

PENGUEN



2025

FAALİYET RAPORU



2025 ANNUAL REPORT

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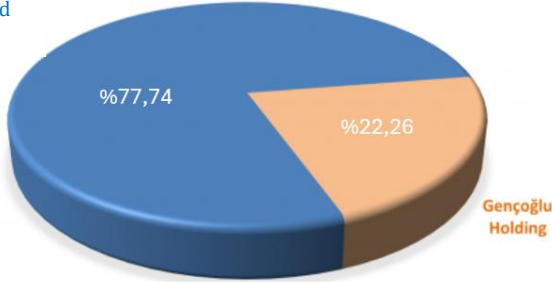
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CORPORATE

PENGUEN GIDA AT A GLANCE

Penguen Gıda was established in 1988 in Bursa, one of Türkiye's most fertile agricultural regions, with the aim of producing and exporting frozen food. Entering the sector with a strong export focus, the Company expanded into the domestic market in 1996.

Publicly-held



Today, Penguen Gıda is recognized as one of Türkiye's leading companies in the fruit and vegetable processing industry, operating in both domestic and international markets, supported by its modern production facilities, robust contract farming network, and extensive export footprint.

The Company carries out its production activities at its modern facilities in Bursa, spanning an indoor area of approximately 75,000 square meters and operating in line with international standards.

Aligned with its sustainable agriculture approach, Penguen Gıda implements a contract farming model with approximately 10,000 farmers across a cultivation area of nearly 40,000 decares.

Based on the three-year average, the Company produces approximately 50,000 tons of processed fruit and vegetable products annually, with a product mix of around 60% pickles, 25% frozen food, and 15% canned food.

Penguen Gıda leverages modern agricultural technologies in its production processes, increasing agricultural efficiency through its fleet of harvesting machinery used for crops such as peas, corn, beans, and spinach.

The Company operates with a core team of 178 experienced employees, with its total workforce reaching 700–750 during the peak production season between May and November, supported by seasonal employees.

Penguen Gıda – 2025



Penguen Gıda produces for leading retail chains in Türkiye and worldwide, supplies the food service sector, and markets its products under its own brand. In the domestic market, its products reach consumers across Türkiye through a widespread dealer network.

The Company is a prominent exporter in its sector, delivering its products to a wide range of countries, with a primary focus on European Union markets.

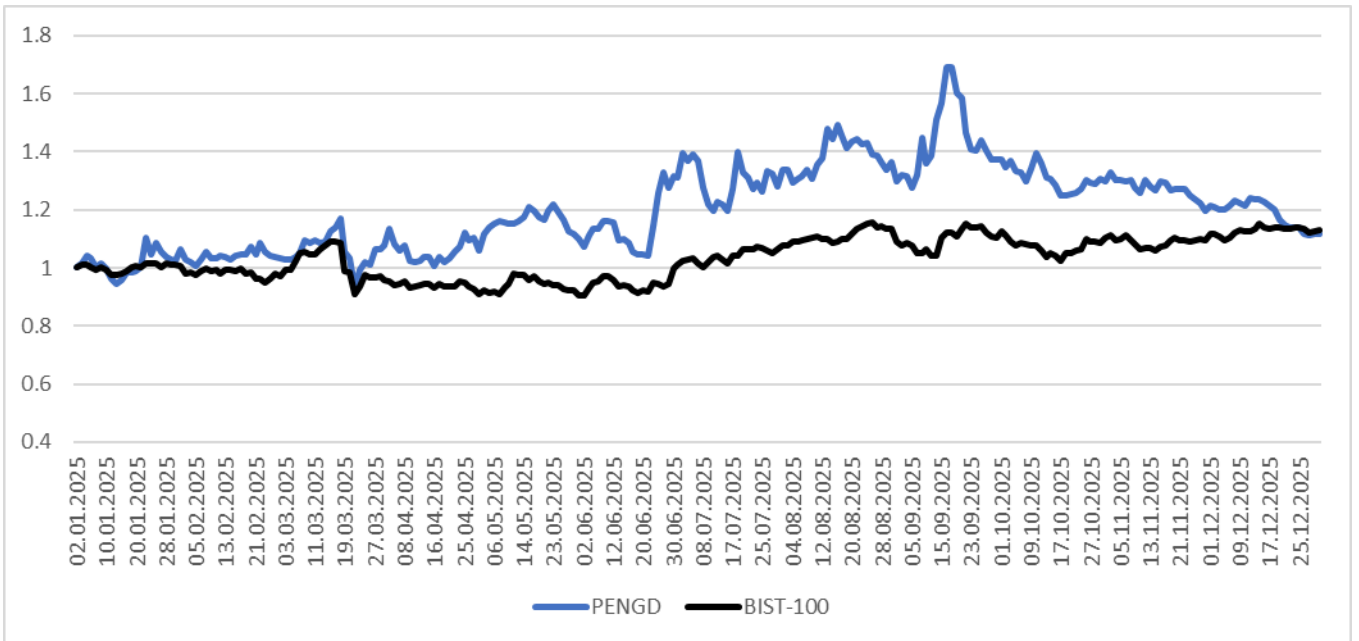
Product Categories

-  Pickles
-  Canned Food
-  Frozen Food
-  Jam

With its production strength, brand value, and export performance, Penguen Gıda is recognized in various national rankings and research studies. The Company has been included among the companies with the highest employment growth in the “Top 500 Companies of Anatolia” survey and ranked among the top 10 brands in the food category in Brand Finance’s “Türkiye’s Most Valuable Brands” report. In addition, it has been listed among Türkiye’s most reputable brands in the processed food category in the Türkiye

Reputation Index.

The Company’s shares have been traded on the Main Market under the ticker symbol PENGD since 1998.



Relative Share Price Performance vs. BIST 100 Index

MISSION, VISION and VALUES

OUR VISION

“Penguin will become an indispensable food brand at every table..”

OUR MISSION

“We will continue to produce high-quality, delicious ready-to-eat foods in the most hygienic environments, tailored to the preferences, expectations, and tastes of our consumers—products they can always trust—while consistently creating differentiation compared to our competitors. Guided by these principles and our sustainability goals, we will continue to be a company that creates value for all its stakeholders.”

OUR VALUES

- *We consider customer satisfaction as the ultimate measure of our success.*
- *We foster a positive working environment while producing delicious, healthy, and safe products.*
- *We manufacture and deliver our products in harmony with the environment, using clean production techniques.*
- *We contribute to society by supporting social responsibility initiatives.*
- *We produce high-quality, affordable products that meet our consumers’ taste preferences without compromising on quality.*
- *We maintain transparent communication with all our stakeholders, building trust-based collaboration.*
- *We act in line with sustainable good agricultural practices, delivering products to consumers while preserving their natural taste.*

OUR HISTORY

Our History

1988

Foundation and First Steps

Penguen Gıda was founded in Bursa, one of Türkiye's most fertile agricultural regions, following the Gençoğlu family's decision to invest in the food industry.

1990

Türkiye's First Modern Frozen Food Facility

Penguen Gıda established one of Türkiye's most modern frozen food facilities and commenced its production and export activities.

1991

Establishment of the Canned Food Factory

Following a successful season and increasing demand, the canned food production facility was launched, marking the beginning of private label production.

1993

Initiation of Food Safety Practices

The foundation for HACCP practices, which are critical for food safety, began to be established.

1994

Implementation of Traceability System

Record systems ensuring traceability across all processes, from raw materials to end consumers, were initiated.

1996

Branding and Entry into the Domestic Market

Penguen Gıda entered the domestic market under its own brand and secured its place on retail shelves across Türkiye.

1997

IPO and Expansion

Penguen Gıda was publicly listed on the Istanbul Stock Exchange (Borsa İstanbul) and began trading under the ticker symbol PENGD.

1999

Expansion into International Markets

Penguen Gıda expanded globally by establishing distributorships in Germany, the United Kingdom, and the United States. Export volumes under its own brand quickly reached 100 containers.

2001

Strategic Investment Partnership

DEG, a reputable German financial institution, invested in Penguen Gıda by acquiring a 12.74% stake.

2002

New Production Areas

Production of fruit preparations, a key component in fruit yogurt and ice cream industries, was initiated, enabling supply to the dairy sector.

2009

Technological Transformation in Agriculture

Penguen Gıda launched its investments in mechanized agriculture. With specialized equipment used in pea harvesting, products were transported from field to factory within just 2 hours, significantly improving efficiency compared to the traditional 48–72 hour process.

2010

Growth and Operating Profit Increase

The Company achieved 24% growth compared to the previous year and increased its operating profit fourfold.

2011

Expansion of Harvesting Machinery Fleet

In addition to a second pea harvesting machine, machinery for bean and spinach harvesting was added, resulting in a fourfold increase in harvesting capacity.

2012

Efficiency Enhancement

The addition of a corn harvesting machine further improved both efficiency and product quality.

2013

Increase in Brand Value

Penguen Gıda moved up one position to rank 95th in Brand Finance's "Türkiye's Most Valuable Brands" list, with its brand value increasing by USD 3 million.

2016

Product Diversification

Penguen Gıda expanded its product range by introducing Lutenitsa sauce, a specialty of Balkan cuisine, to consumers.

2017

Export and Employment Achievements

Penguen Gıda ranked as the 4th company with the highest increase in employment among Anadolu's Top 500 Companies. According to UMSMİB data, it also became the 3rd largest exporter in its sector in 2017.

2022

Milestone in Sustainability

The transition to an advanced wastewater treatment facility marked significant progress toward environmental sustainability goals.

2023

35th Anniversary

Penguen Gıda celebrated its 35th anniversary in the industry.

2025

First TSRS Report

The Company, which has been preparing GRI-compliant sustainability reports since 2022, published its first TSRS report.

INDUSTRY FIRSTS

1990

First-ever production of canned food in glass jars in Türkiye

1996

World's first production of roasted pepper preserves

2001

First production of regional ready meals

2008

First and only production of canned spinach in Türkiye

2009

Introduction of mechanized agriculture in the canning industry for the first time

2016

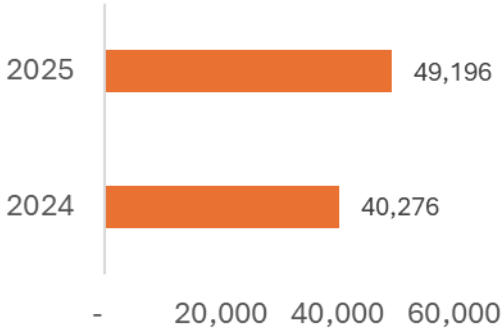
Production of "Lutenitsa" Balkan sauce

2021

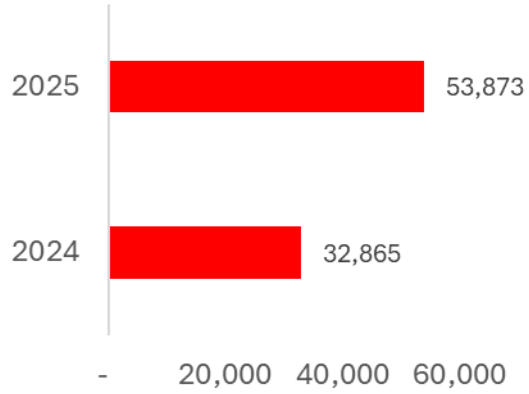
First export of peas to international markets

KEY FINANCIAL INDICATORS

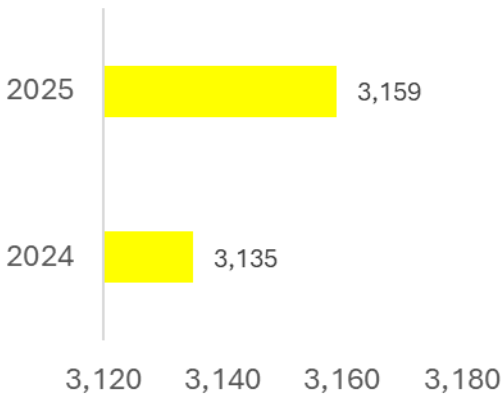
**Production
(tons/year)**



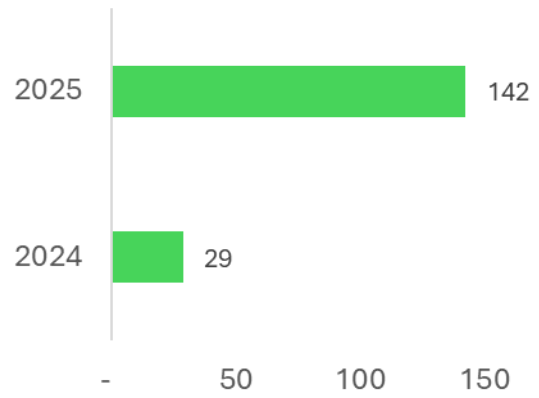
Sales (tons/year)



