

## **TATLIPINAR ENERGY PRODUCTION INC.**

### **(“COMPANY”) PROFIT DISTRIBUTION POLICY**

#### **1. Purpose**

The purpose of the profit distribution policy is to determine the Company's profit distribution principles, in accordance with the regulations to which the Company is subject and the provisions of the Company's articles of association, and to enable shareholders to foresee the distribution procedures and principles of the profits that the Company will obtain in future periods. The Company takes utmost care to establish a balance between the interests of its shareholders and the Company's interest in dividend.

The Company complies with the Capital Markets Law No. 6362 (“CMB”), the Turkish Commercial Code No. 6102 (“TTK”), capital markets legislation and other relevant legislation and regulations regarding profit distribution. The Company pays utmost attention to the implementation of the principles set out in the Corporate Governance Principles set out in the current Corporate Governance Communiqué of the Capital Markets Board (“CMB”), which may be amended and amended from time to time.

The Company's Dividend Distribution Policy has been prepared in accordance with the CMB's Corporate Governance Communiqué (II-17.1) and Dividend Communiqué (II-19.1); It is announced to all stakeholders, especially shareholders, through the Company website ([www.tatlipinarenerji.com.tr](http://www.tatlipinarenerji.com.tr)).

#### **2. Authority**

The Profit Distribution Policy was created by the board of directors within the framework of the CMB Corporate Governance Principles and was submitted to the approval of the shareholders as a separate item on the agenda of the Company's general assembly meeting. Monitoring, supervision, development and necessary updates of the Company's Profit Distribution Policy are under the authority and responsibility of the board of directors.

Following the decision of the Board of Directors, changes to be made in the Profit Distribution Policy are announced to the public, together with the justification, within the framework of the regulations regarding the public disclosure of special events, and are submitted to the approval of the shareholders at the general assembly meeting and published on the Company website ([www.tatlipinarenerji.com.tr](http://www.tatlipinarenerji.com.tr)).

#### **3. Profit Distribution Principles**

In principle, as long as relevant regulations and financial possibilities allow, profit distribution is decided by taking into account market expectations, our long-term strategy, the capital requirements of our Company, its subsidiaries and affiliates, investment and financing policies, profitability and cash position. Dividends can be distributed to partners free of charge in cash or by adding the profit to the capital, or a certain amount of cash can be distributed as free shares at a certain rate.

Dividends are distributed equally to all existing shares as of the distribution date, in proportion to their shares, regardless of their issuance and acquisition dates. Our company does not have any shares with dividend privilege.

Unless the reserve funds required to be set aside in accordance with the Turkish Commercial Code and the dividend determined for the shareholders in the Company's articles of association or profit distribution policy are set aside; It cannot be decided to allocate other reserve funds, to transfer profits to the following year, or to distribute shares of profit to members of the board of directors, partnership employees and persons other than shareholders, and no share of profit may be distributed to these persons unless the dividend determined for the shareholders is paid in cash.

It is paid provided that the dividend distribution starts at the latest following the General Assembly meeting, at the end of the accounting period in which the general assembly meeting in which the distribution decision was made was held. The general assembly decides the profit distribution date. The general assembly or, if authorized, the board of directors may decide to distribute dividends in installments in accordance with capital markets legislation.

The board of directors may distribute advance dividends, provided that it is authorized by the general assembly and complies with capital markets legislation.

#### **4. Dividend Distribution Principles**

The principles of dividend distribution are regulated in Article 17 of the Company's articles of association, titled "Determination and Distribution of Profit".

"The company acts in accordance with the provisions of the Turkish Commercial Code and capital markets legislation regarding profit determination and distribution.

The period profit remaining after deducting the Company's general expenses and the amounts that must be paid or set aside by the Company, such as various depreciation, and the taxes that must be paid by the Company's legal entity, from the income determined at the end of the Company's activity period, and seen in the annual balance sheet, and the profit of the previous year, if any. The remaining amount after deducting the losses is distributed as follows:

General Legal Reserve:

- a) Five percent is allocated to legal reserves until it reaches twenty percent of the capital.

First Dividend:

- b) From the remainder, the first dividend is allocated based on the amount to be found by adding the amount of donations made during the year, if any, within the framework of the Company's profit distribution policy, in accordance with the Turkish Commercial Code and capital markets legislation.

- c) After the above deductions are made, the general assembly has the right to decide on the distribution of dividends to members of the Board of Directors, partnership employees and persons other than shareholders.

Second Dividend:

After deducting the amounts specified in paragraphs (a), (b) and (c) from the net period profit, the general assembly decides to distribute the remaining part, partially or completely, as a second dividend or as a reserve fund set aside voluntarily in accordance with Article 521 of the Turkish Commercial Code. is authorized to separate.

General Legal Reserve:

Ten percent of the amount found after deducting a dividend of 5% of the capital from the portion decided to be distributed to shareholders and other persons participating in the profit is added to the general legal reserve fund in accordance with the second paragraph of Article 519 of the TCC.

Unless the reserve funds required to be set aside in accordance with the Turkish Commercial Code and the dividend determined for the shareholders in the Articles of Association or the profit distribution policy are set aside; It cannot be decided to allocate other reserve funds, transfer profits to the following year, distribute shares of profit to members of the Board of Directors, partnership employees and persons other than shareholders, and no share of profit may be distributed to these persons unless the dividend determined for the shareholders is paid in cash.

Dividends are distributed equally to all existing shares as of the distribution date, regardless of their issuance and acquisition dates.

The method and time of distribution of the profit decided to be distributed are decided by the General Assembly upon the proposal of the Board of Directors on this matter.

The profit distribution decision made by the General Assembly in accordance with the provisions of this Articles of Association cannot be withdrawn unless permitted by law.

## **5. Dividend Advance Distribution Principles**

According to Article 18 of the company's articles of association, titled "Dividend Advance", "The general assembly may decide to distribute advance dividends to shareholders within the framework of the Capital Markets Board, CMB regulations and other relevant legislation. In calculating and distributing the dividend advance amount, the provisions of the relevant legislation 3 are complied with. In order to distribute advance dividends, the board of directors must be authorized by the decision of the general assembly, limited to the relevant accounting period.