

**EGE SERAMİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
MAIN AGREEMENT****Establishment:**

Article 1- A Joint Stock Company has been established within the scope of immediate incorporation provisions of Turkish Trade Code.

Trade Name:

Article 2- The Trade Name of The Company: Ege Seramik Sanayi ve Ticaret Anonim Şirketi.

Purpose and Subject/Scope:

Article 3- The main purpose and scope of the Company are as follows:

- a) To produce and sell furnishing and coating tile and so forth product in all unvarnished or unglazed types and forms through soil,
- b) To produce and sell furnishing and coating tile and so forth product in all varnished or glazed types and forms through soil,
- c) To produce and sell tiles, medical materials, table wares, insulators and so forth products through soil,
- d) To produce, import, export and domestic trade activities of all type of goods, raw materials, auxiliary products, materials, machinery, devices, equipments, tools and installments within the scope of its activities or with respect hereof,
- e) To carry out transport business, brokering, dealership and contracting business within the scope of its activities,
- f) To cooperate with the companies domiciled within or without the country with respect hereof, to make letters patent, trade mark, license, patent, representation, distributorship, agency agreements, to get privileges,
- g) To open, sell, rent, operate furnace for provision, sales and export transactions of raw materials and auxiliary products within the scope of its activities and to provide required licenses and privileges,
- h) Within the scope of activities herein ; to purchase, incorporate, allot, construct and procure, hire required movables and real estates, to sell or hire out owned movables and real estates and facilities, to establish lien on the real estates, to release the liens established in favor hereof, to take in possession the liens, to assign, transfer hereof, to acquire all type of real and personal rights with respect to movables and real estates, including but not limited to pledge, commercial pledge and mortgage, to establish such rights in favor of third parties, to annotate and register into land register and related registries, to release and cancel or procure hereof; to establish and record such type of rights including pledge, commercial pledge and mortgage for third parties; to take over mortgage from third parties or to transfer mortgage to the third parties; to pledge the owned movables and real estates as security, regardless of the name under which, on behalf of itself or third parties including mortgage, pledge and commercial pledge; to acquire all type of rights within the scope of company activities, to assume debts, to participate in other companies established and to be established within the scope of activities, to purchase, take over, if required to sell share certificates provided not to be within the scope of mediation and security portfolio management activities,

The principles under Capital Market legislation shall be adapted on establishment of pledge including mortgage or to provide guarantee, security, warrant on behalf of the Company and 3rd Parties.

- i) To build generation plant under auto-producer license for meeting, in essence, its electricity and thermal energy requirements, in accordance with the related legislation on electricity market, to generate electricity and thermal energy, in case of surplus production, to sell to other licensee legal persons and free consumers, the generated electricity and thermal energy and/or capacity, pursuant to the subject legislation and provided not to be commercial, to activate in providing all type of equipments and fuel with respect to electricity generation plant.
- j) To perform all type of business and commercial transactions that may be useful for the subjects written above or subject activities, to borrow herefor.

If other works, thought to be useful for the company in the future and related to the activities and operations listed above, are required to be participated in, the company can also carry out those activities and operations with the offer of the Board of Directors and with the approval of the General Assembly.

The implementation of such decisions, for being as amendment in the main agreement, shall be subject to provision of permission from Ministry of Customs and Trade and if required Capital Markets Board and/or Energy Market Regulatory Board.

Principal Office and Branches of the Company:

Article 4- The Principal Office of the Company is in Izmir. The address of the company is Kemalpaşa OSB Mahallesi Ansızca Sanayi Sitesi Sk. No:297/1 Kemalpaşa/İZMİR Amendment in address is to be registered in Trade Registry and declared in Trade Registration Gazette and also is to be notified to the Ministry of Customs and Trade besides Ministry of Industry and Trade. Any notification served to the address registered and declared is to be deemed as served to the Company. The new address not registered in due time, although the company left from the address registered and declared, is to be reason for termination. The Company may establish representatives/agencies both within the country and abroad, provided giving notification to Ministry of Customs and Trade.

