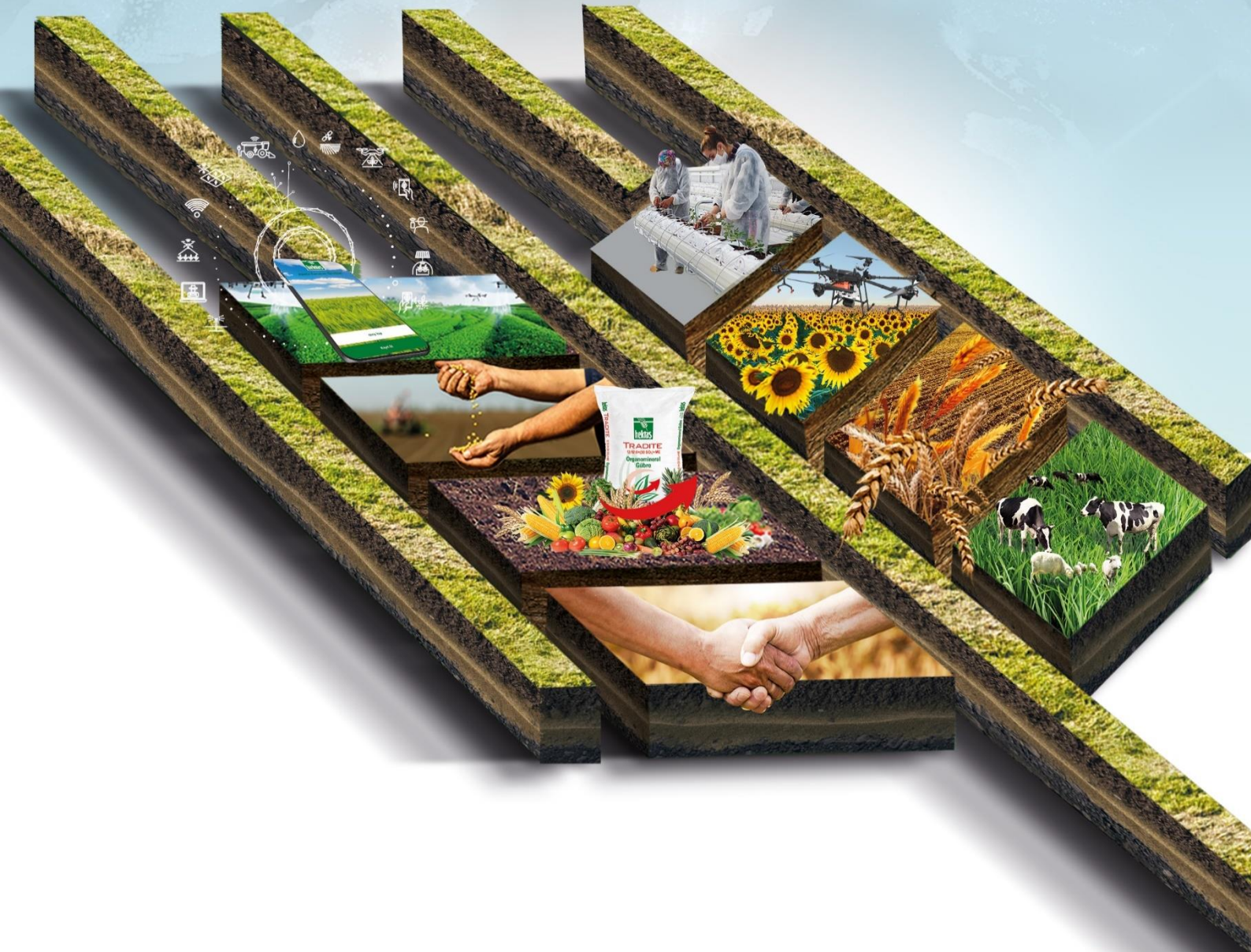




Pioneer of Smart Agriculture

**Activity Report of the Board of Directors
For the Period 01.01.2021 – 30.06.2021**



(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM ACTIVITY REPORT)

To the Board of Directors of
Hektaş Ticaret Türk Anonim Şirketi
Kocaeli

We have been charged with reviewing the consistency of condensed consolidated interim financial information provided in interim activity report of Hektaş Ticaret Türk Anonim Şirketi (the "Company") dated 30 June 2021 with the reviewed condensed consolidated interim financial statements. The Group Management is responsible from the aforementioned interim activity report. Our responsibility is to express a conclusion as to whether the financial information presented in the interim activity report is consistent with the reviewed condensed consolidated interim financial statements and explanatory notes over which auditor's review report is issued as of 10 August 2021.

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. Our review involves the examination as to whether financial information provided management's interim period report are consistent with the reviewed condensed consolidated interim financial statements and explanatory notes. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial information provided in the interim activity report and reviewed condensed consolidated interim financial statements and explanatory notes dated 10 August 2021, in all material respects, are not consistent.

Other Matter

Group's consolidated financial statements and financial information in the annual report for the year ended 31 December 2020 and consolidated interim financial statements and financial information in the interim activity report for the six-month period then ended 30 June 2020 were audited and reviewed by another auditor who expressed an unqualified opinion and unqualified conclusion on 4 February 2021 and 13 August 2020, respectively.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Nazlı İvak
Partner

İstanbul, 10 August 2021

**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
PREPARED AS PER THE COMMUNIQUE NO. II - 14.1**

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A- GENERAL INFORMATION**1. Period of the Report**

01.01.2021- 30.06.2021

2. Contact Information**Head Office**

Trade Name	Hektaş Ticaret Türk A.Ş.
Trade Registry Number	653510921
Mersis	0461001589800013
Tax Office/Number	İlyasbey / 4610015898
Headquarters Address	Gebze O.S.B. Mah. 700.Sk. No:711/1 41400 Gebze/KOCAELİ
Headquarters Contact Details	(262) 751 14 12
Web site	www.hektas.com.tr

Branches

Mediterranean	Address	Altınova Sinan Mah. Şelale Cd. No:171 (Duru deposu karşısı) 07170 ANTALYA
	Telephone	(0242) 340 40 97-98 - 340 08 70
	E-mail	antalya@hektas.com.tr
Çukurova	Address	Mahfesiğmaz Mh. 79141 Sk. No:1 Şafak Apt. K:1 D:1 01170 Çukurova/ADANA
	Telephone	(0322) 458 54 11 - 458 54 15
	E-mail	adana@hektas.com.tr
Aegean	Address	Karacaoğlu Mah. Bornova Cad. No:14/10 Işıkkent Bornova / İZMİR
	Telephone	(0232) 343 21 43 - 343 27 87
	E-mail	izmir@hektas.com.tr
Gap	Address	Refahiye Mah. 281. Sokak Cenap Apt. D: 10 / 1 63300 Haliliye / ŞANLIURFA
	Telephone	(0414) 369 13 39
	E-mail	urfa@hektas.com.tr
Central Anatolia	Address	Mustafa Kemal Mah.2132 Cad.No:8 06520 Çankaya/ ANKARA
	Telephone	(0312) 222 50 06 - 222 50 33 - 222 50 16
	E-mail	ankara@hektas.com.tr
Marmara	Address	Nilüfer Köyü Mah. Nilüfer Caddesi No: 164-166 PK: 16370 Osmangazi / BURSA
	Telephone	(0224) 244 70 44 - 244 70 28 -244 66 30
	E-mail	bursa@hektas.com.tr
Adana Production Facility	Address	Adana Acidere OSB Mahallesi 5 Ocak Caddesi N:6 Sarıçam/ADANA
	Telephone	(0322) 394 33 15
	E-mail	adanagubre@hektas.com.tr
Orhangazi	Address	Muradiye Mahallesi Gölyolu Caddesi No:71 16800 Orhangazi - Bursa
	Telephone	(0224) 999 69 08
	E-mail	idariisler@hektas.com.tr

