

## KORDSA

### MINUTES OF THE ORDINARY GENERAL ASSEMBLY MEETING OF 'KORDSA TEKNİK TEKSTİL ANONİM ŞİRKETİ' HELD ON MARCH 24, 2021 FOR 2020

The Ordinary General Assembly meeting for 2020 of the shareholders of KORDSA TEKNİK TEKSTİL ANONİM ŞİRKETİ was held on Wednesday, March 24, 2021 at 11:06 at "İstanbul, Beşiktaş, 4. Levent, Sabancı Center Hacı Ömer Conference Hall" under the supervision of the Ministry Representative Güner KAKI, who was assigned with the letter of the Istanbul Governorship Provincial Directorate of Commerce, dated 23.03.2021 and numbered E-62550569.

The meeting call was made as stipulated in the law and the articles of association and in as manner that includes the agenda, by being announced in the Turkish Trade Registry Journal dated March 1, 2021 and numbered 10277, on the Company's website www.kordsa.com and on the Electronic General Assembly System of the Central Registry Agency.

As result of the examination made of the list of attendees; it was found that totally 14.529.794.701 shares corresponding to the capital of 145.297.947,01 TL was represented as 718.200 shares corresponding to 7.182 TL personally and 14.529.076.501 corresponding to 145.290.765,01 TL on behalf, out of totally 19.452.907.600 shares each with a nominal value of 1 Kurus (Cent) corresponding to the the company's total capital, that is 194.529.076,00 TL, in the meeting; therefore it was determined that the minimum quorum was present as per both the laws and the articles of association. The meeting was started in electronic and physical environment simultaneously by the Chairman of the Board of Directors, Ahmed Cevdet ALEMDAR, stating that the company's Auditor, Senior Manager Ahmet TUFAN, who is the representative of KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi, was also present at the meeting, and the discussion of the agenda items was started.

- 1- The Chairman of the Meeting was Ahmed Cevdet ALEMDAR, the Chairman of the Board of Directors, pursuant to the Article 30 of the Company's Articles of Association and the Internal Directive on Working Principles and Procedures of the General Assembly. The Chairman has appointed Şerafettin KARAKIŞ, who has the most of the shares and is the representative of our partner Hacı Ömer Sabancı Holding Anonim Şirketi, as the Vote Collector and Sena ORAL as the Minute Clerk, and the Chairmanship has been formed for the meeting.

In addition, the Chairman of the Meeting has appointed Hakan Ali BALBAY, an employee of the Company, who has Central Registry Agency Electronic General Assembly System Certificate, the duty to use the Electronic General Assembly System.

The Chairman of the Meeting announced that 696.315.100 shares with a nominal value of 6.963.151 TL included in the total shares were represented by the Depository Representatives in the meeting.

The agenda items were read to the General Assembly as announced, and after determining that no request was made to change the order of discussion of the agenda items, the discussion of the agenda items continued in the order in which they were announced.

- 2- The 2020 Annual Report of the Board of Directors was accepted as read after the proposal submitted to the chairman of the meeting was unanimously accepted by the participants. The Annual Report was discussed.
- 3- As a result of the unanimous acceptance of the 2020 Auditor Reports, the proposal submitted to the meeting's chairmanship, the opinions sections were read and the shareholders were informed.

- 4- The Consolidated Financial Statements for the Year 2020 were accepted as read after the proposal submitted to the meeting chairman was unanimously accepted by the attendees.

The Consolidated Financial Statements for 2020 were opened for negotiation.

Besim Taşdemir, one of the shareholders, asked the following questions in the electronic environment:

"A very low net period profit was obtained compared to 2018 and 2019, although this decrease is primarily due to the 2nd and 3rd quarters, I see that the quarterly results of 1st and 4th quarters are also lower than the previous years. 1) What is the source of this situation? 2) What effects did the pandemic have on the decrease in the profit of the period? 3) I know that there would be an opportunity to buy a new company, why was no purchase made during the pandemic period?"

The Chairman Ahmet Cevdet Alemdar gave the word to Company's General Manager Ali Çalışkan in order to evaluate the question regarding the financial results.

