



DEVA HOLDİNG A.Ş.
ANNUAL REPORT 2023



"adding health to life..."



CONTENTS

DEVA Holding in Brief	05
Financial Indicators	06
Message by the CEO	07
Board of Directors and Senior Executives	8-11
Organization Chart	12-13
Shareholding Structure and Subsidiaries	14
Mission, Vision and Main Principles	15
Notes from the Pharmaceutical Industry	16-17
DEVA in 2023	18-23
Human Resources and Development	24-25
Manufacturing Facilities	26-38
DEVA Türkiye Regulatory Affairs & Market Access	39
DEVARGE	40
Vetaş	42
Administrative Activities	43-46
Investments	47
DEVA Subsidiaries and Related Companies	48-50
Conclusion	52
Statement	53
Corporate Governance Practices	54-76
Sustainability Principles Compliance Report	77-81
Information for the Shareholders	82
Profit Distribution Table	83
Independent Auditor’s Report	84-85

DEVA HOLDING IN BRIEF



Established in 1958, DEVA Holding is among the well-established pharmaceutical manufacturers in Türkiye. With the main area of operations including manufacturing and marketing medicinal products for human use and raw materials, DEVA Holding also manufactures veterinary medicines, eau de Cologne, and medical ampoules.

DEVA Holding, which had its majority shares acquired by Eastpharma Ltd. in 2006, is pacing rapidly toward its goal of being the first choice by offering innovative and unique products with a high-quality experience by creating giant pharmaceutical brands in areas where it competes, in order to make healthy living accessible to everyone around the world. With the new therapies it offers, DEVA Holding makes difference by expanding its product diversity every year.

Currently, its product portfolio contains more than 650 products in 14 therapeutic areas, ranging from oncology to cardiology, respiratory system and ophthalmology, as well as medical devices.

With progressively expanding regional growth and export operations, DEVA Holding is the holder of 1,119 marketing authorizations in 65 countries, including the USA, Switzerland and Germany. Founded under the brand name of Devatis in Germany and then in Switzerland, the company received registration approval in 2018 and having been established in the USA under the same name, accelerated its activities.

DEVA Holding focuses on research and development to improve access to medicines for patients who need them, and all of its manufacturing facilities are certified compliant with the European GMP (Good Manufacturing Practice) and US FDA (Food and Drug Administration). DEVA Holding currently exports pharmaceuticals and pharmaceutical raw materials to more than 60 countries.

DEVA Holding develops high-quality and innovative products with its award-winning R&D center, DEVARGE, strong staff of well-trained employees who are experts in their respective fields, and full-fledged laboratories and manufacturing sites equipped with cutting-edge technology.

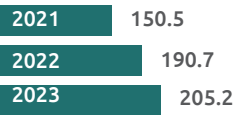
With its manufacturing capabilities, DEVA Holding has become the domestic corporation with the most comprehensive production capabilities in Türkiye. Undertaking manufacturing operations at facilities in Çerkezköy and Kartepe, DEVA Holding holds an annual output capacity of 620 million units of medicines. While producing for public health, DEVA Holding also adopts the understanding of sustainability for the effective and efficient use of resources, and considers environmental sensitivities in its activities. DEVA Holding manages human rights, occupational health and safety, energy efficiency and waste with great care, and continues its activities with the awareness of leaving a more livable world to future generations with its employees who possesses environmental awareness and sustainability approach.

Continuing to work for a healthy and sustainable future, DEVA Holding also supports social responsibility projects, especially in the fields of education, public health and the environment.

