

**REPORT ON THE AREAS OF USE OF THE
FUND TO BE OBTAINED FROM THE CAPITAL INCREASE**

Purpose

This report has been prepared to be submitted for the approval of the Board of Directors, pursuant to the Article 33 of the Capital Market Board's Share Communiqué no. VII-128.1.

1. GENERAL INFORMATION

Trade Name	Hektaş Ticaret T.A.Ş.
Headquarters Address:	Gebze Organize Sanayi Bölgesi, İhsandede Cad., 700. Sok, No:711, Gebze, Kocaeli
Authorized Capital Cap	3.000.000.000.00 TL
Issued Capital	860,000,000,00 TL
Corporate Web Site	www.hektas.com.tr
Field of Activity	Production, import and marketing of agricultural and veterinary medicines
Trade Registry Office	Gebze
Trade Registry No	6535-10921
Tax Office	İlyasbey Tax Office
Tax ID No	4610015898

2. SHAREHOLDING STRUCTURE OF THE COMPANY

Name and Surname / Trade Name of the Shareholder	Share in the Capital (TL)	Share in the Capital (%)
Turkish Armed Forces Pension Fund (OYAK)	505,843,050.97	58.82
Other	354,156,949.03	41.18
Total	860,000,000.00	100

3. BOARD OF DIRECTORS

Name Surname	Position	Beginning of the Term of Office/Term of Office
OMSAN LOJİSTİK ANONİM ŞİRKETİ (Represented by: MUSA LEVENT ORTAKÇIER)	Chairman of the Board of Directors	08.04.2020 – 3 years
OYTAŞ İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ (Represented by: BARAN ÇELİK)	Vice Chairman of the Board of Directors	08.04.2020 – 3 years
OYAK PAZARLAMA HİZMET VE TURİZM ANONİM ŞİRKETİ (Represented by: ARİF ÇETİNKAYA)	Board of Directors Member	08.04.2020 – 3 years
OYAK DENİZCİLİK VE LIMAN İŞLETMELERİ ANONİM ŞİRKETİ (Represented by: OKAN SİVRİ)	Board of Directors Member	08.04.2020 – 3 years
AKDENİZ CHEMSON KİMYA SANAYİ VE TİCARET A.Ş. (Represented by: ASLIHAN DÖĞER)	Board of Directors Member	08.04.2020 – 3 years
KADRİ ÖZGÜNEŞ	Board of Directors Member (Independent)	06.04.2022 – Until the General Assembly of 2022
KAMİL DERECE	Board of Directors Member (Independent)	06.04.2022 – Until the General Assembly of 2022
BÜLENT ŞAMİL YETİŞ	Board of Directors Member (Independent)	06.04.2022 – Until the General Assembly of 2022

4. AREAS OF USE OF THE FUND TO BE OBTAINED IN THE CAPITAL INCREASE

It has been decided to increase our Company's issued capital of TL 860.000.000,00 within the authorized capital cap in the amount of TL 3.000.000.000, by a paid amount of TL 1.290.000.000 (at the rate of 150%) and unpaid amount of TL 380.000.000,00 (at the rate of 44,18604%) by granting the existing shareholders' rights to acquire new shares, and to increase the capital to the amount of TL 2.530.000.000.

The gross cash inflow expected to be generated from the sale of the shares to be issued for the planned paid capital increase to be applied at the rate of 150% is TL 1.290.000.000. It is projected that the estimated net cash inflow to be generated within the scope of the paid capital increase would be TL 1.284.433.275 after deducting the estimated cost of issuing in the amount of TL 5.566.725.

The resource that is prescribed to be obtained from the capital increase is planned to be used in the areas specified below.

4.1. FINANCING OF INVESTMENT EXPENDITURES AND RAW MATERIAL PROCUREMENT

With the fund in the amount of TL 1.284.433.275 to be obtained, the expenditures detailed below will be financed.

PLANNED EXPENDITURE AREA	DESCRIPTION	PLANNED EXPENDITURE AMOUNT	FOREIGN CURRENCY	PLANNED EXPENDITURE RATE
Foreign Investments	Continuing sustainable growth, enriching the company's product portfolio, entering new business lines	1,027,546,620	TL	80%
Orhangazi Facility Investments	Agricultural Innovation, Education and R&D Investments	31,886,655	TL	2%
Raw Material Supply	Domestic and Foreign raw material purchases in line with the increased sales volume	225,000,000	TL	18%
		1,284,433,275	TL	100%

The resource to be obtained from the capital increase will be deposited during the period until conclusion of the investment and raw material payments and the deposit income to be derived will be used in working capital payments.