**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
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3. Shareholding Structure and Capital Distribution, Allocation

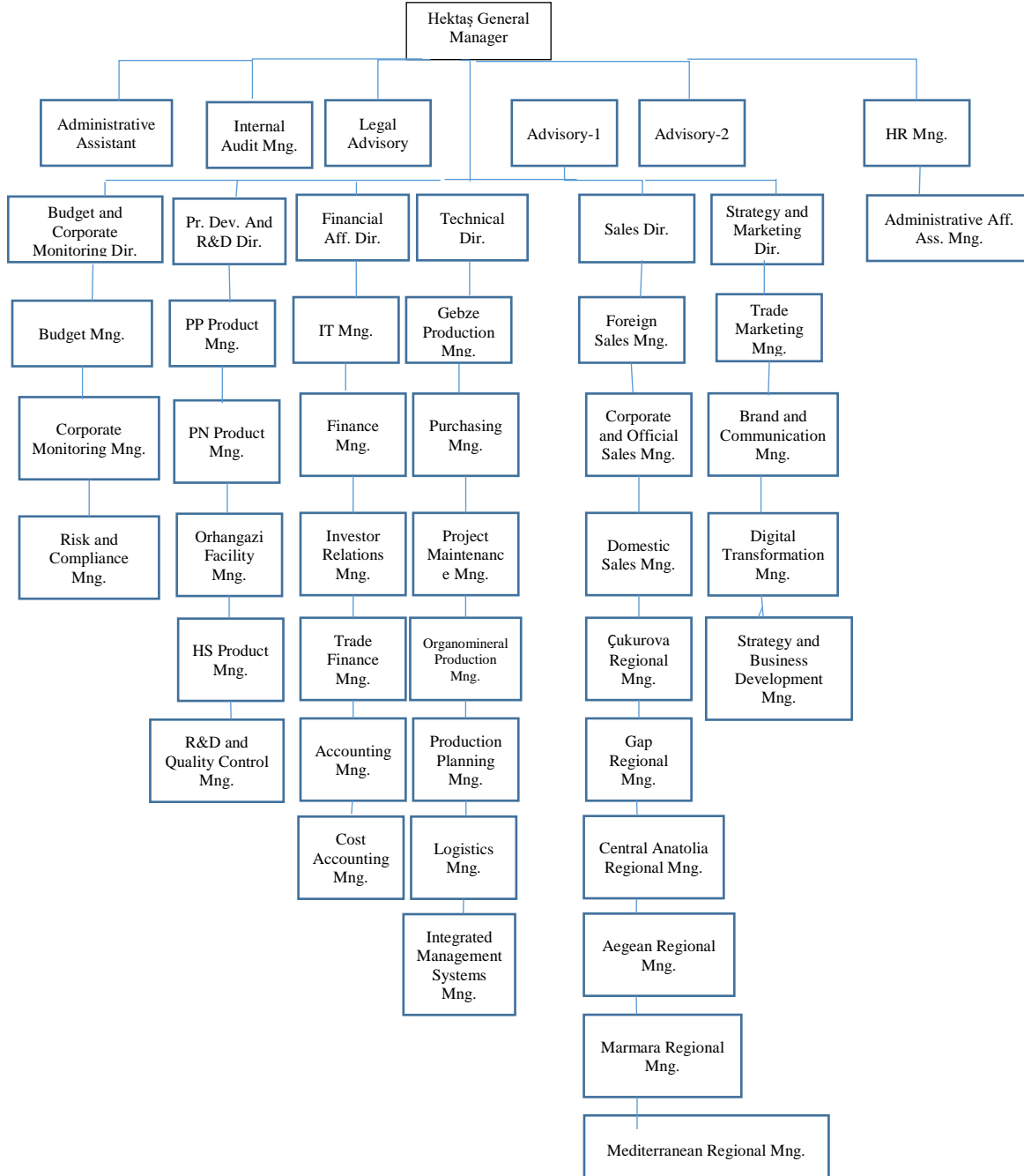
Authorized Capital Cap: 1.000.000.000 TL

Paid-in Capital : 860.000.000 TL

Shareholders	Share Amount (TL)	%
Ordu Yardımlaşma Kurumu (Turkish Armed Forces Pension)	505,843,051	58.82
Other	354,156,949	41.18
Grand Total	860,000,000	100

4. Organizational Structure of the Company

There has been no change in the organizational structure during the period.



**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
PREPARED AS PER THE COMMUNIQUE NO. II - 14.1**

5. Explanations on Privileged Shares and Voting Rights of Shares

There are no privileged shares in our company.

6. Information on the Board of Directors, Senior Managers and the Number of Personnel

Current Board of Directors Members of our Company as of the Reporting Date:

Board of Directors	Position	Position Starting Date of the Representative	Duties Carried out by the Representative Outside of the Company
Omsan Lojistik A.Ş. (The person acting on behalf of the company: Musa Levent ORTAKÇIER)	Chairman of the Board of Directors	01.06.2021	Head of the Group Food, Agriculture and Animal Husbandry-OYAK,
Oytaş İç ve Dış Ticaret A.Ş. (The person acting on behalf of the company: Baran ÇELİK)	Deputy Chairman of the Board of Directors	30.01.2019	Head of the Group Financial Affairs and Finance-OYAK
Akdeniz Chemson Kimya Sanayi ve Ticaret A.Ş. (The person acting on behalf of the company: Aslihan DÖĞER)	Board of Directors Member	30.01.2019	Head of the Group Strategy and Business Development-OYAK
Oyak Denizcilik ve Liman İşletmeleri A.Ş. (The person acting on behalf of the company: Okan SİVRİ)	Board of Directors Member	24.06.2021	-
Oyak Pazarlama Hizmet ve Turizm A.Ş. (The person acting on behalf of the company: Remzi ER)	Board of Directors Member	03.06.2020	-
Mahmut Cengiz AYDIN	Board of Directors Member (Independent)	31.03.2017	Counseling
Kamil DERECE	Board of Directors Member (Independent)	28.03.2016	Counseling
Bülent Şamil YETİŞ	Board of Directors Member (Independent)	31.03.2020	Counseling

Changes Applied in the Board of Directors within the Period

During the General Assembly Meeting held on 24.03.2021, the legal person Board of Directors Members of our Company were elected for 3 years, while the Independent Members of the Board of Directors were elected for 1 year.

During the Ordinary General Assembly Meeting held on 24.03.2021 Mahmut Cengiz AYDIN, Kamil DERECE and Bülent Şamil YETİŞ were elected as Independent members of the Board of Directors for 1 year.

İbrahim ERTAŞ, the person acting on behalf of the legal person Board of Directors member Oyak Denizcilik ve Liman İşletmeleri A.Ş. resigned from his position on 31.03.2021 and Volkan ÜNLÜEL was elected in his place on the date of 31.03.2021.

Pursuant to the decision taken by our Company during the Board of Directors meeting of 01.06.2021;

Musa Levent ORTAKÇIER was elected as the representative acting on behalf of OMSAN Lojistik A.Ş., pursuant to the decision dated 27.05.2021 of our Company's legal person Board of Directors Member OMSAN Lojistik A.Ş.