FINANCIAL INDICATORS

FINANCIAL INDICATORS		
Primary financial and operational indicators (TRY)	31.12.2023	31.12.2022
Total assets	22,443,973,425	20,535,798,937
Total liabilities	7,660,885,690	9,005,622,782
Total equity capital	14,783,087,735	11,530,176,155
	01.01.2023-31.12.2023	01.01.2022-31.12.2022
Sales revenue (net)	11,330,314,021	8,712,735,438
Real operating profit	2,009,484,024	998,376,729
Net profit	3,385,418,491	851,061,391
	31.12.2023	31.12.2022
Basic ratios (%)		
Current ratio	1.66	1.46
Liquidity ratio	1.07	0.86
Precision ratio	0.51	0.44
Liabilities/Assets total (Financial leverage rate)	0.34	0.44
Equity/debt ratio	1.93	1.28
	01.01.2023-31.12.2023	01.01.2022-31.12.2022
Gross profit margin	0.42	0.33
Net profit margin (sales profitability)	0.30	0.10
Equity profit margin (equity profitability)	0.23	0.07

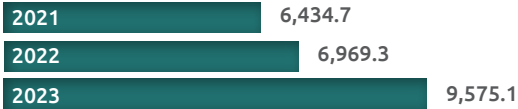
Total Domestic Pharmaceutical Sales (Million Units)



Total Exports (Million TRY)



Total Domestic Pharmaceutical Sales (Million TRY)



CAPITAL AND SHAREHOLDING STRUCTURE		
The Company's: Registered Capital Cap : TRY 500,000,000 Issued Capital : TRY 200,019,288		
DEVA HOLDİNG A.Ş. SHAREHOLDING STRUCTURE (31.12.2023)		
Corporate Name	Holdings (TRY)	Rate of Share %
EastPharma S.a.r.l	164,424,760	82.20
Other Shareholders	35,594,528	17.80
TOTAL	200,019,288	100.00

MESSAGE FROM THE CEO



Dear Stakeholders,

We began the year 2023 with one of the most devastating natural disasters in February that deeply struck our country and affected many provinces. From day one of the disaster, we worked hard to heal our wounds, and stayed in touch with the government and NGOs to respond to the needs. In coordination with the Turkish Medicines and Medical Devices Agency, we managed to deliver 48,000 boxes of medicines to the region during that process. Aware of our responsibilities as a pharmaceutical company with a deep rooted history and growing strength, we will continue to serve the needs of the people in the region. I would like to take this opportunity to respectfully commemorate those who lost their lives in the earthquake and to wish patience to their loved ones.

The year 2023 was also significant in that it marked the 100th anniversary of the Republic of Turkey and the 65th anniversary of DEVA Holding, and we once again paid tribute to our great leader Mustafa Kemal Atatürk with fondness, respect and love. With years of experience and strong foundation, we will work further to contribute to the progress of our nation. We are aware that the best way to celebrate our Republic is through hard work, and we will continue to pave the way for our country's global and economic growth.

The global economic downturn and significant rise in input costs in 2023 have had a negative impact on the pharmaceutical industry, where production inputs are purchased in foreign currency. Despite the challenges in the industry, DEVA Holding successfully closed the year ranking 3rd with 5.2% market share in terms of boxes and 6th with 2.9% market share in TL, based on IQVIA data.

At DEVA, our mission for the past 65 years has been to make healthy living more accessible to everyone. Each year, we add new products to our portfolio and expand our therapeutic areas, always mindful of our responsibility to build a healthy and sustainable future. In addition to expanding our portfolio in oncology, hematology and immunology in 2023, we also launched numerous products in the areas of metabolic diseases, dermatology and nutritional supplements. As a local pharmaceutical company with global standards, we continue to strive to improve health around the world, and in our country in particular, through our value-added generic products, made available at treatment effective costs in a multitude of settings.

With an annual production capacity of 620 million boxes, our 3 major manufacturing plants in Çerkezköy and Kartepe have successfully passed numerous audits carried out by national and international health authorities in 2023. It is our goal to make efficacious treatment available to everyone by delivering products manufactured to high standards in our EU GMP and US FDA approved manufacturing plants to patients worldwide. For this purpose, we are strengthening our position not only in Turkish but also in international markets. As of year-end 2023, we hold 1,119 product authorizations in 65 countries worldwide. We have notably strengthened our presence in many European countries, the Americas, the Balkans, the Middle East and New Zealand.