Ali Çalışkan said that Covid-19 pandemic caused a 15-20% contraction in the global automotive and tire industry, despite the fact that the company has reduced its costs, the quarterly financial results of the 2nd Quarter were negative due to the effect of the pandemic and the financial situation took a positive course with the recovery in the last quarter. He added that our composite companies focused on operational excellence in 2020 and that activities will continue with organic and inorganic growth in the upcoming period.

The Consolidated Financial Statements for the Year 2020 were approved unanimously by the attendees as a result of the voting.

- 5- Duty approval voting was made for the duty of Ahmed Cevdet ALEMDAR (TR ID Number: \*\*\*\*\*), the Board Member and the Chairman of the Board of Directors, who was appointed to replace Cenk ALPER - Board Member and the Chairman of the Board of Directors - to be effective as of April 6, 2020, to take charge as required based on his predecessor as per the Article 14 of the Company's Articles of Association and the Article 363 of the Turkish Commercial Code; and as a result of the voting, the duty was accepted and approved by majority of votes, with 145.002.266,01 TL positive votes against 295.681 TL negative votes.
- 6- The Chairman stated that there were no members of the Board of Directors who could vote according to the List of Attendees, and that there were no members of the Board of Directors, and as a result of the voting held, the Members of the Board of Directors were unanimously acquitted for their activities in 2020.
- 7- As a result of the resolution of the proposal submitted to the meeting chairman and the agenda item regarding the determination of the way to use the 2020 Profit, with 145.293.115,01 TL positive votes against 4.832 TL negative votes; a consolidated profit of TL 179.930.044.00 was obtained according to the financial statements of the Company for the 01.01.2020 - 31.12.2020 accounting period prepared as per "Communiqué on Financial Reporting Principles in the Capital Market" numbered II-14-1 of the Capital Market Board and audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in accordance with the proposal submitted to the General Assembly with the decision of the Board of Directors of our Company with the decision of the note 2021/7 dated February 23, 2021.

In accordance with the 35th article of the articles of association and in accordance with the CMB communiqués, it was unanimously resolved not to include 152.970.598,00 TL, that was

found after deducting the legal liabilities and non-controlling interests from the 2020 consolidated period profit calculated in accordance with the CMB Legislation, to the net distributable profit of the period and to assign it as Extraordinary Reserve, and to consider the Profit of the Period, 16.432.501,66 TL, which was found according to the legal records of the Company prepared in accordance with the provisions of the Tax Procedure Law, as the Previous Year Loss after the distribution being made in accordance with the above principles in order to further increase its financial flexibility capability with 145,293,115.01 of positive votes against 4,832 TL of negative votes.

- 8- With 140.486.397,01 TL of positive votes against 4.811.550 TL of negative votes for the the proposal submitted to the meeting chairman on the election of the Members of the Board of Directors, the following names were assigned as the Members of the Board for 3 years until the Ordinary General Assembly Meeting for 2023 to be held in 2024;

<b>Ahmed Cevdet ALEMDAR</b>	- TR ID Number:
<b>Mehmet YILDIZ</b>	- TR ID Number:
<b>Tamer SAKA</b>	- TR ID Number:
<b>Burak Turgut ORHUN</b>	- TR ID Number:

<b>Mehmet SAMİ</b>	- TR ID Number:
<b>Güngör KAYMAK</b>	- TR ID Number:

as an Independent Member of the Board,

It was resolved by the majority with 140.486.397,01 TL positive votes against 4.811,550 TL negative votes.