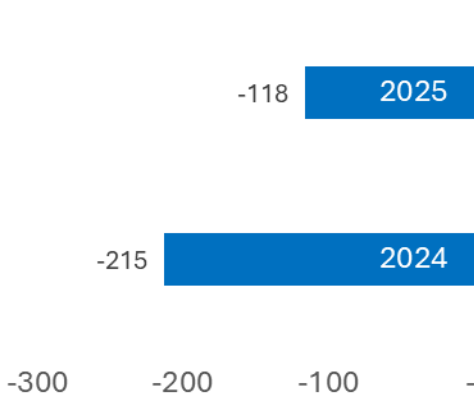
Net Sales (mn TL)



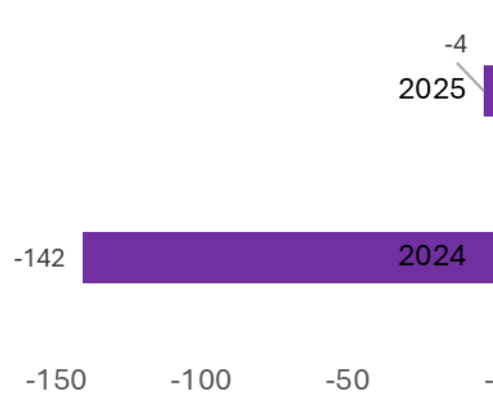
Gros Profit (mn TL)



EBIT (mn TL)



EBITDA (mn TL)



MESSAGE FROM THE CHAIRMAN



Dear Shareholders and Esteemed Stakeholders,

The year 2025 has been marked by a simultaneous period of uncertainty and transformation in the global economy. While economies worldwide continued to combat high inflation through tight monetary policies, geopolitical developments and fluctuations in supply chains remained influential on economic activity. Despite these challenges, global population growth, urbanization, and evolving consumer habits have further reinforced the strategic importance of the food and agriculture sectors.

The global agriculture and food sector has entered a period in which the impacts of climate change, effective water resource management, and the need for sustainable production have become increasingly critical. These developments have made the adoption of efficiency-enhancing technologies, sustainable agricultural practices, and traceable supply chains key priorities for the sector. In this transformation process, it has become increasingly essential for food producers to strengthen their environmental responsibility, focus on resource efficiency, and develop sustainable business models.

In 2025, the Turkish economy continued to operate under the impact of high inflation, elevated financing costs, and global economic developments. Nevertheless, Türkiye has maintained its strong position in global food supply chains, supported by its robust production infrastructure, significant agricultural potential, and well-developed food industry. As one of Europe's largest producers of fruits and vegetables, Türkiye plays a strategic role in terms of food security and agricultural production capacity. Efforts to expand sustainable production practices, enhance efficiency, and broaden export markets in the agriculture and food sector continue to make significant contributions to the sector's development. In this context, agro-based industrial companies undertake a critical role for our country in ensuring both economic growth and food security.

Founded in 1988 in Bursa, Penguen Gıda has been operating in the agro-based food industry with a strong commitment to quality, reliability, and sustainable production since its establishment. Today, with its modern production facilities spanning approximately 75,000 square meters of indoor space, a robust contract farming model, and an extensive farmer network, the Company has achieved a significant position in both domestic and international markets.

Through its contract farming model involving approximately 10,000 farmers and a cultivation area of around 40,000 decares, the Company has established a strong supply chain and developed a production structure that prioritizes quality and traceability in agricultural production.

Despite challenging market conditions in 2025, driven by global economic dynamics, high inflation, and fluctuations in exchange rates, we maintained stable operations throughout the year. During this period, the Company generated approximately TRY 3.2 billion in revenue and continued its efforts to enhance operational efficiency.

As one of Türkiye's leading companies in the fruit and vegetable processing industry, Penguen Gıda ranks among the world's leading producers, particularly in pickles, and holds a significant market share in Türkiye in terms of raw material procurement and production in this product category.

2025 has also been a period in which our export activities strengthened. The Company continued to export to numerous countries, particularly European Union markets, while further enhancing its collaborations in international markets.

At the core of all these efforts lie our strong human capital, efficiency-driven production approach, and high quality standards. In addition to our permanent workforce, we continue to contribute to both our industry and the national economy by creating a broad employment structure, with our workforce expanding during the production season.

At Penguen Gıda, we view sustainability not only as an environmental responsibility but also as a fundamental pillar of our long-term corporate strategy. Acknowledging the sector's inherent dependence on natural resources, we continue to make significant investments to enhance the efficiency and environmental sustainability of our production processes.

The Solar Power Plant (SPP) investment commissioned in 2025 stands as a key indicator of this approach. Through this investment, we aim to meet our entire electricity consumption from renewable energy sources, marking a significant step toward reducing our carbon footprint.

In addition, we seek to minimize our environmental impact through initiatives focused on energy efficiency, waste management, recycling, and water stewardship across our production processes.

Sustainable agricultural practices constitute one of the core components of our business model. Through our contract farming model, we provide technical support to our farmers, promote good agricultural practices through our agricultural engineers, and support improvements in quality and efficiency throughout the production process.

In addition, in line with our social sustainability approach, we implement initiatives aimed at increasing female employment, supporting local employment, and fostering an inclusive working environment.

The Company supports its sustainability efforts through a strong corporate governance framework and continues its initiatives with the aim of improving its environmental, social, and governance (ESG) performance, in line with its objective of being included in the Borsa İstanbul Sustainability Index.

At Penguen Gıda, all our achievements are underpinned by strong teamwork and the valuable contributions of our stakeholders.

On this occasion, I would like to extend my sincere thanks to all our employees for their dedicated efforts, as well as to the farmers, suppliers, customers, business partners, and shareholders who place their trust in us.

In the period ahead, we will continue to pursue our sustainable growth objectives, maintaining our commitment to quality, reliability, and environmentally responsible production.

Sincerely,

Orhan Ümit GENÇOĞLU
Chairman of the Board of Directors

BOARD OF DIRECTORS

Orhan Ümit Gençođlu - Chairman

Orhan Ümit Gençođlu, born in Bursa in 1960, graduated from the Business Administration Department of Franklin University Switzerland. He served for approximately 18 years as a member of the Assembly of the Bursa Chamber of Commerce and Industry and for two terms as a member of its Board of Directors, and he continues to be a member of the Bursa Industrialists' and Businesspeople's Association (BUSİAD). He has also held positions at Bursaspor, serving three terms as a Board Member and two terms as Vice Chairman. At the Uludađ Fruit and Vegetable Products Exporters' Association (UMSMİB), he has been a Board Member for nearly 20 years, during which he served four terms as Chairman of the Board and one term as Coordinator Chairman of the Uludađ Exporters' Association (UİB). He currently serves as Vice Chairman of the Board of UMSMİB. In addition, Mr. Gençođlu is a member of the High Advisory Board of the Bursa Commodity Exchange. As one of the founding partners of Penguen Gıda Sanayi A.Ş. in 1988, he currently serves as Chairman of the Board of Directors of Penguen Gıda Sanayi A.Ş. and Vice Chairman of the Board of Directors of Gençođlu Holding A.Ş.

Turhan Gençođlu – Vice Chairman

Turhan Gençođlu, born in Bursa in 1955, completed his higher education at the University of Leicester in the United Kingdom and holds a Master's degree in Business Administration. Between 1995 and 2002, he served as Chairman of the Balkan Immigrants Culture and Solidarity Association (BAL-GÖÇ) and the Federation of Balkan Turkish Immigrants and Refugees Associations (BGF). In 2001, he was named Businessperson of the Year in Türkiye. In 2005, he was appointed as the Türkiye Coordinator for Non-Governmental Organizations under the United Nations (UN). In the same year, he founded the Balkan Rumeli Turks Confederation, comprising 9 federations and 143 associations across 36 provinces in Türkiye. He currently serves as Honorary Chairman of the Confederation, which is the largest non-governmental organization representing Balkan Turks in Türkiye. Mr. Gençođlu has served as a Board Member of Bursa Free Zone (BUSEB) and has held memberships in BUSİAD, TÜSİAD, TÜGİAD, and the Assembly of the Bursa Chamber of Commerce and Industry (BTSO). In addition to his role at BTSO, he served as Vice Chairman of Bursaspor during the season in which the club was promoted from the 2nd League to the 1st League as champions. As one of the founding partners of Penguen Gıda Sanayi A.Ş. in 1988, Turhan Gençođlu currently serves as Vice Chairman of the Board of Directors of Penguen Gıda Sanayi A.Ş. and Chairman of the Board of Directors of Gençođlu Holding A.Ş.

Şevket Aykan Sözüçetin – Board Member

Şevket Aykan Sözüçetin, born in Bursa in 1972, completed his undergraduate studies at Bursa Uludađ University, Faculty of Foreign Languages. He began his professional career in the export department of Penguen Gıda A.Ş. and, in addition to this role, successfully undertook various responsibilities within the Company in areas such as cost reduction, restructuring, and strategic planning. Following these contributions, he was appointed as General Manager of Penguen Gıda Sanayi A.Ş. in 2007. Mr. Sözüçetin currently serves as General Manager and Member of the Board of Directors of the Company. He is also a Board Member of SALKONDER (Association of Tomato Paste, Frozen and Canned Food Industrialists).

Aycan Anlamaz - Board Member

Aycan Anlamaz, born in Bursa in 1976, completed her undergraduate studies at Uludağ University, Faculty of Economics and Administrative Sciences, Department of Business Administration. She began her professional career in the finance department of Penguen Gıda A.Ş. and has held various positions in production planning, ERP management, budget control, and finance. She was appointed as Finance Manager of Penguen Gıda Sanayi A.Ş. in 2016. Ms. Anlamaz currently serves as Finance Manager and Member of the Board of Directors of the Company. She holds the Capital Markets Level 3 License, Corporate Governance Rating License, and Credit Rating License, and also oversees the Investor Relations Unit.

Alper Koç – Independent Board Member

Alper Koç, born in Bursa in 1985 as the child of a family of Bulgarian origin, completed his secondary education at Gazi Anatolian High School and pursued his undergraduate studies in Law at Çağ University on a scholarship. During his university years, he spent a period in the United States as part of a student exchange program and graduated in 2008. Mr. Koç began his legal career as an attorney registered with the Bursa Bar Association in 2009. Since 2011, he has been practicing law at Koç Law and Mediation Office, which he founded, and has also been serving as a certified mediator since 2016. He is actively involved in non-governmental organizations and holds various leadership roles.

Zeki Kahraman – Independent Board Member

Zeki Kahraman, born in Bulgaria in 1966, completed his undergraduate studies at the Faculty of Law of Istanbul University. Mr. Kahraman has served as Chairman of the Bursa Contemporary Lawyers Association and as President of the Bursa Bar Association at various times. Since 1990, he has been practicing law at Kahraman Law, Consultancy and Mediation Office, of which he is the founder.

MESSAGE FROM THE GENERAL MANAGER

Dear Shareholders and Esteemed Stakeholders,

The year 2025 has been a period during which ongoing uncertainties in the global economy, a high inflation environment, and rising financing costs have continued to impact the business world. Despite these challenging conditions, as Penguen Gıda, we have resolutely continued our efforts to enhance production efficiency, utilize our capacity more effectively, and strengthen our position in international markets.

In 2025, we achieved a significant increase in our production activities. Our total production volume rose from 40,276 tons in the previous year to 49,196 tons. In parallel with this increase, the capacity utilization rate of our facilities improved from 49% to 60%. The growth in production, particularly in the pickles and canned food segments, indicates that we have begun to utilize our production infrastructure more effectively. This development is a key outcome of the strength of our agricultural raw material supply chain and the efficiency initiatives implemented in our production processes.