The importance we place on R&D plays an important role in our sustainable success. As in previous years, last year we were also ranked as the top pharmaceutical company in Turkey with the highest R&D expenditure according to the R&D 250 survey by Turkishtime. Our extensive R&D team of 416 highly qualified experts continue their diligent efforts to serve public health at our laboratories and manufacturing sites equipped with latest technology.

At DEVA, we strongly believe that sustainability is a social and even a global responsibility that all of us should embrace for the world in which we live. We view sustainability as a determining factor in all of our processes, from manufacturing to distribution to the selection of our suppliers. We focus on sustainability in all its dimensions to attain our goals such as using our resources in the most efficient manner possible, drawing attention to environmental issues, ensuring that future generations inherit a livable world and making drugs available for everyone.

Dear Stakeholders,

We keep on creating a difference in today's rapidly changing world with our 65 years of experience, extremely experienced management team, 2,886 competent and qualified employees, strong product portfolio as well as our capabilities in terms of collaboration, agility and flexibility. Empowered by our past achievements, we will carry on endeavoring selflessly and offering solutions on a global scale to create a sustainable world as a global pharmaceutical company that is aware of its responsibilities.

Yours Sincerely,

Philipp Haas
Chairman of the Board of Directors & CEO



Board of Directors and Senior Executives



BOARD OF DIRECTORS AND SENIOR EXECUTIVES

Philipp Haas

Chairman of the Board of Directors and CEO of DEVA Holding, Philipp Haas took MBA degree in the specialty of banking at St. Gallen Economy, Law and Business Administration University. He speaks German, English, French, Spanish, Portuguese, Italian and Turkish fluently. Having served as investment consultant and director since 1992, Philipp Haas has a broad experience in markets of Eastern European Countries and particularly Turkish market. Having taken part in many restructuring projects in Ukraine and Türkiye, Philipp Haas performed membership of many boards of directors on behalf of foreign corporate investors in 90s, among which are Rogan Brewery in Ukraine and Net Holding in Türkiye. Having a broad experience in pharmaceutical industry, Philipp Haas served as consultant to funds in pharmaceutical industry in developing markets and oriented their investments to Eastern Europe. Among such firms is Slovakopharma named afterwards as Zentiva. Being the Chairman of the Board of Directors of Eastpharma Ltd and DEVA Holding, Haas also serves as the Chairman of Board of Directors in Saba İlaç Sanayi ve Ticaret A.Ş., New Life Yaşam Sigorta A.Ş., Eastpharma İlaç Üretim Pazarlama San. ve Tic. A.Ş., and member of Board of Directors in Eastpharma Sarl. He also serves as manager in Devatis Ltd, Devatis GmbH, Devatis AG, Devatis de Mexico S.DE RL. DE C.V, Devatis Pty Ltd, Devatis Canada Inc, Devatis d.o.o. Beograd, Devatis B.V. and as member of Board of Directors and CEO in Devatis Inc.



Chairman of the Board of Directors and CEO

Mesut Çetin

The Deputy Chairman of the Board of Directors and CFO of DEVA Holding, Mesut Çetin started his professional career within GEM Global Equities Management S.A., a fund management company, in 1999, and has served in various positions as clearing, research assistant, trader and management. Within the same group, he served actively in several private equity projects, and assumed the duty of project supervision in some projects. Mesut Çetin is the member of the BOD in Eastpharma Ltd. and Saba İlaç Sanayi ve Ticaret A.Ş. He also performs the duty of CFO in various companies within the group. Mesut Çetin is the graduate of Mathematics Teaching at Boğaziçi University and completed his EMBA program at Koç University.



Deputy Chairman of the Board of Directors and CFO

BOARD OF DIRECTORS AND SENIOR EXECUTIVES

Eşref Güneş Ufuk

Independent Member of the Board of Directors of DEVA Holding, Güneş Ufuk received his bachelor's degree in Business Administration from St. Gallen University, Switzerland, and then worked in sales and marketing departments of several companies there, and in Türkiye, he held various senior management functions in Kemer Golf & Country Club, Superonline and YKS which is also a Cukurova Group company. After completing his professional career as the General Manager at Kemer Golf & Country Club, Ufuk stepped into consulting business, and worked as a Manager and Consultant for more than 6 years, and in 2010, established the consulting firm K2 and started to offer Management Consulting, Training and Spokesmen services in development and management topics in a variety of companies in Türkiye.

