Payments amounting to 7,690,383 TRY made in relation to Pimaş shares with a nominal value of 1,665,378 TRY which was accepted at the Extraordinary General Assembly Meeting of the Company held on December 7, 2017, regarding the exercise of the right to leave arising from the merger between the Company and Pimaş are accounted under shareholders' equity from the business combinations effect fund, the nominal value of which exceeds the nominal value, amounting to 6.025.005 TRY under previous years' profits (losses).

**EGE PROFİL TİCARET VE SANAYİ A.Ş.**  
**ANNUAL REPORT OF THE BOARD OF DIRECTORS**

**B- Related party disclosures**

i. Trade receivables from related parties are as follows:

	December 31, 2021	December 31, 2020
Deceuninck SAS (Colombia) (2)	83.812.415	9.992.203
Deceuninck South America (2)	54.105.396	-
Deceuninck Romania SRL (2)	42.174.388	21.807.806
Deceuninck Pty Ltd (2)	31.992.917	6.894.239
Deceuninck (Thailand) Co Ltd (2)	20.107.084	4.799.278
Deceuninck doo – Croatia (2)	19.440.857	3.967.269
Deceuninck NV (1)	11.809.250	13.985.460
Other Deceuninck Group Companies (2)	14.285.096	14.819.329
<b>Total</b>	<b>277.727.403</b>	<b>76.265.584</b>
(1) The main partner who has the power of control over the group		
(2) Member companies of the same group as the group		

ii. Other short-term receivables from related parties are as follows:

	December 31, 2021	December 31, 2020
Deceuninck NV (*)	--	60.126.052
<b>Total</b>	<b>--</b>	<b>60.126.052</b>

iii. Trade payables to related parties are as follows:

	December 31, 2021	December 31, 2020
Deceuninck NV (1)	19.915.074	8.971.264
Deceuninck Romania SRL (2)	-	64.857
Deceuninck (Thailand) Co Ltd (2)	-	423,101
Deceuninck De Mexico S.A. (2)	-	2.763.544
Other Deceuninck Group Companies (2)	3.170.907	6.644.347
<b>Total</b>	<b>23.085.981</b>	<b>18.867.113</b>

iv. Purchases of goods and services from related parties for the periods ending on 31 December 2021 and 2020 are as follows:

	January 1 - December 31, 2021	January 1 - December 31, 2020
Deceuninck NV (1)	30.001.427	466,534
Other Deceuninck Group Companies (2)	2.261.024	23.594.464
<b>Total</b>	<b>32.262.451</b>	<b>24.060.998</b>



**EGE PROFİL TİCARET VE SANAYİ A.Ş.**  
**ANNUAL REPORT OF THE BOARD OF DIRECTORS**

v. Sales to related parties for the periods ending on 31 December 2021 and 2020 are as follows:

	January 1 - December 31, 2021	January 1 December 31, 2020
Deceuninck Group Companies	290.487.075	104.110.991
Deceuninck (main partner)	23.362.070	9.144.554
<b>Total</b>	<b>313.849.145</b>	<b>113.255.545</b>

vi. Fixed asset purchases from related parties for the periods ending on 31 December 2021 and 2020 are as follows:

	January 1 - December 31, 2021	January 1 December 31, 2020
Deceuninck NV (1)	1.809.436	648,478
Other Deceuninck Group Companies (2)	124,418	1.191.794
<b>Total</b>	<b>1.933.854</b>	<b>1.840.272</b>

vii. Other income and expenses from related parties for the periods ending on 31 December 2021 and 2020 are as follows:

	January 1 - December 31, 2021	January 1 December 31, 2020
Deceuninck (main partner) (*)	55.845.213	33.900.635
<b>Total</b>	<b>55.845.213</b>	<b>33.900.635</b>

(\*) As of 31 December 2021, 22,204,930 TRY (31 December 2020: 14.288.078 TRY) of this amount consists of management services, 30,888,728 TRY (31 December 2020: 18.049.199 TRY) consists of information technology systems services and 2,751,555 TRY (31 December 2020: 1,563,358 TRY) of royalty fees.

## **EGE PROFİL TİCARET VE SANAYİ A.Ş. ANNUAL REPORT OF THE BOARD OF DIRECTORS**

### **RESULT**

In the previous activity year, there was no legal action taken with the controlling company, with a company affiliated to the controlling company, in favor of it or a company affiliated to it, under the direction of the controlling company.

Again, during the same period of activity, there are no transactions or measures taken or avoided for the benefit of the controlling company or a company affiliated with it, no compensation for losses has been made.

Since no legal action was taken between our company and the controlling company and the companies that are indirectly related to the controlling company, there were no measures taken or avoided according to the circumstances and conditions known to us, therefore, there was no need to provide an appropriate counter-action in each legal transaction, and the company did not suffer any damage.

Our obligation to prepare an affiliated company report is within the framework of the following principles;

- a) Reporting of transactions made in favor of the dominant company, if any, against the affiliated company,
- b) Compensating in case of loss,
- c) Eliminating the negative consequences of the risk of giving up the interest of the affiliated company for the benefit of the group in favor of the affiliated company,
- d) In this way; we declare that we have prepared in accordance with the principles of fair and honest accountability in order to protect minority shareholders, suppliers, creditors and workers, and that our company has not suffered such a loss due to a transaction that occurred according to the known circumstances and conditions for the 2021 activity year.

### **PREPARED BY,**

Ege Profil Ticaret ve Sanayi A.Ş. Board of Directors

### **DATE OF THE REPORT**

February 23, 2022