Our sales performance also demonstrated strong growth in 2025. In response to the contraction in the domestic market, we reviewed channel and product efficiencies, redirected our operations toward more efficient business areas, and achieved growth in our export segment through more effective capacity utilization. Accordingly, our international sales volume increased from 26,383 tons in the previous year to 39,341 tons, representing an approximate growth of 49%. This growth was primarily driven by strong demand in the pickles and canned food segments. Today, Penguen Gıda operates across a wide geographical footprint, particularly in European Union markets, and continues to steadily strengthen its position in international markets.

The share of exports within total sales increased significantly. While exports accounted for approximately 69% of total sales revenue in 2024, this figure exceeded 75% in 2025. This development clearly demonstrates the Company's competitiveness in international markets and the strong confidence in its products. Our export-oriented sales structure also enhances our ability to generate foreign currency revenues, thereby contributing to the partial mitigation of exchange rate risk.

Operating in the fruit and vegetable processing industry, Penguen Gıda demonstrates a certain level of resilience to economic fluctuations, supported by the inherent dynamics of the sector. Our well-established history dating back to 1988, strong brand recognition, and long-standing customer relationships are among the key factors underpinning our financial strength.

Nevertheless, intense competition in the fast-moving consumer goods (FMCG) sector and uncertainties in the global trade environment continue to be key factors that require close monitoring. In this context, the Company remains focused on enhancing operational efficiency, strengthening cost management, and sustainably expanding its presence in export markets.

In the period ahead, we will continue to utilize our production capacity more effectively, strengthen our presence in international markets, and enhance our environmental and operational efficiency in line with our sustainable production approach.

On this occasion, I would like to extend my sincere thanks to all our employees, business partners, farmers, customers, and shareholders who contribute to the success of our Company.

Sincerely,

Şevket Aykan SÖZÜÇETİN
General Manager

Executive Management

Şevket Aykan Sözüçetin – Managing Director

Şevket Aykan Sözüçetin, born in Bursa in 1972, completed his undergraduate studies at Bursa Uludağ University, Faculty of Foreign Languages. He began his professional career in the export department of Penguen Gıda A.Ş. and, in addition to this role, successfully undertook various responsibilities within the Company in areas such as cost reduction, restructuring, and strategic planning. Following these contributions, he was appointed as General Manager of Penguen Gıda Sanayi A.Ş. in 2007. Mr. Sözüçetin currently serves as General Manager and Member of the Board of Directors of the Company. He is also a Board Member of SALKONDER (Association of Tomato Paste, Frozen and Canned Food Industrialists).

Aycan Anlamaz – Finance Manager

Aycan Anlamaz, born in Bursa in 1976, completed her undergraduate studies at Uludağ University, Faculty of Economics and Administrative Sciences, Department of Business Administration. She began her professional career in the finance department of Penguen Gıda A.Ş. and has held various positions in production planning, ERP management, budget control, and finance. She was appointed as Finance Manager of Penguen Gıda Sanayi A.Ş. in 2016. Ms. Anlamaz currently serves as Finance Manager and Member of the Board of Directors of the Company. She holds the Capital Markets Level 3 License, Corporate Governance Rating License, and Credit Rating License, and also oversees the Investor Relations Unit.

Taner Bulamacı – Plant Manager

Taner Bulamacı, born in Bursa-Orhangazi in 1966, completed his undergraduate studies at Bursa Uludağ University, Faculty of Agriculture.

He began his professional career at the cold storage facilities of the Orhangazi Municipality and subsequently worked as a Production Engineer at Merko Gıda Sanayi between 1989 and 1992. He then joined Penguen Gıda Sanayi, where, in addition to his role as Production Supervisor, he took part in various restructuring initiatives within the Company. Mr. Bulamacı currently serves as Factory Manager.

OUTLOOK FOR 2025

Industry Overview

Overview of the Global Agriculture and Food Sector

As of 2025, the global agriculture and food sector is undergoing a significant transformation driven by population growth, climate change, and evolving consumer habits. According to reports published by international organizations, while global agricultural production is expected to continue increasing in the coming years, food demand is also projected to rise substantially, particularly in developing countries due to population growth and urbanization.

At the same time, the sector faces various risks, including the impact of climate change on agricultural productivity, the depletion of water resources, and fluctuations in input costs. On a global scale, the importance of investments focused on efficiency-enhancing technologies, sustainable production methods, and resource efficiency in the agriculture sector continues to grow. In line with these developments, digitalization in agricultural production, sustainable farming practices, and traceable supply chains are among the key factors shaping the future of the sector.

Overview of the Agriculture and Food Sector in Türkiye

Türkiye holds a prominent position in global agriculture with its strong production capacity and wide product diversity. The country ranks among the leading producers of fruits and vegetables worldwide and stands out as one of Europe's largest agricultural producers. In recent years, Türkiye's agricultural production value has increased significantly, and the agriculture sector continues to maintain its strategic importance for the national economy and food security.

As of 2025, the agriculture sector in Türkiye continues to be influenced by factors such as climate conditions, water resource availability, input costs, and developments in global food markets. In order to enhance productivity, promote sustainable production methods, and ensure food supply security, agricultural production planning and support policies are being further developed. Supported by its strong agricultural infrastructure and advanced food industry, Türkiye continues to play a significant role in global food supply chains.

Industry Overview

Penguen Gıda operates in the agro-based food industry. As production processes in the sector rely heavily on agricultural raw materials, the industry is directly influenced by climate conditions and agricultural production cycles. Accordingly, the sector operates in close interaction with the agriculture industry.

Due to the nature of agricultural production, the sector exhibits a pronounced seasonality. The first half of the year is primarily a period dedicated to preparations for the procurement of agricultural raw materials. During this period, contract farming activities are carried out, and maintenance, repair, and investment works are undertaken at production facilities ahead of the production season. Accordingly, operational expenses and capital expenditures related to these preparatory activities come to the forefront in the first half of the year.

In the sector, production activities are largely concentrated in the second half of the year. Production increases during this period in line with the harvest season, with operational expenses related to production gaining prominence. Despite this seasonal production structure, sales activities are spread throughout the year, with products offered to consumers in both domestic and export markets.

The agro-based food industry has a dynamic structure in which issues such as food safety, sustainable agricultural practices, traceability, and high-quality raw material sourcing are gaining increasing importance. In this context, industry players invest in efficiency-enhancing technologies in their production processes and focus on developing sustainable production models.

The Company's Position in the Industry

Penguen Gıda is a well-established and strong food manufacturer operating in the canned food, pickles, jam, and frozen food product segments. With its broad product portfolio and high production capacity, the Company holds a significant position in both domestic and international markets.

Through its integrated production structure, which enables the processing of agricultural raw materials shortly after harvest, the Company aims to deliver products to consumers while preserving their freshness and natural qualities. In this context, mechanized harvesting practices pioneered by the Company contribute to faster and more efficient raw material procurement processes.

Penguen Gıda benefits from a strong competitive advantage in the sector, supported by its robust contract farming model, extensive farmer network, and modern production infrastructure. Leveraging high-quality raw material sourcing, elevated production standards, and a strong brand presence, the Company continues to rank among the leading players in its industry despite intense competition.

Developments in 2025

Sustainability Achievement Award for Penguen Gıda

The 2nd Sustainability Conference, organized in collaboration with the Bursa Branch of the Turkish Quality Association (KalDer) and the Bursa Industrialists and Businesspeople's Association (BUSİAD), with the support of Bursa Metropolitan Municipality, was held at Bursa Merinos Atatürk Congress and Culture Center (AKKM). The conference brought together industry experts with the aim of enhancing corporate and individual sustainability awareness and raising environmental and economic awareness within the sector.

Penguen Gıda, which pioneers the development of agriculture and agro-based industries in Türkiye through its sustainable farming and production practices, has once again become a source of pride for both Türkiye and Bursa. With its significant contributions to the national economy through its investments, the Company was deemed worthy of the Achievement Award at the Bursa Sustainability Awards Ceremony.

In response to the need to reduce the environmental impact of production processes, the effects of climate change on agriculture, and evolving global expectations, Penguen Gıda has positioned sustainability as a core corporate strategy. In this context, the Company continues its operations with a management approach that fully integrates sustainability into all its business models, supported by comprehensive investments in renewable energy, water and energy efficiency, waste management, and social responsibility initiatives.

Through its solar power plant (SPP) investments, Penguen Gıda has increased its use of renewable energy, established efficient waste recovery processes, and reduced operational costs. At the same time, the Company enhances production efficiency and strengthens the sustainability of its supply chain through contract farming practices, while reinforcing brand reliability in both domestic and international markets by improving product quality and traceability.



SPP Project Commissioned

Electricity generation commenced on March 28, 2025, under Penguen Gıda's Solar Power Plant (SPP) project, implemented as part of its renewable energy investments. Following the approval of the SPP facility by TEDAŞ, the plant became operational, with the aim of meeting the Company's entire energy demand from renewable sources.

Through this investment, the Company aims to reduce its carbon footprint, optimize energy costs, and enhance the sustainability of its production processes.

Credit Rating Assessment

In 2025, Penguen Gıda's credit rating was evaluated by JCR Eurasia Rating Inc., and a comprehensive assessment was conducted regarding the Company's financial structure and credit risk profile.

Long-Term National Issuer Credit Rating: BB (tr) / Stable Outlook

Short-Term National Issuer Credit Rating: J3 (tr) / Stable Outlook

Long-Term International Foreign Currency Issuer Credit Rating: B+ / Stable Outlook

Long-Term International Local Currency Issuer Credit Rating: B+ / Stable Outlook

This assessment is significant in terms of strengthening the Company's financial transparency and corporate governance practices.

PRODUCTION

Penguen Gıda, a leading company in the sector with its innovative approach and modern production practices in the food and agriculture industry, operates its production facilities located in Bursa. The Company carries out production in line with international standards at its facilities built on a total land area of 250,000 square meters, with approximately 75,000 square meters of indoor area.

The Company's production activities cover canned food, pickles, jam, and frozen food product groups. By utilizing modern technologies and high hygiene standards in its production processes, Penguen Gıda aims to offer additive-free, natural, and reliable products to consumers.

The Company invests in modern agricultural technologies to enhance efficiency in production processes and ensure the rapid processing of agricultural raw materials. In this context, the investment in pea harvesting machinery made in 2009 marked a significant step toward increasing mechanization in agricultural production processes. In subsequent years, these investments were expanded, and a comprehensive fleet of harvesting machinery was established for crops such as peas, corn, beans, and spinach. As a result, efficiency in agricultural production has been improved and raw material supply processes have become more effective.

Today, Penguen Gıda operates with an extensive contract farming network of approximately 10,000 farmers, with around 70% of cultivation areas managed under this model. Covering approximately 40,000 decares of cultivation land, this production model significantly contributes to ensuring the supply of high-quality and traceable raw materials.



The Company adopts international quality and food safety standards as the foundation of its production activities. In this context, Penguen Gıda holds internationally recognized certifications such as ISO 22000 (HACCP) Food Safety Management System, ISO 9001 Quality Management System, and the BRC Global Food Safety Standard, and implements high standards of quality and hygiene throughout its production processes.

Fully automated production lines are utilized in canned food production, where fruits and vegetables harvested in season and carefully selected are processed without additives, without direct human contact, and in accordance with high hygiene standards. The products are processed using modern production techniques that preserve their natural characteristics and are delivered to consumers in healthy glass jars.

In the Company's frozen food facilities, I.Q.F. (Individual Quick Frozen) technology is utilized. Through this technology, fruits and vegetables are rapidly frozen on an individual basis, preserving their cellular structure and ensuring the retention of their nutritional value and natural taste.

Based on the average production volume of the last three years, the Company produces approximately 50,000 tons of processed fruit and vegetable products annually. Of this production, approximately 60% consists of pickles, 25% frozen food, and 15% canned food products.



Production Figures – 2025

- 🏭 75,000 m² indoor production area
- 🥒 49,196 ton total production
- 📊 60% capacity utilization rate
- 🌾 10,000 contract farmers
- 🌱 40,000 decares sowing area
- 👷 700+ seasonal workers

Penguen Gıda conducts its production activities with a permanent workforce of 178 qualified employees. During the peak agricultural production season, defined in the sector as the May–November period, operations expand with the addition of seasonal workers, and the total number of employees may reach between 700 and 750.

