

KAFEİN YAZILIM HİZMETLERİ TİCARET A.Ş

PROFIT DISTRIBUTION POLICY

In accordance with the legislations, regulations and decisions issued under the Profit Distribution Policy, Turkish Code of Commerce, the Capital Markets Law and the Capital Markets Board and with the relevant provisions of Tax Procedure Law, Kafein Yazilim Hizmetleri Ticaret A.S. (Kafein) determines Corporate Governance applications in conformance with the strategies and financial plans of Kafein and in consideration of the Turkish economy and the sectorial conditions by paying regard to the sensitive balance between the expectations of the shareholders and the needs of Kafein.

The principles of profit distribution by Kafein are explained under article 17 of the Articles of Association titled “Dividend Distribution and Determination”.

As a principle, Kafein determines the amount of the dividends to be distributed in accordance with the decisions of the General Assembly which are taken in compliance with the provisions of Turkish Code of Commerce and the relevant provisions of the Capital Markets Law and the Articles of Association and ensures that these are equal to or higher than the amounts prescribed by the Capital Markets Board.

Kafein conforms to the regulations by the Capital Markets Board according to the term of profit distribution. Dividend distribution begins on the date to be determined by the General Assembly, at the latest, until the end of the year in which the General Assembly meeting is held.

The regulations of the Capital Markets Board are complied with regarding the time of profit distribution. Dividend distribution begins on the date to be determined by the General Assembly, at the latest, until the end of the year in which the General Assembly meeting is held.

No privilege applies for the profit distribution by Kafein, and profit is distributed equally for all the shares

Dividends can be distributed to the shareholders either as cash or as bonus share by adding the profit to the capital, or as cash and bonus shares at certain rates.

In case the Board of Directors proposes to the General Assembly that profit should not be distributed, the General Assembly informs the shareholders during meeting about the grounds of non-distribution and the mode of use of retained profit. Similarly, such information is also shared with the public by publishing it on activity reports and the website.

The Company's Articles of Association includes the issue of dividend advance distribution, and the Board of Directors can distribute one or more advance dividends within a financial year in compliance with Turkish Code of Commerce and the Capital Markets Regulation. The Board of Directors distribute dividend advance in times prescribed by Turkish Code of Commerce, the Capital Markets Law and the relevant regulations.

As long as the legal reserves and the dividends are not allocated as specified in Turkish Code of Commerce, the articles of association or the profit distribution policy, no further legal reserve can be assigned or carried out to a next year and no dividend can be given to board members, partnership personnel and other persons excluding shareholders. Furthermore, the foregoing persons cannot receive share from profit as long as the dividend allocated for the shareholders are paid in cash.

In terms of profit distribution, it is essential to follow a balanced policy between the interests of the shareholders and the interests of the partnership.

This policy is submitted to the approval of the shareholders at the first General Assembly Meeting. Changes made in this policy are also submitted to the approval of the shareholders at the first general assembly meeting after the change and are announced to the public on the website of Kafein.