Pursuant to the Board of Directors Decision dated 01.06.2021, it was decided to task OMSAN Lojistik A.Ş. (Represented by: Musa Levent ORTAKÇIER) as Chairman of the Board of Directors and OYTAŞ İç ve Dış Ticaret A.Ş. (Represented by: Baran ÇELİK) as Deputy Chairman of the Board of Directors.

**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
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Volkan ÜNLÜEL, the person acting on behalf of the legal person Board of Directors member Oyak Denizcilik ve Liman İşletmeleri A.Ş. resigned from his position on 24.06.2021 and Okan SİVRİ was elected in his place on the date of 24.06.2021.

Duties and Authorities of the Board of Directors

The Chairman and the Members of the Board of Directors have the duties and authorities specified in the article 15 of the Company's Articles of Association and the relevant articles of the Turkish Commercial Law.

Committee Members of the Board of Directors Committees

The Audit Committee, Early Detection of Risk Committee and Corporate Governance Committees were established in the Board of Directors.

The principles of work of the Audit Committee are determined under our Company's guidelines dated 24.07.2012 titled "Hektaş Ticaret T.A.Ş. Board of Directors Audit Committee "; the principles of work of the Early Detection of Risk Committee are determined under our Company's guidelines dated 24.07.2012 titled "Hektaş Ticaret T.A.Ş. Early Detection of Risk Committee "; and the principles of work of the Corporate Governance Committee are determined under our Company's guidelines dated 24.07.2012 titled "Hektaş Ticaret T.A.Ş. Corporate Governance Committee". These guidelines are available on the web site www.hektas.com.tr.

Committees:

Committee	Duty	Name Surname	Quality	Meeting Frequency
Audit Committee	Chairman	Kamil DERECE	Independent Member	At least four times a year in quarterly periods
	Member	Mahmut Cengiz AYDIN	Independent Member	
Corporate Governance Committee	Chairman	Bülent Şamil YETİŞ	Independent Member	At least four times a year in quarterly periods
	Member	Kamil DERECE	Independent Member	
	Member	Betül MADENÜS	Investor Relations Manager	
Early Detection of Risk Committee	Chairman	Mahmut Cengiz AYDIN	Independent Member	At least six times a year in two-month periods
	Member	Bülent Şamil YETİŞ	Independent Member	

**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
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Executive Management;

Information about the executive management;

Executive Management;	Duty	Position Starting Date	School of Education	Professional Experience (Years)
Musa Levent ORTAKÇIER	Head of the Group Food, Agriculture and Animal Husbandry Industry-OYAK, Hektaş Ticaret T. A. Ş. Chairman of the Board of Directors Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş. Chairman of the Board of Directors, Ferbis Tarım Ticaret ve Sanayi A. Ş. Chairman of the Board of Directors Areo Tohumculuk Arge Sanayi ve Dış Ticaret A.Ş. Chairman of the Board of Directors, Sunset Kimya Tarım Ürünleri Ve Aletleri İmalat Pazarlama Sanayi Ve Ticaret A.Ş. Chairman of the Board of Directors, Chairman/Member of the Board of Directors (by representation) in other OYAK companies.	8.09.2016	Atatürk University – Faculty of Agriculture	26
Hakkı Zafer TERZİOĞLU	General Manager	01.06.2021	Ankara University – Faculty of Political Science	26
Gökhan KÖSEOĞLU	Group Vice President of the OYAK Food, Agriculture and Animal Husbandry Industry, (Vice President Strategy and Business Development-OYAK), Areo Tohumculuk Arge Sanayi ve Dış Ticaret A.Ş. General Manager (by Proxy)	12.06.2020	Middle East Technical University - Electrical and Electronics Engineering (Undergraduate) Middle East Technical University - Electrical and Electronics Engineering (Master's)	34
Celal MADAZLI	Technical Director, Arma İlaç Sanayi ve Ticaret A.Ş. General Manager (by Proxy)	12.06.2020	Hacettepe University - Business Administration	30
Uğur AKBAŞ	Financial Affairs Director	12.06.2020	Istanbul University Business Administration (Undergraduate) Istanbul University International Business (Master's)	29
Hüseyin ÇİMEN	Budget and Corporate Monitoring Director (by Proxy)	12.06.2020	Dumlupınar University Business Administration (Undergraduate) Marmara University Accounting and Finance (Master's)	12
Murat Sonay AKARSU	Sales Director (by Proxy)	12.06.2020	Trakya University Field Crops (Undergraduate) Trakya University Field Crops (Master's)	24

**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
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7. Changes Applied in the Executive Management within the Period

In the top management of our company in the period; Hakkı Zafar Terzioğlu was appointed as General Manager Musa Levent Ortakçier's replacement in date of 01.06.2021.

Production Development and R&D Director Mehmet Agah Vuruşkan resigned from his position on 01.06.2021.

8. Transactions Conducted by the Board of Directors Members with the Company on their or Others' Behalf and their Activities within the Scope of the Competition Prohibition

During the Ordinary General Assembly meeting held on 24.03.2021 regarding the Company's activities pertaining to 2020, the Board of Directors Members were given the permission to conduct transactions within the scope of the relevant articles of TCL for 2021.

No transactions within this scope were carried out in the first six months of 2021.

9. Movements of the Personnel and Workers, Collective Bargaining Practices and Rights and Benefits Provided to the Employee

As of 30.06.2021 the number of total employees of our company is 595, 201 of them being blue-collar and 394 being white-collar.

The "Severance Pay" liability of our Company is made by the actuary and the provisions for severance pay set aside at the end of the period is TL 13.393.926.

The social rights of our personnel are paid regularly on monthly basis within the scope of the legal legislation. There is no Collective Bargaining Application in our Company.

10. Corporate Governance Principles Compliance Report

The "Corporate Governance Principles" published by the Capital Market Board has been complied with and implemented in 2021 January - June period as well.

11. Amendments to the Articles of Association

After the Ordinary General Assembly Meeting held on 24.03.2021, the authorized capital cap and authorized capital duration in the article 7 titled 'Capital' of the Articles of Association of our Company were changed. The company's paid-in capital again in the article 7 titled 'Capital' was changed on 25.06.2021.

B- FINANCIAL BENEFITS PROVIDED TO MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGERS

1. Total Amount of the Financial Benefits such as Attendance Fees, Remuneration, Premium, Bonus and Dividends Amount

During the Company Ordinary General Assembly Meeting held on 24.03.2021, it was accepted to pay monthly net remuneration of TL 8.100 to the Independent Board of Directors members effective from the beginning of the month following the month when the General Assembly was held, and not to pay any remuneration to other Board of Directors Members. Personal accident insurance and life insurance are purchased for the Board of Directors Members.

No payments in the nature of performance-based rewards have been made to the Members of the Board of Directors.

During the period, no amounts were lent to any board of director members and executives; no loans were granted in the name of personal loan directly or through a third party or no guarantees such as surety in their favor were provided.

Salaries of the Company's senior executives are determined by the Company's Board of Directors. Performance-based additional payments are made to personnel not within scope, including the Company's senior executives.

**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
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C- RESEARCH AND DEVELOPMENT STUDIES

A total of 60 projects are carried out in the fields of Plant Protection, IoT, Artificial Intelligence Safe Food, Seeds, Plant Nutrition, Animal Health and Public Health. A total of 14 projects have been completed successfully.