Ufuk continues his training and consultancy activities at K2C Consulting company, which he founded in 2015 and focuses on digitalization, distance learning and blended learning, by providing services to more than 100 companies functioning in various sectors both in and out of Türkiye. Güneş Ufuk specializes in "Sales & Marketing", "Leadership", "Strategy" and "Corporate Culture and Change".



Member of the Board of Directors

Ayşecik Haas

The Non-Executive Member of the Board of Directors of DEVA Holding, Ayşecik Haas completed her license degree in Electrical-Electronic Engineering in Doğu Akdeniz University after graduating Ankara Private Yükseliş College in 1991, then took her master degree in Economics branch in Texas Tech University. Having commenced her work life at various positions relating to engineering at Emek Elektrik and Beko Elektronik in Türkiye, Ayşecik Haas worked the finance sector in New York after taking Economy Master degree and upon her return, she worked as investment specialist at Hattat Holding for a short period of time and performed as the General Manager of NAR Group, from 2008 to 2015. Ayşecik Haas is currently a Member of the Board of Directors at New Life Yaşam Sigorta A.Ş.



Member of the Board of Directors

Sengül Soytaş

Independent Member of the Board of Directors of DEVA Holding, Sengül Soytaş, received her Bachelor's Degree in Business Administration at Middle East Technical University, and afterward completed a Master's Program in Business Administration with honors, at Indiana State University. She embarked on a professional career at Small Business Development Center, Indiana State University as a research fellow, and after repatriating to Türkiye, she worked at Emek Elektrik A.Ş. as an Export Specialist for a brief period. Later she joined Vestel Ticaret A.Ş. and worked as a Marketing Specialist, Marketing Supervisor, and International Marketing Manager, overseeing several major marketing projects and project groups. Since June 2015, she has been working as a consultant on international marketing and business development, advising clients across industries on optimal ways of operating in international markets.



Member of the Board of Directors

Changes in Memberships of the Board of Directors within the year

Members of the Board of Directors were elected at the Annual Ordinary General Assembly Meeting held on April 01, 2022 to hold office for a period of 3 years