Period:

Article 5- The period of the Company is 99 years commencing by certain establishment date.

Capital:

Article 6- The company has accepted the registered capital system in accordance with the provisions of the Capital Market Law and has adopted this system with the permission of the Capital Markets Board dated 17.06.1993 and numbered 369.

The registered authorized stock of the company is 3.000.000.000.-TL. (Three Billion Turkish Lira) divided into 300.000.000.000 (Three Hundred Billion) shares, each with a nominal value of 1 (One) Kurus.

The registered authorized stock permission granted by the Capital Markets Board is valid for the years 2023-2027 (5 years). Even if the authorized registered authorized stock has not been reached at the end of 2027, in order for the board of directors to take a capital increase decision after 2027, it is obligatory to obtain authorization from the general assembly for a new period by obtaining permission from the Capital Markets Board for the previously given authorized or a new authorized amount.

If the said authorization is not obtained, the Company cannot increase the capital with the decision of the Board of Directors.

The issued capital of the company is 720,000,000.-TL. (Seven Hundred Twenty Million Turkish Liras) This capital is divided into 72,000,000,000 (sevent-two billion) shares, each with a value of 1 (One) kurus;

1.200 (One Thousand Hundred) Shares are registered in Group A,

1.800 (one thousand eight hundred) shares are registered in Group B,

71.999.997.000 (Seventy-one billion nine hundred ninety-nine-one million nine hundred and ninety seven thousand) shares are bearer stock in Group C.

The Board of Directors is authorized to increase capital within the registered authorized stock in accordance with the provisions of the Capital Markets Law between 2023 and 2027, to issue registered and bearer shares, and to determine the amounts of the registered and bearer shares in capital increases, to limit the shareholders' right to purchase new shares and to issue shares above their nominal value.

At the Shareholders General Assembly meeting to be held for the amendment of the Company's Articles of Association, the shareholders vote in proportion to the capital they have committed.

Shares representing the capital are monitored dematerially within the framework of dematerialization principles.

Share Transfers:

Article 7- Except for the ones purchased as a result of the transactions carried out in the stock exchange, the registered shareholders who require to transfer the registered shares that are not traded in the stock exchange apply with a petition addressed to the Board of Directors of the Company for the approval of their request. The board of directors of the company may reject the request for approval by citing one of the following important reasons. However, registered shareholders that are not traded in the stock exchange may freely transfer their shares to other shareholders holding the same group of shares or may establish a usufruct right on their shares in their favor.

In terms of share transfers or usufruct right facilities to be made by the registered shareholders not traded in the stock exchange to third parties other than the shareholders holding the same group of shares and their Affiliates, the Company;

a) In case another company or business (“Competitor”) that competes with the Company, Persons who are owners, operators, partners (including private or venture capital funds and their partners) or who are managers or employees regardless of their title, or their spouses, the lineal kinship or those mentioned the companies over which they have direct or indirect control require to acquire shares,

b) In case the share is required to be acquired directly or indirectly by any person or persons acting together, in the amount that reaches or exceeds 20% of the capital formed by the registered shares in the capital of the company, in order to protect the company, its subject of business or its economic independence, may reject the approval requests regarding share transfers and usufruct right establishments, considering these matters as an material reason.

Capital Markets Board regulations are applied for the transfer of the Company's registered shares traded on the stock exchange.

Issuing Bond and Other Capital Market Instruments With Debt Instrument Status

Article 8- The Board of Directors is authorized to issue other capital market instruments in the statute of bond and debt instrument, pursuant to Capital Markets Law and other related legal regulations.

Board of Directors

Article 9- The company is represented and managed by a Board of Directors, consisting of 6 (six) persons to be elected among real persons and legal entities to be nominated by the Shareholders' General Assembly of the Company pursuant to provisions of Turkish Trade Law.