Our cooperation with TUBITAK, TAGEM (various institutes) and research academicians in universities in the fields of Plant Protection, Seed Breeding, Plant Nutrition and Animal Health is ongoing.

Biological Product development studies are continued in two separate climate rooms and the Microbiology Laboratory. Our Biological Product Development studies in the R&D Center laboratories to be included in HEKTAŞ AGRICULTURAL INNOVATION, EDUCATION AND EXPERIENCE CENTER established in Orhangazi will be expanded.

Laboratory and field studies on 10 wheat varieties are in progress within the scope of the Project regarding the Transfer of Yellow Rust Resistance Gene Yr15 to Some Bread Wheat Varieties / Lines by Biotechnological Methods.

The first results of the application study developed within the scope of the HEKTAŞ Traceable Safe Food Platform project were obtained. With this application, production details of fruits and vegetables offered to consumers can be accessed through the mobile application and command center customized according to the needs of the users (Consumer, Expert, Producer). End-to-end traceability of the products produced with the Traceable Safe Food Platform project will be secured with blockchain technology. It has been ensured that all stakeholders in the production chain from the producer to the end consumer are included in the HEKTAŞ Safe Food Platform, and the stakeholders' information is instantly monitored and followed by other platform partners, at every step of the process.

Hektaş and CarrefourSA collaborated for the Traceable Safe Food Application obtained as a result of this project. With the application, CarrefourSA customers will be able to instantly access the producer information, place, time and growing conditions of that product and all residue analyzes obtained from accredited organizations, thanks to the QR Code on the vegetable products in the aisles.

Seed breeding studies based in the company AREO regarding Vegetables, Field (Wheat, Corn) and Industrial Crops (Cotton, Sunflower) are ongoing. IP rights of valuable, competitive varieties are purchased through selection of varieties developed by the Institutes in cooperation with TAGEM.

"Project for the Development and Application of New Public Health Drug Combinations and Formulations" has been launched in our R&D Center against COVID-19 and other possible pandemics. Licenses of 3 drugs developed in the first stage have been obtained and development of new products that will meet different needs continues.

There are ongoing efforts to give the formulations slow-release properties increasing the mineral uptake level of the plants, in order to ensure that our Organomineral fertilizers have added value and to differentiate them in Plant Nutrition products. Furthermore, the Plant Nutrition product portfolio is expanded with product development studies concerning biostimulant and liquid foliar fertilizers.

In the R&D Center, the HHU Sensitive Animal Husbandry Practices Project was initiated in order to increase the efficiency and quality of animal production in our country. This project involves the development of Real-Time Herd Management Systems and improvement of the existing ones with emerging digital technologies (sensors, artificial intelligence-based software, internet of things, cloud computing, etc.), as well as digitizing processes such as feed control and tracking, monitoring of weather / climate conditions, step and location tracking, milk measurement and monitoring, with sensor and communication technologies.

D- ACTIVITIES OF THE COMPANY AND SIGNIFICANT DEVELOPMENTS REGARDING THE ACTIVITIES**1. Investments Activities**

Investments amounting to TL 49.211.461 were made in our Company in the first six months of 2021.

2. Internal Control System and Internal Audit Activities

Within the scope of the Corporate Governance Principles published by CMB, the Audit Committee was established and its working directive were created as of June 2012. Pursuant to our Company's Board of Directors decision dated 24.07.2012, the Early Detection of Risk Committee was established to ensure compliance with the article 378 of the Turkish Commercial Law no. 6102 which became effective on 1 July 2012 and was declared with a special situation

**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
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statement dated 24.07.2012 on Public Disclosure Platform. The directives pertaining to these committees are available on the web site of our Company.

There is Internal Audit Management in our Company, Audit Manager and one administrator are still working under this management.

3. Direct and Indirect Affiliates

The affiliates of our Company and their shares within the capital are as follows.

Title of the Company	Shareholding (%)
Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş.	99.78
Çantaş Çankırı Tuz Ürünleri Üretim ve Dağıtım A.Ş.	0.37
Ferbis Tarım Ticaret ve Sanayi Anonim Şirketi	100.00
Areo Tohumculuk Arge Sanayi ve Dış Ticaret Anonim Şirketi	100.00
Sunset Kimya Tarım Ürünleri Ve Aletleri İmalat Pazarlama Sanayi Ve Ticaret A.Ş.	100.00

Upon examining the financial statements of Çantaş individually and collectively, they have not been included within the scope of consolidation since they are immaterial compared to the financial statements of the Company in terms of amount and quality and activities of Çantaş are very limited. On the other hand, the financial statements of Ferbis Tarım Ticaret ve Sanayi Anonim Şirketi, Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş. Areo Tohumculuk Arge Sanayi ve Dış Ticaret Anonim Şirketi and Sunset Kimya Tarım Ürünleri Ve Aletleri İmalat Pazarlama Sanayi Ve Ticaret A.Ş. Have been consolidated with the financial statements of our Company as of 31.06.2021.

4. Information about the Company's Own Shares which are Acquired by the Company

None

5. Explanations Regarding Private Auditing and Public Auditing

The activities of the Company are regularly and periodically audited by the Independent External Auditor and Auditors designed by the General Assembly. For 2021, the independent audit activities will be carried out by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi (Member of Deloitte Touche Tohmatsu Limited) .

6. Legal Issues

a) Lawsuits

There are no ongoing material lawsuits filed against our Company.

b) Administrative-Judicial Sanctions

There are no material administrative sanctions or penalties imposed on our Company and the our Board of Directors Members due to practices against legislative provisions.

7. General Assemblies

The decisions taken in the Company's Ordinary General Assemblies are fulfilled and the Ordinary General Assembly meeting for 2020 was held on the date of 24.03.2021.

8. Donations Made and Social Responsibility Projects

There are no donations made by our Company in the related period.

**ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS
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E- FINANCIAL STATUS**1. Summary of Financial Statements**

The financial statements have been drawn up as per the CMB Communiqué no. (II-14.1) on the Principles on Financial Reporting; the financial statements (consolidated) of 30.06.2021 have been audited on a limited basis, while the financial statements (consolidated) of 31.12.2020 have been independently audited.

Summarized Balance Sheet (TL)

(TL)	30.06.2021	31.12.2020
Current Assets	2,486,410,663	1,459,883,213
Non-Current Assets	626,327,698	573,775,431
Total Assets	3,112,738,361	2,033,658,644
Current Liabilities	1,717,622,881	1,161,648,716
Non-Current Liabilities	196,513,091	174,979,114
Equity	1,198,602,389	697,030,814
Total Liabilities	3,112,738,361	2,033,658,644

Summarized Income Statement (TL)

(TL)	30.06.2021	30.06.2020
Revenue	897,721,406	474,009,819
Profit (Loss) From Operating Activities	164,616,269	111,392,729
Profit (Loss) Before TAX	106,822,982	76,977,444
Profit (Loss)	104,162,101	80,442,821

Our Company prepares its budget within the framework of its strategic targets every year and the prepared budget is approved by the Board of Directors.

The current situation of the Company is reviewed during the Board of Directors meetings that are held regularly and the Company's activities are compared with the previous period and the budget targets.

2. Key Operating Indicators and Financial Ratios

(%)	30.06.2021	30.06.2020
Operating Profit Margin	18.34	23.5
Net Profit Margin	11.60	16.97
EBITDA Margin	20.42	25.70
Total Liabilities/Total Equity	159.70	175.80
Sales (Tons/Pieces)	83,023	42.536

(*) EBITDA Margin: Calculated with the formula (Operating Profit + Depreciation)/Revenue

3. Financial Power

Within the framework of the calculation made based on the rates specified in the wording of the article 376 of the TCL, it has been observed that the Company's capital is not uncovered.