Penguen Gıda, which operates one of Europe's modern production facilities in its sector, benefits from a strategic location in Bursa, providing proximity to agricultural regions with abundant fruit and vegetable raw materials, major ports, and large urban centers with high domestic consumption. Owing to the facilities' close proximity to fertile agricultural areas, fruits and vegetables cultivated under the supervision of Penguen Gıda's agricultural engineers are delivered to the factory shortly after harvest and processed on modern production lines without losing their freshness.

In addition to selling products under its own brand, Penguen Gıda also engages in private label production for leading retail chains in Türkiye and globally, while supplying products to the food service sector.

Our Product Portfolio

Operating in the food industry, Penguen Gıda has a broad and diversified product portfolio.

Evolving consumer trends in both Türkiye and global markets are closely monitored, and new products are introduced in line with these trends.



EXPORTS

Penguen Gıda operates in both domestic and international markets with its strong production infrastructure and extensive product portfolio. In the domestic market, the Company's products are distributed nationwide through an extensive dealer network and are delivered to consumers through direct collaborations with national and international retail chains managed centrally.

As one of Türkiye's leading companies in the fruit and vegetable processing industry, Penguen Gıda is also among Europe's largest producers of gherkin pickles and roasted peppers. In these two product categories, the Company ranks first in Türkiye in terms of both total production and raw material procurement.

Penguen Gıda is among the key exporters in its sector, exporting its products to a wide geographical footprint, particularly European Union markets. The Company exports to numerous countries, including Germany, the United Kingdom, the United States, France, the Netherlands, Switzerland, Russia, and Sweden

Area	Our Strengths
 Main Market	European Union countries
 Production Leadership	Leader in gherkin pickles and roasted pepper production in Türkiye
 European Market	One of the largest producers of canned food and roasted peppers in Europe
 Retail Channels	Private label production for leading European supermarket chains

The Company meets the quality and food safety standards required to collaborate with numerous international market players. In this context, Penguen Gıda has fulfilled the necessary quality criteria to work with global partners, supported by its BRCGS (Brand Reputation Compliance Global Standards) Food Safety Certification.

Within its production activities, Penguen Gıda implements a flexible production model tailored to different markets. Products manufactured in the frozen food facilities are produced entirely in line with customer requirements under an industrial production model. Similarly, in its canned food facilities, the Company carries out private label production for international retail chains, particularly European supermarket chains, in accordance with customer demands.

As of 2025, the Company's international sales revenue amounted to TRY 2,365,380,382.

Export Sales Quantities			
Saales Quantity (tons)	2025	2024	2023
Canned food	6,214	4,208	3,360
Pickles	29,260	22,127	210219
Jam	18	49	53
Total	35,493	26,384	24,632

As can be seen from the table, pickles and canned food product groups account for a significant share of the Company's export sales. Leveraging its production capacity, high quality standards, and strong partnerships in international markets, Penguen Gıda continues to expand its export activities and aims to contribute to the global competitiveness of Türkiye's food industry.

HUMAN RESOURCES

Penguen Gida believes that one of the key drivers of achieving its sustainable growth objectives is a strong and competent workforce. In this regard, the Company aims to foster a corporate culture that continues to evolve by leveraging the knowledge, experience, and creativity of its employees. Human resources management at Penguen Gida is carried out with an approach that supports employee development, promotes equal opportunity, and prioritizes occupational health and safety.

The Company's human resources policy is based on the effective planning, selection, development, and appropriate placement of human capital to ensure the efficient and effective execution of its operations. In this context, recruitment, training, performance management, and career planning processes are conducted in line with scientific methods and corporate governance principles.

Human Resources Policy and Core Principles

Penguen Gida's human resources approach aims to enhance employee competencies and establish an organizational structure aligned with corporate objectives. Within the scope of human resources management, the Company implements practices such as:

- identifying the human capital required to effectively carry out company operations,
- conducting recruitment processes based on the principle of placing the right person in the right role,
- planning training programs that support employees' professional development,
- implementing performance evaluation and career planning systems.


To support the development of its employees, the Company conducts regular training programs aimed at enhancing their knowledge, skills, and competencies related to their roles. Through these training activities, Penguen Gida seeks to enable employees to adapt to evolving business conditions and achieve higher efficiency in business processes.

Employee Rights and Respect for Human Rights

Penguen Gida considers respect for human rights as a fundamental component of its corporate values. The Company aims to comply not only with national regulations but also with international human rights principles in all its operations. In this context, creating a working environment that prevents discrimination, promotes equal opportunities, and protects the fundamental rights of employees is among our key priorities. The Company implements the necessary practices to safeguard employee rights, ensure a fair and equitable working environment, take employees' opinions and suggestions into account, and provide a safe workplace. Accordingly, codes of ethics, transparent communication mechanisms, and structured feedback processes have been established for employees.

Occupational Health and Safety

Penguen Gida regards the health and safety of its employees as a top priority in all its operations. The Company continuously enhances its occupational health and safety practices, aiming to ensure that employees operate in a safe and secure working environment.

Employee	Number
 Permanent employee	178
 Seasonal employee	700-750
 Contracted farmer	10,000

In this context, necessary risk assessments are conducted in the field of occupational health and safety, regular training programs are provided to employees, and initiatives are carried out to promote a strong culture of workplace safety. In addition, employees are encouraged to actively participate in these processes through occupational health and safety committees that include employee representatives.

Training, Development and Career Management

Penguen Gida adopts an organizational structure that supports the professional and personal development of its employees. Various training and development programs are implemented to enhance employee competencies, enable adaptation to changing business conditions, and support the creation of career plans aligned with corporate objectives.

Within the scope of its training activities, the Company organizes programs that enhance employees' technical knowledge and skills, as well as training in leadership, communication, and personal development. Through these initiatives, Penguen Gida aims to support both individual and organizational development.

Employee Engagement and Corporate Culture

Penguen Gida aims to foster a corporate culture that enhances employee engagement and strengthens employees' sense of belonging to the Company. In line with the principles of open communication, teamwork, and mutual trust, a working environment is promoted where employees' opinions and suggestions are valued.

The Company develops initiatives that support employee motivation and continuously improves its human resources processes in order to increase employee satisfaction and contribute to sustainable success. With its strong human capital and high level of employee engagement, Penguen Gida aims to achieve its sustainable growth objectives.

EVENTS IN 2025

Penguen Gida held its traditional New Season Opening Ceremony.



The 102nd anniversary of Republic Day on October 29 was celebrated with great enthusiasm.



International Women’s Day on March 8 was celebrated together.



We became a member of KalDer and received our membership certificate.



Penguen Gıda participated in the visit to Oyak Renault organized by the Women's Empowerment Bursa Platform.



Evaluators from the KalDer Sustainability Awards Committee visited Penguen Gıda.



We participated in the 8th “Our Strength is Equality” Summit.



Penguen Gıda participated in the 1st Rumeli Flavors Festival.





SUSTAINABILITY

Environmental Sustainability

Penguen Gıda has identified the reduction of environmental impacts in its production processes as one of its primary objectives. Recognizing the inherent dependence of the agriculture and food sector on natural resources, the Company develops various initiatives to improve the efficiency of energy, water, and raw material usage.

One of the key investments realized in this context is the Solar Power Plant (SPP) project. With the commissioning of the solar power plant in 2025, the Company's entire electricity consumption is supplied from renewable energy sources. This investment represents a significant step toward reducing our carbon footprint and supporting our environmental sustainability objectives.

Area	Indicator
 Renewable Energy	100% of electricity consumption is met from renewable energy sources through the SPP investment commissioning in 2025
 Sustainable Agriculture	Sustainable agriculture model implemented with 10,000 contracted farmers
 Cultivation Area	Approximately 40,000 decares of contracted cultivation area
 Agricultural Mechanization	Modern harvesting machinery fleet for peas, corn, beans, and spinach
 Circular Economy	Recyclable waste generated in production processes is incorporated into recovery systems

In addition, energy efficiency practices, waste management and recycling processes, as well as water and wastewater management initiatives are implemented across our production processes, with continuous improvement efforts carried out to reduce the environmental impact of our operations. Glass, metal, paper, and plastic waste generated during production are incorporated into recycling systems, while certain organic by-products are utilized in animal feed production, contributing to the circular economy.

Platforms for Environmental Disclosure

In line with the environmental regulations applicable in Türkiye, the Integrated Environmental Information System is used as a mandatory platform. Within this system, the Company utilizes the following modules:

- Waste Management Application
- Wastewater Information System
- Environmental Permit and License Application
- BEKRA Notification System
- Chemical Registration System
- Greenhouse Gas Monitoring, Reporting and Verification (MRV) System
- Zero Waste Information System
- Contaminated Sites Information System
- Safety Data Sheet Information System
- Central Laboratory Information System

Energy consumption and waste data are reported to the Ministry of Industry and Technology through the Industrial Registry Information System. There are no ongoing or concluded legal cases against the Company related to environmental, social, and governance (ESG) matters that are of material significance or that would have a substantial impact on its operations.

Sustainable Agriculture and Supply Chain

One of the key pillars of Penguen Gıda's sustainability strategy is sustainable agricultural practices. The Company procures a significant portion of the agricultural raw materials used in its production through a contract farming model.

The contract farming model, carried out with approximately 10,000 farmers across 40,000 decares of cultivation area, enables the Company to establish a strong and sustainable supply chain. Through this model, both the economic sustainability of producers is supported and the quality and traceability of raw materials are enhanced.

Through field activities conducted by our agricultural engineers, farmers are supported in adopting good agricultural practices, modern farming techniques are promoted, and quality and efficiency in production processes are improved. This approach contributes not only to the sustainability of agricultural production but also to the economic development of local producers.

Social Sustainability and Diversity

Penguen Gıda addresses sustainability not only from environmental and economic perspectives but also through a strong commitment to social responsibility. The Company aims to foster an inclusive, fair, and equitable working environment that provides equal opportunities for all employees.

In this context, increasing female employment and supporting local employment are among the Company's key social sustainability priorities. Recruitment processes are conducted based on candidates' qualifications and the requirements of the position, ensuring fair evaluation and adherence to the principle of equal opportunity. The Company maintains a strong commitment to social responsibility, with a particular focus on promoting female and local employment through merit-based hiring practices.

To support gender equality, Penguen Gıda is among the supporters of the 30% Club Türkiye initiative and actively encourages efforts to increase female representation in management levels.

Within the scope of the Company's Sustainability Project, stakeholders' opinions have been considered in determining sustainability-related measures and strategies.

Corporate Governance and Sustainability

Penguen Gıda closely follows national and international standards in order to enhance its corporate sustainability practices. In this context, the Company has initiated efforts to further advance its environmental, social, and governance (ESG) performance, in line with its objective of being included in the Borsa İstanbul Sustainability Index. To measure, improve, and transparently communicate its sustainability performance to stakeholders, the Company continues to strengthen its reporting processes and treats sustainability management as a key component of its corporate strategy.

Stakeholder Engagement

Stakeholder	Regular Stakeholder Engagement
Board Members	<ul style="list-style-type: none"> • Board meetings • Committee meetings • General Assembly
Investors	<ul style="list-style-type: none"> • Public Disclosure Platform • Website • General Assembly • Annual Report • Information requests received by investor relations
End Consumers	<ul style="list-style-type: none"> • Social media accounts • Customer Services • Website
Our employees	<ul style="list-style-type: none"> • Employee Engagement Survey • Training Programs and Working Groups • Communication Meetings
Our Suppliers	<ul style="list-style-type: none"> • Training Programs • Improvement Audits/Site Visits/Meetings
Society	<ul style="list-style-type: none"> • Career Days • NGO/Private Sector/University Collaborations and Projects
Media	<ul style="list-style-type: none"> • Press Releases • Press Conferences

Our Future Objectives

In line with its sustainable growth strategy, Penguén Gıda aims to continuously enhance its environmental and social impact.

In the period ahead, the Company's key priorities include:

- increasing the use of renewable energy
- reducing its carbon footprint
- improving water and energy efficiency
- expanding sustainable agricultural practices
- advancing sustainability reporting in alignment with international standards

Ecovadis Success



Following the assessment conducted by the international sustainability rating platform EcoVadis, the Company has been awarded the “Committed” badge in recognition of its performance in the areas of environment, labor and human rights, ethics, and sustainable procurement.

BOARD OF DIRECTORS' ANNUAL REPORT

I. GENERAL INFORMATION

1. The reporting period covered by the report, the Company's trade name, trade registry number, contact details of its headquarters and, if any, its branches, as well as the address of its website, if available.