Two members of the Board of Directors shall be nominated among the candidates to be determined through simple majority of A Group shareholders; and a member shall be nominated among the candidates to be determined through simple majority of B Group shareholders, and the remaining three members shall be nominated among the candidates to be determined by the shareholders, irrespective of their groups. Each member shall have one voting right in the Board of Directors.

The Board of Directors consists of members whether having duties in the executive board or not. The Board of Directors members are of independent members having capacity and potential to perform their duties without being prejudiced by somebody. The number and qualifications of the independent members to be assigned in the Board of Directors are to be determined pursuant to arrangements with respect to corporate management of Capital Markets Board.

Unless requirement for general assembly decision with respect to the material transactions pursuant to the related legislation; majority approval of the independent members are required for the Board of Directors resolution to be taken with regard to material transactions in accordance with Capital Markets Board Regulations.

In case of the fact that the majority approval of the independent members on the material transactions is not provided and although opposition of the majority of the independent members, if the mentioned transactions are required to be carried out, the transaction shall be submitted to the approval of the general assembly. In this case, the opposition/refusal reason of the independent board members shall be disclosed immediately to the public, notified to Capital Markets Board and shall be read in the general assembly meeting to be held.

In case of a legal entity be nominated as member of board of directors; only one real person determined by the legal entity, shall be registered and declared with the subject legal entity herein. Moreover, shall immediately be declared through internet site of the Company, wherein the registration and declaration be made. Only, the registered person herein is authorized to participate and vote in the meetings, on behalf of the legal entity. The members of Board and the real person registered in the name of the legal entity herein, are required to be fully competent. The reasons terminating the membership are to be deemed as an obstacle for nomination. The legal entity, acting as member of Board, may change the real person registered on its behalf, in any time, pursuant to Capital Markets Law and regulations.

The Board of Directors and the management, for the field determined, excluding the duties determined to the general assembly authorization pursuant to law and main agreement, are authorized to take resolution for all and any type of business and transactions required for the performance of company's field of operation.

The Board of Directors, besides committees and commissions stipulated in the Capital Markets Board including early detection of risk committee within the scope of Article 378 of Turkish Commercial Code; may form commissions and committees for performing the Company businesses, implementation of related decisions and policies herefor or observing hereof. Capital Markets Board and other related legislations shall be complied with, in terms of forming such committees.

Period and Meetings of Board of Directors

Article 10- The period of the Members of the Board of Directors is for minimum one year and for maximum three years. The members, the period of which are expired or resigned from their tasks, can be re-elected. If a vacant position for Board of Directors Membership for any reason, is available, or if the Independent Board Member loses its independency qualification; the Board of Directors is to appoint a member having legal requirements, in accordance with Turkish Commercial Code and Capital Markets Law regulations, for approval in the first General Assembly Meeting. This member shall have duty until the general assembly meeting in which the membership of this member has been submitted for approval and in case of approval, is to complete the term of his/her predecessor. In so far as, it is a condition that the member to be nominated is required to be appointed among the candidates determined by the group shareholders belonging to the vacant membership.

Board of Directors meetings are held in any time required by company businesses. However, Board of Directors Meeting is to be held at least once in a month. The Board shall meet with the participation of at least 4 members. The Board of Directors resolutions are taken through simple majority of the participants, whether through physically or electronically to the meeting. The type of Board of Directors meeting, meeting and resolution quorums, voting, duties, rights and authorities of Board are subject to Turkish Commercial Code and Capital Markets Law provisions.

The persons who are entitled to attend the meeting of the Board of Directors of the company may participate into the meeting in electronic form according to Turkish Commercial Law Article 1527. The company; according to the provisions of “Notice on Assembly to be made electronically excluding joint-stock Company General Assembly in commercial companies”, may establish Electronic Meeting System providing voting and participation of the right holders to the meetings hereon or may purchase service from the systems created for this purpose. In the meetings to be held; the rights stipulated under related regulations may be used through the system established in accordance with the provisions of the company agreement or the system of support services.

As the Board of Directors may completely be held electronically, some of the members may participate in a meeting, wherein part of the members are available physically, electronically.