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4. Progress of the Financing Resources and Policies Applied by the Enterprise within the Framework of this Progress

The Company is exposed to market risk (exchange rate risk and price risk), credit risk and liquidity risk due to its activities. While managing its liquidity and credit risks, the Company regularly reviews its relations with financial institutions that are financially strong and have low fundings costs in the market. The company's risk management program is generally focused on minimizing the potential negative impacts of the uncertainty in the financial markets on the company's financial performance. The Company uses derivative products as protection against financial risks. Products offered by banks regarding cash management solutions are used for the purpose of regulating cash flow and reducing collection risk.

Quality and Amount of the Issued Capital Market Instruments

There are no capital market instruments issued by our Company within the period.

5. Dividend Distribution

Our Profit Distribution Policy Set in the Ordinary General Assembly Meeting held on 27.03.2015 is explained below.

The Company has principally adopted the policy of distributing the entire distributable profit of the period in cash to the extent permitted by the prospective free cash generation expectation, including investment / financing needs and market projections, and financial leverage ratios, within the framework of the applicable legislation and the provisions of the Company's Articles of Association. The profit distribution policy is reviewed annually by the Board of Directors, in the light of the national and global economic circumstances, the projects on the company's agenda and the status of its funds.

Dividends are paid by December 15 of the related calendar year in instalments with equal or different amounts within the framework of the legislative provisions, by authorizing the Board of Directors in the general assembly meeting where the distribution is decided.

Within the framework of the provisions of the relevant legislation, the General Assembly is authorized to distribute Advance Dividends.

Profit Distribution is realized within statutory time frames."

According to the decision taken by the Board of Directors of our Company, given the terms stipulated in the profit distribution policy of our Company, it was proposed that the distributable profit of the period pertaining to FY 2020 should not be distributed and the amount remaining after setting aside the primary reserves and the Dividends to be distributed to Privileged Shareholders on 2 December 2021 should be set aside as extraordinary reserves, in order to support our growing balance sheet in FY 2021.

This decision was approved in the Ordinary General Assembly Meeting of 2020 held on the date of 24 March 2021 and declared on Public Disclosure Platform.

6. Information about the Industry where the Enterprise is Active

Agricultural production data:

In May 2021, Agriculture – PPI[2015(Base Year)=100] declined by 0.43% compared to the previous month, while increasing by 7.07% compared to December in the previous year, by 20.20% compared to the same month in the previous year and by 19.60% compared to 12-month averages.

Other sub-groups which increased most compared to the same month of the previous year are:

- Grains (excluding rice), legumes and oilseeds with 26.59%
- Sheep and goat and their unprocessed milk and fleeces with 23.68%

Sub-groups with the least annual increase are

- Paddy with 2.32%,
- Other tree and shrub fruits and nuts with 6.71%
- Vegetables and watermelons-melons, roots and tubers with 7.31%.

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Growth in agriculture:

The first estimated GDP for the first quarter of 2021 increased by 7.0% compared to the same quarter of the previous year as chained volume index.

Considering the activities constituting the GDP, the total added value of the agricultural sector as chained volume index increased by 7.5% in the first quarter of 2021 compared to the previous year.

Exports of herbal products:

Our exports of agricultural products were in the amount of 13.6 billion USD as of the end of June 2021. Exports increased by 20.9% compared to the same period in the last year. In Turkey's exports, an increase of 25% was observed in fresh fruits and vegetables compared to the same period of last year. When analyzing the countries importing fresh fruits and vegetables from Turkey, the country to which most of the exports is made is the Russian Federation with a share of 32%. The Russian Federation is followed by Germany and Romania, with 10% and 9% respectively.

Supports:

Within the scope of aquaculture in 2020, support payment in the amount of 85 million lira was made on 2 April 2021 to producers.

Furthermore, within the scope of agricultural support payments, support in the amount of 394 million 514 thousand and 187 liras was transferred to producers' accounts on 2 April 2021. The payment amounts are 94 million 362 thousand 593 TL to 35.525 producers for grains, legumes and grain corn; 188 million 561 thousand 122 TL to 182.316 producers within the scope of fresh tea payment support; 99 million 585 thousand 662 TL to 34.798 producers within the scope of forage crops support; 9 million 630 thousand 312 TL to 2.454 producers for certified sapling use support and 2 million 374 thousand 498 TL to 4.952 producers for certified seed use support.

As of 9 April 2021, within the scope of agricultural support payments, support in the amount of 22 million 659 thousand and 343 liras was transferred to producers' accounts. 9 million 802 thousand 740 TL was paid to 13 thousand 161 producers for bumblebees, 8 million 338 thousand 44 TL was paid to 1.309 producers within the scope of certified sapling use support and 4 million 518 thousand 559 TL was paid for tea pruning expenses (January). In this case, support payment of 6.27 billion TL corresponding to 51% of the plant production support budget was completed in April.

TMO declared that they would purchase potatoes, which are crops of 2020, for a price of 85 kuruş per kilogram as 25 kg bags through producer organizations, from producers registered at the Farmer Registration System (FRS).

Within the framework of the IPARD-2 10th Application call implemented by the Agricultural and Rural Development Support Institution, a record number of applications were received for the IPARD II period from the "meat, dairy and fruit-vegetable processing-marketing" sector. It was declared that a total grant support of 125 million Euro will be provided, 45 million Euro of which will be provided for the animal production sector and 80 million Euro of which will be provided for the processing-marketing sector. It has been announced that the investments aiming at the establishment of new enterprises, capacity expansion, modernization and technology development are within the scope of the grant.

It has been stated that, within the scope of the IPARD II Program, which began to be implemented in 2017 by the Agricultural and Rural Development Support Institution in 2017 and which will continue until the end of 2023, a total grant payment of 2.5 billion lira was made for 5 thousand 711 projects with an investment amount of 5.5 billion to date, from the sectors of animal husbandry, meat, dairy, aquaculture and fruit and vegetable processing and diversification of economic activities in rural areas.

On 22 April 2021, animal husbandry support of 1 billion 468 million 535 thousand 735 liras was paid. Within the scope of calf support (1st period of 2020), 676.000 breeders were paid 1 billion 436 million 856 thousand 835 TL for 3.314.449 calves; within the scope of buffalo support (2020) 10.449 breeders were paid 24 million 42 thousand 550 TL for 82.303 female buffaloes, and within the scope of buffalo calf support, (1st period of 2020) 8.253 breeders were paid 7 million 636 thousand 350 TL for 29.326 buffalo calves.

President Recep Tayyip Erdoğan stated that they postponed farmers' debts to Ziraat Bank and Agriculture Credit Cooperatives in accordance with the results of damage detection studies in the regions affected by drought and that they will increase TARSIM state support to 70% and damage payment rate to 80% within the scope of Draught Insurance for the next year.

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On 7 May 2021, Our Minister of Agriculture and Forestry, Dr. Bekir Pakdemirli stated that approximately 1.5 billion liras of support would be paid within the scope of agricultural support payments. 418.061 producers were paid TL 854.011.077 within the scope of hazelnut field based income support; 106.687 producers were paid TL 251.797.606 within the scope of grain, legume and grain corn difference payment support; and 64 producer companies were paid 37.880.453 TL within the scope of certified seed production support, amounting to a total support payment of TL 1.143.689.136. Furthermore, 233.129 producers were paid support in the amount of TL 222.634.301, 58.359 were paid TL 108.809.745 within the scope of beekeeping support payment and 109 individuals were paid TL 49.131.395 within the scope of rural development supports, totaling TL 380.575.441. Thus, supports in the amount of TL 1.524.264.577 in total were paid before the holiday to the producers.