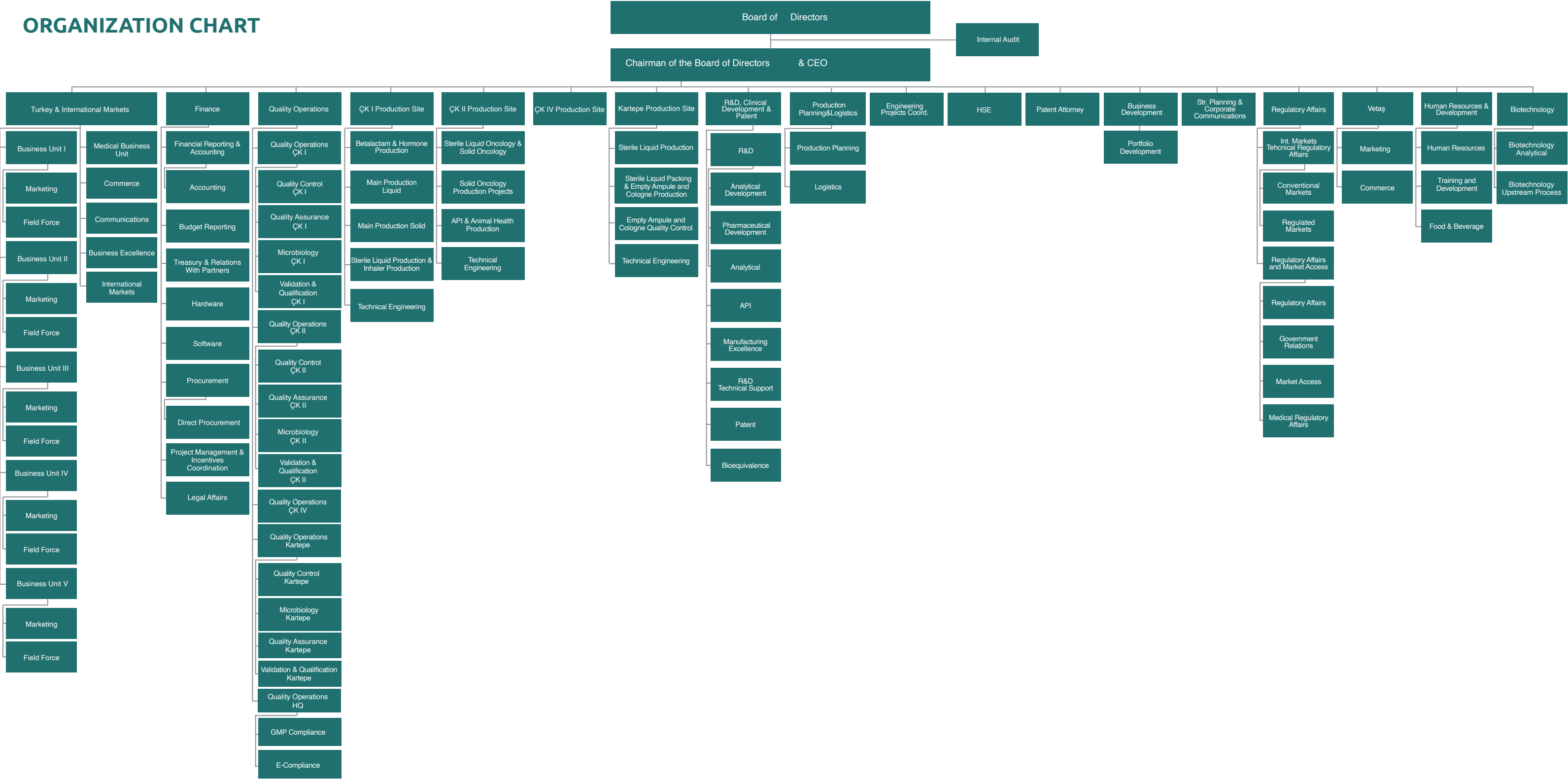
Senior Executives

Philipp Daniel Haas – (CEO)
Mesut Çetin – (CFO)
Doğan Varinlioğlu – Deputy General Manager of Türkiye and International Markets
Rıza Yıldız – Financial Reporting and Accounting Director
Hartwig Andreas Steckel – R&D, Clinical Development and Patent Director
Tijen Kavlak – Business Unit Director
İrfan Çinkaya – Biotechnology Director
Aytaç Aysuna Erden – Legal Affairs Director

Elçin Güner – Business Unit Director
Eray Kurt – Facility Director
Gökhan Kaba – Procurement Director
Gülcan Gümüş – Human Resources & Development Director
Metin Ercan – Facility Director (*)
Murat Akıncı – Medical Business Unit Director
Murat Aksoy – Manufacturing Planning & Logistics Director
Refiye Adıyaman – Quality Operations Director
Sibel Yılmaz – Facility Director
Mert Uz - International Markets Director
Serkan Varlık - International Markets Director
Şerifenur Taşkıran - Regulatory Affairs Director

(*) As of January 12, 2024, he has retired from our company.

ORGANIZATION CHART



SHAREHOLDING STRUCTURE AND SUBSIDIARIES

EastPharma Ltd. incorporates DEVA Holding and it holds **A, B and C** group shares.

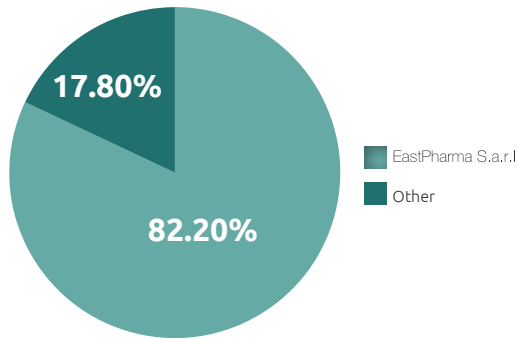
EastPharma Ltd.