Representation of the Company

Article 11- The Board of Directors is authorized with the management and representation of the company, before third parties. In order that bindings and agreements, notes and all documents to be prepared and issued by the company be valid, these shall bear the signatures of two persons given signature authority, under corporate seal. Board of Directors may assign its management task, partially or completely to a or any Board of Directors member or third party/parties pursuant to an internal directive to be arranged by Board.

Board of Directors may leave its representation authority and management entirely or partially to a or any executive director or to any third parties as manager. However at least a member of Board of Directors is required to have representation authority.

Board of Directors shall determine the members and third parties entitled for representation of the company, signatory authorization of the general manager, manager and employees, the authorized fields and the limits and period hereof. The names and limit of authorities of Board Members and third parties having signatory authorization shall be introduced and registered and declared through a circular.

Board of Directors Tasks Division:

Article 12- The Board of Directors' Members shall perform task division among themselves. In terms of performing the Company activities completely or partially, may appoint a or more board members among themselves as Board member to have task in the executive board and/or General Manager or managers from outside, pursuant to Turkish Commercial Code.

The Board of Directors may form consultancy, coordination and similar committees or sub-committees consisting of members and/or among third parties not having membership, for the subjects considered appropriate, according to Capital Markets Board Corporate Management Principles.

Adjusted Basis of the Fees to be provided to the Members of the Board of Directors and Senior Staff

Article 13- General Assembly is authorized for determination of the amount and payment dates of attendance fees, wages and such rights that may be provided other than profit shares to the Board of Directors' Members. The Board of Directors, by writing the salary (wage) principles of Board members and senior staff, shall submit for the shareholders' information through a separate article in the general assembly meeting and shareholders shall be entitled to statement of opinion herefor. The wage policy prepared for this purpose, is to be available in the internet site of the Company.

Payment plans based on company performance or share certificate options, shall not be applied in determining the independent board members' wages. The wages of the independent board members, shall be determined by saving their independency, according to Capital Markets Board regulations.

In case of any actual studies/activities other than such role of the Board members; the wages regarding this matter may be determined by Board of Directors.

Audit:

Article 14- For the inspection of the Company and other aspects stipulated in the legislation; the related articles of Turkish Commercial Code and Capital Markets Law shall be applied.

General Assembly:

Article 15- General Assembly meetings are held as ordinary and extraordinary meetings. The agenda of the meeting, shall be determined by the people requesting for General Assembly meeting. Ordinary General Assembly Meetings of the company are to be held within 3 months from the end of the accounting period, and meets at least once a year. The required resolutions by considering the provisions set forth in the Turkish Commercial Code shall be taken in this meeting. Extraordinary General Assembly meetings are held in any time under the situations and at times required by company businesses, in accordance with the provisions indicated in the Articles of Association and Law, and take the relevant resolutions.

The Board of Directors shall arrange an internal directive including the General Assembly's working rules and procedures and this internal directive is to be registered and declared by being put into force subsequent to approval of General Assembly. The General Assembly meeting to be held subsequent to subject registration process, shall be held under rules and procedures set forth in the internal directive determined.

Electronically attendance to General Assembly meetings:

The persons who are entitled to attend the meeting of the General Assembly of the company may participate into the meeting in electronic form according to Turkish Commercial Law Article 1527. The company; according to the provisions of "Notice on Assembly to be made electronically excluding joint-stock Company General Assembly in commercial companies", may establish Electronic Meeting System providing voting and participation of the rights holders to the meetings hereon, expressing their opinions, making suggestions or may purchase service from the systems created for this purpose.

In all general assembly meetings to be held; the rights stipulated under the mentioned Regulation of the beneficiaries and representatives may be used through the system established in accordance with the provisions of the company main agreement.

The Board of Directors shall arrange an internal directive including the General Assembly's working rules and procedures and this internal directive is to be registered and declared by putting into force subsequent to approval of General Assembly. The General assembly meeting to be held subsequent to subject registration process, shall be held under rules and procedures set forth in the internal directive determined.