Reporting Priod	January 1, 2025 – December 31, 2025
Company Trade Name	Penguen Gıda Sanayi A.Ş.
Trade Registry Office and Number	Bursa Trade Registry – 27070
Date of Registration	27.01.1988
MERSIS Number	0728002383600010
Registered Address	Balkan Mah. Mümin Gençoğlu Cad.No:1 Nilüfer, BURSA
Branch Information	The company has no branches.
Telephone / Fax	0 2224 3242424 / 0 224 3242425
Website	www.penguen.com.tr

2. The Company's organizational structure, capital and shareholding structure, and any changes thereto during the reporting period

Registered Capital Ceiling (TRY)	: 750,000,000
Paid-in Capital (TRY)	: 175,000,000

Within the registered capital ceiling of TRY 750,000,000, the Company's issued capital amounts to TRY 175,000,000 (one hundred seventy-five million Turkish Lira), divided into 17,500,000,000 bearer shares, each with a nominal value of 1 Kuruş.

The distribution of the shares issued representing the Company's issued capital is presented below:

GROUP	CAPITAL AMOUNT (TRY)	SHARE TYPE	NUMBER OF SHARES
A	3,929,939.46	Bearer	392,993,946
B	171,070,060.54	Bearer	17,107,006,054
Total	175,000,000.00		17,500,000,000

Shareholder Structure:

Shareholder Name / Trade Name	Share in Capital (TRY)	Share in Capital (%)	Voting Rights (%)
GENÇOĞLU HOLDİNG A Ş	38,961,842.17	22.26	22.26
OTHERS	136,038,157.83	77.74	77.74
TOTAL	175,000,000.00	100.00	100.00

As of December 31, 2025	Share Group	Share (%)	Amount (TRY)	Share Group	Share (%)	Amount (TRY)	Total Share (%)	Total Amount (TRY)
Orhan Ümit Gençoğlu	A	0.13%	225,135	B	0.30%	527,157	0.43%	752,292
Turhan Gençoğlu	A	0.13%	225,135	B	0.30%	527,159	0.43%	752,294
Gençoğlu Holding	A	1.99%	3,479,670	B	20.28%	35,482,172	22.26%	38,961,842
Others		-	-	B	76.88%	134,533,572	76.88%	134,533,572
TOTAL	A	2.25%	3,929,940	B	97.75%	171,070,060	100.00%	175,000,000

There has been no change in the Company's organizational structure, shareholding structure, or capital structure during the reporting period.

3. Disclosures regarding privileged shares, if any, and the voting rights of shares

Pursuant to Article 13 of the Company's Articles of Association, more than half of the members of the Board of Directors are elected by the General Assembly from among the candidates nominated by the holders of Group (A) shares. There are no voting privileges.

4. Information on cross-shareholdings where the direct participation in capital exceeds 5%

There are no cross-shareholding relationships.

5. Amendments made to the Articles of Association during the reporting period and the reasons thereof

No amendments were made to the Articles of Association during the reporting period.

6. Information on the Board of Directors

The Board of Directors shall consist of a minimum of 6 and a maximum of 9 members. More than half of the members of the Board are elected from among the candidates nominated by the holders of Group (A) shares.

At the General Assembly held on July 24, 2024, regarding the 2023 financial year, the following members were elected to the Board of Directors to serve for a term of three years:

Board Member	Title	Executive – Non-executive	Duties held outside the company	Term of Office (Start / End Date)
Orhan Ümit GENÇOĞLU	Chairman	Non-executive member	Gençoğlu Holding A.Ş. Vice Chairman	24.07.2024/24.07.2027
Turhan GENÇOĞLU	Vice Chairman	Non-executive member	Gençoğlu Holding A.Ş. Chairman	24.07.2024/24.07.2027
Şevket Aykan SÖZÜÇETİN	Board Member	Executive member	General Manager	24.07.2024/24.07.2027
Aycan ANLAMAZ	Board Member	Executive member	Fiscal Manager	24.07.2024/24.07.2027
Alper KOÇ	Board Member	Independent member	Koç Law Office	24.07.2024/24.07.2027
Zeki KAHRAMAN	Board Member	Independent member	Kahraman Law Office	24.07.2024/24.07.2027

Pursuant to the Board of Directors' resolution dated July 24, 2024, Orhan Ümit Gençoğlu was elected as Chairman of the Board, and Turhan Gençoğlu as Vice Chairman of the Board.

In accordance with the Company's internal directive in force, the Chairman of the Board and the Vice Chairman of the Board are authorized signatories under Group A. Group A signatories are authorized to represent and bind the Company in the broadest and unlimited manner in all matters, with their sole signatures affixed under the Company's trade name or official seal.

During 2025, a total of 9 Board of Directors meetings were held, with an attendance rate of 98%.

Declarations of Independence

PENGUEN GIDA SANAYİ A.Ş.

TO THE CORPORATE GOVERNANCE COMMITTEE

March 24, 2024

I hereby declare that I am a candidate to serve as an "Independent Member" of the Board of Directors of Penguen Gıda Sanayi A.Ş. (the "Company"), in accordance with the criteria set forth in the applicable legislation, the Articles of Association, and the Corporate Governance Principles published by the Capital Markets Board. In this context, I confirm that I meet all of the criteria specified under Article 4.3.6 of the Corporate Governance Principles, as detailed below:

- a) Within the last five years, neither I, nor my spouse, nor my relatives by blood or marriage up to the second degree have had any employment relationship in a managerial position involving significant duties and responsibilities with the Company, its subsidiaries in which it has management control or significant influence, the shareholders controlling or significantly influencing the Company, or legal entities controlled by such shareholders; nor have we held, individually or jointly, more than 5% of the capital, voting rights, or privileged shares, nor established any significant commercial relationship with such entities.
- b) Within the last five years, I have not been a shareholder (holding 5% or more), held a managerial position with significant duties and responsibilities, or served as a board member in companies from which the Company has purchased or to which it has sold significant goods or services, particularly those providing services such as audit (including tax audit, statutory audit, and internal audit), rating, or consultancy, during the periods in which such services were rendered.
- c) I possess the professional education, knowledge, and experience required to duly perform the duties that I will undertake as an independent board member.
- d) In compliance with the applicable legislation, except for academic positions at universities, I will not work full-time in public institutions or organizations after being elected as a member.
- e) I am deemed to be resident in Türkiye in accordance with the provisions of the Income Tax Law No. 193 dated December 31, 1960.
- f) I possess strong ethical standards, professional reputation, and experience that will enable me to contribute positively to the Company's activities, maintain impartiality in potential conflicts of interest between the Company and its shareholders, and make independent decisions by considering the rights of stakeholders.
- g) I am able to allocate sufficient time to follow the Company's operations and to fully perform the requirements of the duties I undertake.
- h) I have not served as a member of the Board of Directors of the Company for more than six years within the last ten years.
- i) I do not serve as an independent board member in more than three companies where the same person holds control over the Company or its controlling shareholders, nor in more than five publicly traded companies in total.
- j) I am not registered and announced on behalf of a legal entity elected as a member of the Board of Directors.

Alper Koç

PENGUEN GIDA SANAYİ A.Ş.

TO THE CORPORATE GOVERNANCE COMMITTEE

March 24, 2024

I hereby declare that I am a candidate to serve as an “Independent Member” of the Board of Directors of Penguen Gıda Sanayi A.Ş. (the “Company”), in accordance with the criteria set forth in the applicable legislation, the Articles of Association, and the Corporate Governance Principles published by the Capital Markets Board. In this context, I confirm that I meet all of the criteria specified under Article 4.3.6 of the Corporate Governance Principles, as detailed below:

- a) Within the last five years, neither I, nor my spouse, nor my relatives by blood or marriage up to the second degree have had any employment relationship in a managerial position involving significant duties and responsibilities with the Company, its subsidiaries in which it has management control or significant influence, the shareholders controlling or significantly influencing the Company, or legal entities controlled by such shareholders; nor have we held, individually or jointly, more than 5% of the capital, voting rights, or privileged shares, nor established any significant commercial relationship with such entities.
- b) Within the last five years, I have not been a shareholder (holding 5% or more), held a managerial position with significant duties and responsibilities, or served as a board member in companies from which the Company has purchased or to which it has sold significant goods or services, particularly those providing services such as audit (including tax audit, statutory audit, and internal audit), rating, or consultancy, during the periods in which such services were rendered.
- c) I possess the professional education, knowledge, and experience required to duly perform the duties that I will undertake as an independent board member.
- d) In compliance with the applicable legislation, except for academic positions at universities, I will not work full-time in public institutions or organizations after being elected as a member.
- e) I am deemed to be resident in Türkiye in accordance with the provisions of the Income Tax Law No. 193 dated December 31, 1960.
- f) I possess strong ethical standards, professional reputation, and experience that will enable me to contribute positively to the Company’s activities, maintain impartiality in potential conflicts of interest between the Company and its shareholders, and make independent decisions by considering the rights of stakeholders.
- g) I am able to allocate sufficient time to follow the Company’s operations and to fully perform the requirements of the duties I undertake.
- h) I have not served as a member of the Board of Directors of the Company for more than six years within the last ten years.
- i) I do not serve as an independent board member in more than three companies where the same person holds control over the Company or its controlling shareholders, nor in more than five publicly traded companies in total.
- j) I am not registered and announced on behalf of a legal entity elected as a member of the Board of Directors.

Zeki Kahraman

7. Board Committees

Following the Ordinary General Assembly held on April 25, 2012, the Corporate Governance Committee and the Early Detection of Risk Committee were established, in addition to the Audit Committee.

Pursuant to the Board of Directors' resolution dated February 24, 2023, it was resolved to determine the working principles of the Early Detection of Risk Committee, the Audit Committee, and the Corporate Governance Committee, which had previously been established and whose members had been appointed. Considering that the establishment of separate Nomination and Remuneration Committees was not deemed necessary, the Corporate Governance Committee was authorized to also fulfill the duties of the Nomination Committee and the Remuneration Committee.

On the same date, it was also resolved to establish a Sustainability Committee within the Company and to approve its working principles.

The working principles of the committees are disclosed on the Public Disclosure Platform (KAP) and on the Company's website.

On July 29, 2024, the Board of Directors resolved to appoint the following members to the Company's Board Committees:

Audit Committee:

- Mr. Zeki Kahraman (Chairman)
- Mr. Alper Koç (Member)

Corporate Governance Committee:

- Mr. Alper Koç (Chairman)
- Mr. Zeki Kahraman (Member)
- Ms. Aycan Anlamaz (Member / Investor Relations Manager)

Early Assessment of Risks Committee:

- Mr. Alper Koç (Chairman)
- Mr. Zeki Kahraman (Member)

Sustainability Committee:

- Mr. Şevket Aykan Sözüçetin (Chairman)
- Mr. Abdurrahman Kıvrak (Member and Environmental Working Group Leader)
- Ms. Aycan Anlamaz (Member and Governance Working Group Leader)
- Mr. Hasan Serttürk (Member and Social Working Group Leader)
- Mr. Alper Koç (Member and Independent Board Member)

Audit Committee

On July 29, 2024, the Board of Directors resolved to appoint Mr. Zeki Kahraman as Chairman of the Audit Committee and Mr. Alper Koç as a Member of the Audit Committee.

Audit Committee	Position
Zeki KAHRAMAN	Chairman
Alper KOÇ	Member

The members of the Committee do not have at least five years of experience in auditing, accounting, and/or finance. However, as the Board of Directors currently includes a member with a financial background, it has been structured in a way that enables independent board members to contribute to the Company through their expertise in different fields. As the Company's needs evolve, the qualifications and experience of independent members will be reassessed in the selection of Board members.