EastPharma S.a.r.l.

DEVA Holding A.Ş.

Group A	
Direct Control	74.00%
Group B	
Direct Control	72.00%
Group C	
Direct Control	82.20%

SHAREHOLDING STRUCTURE
(Shares of Group C)



DEVA Holding A.Ş.



(*) The establishment procedures have been completed on February 12, 2024.

INFORMATION ON PREFERRED SHARES

Our company's capital contains 10 preferred shares in total of TRY 0.10, consisting of 5 Group A Shares and 5 Group B Shares, each with a value of TL 0.01. The preferences for these shares are as follows:

Preference in terms of Dividends

Group A Preferential Shares are entitled to receive 10% of the profit set aside from distributable profit according to the orders and principles referred to in the Articles of Association.

Preference in terms of Right of Voting

Group A and B preferred shares have a voting right ten times the voting right of Group C shares in terms of right of voting.

Preference in terms of Managerial Entitlement

Two members of the board of directors are elected by Group A and B preferential shareholders from amongst Group A preferential shareholders.

MISSION, VISION AND MAIN PRINCIPLES

Our Mission

We exist to offer innovative and diversified products with high quality experience with a view to everybody being able to reach healthy life at global scale.

Our Vision

To be the first choice in fields in which we compete by creating giant pharmaceutical brands.

Our Values

- We can do it together
- We build relationships based on trust
- We are people oriented
- We act responsibly
- We are innovative



NOTES FROM THE PHARMACEUTICAL INDUSTRY

According to the total IQVIA data of free market, 2,719 million units and TRY 206.8 billion (*) worth of medicines were sold in the Turkish pharmaceutical market in 2023. The market grew by 4.2% in number of units and by 90.7% in TRY compared to the same period of the previous year.

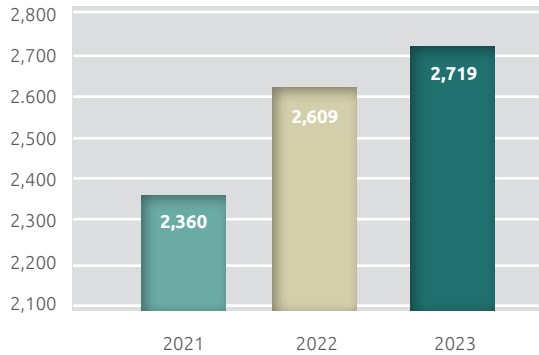
The ratio of prescription drugs to the total pharmaceutical market in Türkiye is 95.3% in number of units, and 92.7% in TRY.

Although drugs from various treatment groups are imported in Türkiye, the mainly imported drugs are novel and high-tech preparations, anti-cancer drugs, blood factors, nervous system drugs, insulin and certain controlled-release drugs.

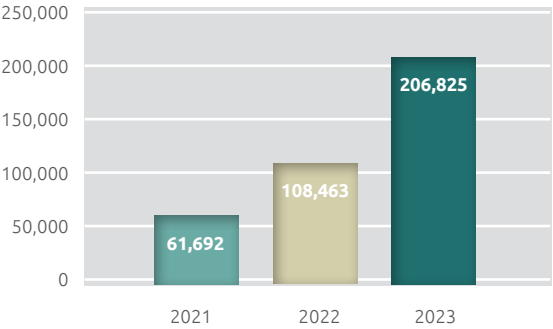
According to IQVIA data, the sales of imported products decreased by 7.1% on a unit basis; however, they increased by 24.6% in USD, totaling 3.5 billion USD in 2023. The domestic pharmaceutical market, on the other hand, grew by 5.9% in units and 43.0% in USD, totaling 5.2 billion USD. The ratio of imports in the total market is 11.8% in units while it is 40% in USD.