The required resolutions in the Company general assembly meetings shall be taken through negotiation on the matters required to be discussed pursuant to the related legislation and except this, the matters included on the agenda. The General Assembly meetings and the quorum herein shall be subject to the provisions of Turkish Commercial Code and Capital Markets Law.

Place of the Meeting:

Article 16- The General Assembly meetings are to be held at the headquarters of the company or any appropriate place wherein its branch be located.

General Assembly:

Article 17-- It is required that, in ordinary and extraordinary meetings, by participation of a representative of the related Ministry, Turkish Commercial Code and related legislation provisions shall be applied to the related matters.

General Assembly Meeting Quorum and Voting Right:

Article 18- The General Assembly meetings and the quorum herein shall be subject to the provisions of Turkish Commercial Code and Capital Markets Law.

According to Article 9 of the Main Agreement; in case of anyone becomes a related party for the material transactions submitted for the approval of General Assembly, the related party shall not have voting right in the general assembly meetings. No meeting quorum is required in the general assembly meetings to be held for the performance of the liability set forth in this article, and the resolution shall be taken through ordinary resolution of the members having voting right. The shareholders or their representatives participated in the General Assembly meetings, shall have one voting right for each share.

Turkish Commercial Code, Capital Markets Law and related legislation provisions shall be applied to convocation principles of General Assembly.

Related Party Transactions

Article 19- The shareholders having control in the management, the members of board, senior staff and their spouse and their relatives having blood-relation or by marriage, are required to provide prior consent of general assembly for any transactions and competitions bringing on conflict of interest with the company or its affiliates; and shall notify in the general assembly regarding hereto.

Majority of independent members' votes are required to be provided for all type of related party transactions of the Company and for providing guarantee, pledge and mortgage in favor of third parties. In case of refusal of the matter by the majority of independent members' votes; this situation shall be disclosed to the public under public disclosure regulations as including the sufficient information with respect to the transaction herein and the transaction shall be submitted for the approval of the general assembly.

At the subject general assembly meetings, other shareholders shall be ensured to participate in such decisions in the general assembly, through taking resolution in a voting with regard to the fact that the parties of the transaction and the related parties in connection herewith are not entitled for voting. No meeting quorum is required for the general assembly meetings to be held for the subject situations set forth in this article. The resolution shall be taken through ordinary resolution of the members having voting right. The board of directors and general assembly resolutions taken inconsistent with the matters set forth in this paragraph, shall not be deemed valid.

Appointment of Representative:

Article 20- At the general meeting, the shareholders may be represented by a proxy appointed from outside or among other shareholders. The shareholder representatives are authorized to use both their voting rights and the voting rights they are representing. The principles on the type of power of attorney and voting by proxy shall be subject to the provisions set forth in Turkish Commercial Code and Capital Markets Law and related legislation.

Declaration:

Article 21- The declarations related to the company is to be subject to the provisions set forth in Turkish Commercial Code and Capital Markets Law and related legislation.

Type of Voting:

Article 22- Type of voting in the general assembly meetings shall be subject to the provisions set forth in Turkish Commercial Code and Capital Markets Law and related legislation.

Amendment in the Main Agreement:

Article 23- Any amendment in the main agreement and implementation hereof shall be subject to the permission of Ministry of Customs and Trade and Capital Markets Board. The subject amendment herein, shall be deemed effective as from the declaration date subsequent to approval in due form and registry process in the Trade Registry.

Annual Reports:

Article 24- The Board of Directors shall arrange the annual activity report in accordance with the periods stipulated in Turkish Commercial Code and Capital Markets Law and shall submit for inspection of the auditor.

The financial statements and reports stipulated to be arranged by Capital Markets Law and independent audit report, in case of being subject to independent audit, are required to be promulgated within the scope of principles and procedures determined by Capital Markets Law.

Activity Period:

Article 25- The fiscal period of the Company is a calendar year ; as of the 1st day of January to the last day of December.