According to the statements of our Minister of Agriculture and Forestry, Dr. Bekir Pakdemirli, as of 21 May 2021, support in the approximate amount of 427.5 million TL was paid within the scope of agricultural support payments. 23.428 producers were paid TL 130.510.158 within the scope of diesel and fertilizer support; 61.496 producers were paid TL 289.048.007 within the scope of grain, legume and grain corn difference payment support and 13 individuals were paid TL 7.904.951 within the scope of rural development supports.

Minister Pakdemirli stated that approximately 158 million lira of support was paid within the scope of agricultural support payments as of 4 June 2021. 17.870 producers in 18 provinces were paid TL 102.984.007 within the scope of diesel and fertilizer support; 11.576 producers in 9 provinces were paid TL 39.442.369 within the scope of grain, legume and grain corn difference payment; 29 individuals were paid TL 7.331.498 as 50% grant support within the scope of rural development supports; 14.443 families in 64 provinces were paid TL 4.490.883 within the Scope of small family enterprise support and TL 3.423.228 within the scope of tea pruning support.

As of 18 June, 2 billion 550 million TL of plant production support payments were made for certified seeds and organic fertilizers including cotton, sunflower, cocoon, safflower, soybean, grains, legumes and grain corn difference payments.

Climate and its impacts:

2021 water/agricultural year precipitation covering the period of 1 October 2020 to 30 June 2021 has been below the normal level compared to the same period of the previous year. Normal precipitation (1981-2010) is 522.0 mm. The 9-month cumulative precipitation across Turkey has been 396.2 mm and the precipitation in 2021 decreased by 24% compared to the normal level. The precipitation in the same period of 2020 water/agricultural year was 517.0 mm. There is also a 23% decrease compared to 2020 water/agricultural year precipitation.

The average temperatures of April, May and June 2021 have been above the seasonal normals. It is foreseen that the biggest problem of the 2021 season will be drought and consequent yield losses and poor quality.

It has been observed that the temperatures in Antalya province, its districts and the plateau region line are above the seasonal normals. Drought has been observed in all districts where grains are produced in Burdur and Antalya. Due to the drought, the grain yield is very low, with the best yield measured at 200 kg/da.

On the Muğla-Fethiye line, the temperature remained within the seasonal normals, with sudden climate changes experienced in some places.

Due to the drought and lack of rain, the apple scab pesticide application which was 10-14 within the year under normal conditions in the Isparta region, has been 3-4 applications in this year. For the Isparta Region, significant amount of hail fell in the Aksu region in the last two weeks of June. The hail inflicted high damage to the apples on branches. Apricots and cherries lost 60% of their yield due to the heat.

In the coastal region of Antalya, where vegetables are grown, products began to be rooted out, since they were no longer harvestable due to the high temperatures in June.

In the citrus fields in the Dalaman-Ortaca-Koycegiz-Finike-Serik-Aksu Region where products are grown, the water requirement of trees is higher due to drought. Yields are expected to be low in areas with water shortages. More efforts to control tetranychus urticae have been spent this year compared to previous years. It has been reported that the population could not be reduced due to the low precipitation and the efforts have become more intense.

The average temperature of the Çukurova Region in June remained below the annual average temperatures. The amount of precipitation remained below the desired level. Due to the high temperature difference between day and night, fruit shedding began among citrus fruits.

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In April, hail fell in Honaz, Çal and Pamukkale districts of Denizli province and the surrounding towns of Kaklık, Kızılyer, Menteş, Kocadere and Yeniköy. It caused up to 80% damage in products such as Pomegranates, Table Grapes, Cherries, and Quinces produced in these regions. There was no precipitation in May and the temperature remained above seasonal normals. Towards the last weeks of June, violent storms, hail and rain were experienced. The abnormal rainfalls caused disasters, resulting in serious problems. In general, extreme temperatures cause problems during pesticide spraying. In addition, stress conditions occurred in the crops due to day and night temperature differences.

In the GAP Region, the drought risk in March continued through April as well. Overall, there was no precipitation in the region. Groundwater is at a disadvantage in terms of the dam levels in the region and the completion of the missing moisture content in the fields. Due to the dry weather in April, it became impossible to harvest the wheat-barley-lentil products in the region.

In the Black Sea and Central Anatolia regions, dry weather prevailed in the months of April, May and June and the occasional rainfall was not sufficient. It is predicted that this situation will cause a great decrease in grain yield in the Black Sea Region.

The high temperature differences between day and night in the Eastern Anatolian Region result in fruit shedding.

The driest spring months of recent years have been experienced in the entire Central Anatolia Region. Lack of the expected spring rains led to crop losses in barren fields. Due to the drought, the use of fungicides and herbicides in chickpea and grain crops has decreased to a large extent. It is foreseen that it will not be possible to harvest most of the barren grain fields. In addition, the unexpected frost which occurred in certain regions for 3 consecutive days in May adversely affected the process. In certain regions, nearly 100% damage occurred in sugar beet, pumpkin, sunflower, and corn plants, causing the plants to die. These fields were degraded, reprocessed and replanted.

The average precipitation, normal precipitation and last year's precipitation in the Marmara Region in June are 63.6 mm, 35.0 mm and 51.1 mm respectively. The precipitation increased by 82% compared to the normal level and 24% compared to last year.

Developments in agriculture:

In his statement on April 16, 2021, Minister Pakdemirli announced that there are 21 projects worth 110 Million Liras in the field of irrigation which will be carried out in Şırnak.

The Ministry of Agriculture and Forestry completed its preparations for the Water Council, which will be held for the first time in Turkey. 11 work groups were formed for the Water Council. A total of 834 people will take part in these work groups. Underlining that climate change will increase the importance of water and that measures should be taken immediately, Minister of Agriculture and Forestry Dr. Bekir Pakdemirli stated, "Just as the whole world, our country is adversely affected by the climate change. We will implement the actions which will be set to protect our water and soil, considering that its impacts will be more severe in the years to come. The future of Turkey will be discussed at the 1st Water Council." The Work Groups will carry out their activities between May and August. Afterwards, the Council Assessments will start, and the results will be announced to the public in October.

The Ministry of Agriculture and Forestry has announced that it will provide a total of 15 million TL support for three years for hunting of puffer fish, an invasive species. In this context, 5 liras will be paid per spotted pufferfish and 50 kuruş per other species. Thus, a total of 16.5 million puffer fish will be eliminated from water sources.

Our Minister of Agriculture and Forestry Dr. Bekir Pakdemirli announced that the Guinness record for "most promises made in the field of environmental sustainability" was broken for the first time in the world, with the promises made by 790 thousand people by visiting "sofranasahipcik.com" within the scope of the "Protect Your Food, Save Your Table" campaign launched last year.

Plant protection

Since the flowering rate in fruit trees in the Isparta region is generally low, it is believed that the year will be dominated by periodicity and yield losses. Dry weather conditions with high temperatures caused apple sheddings. In addition, the population of spider mites and tuta absoluta greatly increased due to the increase in temperatures. Producers irrigate their gardens as much as possible. In the light of the current conditions, it is estimated that apple scab infections will be very few. As of the end of April, producers started to apply pesticides against codling moth, upon the issue of warning for regional codling moth control. Adult spider mites were observed in the apple crops in the region. This situation caused concerns among producers, since it was too early. Apples and pears preserved in the cold storage of the crops of the year 2020, without pesticides and without atmosphere control, were poured directly from the cold storages to the fruit juice factories for fruit juice production.