In accordance with the Committee's working principles, approved by the Board of Directors on February 24, 2023, and disclosed on the Public Disclosure Platform (KAP) and the Company's website, the Committee's responsibilities are set out below:

- a) Overseeing the Company's accounting system, the public disclosure of its financial information, the independent audit process, and the effectiveness and functioning of the Company's internal control and internal audit systems,
- b) Selecting the independent audit firm, preparing independent audit agreements to initiate the audit process, and supervising the activities of the independent audit firm at every stage,
- c) Determining the independent audit firm from which the Company will procure services and the scope of such services, and submitting these for the approval of the Board of Directors,
- d) Reviewing and resolving complaints received by the Company regarding its accounting, internal control system, and independent audit; and establishing the methods and criteria for evaluating employee notifications on accounting and independent audit matters in accordance with the principle of confidentiality,
- e) Assessing the accuracy and compliance of the annual and interim financial statements to be publicly disclosed with the accounting principles adopted by the Company, and submitting these assessments in writing to the Board of Directors, together with the Committee's evaluations, after obtaining the opinions of the Company's responsible executives and independent auditors,
- f) Promptly reporting in writing to the Board of Directors any findings, evaluations, and recommendations within the scope of the Committee's duties and responsibilities.

Information on the Activities and Meeting Outcomes of the Audit Committee

The Audit Committee convened four times in 2025 on a quarterly basis and submitted five reports to the Board of Directors.

The Committee held four meetings during the year. At its meeting held on March 11, 2025, regarding the fourth quarter results of 2024, the Committee, which oversees the Company's accounting system, the public disclosure of financial information, the independent audit process, and the effectiveness of the internal control system, reviewed the financial statements for the period January 1 – December 31, 2024, prepared by the Company

management for public disclosure. The Committee concluded that the financial statements were in compliance with the accounting principles adopted by the Company and presented a true and fair view, and submitted its written opinion to the Board of Directors on the same date.

On April 9, 2025, the Audit Committee evaluated the selection of the independent audit firm for the audit of the 2025 financial statements as well as the sustainability assurance audits for the 2024 and 2025 reporting periods, and shared its assessments with the Board of Directors. The Committee also reviewed the first quarter results of 2025 on May 12, 2025, and the second quarter results on August 19, 2025, and submitted its written opinions to the Board of Directors. On November 10, 2025, the Committee convened to evaluate the third quarter results of 2025.

Early Assessment of Risks Committee

On July 29, 2024, the Board of Directors resolved to appoint Mr. Alper Koç as Chairman of the Early Detection of Risk Committee and Mr. Zeki Kahraman as a Member of the Committee.

Early Assessment of Risks Committee	Position
Alper KOÇ	Chairman
Zeki KAHRAMAN	Member

In accordance with the Committee's working principles, approved by the Board of Directors on February 24, 2025, and disclosed on the Public Disclosure Platform (KAP) and the Company's website, the Committee's responsibilities are set out below:

- Identifying and evaluating all risks that may jeopardize the Company's existence, development, and continuity, including assessing their likelihood of occurrence and potential impact,
- Establishing risk measurement models and risk management systems, and reviewing their effectiveness at least once a year,
- Informing the Board of Directors about the measurement and monitoring of risks and ensuring that risk factors are incorporated into decision-making processes, while providing necessary warnings,
- Making recommendations to the Board of Directors to improve risk management practices and models,
- Ensuring that risk management policies and practices are adopted and implemented across all Company units and by all employees.

Riskin Erken Saptanması Komitesi 2 aylık dönemlerde toplanmakta olup 2025 yılı içerisinde 6 kez toplanmış ve Yönetim Kuruluna raporlama yapmıştır. Komite ayrıca, risk yönetim sistemlerini gözden geçirmiştir.

Corporate Governance Committee

On July 29, 2024, the Board of Directors resolved to appoint Mr. Alper Koç as Chairman of the Corporate Governance Committee, Mr. Zeki Kahraman as a Member, and Ms. Aycan Anlamaz (Investor Relations Manager) as a Member. The Corporate Governance Committee also fulfills the duties of the Nomination Committee and the Remuneration Committee.

Corporate Governance Committee	Position
Alper KOÇ	Chairman
Zeki KAHRAMAN	Member
Aycan ANLAMAZ	Member

In accordance with the Committee's working principles, approved by the Board of Directors on February 24, 2025, and disclosed on the Public Disclosure Platform (KAP) and the Company's website, the Committee's responsibilities are set out below:

- Assessing whether corporate governance principles are implemented within the Company, and if not, identifying the reasons and determining any conflicts of interest arising from non-compliance,
- Making recommendations to the Board of Directors to improve corporate governance practices,
- Overseeing the activities of the Investor Relations Department.

The Committee's duties and responsibilities regarding nomination are as follows:

- Establishing a transparent system for identifying, evaluating, and training suitable candidates for Board membership and senior executive positions, and developing related policies and strategies,
- Evaluating candidate nominations for independent Board membership, including those proposed by management and investors, in terms of compliance with independence criteria, and submitting such evaluations to the Board of Directors in the form of a report,
- Conducting regular assessments of the structure and efficiency of the Board of Directors and submitting recommendations for potential improvements.

The Committee's duties and responsibilities regarding remuneration are as follows:

- Determining and overseeing the principles, criteria, and practices to be used in the remuneration of Board members and senior executives, taking into account the Company's long-term objectives,
- Submitting recommendations to the Board of Directors regarding the remuneration of Board members and senior executives, based on the level of achievement of the established performance criteria.

The Corporate Governance Committee convened twice in 2025 and reported to the Board of Directors. The Committee oversaw the activities of the Investor Relations function. As the agenda of the Ordinary General Assembly for 2024, held in 2025, did not include the election of Board members, no nomination report was prepared.

Sustainability Committee

Yönetim kurulu 29.07.2024 tarihinde, ürdürülebilirlik Komitesi Üyeliklerine Sn. Şevket Aykan Sözüçetin'in Komite Başkanı, Sn. Abdurrahman Kıvrak'ın Komite Üyesi ve Çevre Çalışma Grubu Lideri olarak, Sn. Aycan Anlamaz'ın Komite Üyesi ve Yönetişim Çalışma Grubu Lideri olarak, Sn. Hasan Serttürk'ün Komite Üyesi ve Sosyal Çalışma Grubu Lideri olarak ve Sn. Alper Koç'un Komite Üyesi olarak atanmalarına karar vermiştir.

Sustainability Committee	Position
Şevket Aykan SÖZÜÇETİN	Chairman
Abdurrahman KIVRAK	Member
Aycan ANLAMAZ	Member
Hasan SERTTÜRK	Member
Alper KOÇ	Member

In accordance with the Committee's working principles, approved by the Board of Directors on February 24, 2023, and disclosed on the Public Disclosure Platform (KAP) and the Company's website, the Committee's responsibilities are set out below:

- a) Ensuring the preparation of the Company's sustainability strategy and policies and submitting them to the Board of Directors,
- b) Continuously monitoring existing processes and projects to ensure the implementation of sustainability and environmental strategies and related policies approved by the Board of Directors, and ensuring that necessary controls are carried out,
- c) Setting targets for effective sustainability performance management and ensuring that progress against these targets is reported to the Board of Directors,
- d) Monitoring current national and international developments related to sustainability and making recommendations to the Board of Directors for the improvement of existing strategies, policies, and practices,
- e) Ensuring effective communication of sustainability strategies, policies, and practices to all stakeholders, organizing relevant training programs, and coordinating stakeholder engagement where necessary,
- f) Ensuring the identification, measurement, monitoring, recording, auditing, and reporting of environmental, social, and economic risks and impacts, including those related to climate change, associated with the Company's products, and overseeing related disclosures and improvement efforts, while making recommendations on matters within the Board's authority,
- g) Monitoring the Company's compliance with legal obligations related to sustainability and preparing and submitting the required reports to the Board of Directors,
- h) Preparing and submitting to the Board of Directors a draft sustainability roadmap and targets in alignment with the approved strategy and policies,
- i) Ensuring that sustainability strategies, policies, and targets are communicated to all stakeholders and supported through training, overseeing the implementation of related procedures and practices, and reporting all relevant data to the Board of Directors,
- j) Developing examples of sustainable products and services by assessing the environmental and social impacts and value creation potential of the Company's offerings,
- k) Formulating recommendations for updating sustainability strategies, policies, and targets and monitoring the implementation of such updates,
- l) Determining the authority of the Working Groups under the Committee, coordinating their activities, and evaluating their outputs before submitting them to the Board of Directors.

The Sustainability Committee convened five times in 2025 and reported to the Board of Directors.

BOARD OF DIRECTORS' EVALUATION ON THE WORKING PRINCIPLES AND EFFECTIVENESS OF BOARD COMMITTEES

Pursuant to the Board of Directors' resolution dated July 29, 2024:

- Mr. Zeki Kahraman was appointed as Chairman and Mr. Alper Koç as Member of the Audit Committee,
- Mr. Alper Koç was appointed as Chairman and Mr. Zeki Kahraman as Member of the Early Detection of Risk Committee,
- Mr. Alper Koç was appointed as Chairman, Mr. Zeki Kahraman as Member, and Ms. Aycan Anlamaz (Investor Relations Manager) as Member of the Corporate Governance Committee.

With the Board of Directors' resolution dated February 24, 2023, it was decided to determine the working principles of the Early Detection of Risk Committee, the Audit Committee, and the Corporate Governance Committee, which had previously been established and whose members had been appointed. Considering that the establishment of separate Nomination and Remuneration Committees was not deemed necessary, the Corporate Governance Committee was authorized to also fulfill the duties of the Nomination and Remuneration Committees.

The working principles of the Committees are published on the Company's website and on the Public Disclosure Platform (KAP).

In 2025, all Board Committees fulfilled their duties and responsibilities in accordance with the Corporate Governance Principles and their respective working principles, and operated effectively. In line with their working procedures, the Committees convened as follows:

- The Audit Committee held four meetings on March 11, 2025; May 12, 2025; August 19, 2025; and November 10, 2025,
- The Corporate Governance Committee held two meetings on June 25, 2025, and December 17, 2025,
- The Early Detection of Risk Committee held six meetings on January 15, 2025; March 19, 2025; May 14, 2025; July 23, 2025; September 24, 2025; and December 24, 2025.

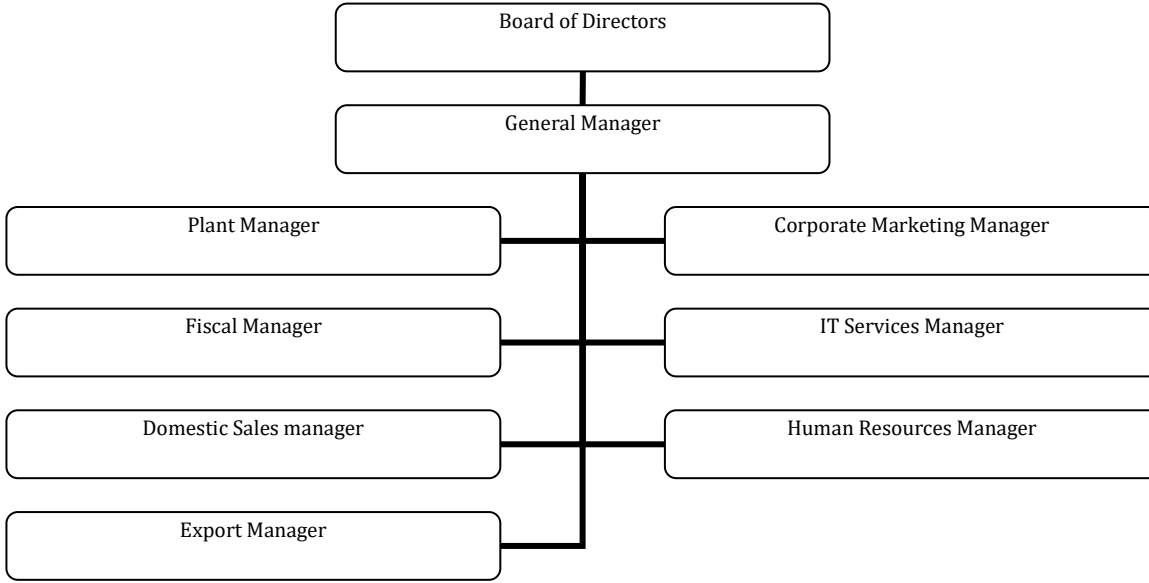
The Early Detection of Risk Committee submitted its reports to the Board of Directors on a bi-monthly basis, totaling six reports during the year.