Profit Distribution:

Article 26- The period income remaining after deduction from the incomes determined at the end of activity period of the company, of the amounts required to be paid or reserved by the company such as Company general expenses and various depreciation expenses, and deduction of taxes required to be paid by the legal entity of the company and as stated in the annual balance sheet, if any subsequent to deduction of previous years' losses, the followings shall be distributed respectively;

- a) Legal reserve of %5 is to be reserved.
- b) Of the remaining amount, if any, over the amount to be determined by addition of the contribution amount (donation) within the year, dividend shall be assigned in accordance with profit distribution policy to be determined by the general assembly and under the provisions set forth in the related legislation.
- c) Of the remaining balance, subsequent to deduction of the amounts included in the paragraphs "a" and "b";
 - Eight percentage (%8) to the A Group shareholders
 - Five percentage (%5) to the B Group shareholders shall be assigned.
 - Subsequent to deduction hereof, the following amount shall be assigned as below;
 - Five percentage (%5) to the Members of Board of Directors.
- d) Of the net period income, the remaining part subsequent to deduction of the amounts included in the paragraphs (a), (b) and (c), General Assembly is authorized to distribute, whether completely or partially, as dividend or assign as voluntary reserve pursuant to Article 521 of Turkish Commercial Code.
- e) One-tenth of the amount remained subsequent to deduction of %5 dividend, from the part determined to be distributed to the shareholders and the other participants in the profit, shall be included in the general legal reserves pursuant to Article 519/2 of Turkish Commercial Code.

No resolution can be taken for the distribution of profit to the members of Board, to the privileged shareholders in the distribution of profit, shifting of profit to the next year, and saving of further legal reserve, unless legal reserves required to be saved in accordance with the provisions of Law are distributed in cash and/or as shares determined for the shareholders pursuant to articles of association/main agreement herein.

General Assembly is authorized for the distribution of dividend share under Capital Markets Law.

The Company may donate/grant compensation to the universities, education institutions, foundations, public benefit societies or as such persons or organizations, provided not to be inconsistent with the provisions on hidden income transfers of Capital Markets Law; and subject to submission of such donations to the information of the shareholders in the general assembly meeting to be held within the year and if required, making the material disclosure hereof.

The dividend share shall be distributed equally, irrespective of their issuance and acquisition dates, to all available shares as from the date of distribution.

Date of Profit Distribution:

Article 27- The date and type of annual profit to the shareholders shall be determined by the General Assembly upon proposal of Board of Directors, by taking Capital Markets Law provisions and other related legislations into consideration. The profit distributed in accordance with the provisions of this agreement cannot be withdrawn.

Legal Reserves:

Article 28- First dividend (general legal reserve) is to be reserved until reaching 20 percent (%20) of the company capital, by the Company. In case of the fact that the legal reserve fund decreased for any reason after reaching %20 of the capital; the said separation process shall be restored and continued until the said amount again reaches to 20 %. Unless the legal reserve fund exceeds half of the company capital, the said reserve fund may be used to take measures to cover the losses, to sustain company activities at times when company businesses are not good, to prevent unemployment or to minimize such effects.

Acknowledgement of The Company Shares As Pledge or Acquisition:

Article 29- The Company may onerously acquire and/or acknowledge as pledge its own shares pursuant to related articles set forth in Turkish Commercial Code and Capital Markets Law and other legislations.

Legal Provisions:

Article 30- For issues not included in this Articles of Association/Main Agreement, provisions of Turkish Commercial Code, Capital Markets Law and related legislations shall apply.

Compliance With Corporate Management Principles:

Article 31- The Corporate Management Principles required to be implemented by Capital Markets Board, are to be complied with. The transactions violating such obligatory principles and the Board of Directors resolutions taken shall not be deemed as valid and considered as breach of the agreement.



The corporate management principles under Capital Market legislation shall be adapted on the material transactions in terms of implementation of Corporate Management Principles and the Company's material transactions with the related parties and on providing guarantee, pledge and mortgage in favor of third parties.