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Cherry production in Isparta Region was stated to be low due to drought. An announcement was made for the cherry fruit fly with the early warning system on 25.05.2021.

Roses for oil production have begun to be harvested in Isparta region and the harvest is ongoing at a minimum level as of the last week of the month. It has been observed that the decare yield is low due to the drought.

The price of apples selected as first class in the apple market pesticide-protected warehouse in the Isparta Region ranges between 2.10 and 2.50 kurus/kg. Apples for fruit juice are purchased at a price between 1.10 Kurus/Kg and 1.20 Kurus/Kg. The tomato harvest on the Fethiye line is about to be completed, with the prices ranging between 3.00-3.50 TL. In Antalya Center wholesales market, prices of tomatoes range between 1.5 tl/kg – 2.5 tl/kg, peppers 2.00 tl/kg – 4.30 tl/kg and cucumbers 0.30 tl/kg – 0.60 tl/kg. Banana prices in Gazipaşa District varied between 4.50-5.50 TL/Kg in June.

A severe water shortage was experienced in April in the Aegean region. Irrigation unions prepared programs according to single irrigation. Therefore, particularly the cotton fields, which covered an area of 35.000 Ha in 2020, are estimated to cover an area of 25.000 Ha in 2021. It is estimated that 10.000 Ha of sunflower and silage corn will be planted. Seed corn and sunflower, which were produced on an average of 3.000 hectares of land in Kınık and Bergama districts of İzmir Province until 2021, have been produced on an area of 9.000 Ha this year. Cotton, tomato and pepper cultivation areas were reduced due to the aforementioned areas.

Due to the drought in Aydın and Denizli Province Basin, Restricted Irrigation Program studies have been initiated by the 21st Regional Directorate of the State Hydraulic Works, to be implemented in the irrigation of 2021. With the implementation of the Restricted Irrigation Program, it will be easier to meet the irrigation water need in the Büyük Menderes basin, and precautions will be taken for possible water shortages in the following years. After the announcement, the producers in the region decided not to plant 1st crop corn and silage corn and not to plant 2nd crop cotton and silage corn. It is planned to plant sunflower for oil production instead of these products.

Wheat harvest has been completed in the Aegean Region. Farmers are content with the wheat prices, which are around 2.4-2.5 TL.

Onions were thrown away by the producers, due to their very low sales prices in the Central Anatolia Region. Although the state began to purchase them for 80 kurus later, producers suffered loss. Corn plantings are being completed rapidly, while a decrease in corn fields is observed compared to the previous year, with sunflower for snack and oil production, pumpkins for snack production and beans being planted in their place. Grain corn is traded in the stock market at a price of 1.80-2 TL/kg. This has created an advantage for producers that could keep their products waiting. Barley harvest in Kırşehir region started in June. Yields are around 40-80 kg/da. Grain harvests in the Eskişehir region have started in the irrigated locations. Yields are around 400 kg/da.

Wheat harvest has started in the Marmara Region. Yields are observed to be between 450-750 kg/da. Product prices range between 2200-2350 TL/ton depending on quality values. Thrace has been having a productive year in grain harvests this year. Canola yields vary between 250-350 kg/da, while product prices are 5800 TL/ton for 40% oil and 80 TL is paid for each unit of oil difference. Peach - nectarine products are sold at prices up to 9 liras before they are picked in June. Santa Maria pears are sold for 3.5-4 liras before they are picked. Cherries are sold for 3.5-4 liras, which resulted in loss for producers.

7. Position of the Enterprise in the Industry

Despite the challenging conditions created also by the pandemic, our company maintains its position among the leading companies in the pesticides sector with its superior performance as of the first half of 2021.

8. Incentives

Our company has benefited from the Investment Incentive Certificates that it obtained in the related period.

9. Development of the Enterprise

Our organomineral fertilizer production increased by 40.15% compared to the same period of the previous year and reached 46.2 tones.

Our plant protection products production increased by 45% compared to the same period of the previous year, reaching 14.8 thousand tones.

Our shipments including finished products, in addition to the manufactured products, increased by 95% compared to the previous year, reaching 83 thousand tones.

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10. Units of the Enterprise

Gebze Production Facility	Capacity Usage Rate (CUR%) (01 January -30 June)		
Nature of Capacity	2021	2020	2019
Technical	158%	66%	56%
Liquid Herbicide Form	229%	27%	32%
Liquid Form	47%	77%	74%
Solid Form	210%	107%	114%
Grand Total	137%	66%	72%

Niğde Production Facility	Capacity Usage Rate (CUR%) (01 January -30 June)		
Nature of Capacity	2021	2020	2019
Technical	115%	68%	70%
Liquid Herbicide Form	64%	201%	222%
Liquid Form	219%	69%	45%
Solid Form		125%	98%
Grand Total	112%	100%	95%

Adana Production Facility	Capacity Usage Rate (CUR%) (01 January -30 June)		
Nature of Capacity	2021	2020	2019
Organomineral Fertilizer	93%	63%	37%

*CUR: Capacity Usage Rate (a single shift is taken into account as 8 hours)

11. Products

Our company produces the most important inputs of plant production with the plant protection, plant nutrition and seed products in its portfolio. Furthermore, animal health, pet food and care products are also sold. During the pandemic process, Biocidal licensed hand and surface disinfectants were also added to Hektaş product portfolio.

For our fertilizer production activities, organomineral fertilizers are produced by renting the production / processing facility located at the address Adana Hacı Sabancı Organize Sanayi Bölgesi 5 Ocak Cad.N6 Sarıçam/ADANA.

Seed breeding and production is carried out at the Areo Tohumculuk company in the province of Antalya. Plant protection products are produced also in the Ferbis company based in Niğde. Furthermore, vegetable production in greenhouses and field crops production in the open field are carried out as part of our food safety project at our Orhangazi facility.

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12. Efficiency

The capacity usage rates of the Company pertaining to the first six months of 2021 compared with the same periods of the last two years are shown below.

	CUR (01 January-30 June)		
Production Facility	2021	2020	2019
Gebze	137%	66%	72%
Niğde	112%	100%	95%
Adana	93%	63%	37%

13. Production (Quantity)

The production quantities of our Company pertaining to the first six months of 2021 compared with the same periods of the last two years are shown below.

Gebze Production Facility	Realized Production (kg/lt) (01 January-30 June)		
Nature of Production	2021	2020	2019
Technical Substance	2,106,092	1,568,704	1,321,530
Liquid Form	3,827,370	3,165,197	3,058,358
Herbicide Liquid Form	1,518,488	838,137	987,952
Powder Form	3,059,264	2,034,434	2,161,680
Grand Total	10,511,214	7,606,472	7,529,520

Niğde Production Facility	Realized Production (kg/lt) (01 January-30 June)		
Nature of Production	2021	2020	2019
Technical Substance	1,145,060	681,025	699,990
Liquid Form	1,305,476	673,018	443,067
Herbicide Liquid Form	1,905,603	1,167,652	1,285,817
Powder Form	13,800	112,779	88,188
Grand Total	4,369,939	2,634,474	2,517,062

Adana Production Facility	Realized Production (kg/lt) (01 January-30 June)		
Nature of Production	2021	2020	2019
Organomineral Fertilizer	46,170,518	32,941,600	18,712,700

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14. Developments in Sales

Analysis of the sales of the first 6 months reveals a remarkable increase of 89% in the sales revenues compared to the same period of 2020. This increase was mainly the result of expansion of Plant Nutrition product portfolio, increase in production capacity and the consequent increase in the numerical distribution of products in terms of availability.