Accordingly:

- The Audit Committee oversaw the Company's accounting system, the public disclosure of financial information, the independent audit process, and the effectiveness and functioning of the internal control and internal audit systems throughout the reporting period.
- The Corporate Governance Committee fulfilled its duties of monitoring the implementation of corporate governance principles within the Company, identifying the reasons for any non-compliance and related conflicts of interest, making recommendations to the Board of Directors to improve corporate governance practices, and overseeing the activities of the Investor Relations Department. The Committee also carried out the functions of the Nomination and Remuneration Committees.
- The Early Detection of Risk Committee conducted activities aimed at the early identification of risks that could jeopardize the Company's existence, development, and continuity, ensuring that necessary measures were taken to address identified risks and that risk management processes were effectively implemented, while also reviewing the Company's risk management systems.

8. Information on Senior Management and Number of Employees

As of December 31, 2025, the Company's organizational chart is presented below:



Information on senior executives who served during the year is presented below:

Şevket Aykan Sözüçetin	General Manager
Taner Bulamacı	Plant Manager
Aycan Anlamaz	Fiscal Manager

9. Information on Number of Employees, Collective Bargaining Practices, and Benefits Provided to Employees and Workers

The Company recognizes the critical importance of the human factor in its sector. The Company employs a total of 178 permanent staff, including 11 engineers, 1 technician, 105 workers, 10 supervisors, and 51 administrative personnel. The total number of employees reaches between 700 and 750 during the production season with the addition of temporary workers. The Company places great importance on the training of its employees—who are the key contributors to its success—and on ensuring that they operate in an efficient working environment. In this regard, employees are provided with training seminars covering both professional skills and fundamental management techniques. In addition, human resources practices aimed at strengthening the workforce, such as performance evaluation, career planning, and social activities, are implemented. Employee feedback is also collected through surveys and similar channels.

As of the period between January 1, 2025 and December 31, 2025, the Company employs an average of 178 employees.

The following rights and benefits are provided to employees:

Compensation and Related Principles:

Base salary, overtime compensation, severance pay, and notice periods

Additional Payments:

Sales and Marketing Incentive Plan, senior management bonuses, transportation allowances

Additional Benefits:

Company cars and mobile phones provided based on job requirements and position, private health insurance

Leave Entitlements:

Annual paid leave and other leave of absence

Information regarding employees' social benefits, professional training, and the Company's corporate social responsibility activities that generate social and environmental impact is presented in the Sustainability section of the annual report.

As of December 31, 2025, the provision for severance and retirement benefits amounted to TRY 155,152,368.

10. Information regarding transactions carried out by members of the governing body, either on their own behalf or on behalf of others, within the scope of the authorization granted by the General Assembly, as well as activities falling under the non-compete provisions:

No such transactions or activities have been reported to the Company within this scope.

11. Legislative Changes That May Significantly Affect the Company's Operations

The Company closely monitors all legislative changes that may affect its operations. No legislative changes that could significantly impact the Company's activities occurred in 2025.

II. FINANCIAL BENEFITS PROVIDED TO MEMBERS OF THE GOVERNING BODY AND SENIOR EXECUTIVES

At the Ordinary General Assembly Meeting held on May 8, 2025, regarding the 2024 financial year, it was resolved to pay a monthly net board membership fee of TRY 350,000 to each of the Chairman and Vice Chairman of the Board, and a net attendance fee of TRY 2,500 per meeting to each of the independent board members.

No performance-based remuneration was provided to the members of the Board of Directors. During the reporting period, no loans were extended to any Board member, either directly or through third parties, under the name of personal credit, nor were any guarantees or sureties provided in their favor.

In accordance with the regulations of the Capital Markets Board (CMB), the Remuneration Policy defining the compensation system and practices for Board members and senior executives with administrative responsibilities is available on the Company's website.

For the period between January 1, 2025 and December 31, 2025, the total amount of financial benefits and other payments provided to members of the Board of Directors and senior executives amounted to TRY 22,150,239.

III. RESEARCH AND DEVELOPMENT ACTIVITIES OF THE COMPANY

None.

IV. COMPANY OPERATIONS AND SIGNIFICANT DEVELOPMENTS RELATED TO OPERATIONS

1. Production

The Company's products consist of four main groups, all of which are produced in our own facilities: canned food, pickles, jam, and frozen products.

The Company continues its efforts in agricultural procurement by collaborating with large-scale farmers and cooperatives to ensure the supply of more standardized and higher-quality raw materials. Through the short payback period of investments made in our production facilities, our production capacity has started to be utilized more efficiently. By obtaining the Zero Waste Certificate, we have also implemented advanced wastewater treatment—an initial stage of recycling—and have begun discharging treated water in compliance with environmental standards.

Production Volume (tons)	2025	2024	2023
Canned	7,317	6,016	6,671
Pickles	29,499	25,421	28,331
Jam	210	567	1,562
Frozen	12,170	8,272	13,544
Total	49,196	40,276	50,109

Capacity calculations are made based on annual average operating periods; however, considering the nature of the sector, production is carried out at full capacity during the production season.

2. Sales

a) Export

Penguen Gıda, one of Türkiye's leading companies in the fruit and vegetable processing industry and one of Europe's largest producers of gherkin pickles and roasted peppers, ranks first in Türkiye in terms of both total production and raw material procurement for these two product groups.

With its BRCGS Global Food Safety Standard certification, the Company meets the required quality criteria to collaborate with numerous international partners.

The Company operates in two separate production facilities located within the same site. In its frozen food facility, production is carried out entirely in line with customer requirements and on an industrial scale. In its canned food facility, private label production is conducted for international customers, particularly leading global retail chains. Thanks to its strong production infrastructure and flexible manufacturing capabilities, the Company is able to respond quickly and effectively to diverse customer demands while maintaining high quality standards.

In 2025, the Company's export revenue amounted to TRY 2,365,380,382.

Export			
Sales Volume (tons)	2025	2024	2023
Canned	6,214	4,208	3,360
Pickles	29,260	22,127	21,219
Jam	18	49	53
Toplam	35,493	26,384	24,632

b) Domestic Sales

The Company conducts its domestic sales activities through regional directorates, a dedicated chain store sales team, and dealers specialized in retail and catering channels.

In addition to sales under the Penguen brand, the Company also carries out private label production for national retail chains.

In 2025, the Company's domestic sales revenue amounted to TRY 793,743,739.

Domestic Sales			
Sales Volume (tons)	2025	2024	2023
Canned	1,389	1,581	2,055
Pickles	1,228	548	434
Jam	188	726	1,644
Frozen	15,576	3,626	2,546
Total	18,380	6,481	6,679

c) Marketing Activities

Penguen Gıda ranks among the top 15 companies in the food category in Türkiye in studies evaluating the most valuable and strongest Turkish brands.

As part of its marketing communication strategy, the Company has actively utilized social media channels. In particular, original content, special day campaigns, and consumer engagement initiatives were developed for key product groups such as peas, mixed vegetables, corn, lutenitsa, roasted peppers, roasted eggplant, pickles, and jam, thereby increasing consumer interaction.

According to media monitoring results in 2025, a total of 295 news articles related to Penguen Gıda were published in the print media. As of 2025, a total of 665 customer calls were received, and the Customer Satisfaction rate was realized at 97%.

4. Information on Investments and Incentives Made by the Company During the Relevant Reporting Period

During the period between January 1, 2025 and December 31, 2025, the Company made investment expenditures amounting to TRY 326,658,564 for the Solar Power Plant (SPP) project and renovation investments.

The Company benefited from government incentives and grants, including an energy incentive of TRY 1,273,052. In addition, a total of TRY 12,311,239 was utilized as Social Security premium incentives under Laws No. 5510, 6111, 4857, 3294, and 6661. Revenue from SPP electricity generation amounted to TRY 27,191,727, while income from trainee wage support totaled TRY 65,180.

Information on Project Development Activities

As disclosed in our material event statement dated November 29, 2021, it was resolved to develop a construction project ("Project") on parcels with a total area of 226,465 m², consisting of 142,514 m² of land registered under the Company's assets—on which the Company's production facilities are also located—and 83,951 m² of land owned by Gençoğlu Holding A.Ş., Orhan Ümit Gençoğlu, and Turhan Gençoğlu. The Project is planned to include residential units, commercial areas, and urban social facilities, designed as an integrated concept that is environmentally friendly and aligned with the development of Bursa. Within this framework, a Memorandum of Understanding and Agreement was signed between the Company, Akfen GYO A.Ş., Gençoğlu Holding A.Ş., Orhan Ümit Gençoğlu, and Turhan Gençoğlu. In addition, as part of the Project, it was decided to initiate efforts to relocate the existing production facility to a more suitable location in order to increase capacity to meet growing export-driven demand, ensure closer proximity to raw materials, and contribute to reducing various input costs. Project development activities, initiated with the signing of the Memorandum of Understanding with Akfen GYO A.Ş. on November 29, 2021, are ongoing.

5. Information on the Company's Internal Control System and Internal Audit Activities, and the Opinion of the Governing Body in This Regard

Pursuant to the Board of Directors' resolution dated December 28, 2012, the Early Detection of Risk Committee was established. The Committee convenes on a bi-monthly basis and held six meetings in 2025, reporting to the Board of Directors.

Company management strives to ensure the continuity of operations and to utilize the debt-to-equity balance in the most efficient manner.

The Company takes measures against market risk, credit risk, and liquidity risk arising from its operations.

Due to the nature of its activities, the Company may also be exposed to risks such as market risk, raw material supply risk, foreign exchange risk, and credit risk.

Given the competitive conditions of the sector, sales risk may always arise. Therefore, such risks are mitigated by diversifying sales channels.

The Company is also exposed to risks arising from climatic conditions such as drought and floods; however, it minimizes these risks by preferring contract-based procurement for agricultural products.

Due to foreign currency-denominated purchases included in product costs and the use of foreign currency-indexed loans, the Company is exposed to exchange rate risk. To mitigate these risks, foreign currency positions are continuously monitored, and derivative instruments are utilized to hedge against exchange rate fluctuations.

Due to the nature of the sector, the Company requires significant working capital. This need is met through external financing, which results in exposure to interest rate risk. The Company reduces the increased credit risk during the production season through collections generated from increased sales following the production period.

The governing body has not expressed a specific opinion on this matter.

6. Information on the Company's Direct or Indirect Subsidiaries and Shareholding Ratios

The Company holds a 98% stake in Penguen Pazarlama A.Ş.

Name	Paid-in Capital	Company's Share	Company's Share (%)
Penguen Pazarlama A.Ş.	50.000 TL	49.000 TL	%98

7. Information on the company's acquisition of its own shares

The company does not hold any shares.

8. Disclosures on Special Audits and Public Audits Conducted During the Reporting Period

No special audit has been conducted other than the audit performed by the Company's statutory auditor and the independent audit.

9. Information on Lawsuits Filed Against the Company That May Affect Its Financial Position and Operations and Their Possible Outcomes

There are no significant lawsuits filed against the Company that may materially affect its financial position or operations.

10. Disclosures on Administrative or Judicial Sanctions Imposed on the Company and Members of the Governing Body Due to Non-Compliance with Legislation

No significant administrative sanctions or fines were imposed on the Company or members of the Board of Directors during the year.

11. Information and evaluations on whether targets set in previous periods were achieved, whether general assembly resolutions were implemented, and if not, the reasons thereof

The Company utilizes bank loans to support the working capital required on a seasonal basis for its production activities. Due to the high inflation, low exchange rate, and high interest rate environment in 2025, the Company was unable to achieve its targeted profitability. Resolutions adopted at the Ordinary General Assembly for 2024 were implemented during 2025. Evaluations regarding the targets are included in the General Manager's message.

12. Information on the ordinary general assembly and the auditor

The Company's Ordinary General Assembly for the 2024 financial year was held in Bursa on May 8, 2025, in accordance with applicable legislation.

Taking into account the evaluation of the Audit Committee dated April 9, 2025, regarding the selection of the independent auditor, it was resolved to appoint Eren Bağımsız Denetim A.Ş. (a member firm of Grant Thornton International), registered with the Istanbul Trade Registry Office under number 658491-0 and located at Reşit Paşa Mahallesi, Park Plaza, Eski Büyükdere Caddesi No:14, Floor 10, Maslak / Sarıyer, Istanbul, Türkiye, as the independent audit firm. The appointment covers the audit of the Company's financial statements for the period January 1, 2025 – December 31, 2025, in accordance with the Turkish Commercial Code No. 6102, the Capital Markets Law No. 6362, and related regulations, as well as the performance of other activities within the scope of such legislation. In addition, the same firm was appointed to conduct the mandatory sustainability assurance audit of the sustainability reports for the periods January 1, 2024 – December 31, 2024 and January 1, 2025 – December 31, 2025, to be prepared in accordance with the Türkiye Sustainability Reporting Standards, under the Assurance Engagement Standards published by the Public Oversight, Accounting and Auditing Standards Authority. This appointment was approved by the Ordinary General Assembly held on May 8, 2025.