- 9- As a result of the approval of the proposal submitted to the meeting chairman regarding the determination of the remunerations of the Members of the Board of Directors and the rights such as attendance fees, bonuses and premiums by the majority with 140.473.222,01 TL positive votes against 4.824.725 TL negative votes; and it was decided that the monthly gross wages of 16.000 TL (sixteen thousand Turkish Liras) be paid to the Members of the Board of Directors during their term of office by the majority with 140.473.222,01 TL positive votes against 4.824.725 TL negative votes.
- 10- As a result of the resolution of the proposal submitted to the meeting chairman on the election of the auditor and the agenda item by the majority with 144.759.980,01 TL positive votes against 537.967 TL negative votes; it was resolved that KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi (A member of KPMG International Cooperative) was selected as the auditor to audit the Financial Statements and Reports of 2021 for a period of 1 (one) year by the majority with 144.759.980,01 TL positive votes against 537.967 TL negative votes by considering the recommendation of the Audit Committee and the Board of Directors pursuant to the principles determined in accordance with the Turkish Commercial Code No. 6102 and the Capital Market Law No. 6362.
- 11- The partners were notified that a total of 193,054.41 TL (One Hundred Ninety Three Million Fifty Four Thousand Turkish Lira Forty One Kurus (Cent)) of donations and aids were made in 2020.
- 12- As a result of the resolution submitted to the meeting chairman on determining the limit of donations to be made by the company in 2021, and the agenda item was accepted by the majority with 140.466.161,01 TL positive votes against 4.831.786 TL negative votes; it was decided to determine the limit of donations to be made in 2021 as 1.000.000 TL (One million Turkish Liras) except for the donations required by the Company's Articles of Association by the majority of votes with 140.466.161,01 TL positive votes against 4.831.786 TL negative votes.

- 13-** After the resolution submitted to the meeting chairman on the amendment of the Articles of Association was accepted by the majority with 140,466,161.01 TL positive votes against 4.831.786 TL negative votes;

The amendment of the Articles of Association was accepted as read.

It was decided by the majority with 140.486.397.01 TL positive votes against 4.811.550 TL negative votes, that; the Article 10 titled "PART II, MAIN CAPITAL, CAPITAL:", Article 15 titled "PART III, BOARD OF DIRECTORS MEETINGS OF THE BOARD OF DIRECTORS" and Article 41 titled "PART VIII., MISCELLANEOUS PROVISIONS, CONTRIBUTIONS TO SABANCI UNIVERSITY" will be replaced with their new forms as follows pursuant to the permission letter, dated 11.02.2021 and numbered E-29833736-110.03.03-1637, of TR Capital Market Board, Department Directorate of Partnerships Financing, and the permission letter, dated February 9, 2021 and numbered E-50035491-431.02-0006151939, of the Ministry of Commerce and the approved amendment letter dated February 16, 2021.

**NEW TEXT**  
**PART II**  
**MAIN CAPITAL**

**CAPITAL:**

Article 10- 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 21.9.1989 and numbered 594.

The registered maximum capital of the Company is 500.000.000 (Five hundred million) Turkish Lira, divided into 50.000.000.000 (Fifty billion) registered shares each with a nominal value of 1 (One) Kuruş (Cent).

The registered maximum capital permission granted by the Capital Markets Board is valid for the years 2021-2025 (5 years). Even if the authorized registered maximum capital has not been reached at the end of 2025, 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 allowed maximum amount or a new maximum amount in order for the board of directors to take a capital increase decision after 2025. If the said authorization is not obtained, the Company cannot increase the capital with the decision of the board of directors.

The fully paid up and issued capital of the Company, free from collusion, is 194,529.076 (One hundred ninety four million five hundred twenty nine thousand seventy-six) Turkish Liras divided into 19.452.907,600 (Nineteen billion four hundred and fifty two) million nine hundred seven thousand six hundred) registered shares each with a nominal value of 1 (One) Kuruş (Cent).

The the Board of Directors is authorized to increase the issued capital by issuing registered shares up to the registered maximum capital, when deemed necessary, between 2021 and 2025 in accordance with the provisions of the Capital Markets Law.

The Company's capital may be increased or decreased, if necessary, in accordance with the provisions of the Turkish Commercial Code and Capital Markets legislation.

The Board of Directors may issue shares above its nominal value, subject to the provisions of the Turkish Commercial Code and Capital Markets Legislation.

Shares corresponding to the capital committed in cash are paid in full and in cash.

Shareholders use their right to buy new shares at the rate that the Company's issued capital is increased. However, the Board of Directors may limit the shareholders' right to purchase new shares whenever it deems necessary in accordance with the provisions of the Capital Markets legislation. The authority to restrict the right to buy new shares cannot be used in a way that causes inequality among the shareholders.