In the Plant Nutrition business line, the volatility in the supply-demand balances in the global market led to significant increases in the classical fertilizer prices, raw material prices, and therefore Organomineral costs and sales prices.

15. Sales (Quantity)

As a result of the comparison of the sale quantities of our Company pertaining to the first six months of 2021 compared with the same periods of the last two years, it has been observed that;

- In the first six months of 2019, 32,083,637 kg of sales were realized, while this figure was 83,023,536 kg in the same period of 2021.
- In the same period of 2020, 42.536,775 kg of sales were realized.

F- RISKS AND EVALUATION OF THE BOARD OF DIRECTORS**1. Risk Management Policy**

Within the scope of the Corporate Governance Principles published by CMB, the Audit Committee was established and its working directive were created as of June 2012. Pursuant to our Company's board of directors decision dated 24.07.2012 the Early Detection of Risk Committee was established to ensure compliance with the article 378 of the Turkish Commercial Law no. 6102 which became effective on 1 July 2012 and was declared with a special situation statement dated 24.07.2012 on PDP. The directives pertaining to these committees are available on the web site of our Company.

2. Early Detection of Risk Committee

Pursuant to our Company's board of directors decision dated 24.07.2012 the Early Detection of Risk Committee was established to ensure compliance with the article 378 of the Turkish Commercial Law no. 6102 which became effective on 1 July 2012 and was declared with a special situation statement dated 24.07.2012 on PDP. These guidelines are available on the web site www.hektas.com.tr.

3. Prospective Risks

The Early Detection of Risk Committee of the Board of Directors regularly analyzes the risks to be encountered in the future by the company. In the evaluations made as of the reporting period, no risks that could affect the company's future activities could be detected.

G- OTHER ISSUES**1. Organizations Outside of the Headquarters**

In addition to the Headquarters, our Company has 7 Regional Directorates in Çukurova, Central Anatolia, Mediterranean, Marmara, Aegean, Gap and Orhangazi regions and 1 production facility in Adana.

2. Information about Legislative Amendments that may Significantly Affect the Company's Activities

There are no legislative changes such as incentives, taxes, etc. which may significantly affect the financial statements of our Company.

3. Information about the Conflicts of Interest Occurring between the Company and Institutions Providing Services to the Company in Matters such as Investment Advisory and Rating and the Measures Taken by the Company to Prevent such Conflicts

None

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4. Information about the Employee's Social Rights, Professional Training and Activities of the Company which Yield Other Social and Environmental Implications

Health insurance, private pension with company contribution, education allowance, death benefit, marriage support and maternity aid are provided as social rights to the employees of our Company. In addition, training programs are implemented to increase their professional development within the framework of the training programs prepared on an annual basis. Priority is also given to the development of environmentally friendly technologies in order to minimize the negative effects on the environment and society by closely following the latest developments regarding human health, environmental protection and operational safety.

5. Information that must be Submitted to the Shareholders Regarding Related Party Transactions and their Balances

Information about the transactions conducted by our Company with related parties is provided in the footnote no. 19 of our financial statements of 31.06.2021.

6. Information to Stakeholders

Information about our Company's Investor Relations Department is provided below.

Investor Relations Department Manager Betül MADENÜS, betul.madenus@hektas.com.tr Tel: 0 262 751 14 12

Investment Relations Department Officer Uğur AKBAŞ, ugur.akbas@hektas.com.tr Tel: 0 262 751 14 12

e-mail, investorrelations@hektas.com.tr

Events Occurring within the Period:

Transactions Carried out in Relation with Paid-Unpaid Capital Increase

The process regarding "Capital Increase", which was brought to the attention of our stakeholders through the Public Disclosure Platform (PDP), was commenced in December 2020 and all developments regarding the process were shared with the public on PDP on the dates of 04.01.2021, 30.03.2021, 31.03.2021, 26-27-28.04.2021, 18.05.2021, 20.05.2021, 31.05.2021, 17.06.2021 and 25.06.2021 respectively.

With the latest PDP disclosure dated 25.06.2021 made within the period, the amendment and registration of the articles of association with respect to capital increase was announced.

Paid Capital Increase

Share Group Information	Paid-in Capital (TL)	Preemptive Rights Amount (TL)	Preemptive Rights Rate (%)	New Shares" ISIN	Type
HEKTS, TRAHEKTS91E4	227,571,100.14	400,000,000.00	175.76924	HEKTS, TRAHEKTS91E4	Registered
TOTAL	227,571,100.14	400,000,000.00	175.76924		

Unpaid Capital Increase

Share Group Information	Paid-in Capital (TL)	Amount of Bonus Issue From Internal Resources (TL)	Rate of Bonus Issue From Internal Resources (%)	New Shares" ISIN	Type
HEKTS, TRAHEKTS91E4	227,571,100.14	232,428,899.86	102.13462	HEKTS, TRAHEKTS91E4	Registered
TOTAL	227,571,100.14	232,428,899.86	102.13462		

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Transactions Carried out Regarding the Increase of the Authorized Capital Cap

All developments regarding the "Increase of the Authorized Capital Cap", which were brought to the attention of our stakeholders through the Public Disclosure Platform (PDP) were shared with the public on PDP on the dates of 11.01.2021, 28.01.2021 and 29.03.2021 respectively; thus, the process was concluded by increasing the Company's authorized capital from TL 400.000.000 to TL 1.000.000.000.

Transactions Regarding the Exercise of the Retirement Right

Since the transactions regarding the "Paid Capital Increase", which was brought to the attention of our stakeholders through the Public Disclosure Platform (PDP) also include the "Exercise of the Retirement Right", the PDP disclosures were made and shared with the public on the dates of 17.02.2021, 26.03.2021 and 29.03.2021 respectively.

Transactions Regarding the Ordinary General Assembly of 2020

The process regarding the "Ordinary General Assembly Meeting of 2020", which was brought to the attention of our stakeholders through the Public Disclosure Platform (PDP) was commenced on 17.02.2021 and shared with the public through PDP on the dates of 05.03.2021, 24.03.2021 and 26.03.2021 respectively.

The PDP disclosures regarding Dividends, Determination of the Independent Audit Firm and distribution of the duties of the Board of Directors, which were discussed and concluded during the Ordinary General Assembly Meeting of 2020, were made on 24.03.2021.

Notification on Capital Market Instrument Transactions Other Than Shares

The disclosure regarding the principal amount and 8th coupon payment of the private sector bond coded TRSHEKT32123 ISIN, which was brought to the attention of our stakeholders through the Public Disclosure Platform (PDP) was made on 10.03.2021.

Events Occurring Outside of the Period:

Acquisition of Financial Fixed Assets

The process regarding the purchase of 100% of "Arma İlaç Sanayi ve Ticaret A.Ş." from Oyak Biyoteknoloji Sanayi ve Ticaret A.Ş. at a price of TL 92.000.000, which was brought to the attention of our stakeholders through the Public Disclosure Platform (PDP), was commenced in 2020 and the acquisition of the financial fixed asset was announced to the public with the PDP closure dated 28.07.2021.