The resolutions adopted at the 2024 Ordinary General Assembly were registered by the Bursa Trade Registry Office on May 13, 2025 and published in the Turkish Trade Registry Gazette dated May 13, 2025, numbered 11330.

11. Information on extraordinary general assembly meetings, if any

No extraordinary general assembly meeting was held during the reporting period.

13. Information on Donations, Grants, and Social Responsibility Expenditures

As there is no provision in the Articles of Association governing donations, no donation limit was set by the General Assembly, and no donations were made in 2025. Information on projects carried out within the scope of social responsibility is included in the Sustainability section of this report.

13. Information on the company's financing sources and issued capital market instruments, if any

No capital market instruments were issued during the reporting period.

14. Information on related Party Transactions and Balances in Accordance with Legislation

Detailed information on related party transactions is provided in footnote 21 of the Company's financial statements.

15. Conflicts of Interest with Service Providers Such as Investment Advisory and Rating Institutions and Measures Taken to Prevent Such Conflicts

In 2025, the Company obtained credit rating services, as well as independent audit and sustainability assurance services. These services were procured from independent institutions authorized by the Capital Markets Board (CMB) or the Banking Regulation and Supervision Agency (BRSA). No information has been received indicating the existence of any potential conflict of interest between the Company and these service providers.

V. FINANCIAL POSITION

1. Analysis and evaluation of the financial position and operating results by the governing body, the level of realization of planned activities, and the Company's status against strategic targets

Detailed analyses and evaluations regarding the Company's financial position and operating results are presented in the sections titled "Review of Operations" and "Message from the General Manager."

3. Information on the Company's sales, efficiency, revenue generation capacity, profitability, debt/equity ratio compared to previous years, and other matters providing insight into the results of the Company's operations, as well as forward-looking expectations

In the 2025 reporting period, based on inflation-adjusted and independently audited financial results, the Company achieved net sales of TRY 3,159,124,121. Despite the insufficient increase in foreign exchange rates in a high inflation environment, the Company generated a gross profit of TRY 142,356,257 as a result of effective cost management and operational efficiency initiatives. An improvement was recorded in the operating profit margin compared to the previous year, with operating profit amounting to TRY 118,271,863. During the same period, an improvement was also observed in EBITDA margin, with EBITDA realized at TRY 4,247,978.

The financial statements have been prepared in accordance with the Communiqué No. II-14.1 on Principles of Financial Reporting in Capital Markets and have been subject to independent audit:

Summary Balance Sheet (TRY)	31.12.2025	31.12.2024
Current Assets	1.169.857.988	1.501.482.258
Fixed Assets	5.636.201.806	5.619.701.378
Total Assets	6.806.059.794	7.121.183.636
Short Term Liabilities	1.177.395.484	1.632.671.060
Long Term Liabilities	1.364.482.034	972.496.102
Shareholders' Equity	4.264.182.276	4.516.016.474
Total Liabilities&Equity	6.806.059.794	7.121.183.636
Summary P&L (TRY)	31.12.2025	31.12.2024
Net Sales	3.159.124.121	3.134.048.490
Operating Profit / Loss	(118.271.863)	(215.333.467)
EBIT	(107.129.818)	(210.751.440)
Profit / (Loss) Before Tax	(203.202.529)	(403.025.059)

Net Profit / (Loss)	(246.202.529)	(421.309.924)
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Important Financial Ratios

(%)	31.12.2025	31.12.2024
EBIT Margin	(4)	(7)
Net Profit Margin	(8)	(13)
Total Liabilities / Total Equity	60	58

4. Determinations and evaluations of the governing body regarding whether the Company's capital is impaired or whether the Company is over-indebted

The Company's capital adequacy has been assessed in accordance with Article 376 of the Turkish Commercial Code No. 6102 and the relevant legislation, and it has been determined that the capital is not impaired and remains at an adequate level.

4. Information on the dividend distribution policy and, if no dividend distribution is to be made, the justification and the proposal regarding the use of retained earnings

The Company's Dividend Distribution Policy, as approved by the General Assembly, is presented below:

Dividend Distribution Policy

The Company distributes dividends in accordance with the provisions of the Turkish Commercial Code, Capital Markets Regulations, Tax Regulations, other relevant legislation, and the relevant article of the Articles of Association regarding profit distribution. In dividend distribution, a balanced and consistent policy is followed between the interests of shareholders and the Company, in line with the Corporate Governance Principles. In determining the annual dividend amount, the Company's long-term strategy, investment and financing policies, profitability, and cash position are taken into consideration.

As a principle, to the extent permitted by applicable regulations and financial conditions, at least 50% of the distributable net profit for the period, calculated in accordance with Capital Markets Regulations, is distributed in cash and/or bonus shares.

It is aimed to complete the dividend distribution within one month following the General Assembly Meeting, and the distribution date is determined by the General Assembly. The General Assembly, or the Board of Directors if authorized, may decide to distribute dividends in installments in accordance with Capital Markets Regulations.

In accordance with the Company's Articles of Association, the Board of Directors may distribute dividend advances, provided that it is authorized by the General Assembly and complies with Capital Markets Regulations.

Şirketimiz, For the 2024 financial year, the Company reported a net loss for the period of TRY 321,875,185 based on its consolidated financial statements prepared in accordance with the Capital Markets Board's Communiqué No. II-14.1 on Principles of Financial Reporting in Capital Markets, in compliance with Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") and the formats prescribed by the CMB, and audited by Eren Bağımsız Denetim A.Ş. (a member firm of Grant Thornton International). According to

the financial statements prepared in accordance with the relevant provisions of the Turkish Commercial Code No. 6102 and the Tax Procedure Law No. 213, the net loss for the period amounted to TRY 271,551,214.80.

It was resolved that this loss for the 2024 financial year would be added to prior years' losses to be offset against profits that may be generated in future periods, and therefore no dividend distribution would be made. Shareholders were informed accordingly, and the proposal of the Board of Directors not to distribute dividends was submitted to the General Assembly and approved at the Ordinary General Assembly Meeting held on May 8, 2025.

VI. RISKS and THE EVALUATION OF THE GOVERNING BODY

The Company has an Early Detection of Risk Committee, and risk management is carried out by taking into account the activities of this Committee. The Early Detection of Risk Committee holds regular meetings and reports to the Board of Directors. Detailed information regarding the Committee's activities is provided under the section titled "Information on Board Committees."

The Company's Corporate Risk Management Policy, which aims to analyze all legal, strategic, operational, and financial risks and minimize potential risks, is published on the Company's website.

VII. SUBSEQUENT EVENTS

Valuation of Real Estate Assets Registered in the Company's Assets

As a result of the valuation study conducted for the real estate assets registered in the Company's assets, the total market value of the properties located in Bursa Province / Nilüfer District / İrfaniye Neighborhood (Parcel No. 2131, Parcel No. 838, Block 7738 Parcel 11, Block 7742 Parcel 2) and Gökçeköy Neighborhood (Parcel No. 544) was determined as TRY 4,380,918,000 (excluding VAT), in accordance with the valuation report dated February 9, 2026 and numbered 2026/OZ/1022-1 issued by Rehber Gayrimenkul Değerleme Danışmanlık A.Ş. In addition, the total market value of the property located in Uşak Province / Central District / Göğem Village (Block 170 Parcel 254) was determined as TRY 17,608,000 (excluding VAT), in accordance with the valuation report dated February 9, 2026 and numbered 2026/OZ/1022-2. The valuation reports are disclosed on the Public Disclosure Platform (KAP).

CORPORATE GOVERNANCE AND SUSTAINABILITY

CORPORATE GOVERNANCE AND SUSTAINABILITY COMPLIANCE STATEMENT

Disclosures Required Under Article 8 of the Corporate Governance Communiqué No. II-17.1 Titled “Compliance Reports with Corporate Governance Principles”

The Company exercises due care in implementing the principles set forth in the Corporate Governance Principles published by the Capital Markets Board.

The Company has been carrying out compliance efforts within the scope of the Capital Markets Law, which entered into force upon publication in the Official Gazette dated December 30, 2011 and numbered 28158, and the Corporate Governance Communiqué No. II-17.1. In this context, Independent Board Members were elected and amendments to the Articles of Association were made at the Ordinary General Assembly Meeting held on April 25, 2012. In addition, the Audit Committee, the Corporate Governance Committee, and the Early Detection of Risk Committee were established.

With the acceleration of sustainability efforts, a Sustainability Committee was also established. The current members of the Board of Directors were elected for a three-year term at the Ordinary General Assembly Meeting held on July 24, 2024, and their appointments were registered and approved on July 29, 2024. Subsequently, the current committee members were determined. The Company has been publishing GRI-compliant sustainability reports since 2022, and in 2024, this report was prepared and published in compliance with TSRS.

Pursuant to the Capital Markets Board’s resolution dated January 10, 2019 and numbered 2/49, Corporate Governance Compliance Reports published through the Public Disclosure Platform (KAP) using the Corporate Governance Compliance Report (URF) and Corporate Governance Information Form (KYBF) templates, as well as the Sustainability Report format published on KAP in line with the announcement made pursuant to the CMB’s resolution dated June 23, 2022 and numbered 34/977, were approved by the Company’s Board of Directors with its resolution dated March 11, 2026 and numbered 2026/1, and disclosed on KAP.

The principles with which the Company does not fully comply or complies partially, among the non-mandatory Corporate Governance and Sustainability Principles, and the related justifications are presented in the reports below.

Except for the principles to which partial or negative responses have been given, compliance has been achieved with all non-mandatory principles. The Company has not received any information indicating that any conflict of interest has arisen due to non-compliance with these principles. Compliance with non-mandatory principles is evaluated on a principle-by-principle basis, and additional compliance may be adopted if deemed necessary in line with the needs of shareholders and other stakeholders.

Corporate Governance Compliance Report

Corporate Governance Information Form

Sustainability Compliance Report

INDEPENDENT AUDIT REPORT

STATEMENT OF RESPONSIBILITY PREPARED PURSUANT TO ARTICLE 9 OF THE COMMUNIQUÉ NO. II-14.1 OF THE CAPITAL MARKETS BOARD ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS

BOARD OF DIRECTORS' RESOLUTION REGARDING THE APPROVAL OF THE FINANCIAL STATEMENTS

RESOLUTION DATE: 11/03/2026

RESOLUTION NO: 1

With respect to the consolidated financial statements for the period between January 1, 2025 and December 31, 2025, prepared by our Company in accordance with the provisions of the Capital Markets Board's Communiqué No. II-14.1 on Principles of Financial Reporting in Capital Markets, in compliance with Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") and the formats prescribed by the CMB, approved by the Board of Directors' resolution dated March 11, 2026 and numbered 1, and subject to independent audit by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., as well as the annual report prepared in compliance with the Turkish Commercial Code and the aforementioned Communiqué, including disclosures within the scope of the CMB Corporate Governance Compliance and Sustainability Principles Framework;

we hereby declare, in accordance with CMB regulations, that:

- we have reviewed the aforementioned documents,
- based on the information available to us within the scope of our duties and responsibilities within the Company, the documents do not contain any untrue statements on material matters or any omissions that may result in misleading information as of the date of disclosure,
- based on the information available to us within the scope of our duties and responsibilities within the Company, the condensed consolidated financial statements for the interim reporting period, prepared in accordance with the aforementioned Communiqué, together with those included in the scope of consolidation, fairly present the Company's assets, liabilities, financial position, and profit or loss, and that the annual report fairly reflects the development and performance of the business and, together with the entities within the scope of consolidation, the financial position of the Company, including the significant risks and uncertainties faced.

We hereby submit this statement for your information and declare that we are responsible for the accuracy of the disclosures made herein.

Saygılarımızla,

Audit Committee Chairman
Zeki KAHRAMAN

Audit Committee Member
Alper KOÇ

General Manager
Şevket Aykan SÖZÜÇETİN

Fiscal Manager
Aycan ANLAMAZ

Auditor's Opinion

Independent Audit Report



2025 ANNUAL REPORT

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