It shall be monitored within the framework of dematerialization principles shares representing the capital.

### **PART III. BOARD OF DIRECTORS**

#### **MEETINGS OF THE BOARD OF DIRECTORS:**

Article 15- The Board of Directors annually elects a Chairman from among its members and a Deputy Chairman to replace the Chairman in the absence of the Chairman.

The date and agenda of the meeting are determined by the Chairman or the Deputy Chairman.

Meetings of the Board of Directors are held as required by the Company's business, upon the invitation of the Chairman or the Deputy Chairman. The call is made by e-mail, registered letter or fax with signature at least 7 days before the meeting date, by stating the agenda. In emergencies, this procedure is not respected. The meeting date can also be determined by the decision of the Board of Directors. If a meeting is not called by the Chairman or the Deputy Chairman upon the written request of one of the members of the Board of Directors, the members have the right to call the Board of Directors for a meeting on their own.

It is obligatory for the Board of Directors to convene when needed and at least four times a year. Unless one of the members requests a meeting, the resolutions of the Board of Directors are subject to Article 390(4) of the Turkish Commercial Code. In accordance with the article, a written proposal made by one of them regarding a certain issue to all members may be given by obtaining the written approval of at least the majority of the total number of members.

The provisions of the Turkish Commercial Code and the Capital Markets Legislation shall be complied with regarding the meeting and decision quorums at the Board of Directors meetings.

Those who have the right to attend the meeting of the Company's Board of Directors may also attend these meetings electronically in accordance with Article 1527 of the Turkish Commercial Code. In accordance with the provisions of the Communiqué on Meetings to be Held in Electronic Media Except for Joint Stock Company General Assemblies, the Company may establish an Electronic Meeting System that will allow the beneficiaries to attend and vote in these meetings electronically, or it can also purchase services from systems created for this purpose. It is ensured that the beneficiaries can exercise their rights specified in the relevant legislation within the framework specified in the Communiqué, through the system established in accordance with this provision of the Articles of Association or through the system from which support service will be received.

### **PART VIII. MISCELLANEOUS PROVISIONS**

#### **CONTRIBUTIONS TO SABANCI UNIVERSITY:**

Article 41- Without prejudice to the first dividend in Article 35 of the Articles of Association, the company will pay an amount of five percent of its pre-tax profit to Sabancı University each year, provided that it is deducted from the tax base. No donations will be paid during the accounting periods in which a dividend distribution decision is not taken.

14- It was decided to authorize the Chairman and Members of the Board of Directors to carry out the transactions written in the Articles 395 and 396 of the Turkish Commercial Code by the majority with 145.002.266,01 TL of positive votes against 295.681 TL of negative votes.

15- Since this item of the agenda is not subject to voting, voting was not done. The wishes of the shareholders were heard.

Hamza İnan, one of the shareholders, took the word and he expressed his gratitude for the fact that the Company made a profit despite the pandemic conditions and for being the sector leader in the field in which it operates and he also stated that the Company contributed significantly to the export of our country and thanked all the management and Company employees for this.

Hamza İl, one of the shareholders, took the word and asked what is the effect of the companies purchased abroad on the financial statements, the share of tire reinforcement in turnover and the sales volumes of Kratos, our new product in construction reinforcement.

The Chairman Ahmet Cevdet Alemdar took the word and thanked all our investors for their wishes and questions. He stated that Kratos has a very low share in all three business areas of the company. Later, he gave the word to the General Manager of the Company and asked for an explanation.

General Manager Ali Çalışkan stated that the share of tire reinforcement in turnover is 84%, composite products have a share of 14% and the construction unit has a 1% share. He said that all of the 4 companies we bought in the USA operate in the civil aviation sector and that these companies could not make the expected contribution during the pandemic period, and this was due to the global situation in the industry. Finally, he concluded his speech by saying that the free capital increase study is not on the agenda and that it can be re-evaluated in the future.

As there was no more topic to be discussed on the agenda, the Chairman of the Meeting stated that the meeting quorum was maintained throughout the meeting and closed the meeting.

This 6-page report was prepared and signed at the meeting place following the meeting.

**Istanbul, 24.03.2021 at 12:08**