

# DOĞANLAR MOBİLYA GRUBU İMALAT SANAYİ VE TİCARET A.Ş.

## Dividend Policy

The board of directors shall, for the distribution of the accumulated profits and payment of annual dividends, make a profit distribution proposal to the general assembly, taking into consideration the company's performance for the relevant year, prevailing economic conditions, investments, and the company's cash flow.

The Company's primary policy is to follow a policy in line with the criteria determined by the Capital Markets Law and balance the interests of the shareholders and the company.

As per Article 38 of the Articles of Association, The period profit, which appears in the annual balance sheet after the amounts that the company has to pay or reserve such as the general expenses and various amounts of depreciation as well as the taxes that have to be paid by the legal entity of the company are deducted from the company's income at the end of the operating period, shall be distributed as specified below after the deduction of accumulated losses, if any:

### **General Legal Reserves:**

a) 5 percent shall be reserved as legal reserves.

### **The First Dividend:**

b) The first dividend shall be reserved from the remainder based on the amount to be found by adding the donations made throughout the year, if any, as required by the profit distribution policy to be determined by the general assembly and in accordance with the relevant legislation.

c) Once the aforementioned discounts are made, an amount of dividend at a percentage to be determined by the general assembly shall be distributed among the members of the board of directors except the independent members of the board of directors.

### **The Second Dividend:**

d) The general assembly is authorized to fully and partially distribute or set aside as voluntary reserve pursuant to Article 521 of the Turkish Commercial Code the remaining part after deduction of the amounts specified in items (a), (b) and (c) from the net profit for the period.

### **General Legal Reserves:**

e) A tenth of the amount found after the deduction of a 5-percent dividend paid to the shareholders from the part that is resolved to be paid to shareholders and other participating entities shall be added to the general legal reserves in accordance with the Paragraph 2 of Article 519 of TCC.

Unless the legal reserves are set aside and the dividend prescribed for the shareholders in the articles of association is distributed in cash or as stocks, resolving to set aside additional reserves, carrying over any profit to the coming year, and distributing dividends to board members, officers, employees, and workers, foundations established for various purposes or similar other individuals and/or organizations shall not be allowed.

The dividend shall be distributed equally to all current shares regardless of their issue and dates of acquisition. The manner and time of distribution of the dividend resolved to be distributed shall be decided by the general assembly upon such request of the board of directors. The distribution of the

dividend resolved by the general assembly in accordance with these articles of association may not be revoked.

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The Company may make donations to various organizations, institutions, foundations, and associations through a general assembly resolution within the framework of the Capital Market Law without hindering the Company's purpose and subject of activity provided that hidden income transfer regulations are not breached, necessary material event disclosures are made, and the donations made throughout the year are submitted for the information of shareholders at the general assembly.

The upper limit of donations shall be determined by the general assembly. Any donation exceeding such limit shall not be allowed and the donations made shall be added to the distributable profit base.

Unless the legal reserves and the first dividend designated for the shareholders in the articles of association are set aside, setting aside any additional reserves, carrying over any profit to the coming year, and distributing dividends to the board members, officers, employees, and workers shall not be allowed.

The location and time of the distribution of profit resolved by the general assembly with the relevant provisions of the legislation taken into consideration shall be announced to the shareholders by a material event disclosure through the Public Disclosure Platform and on the company's website.

As prescribed in the Capital Market Law and the CMB rules regulations and resolutions, our Company and affiliates with shares traded on Borsa Istanbul have submitted to the information of their respective general assemblies, and disclosed to the public, their profit distribution policies.