According to IQVIA data, the industry grew by 4.2% in terms of units sold, and 35% in terms of USD, corresponding to 8.7 billion USD in 2023. The pharmaceutical market grew by 90.7% in total, and reached TRY 206.8 billion.

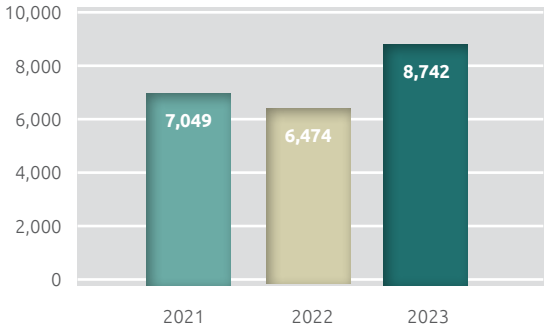
Total Market (Million Units)



Total Market (Million TRY)



Total Market (Million USD)



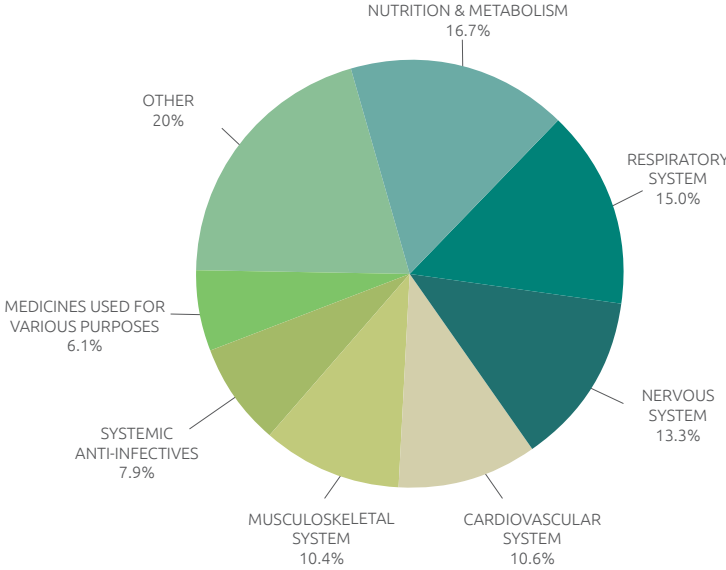
(*) "Extras" are included in the value in units but not included in the value in TL based on the IQVIA calculation method change

Source: IQVIA Free Flexview Data

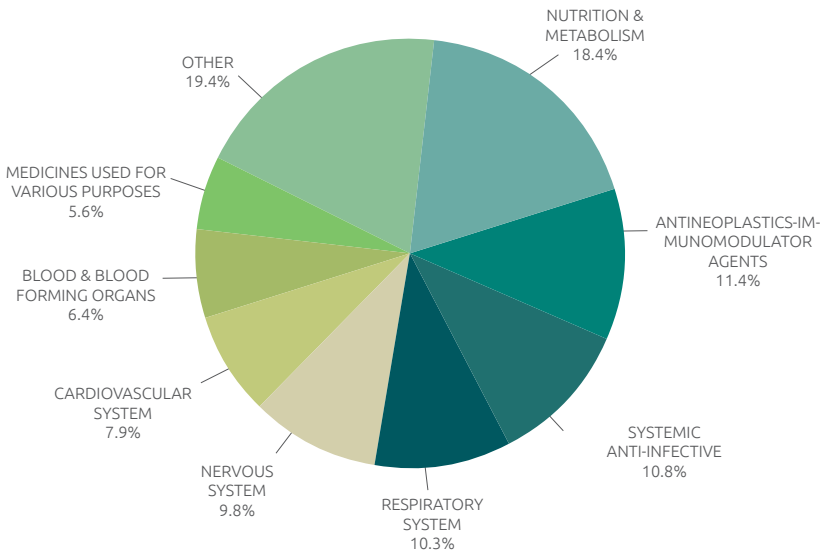
NOTES FROM THE PHARMACEUTICAL INDUSTRY

In Türkiye, the market distribution by pharmaceutical segments was as follows in 2023 in units and in TRY/USD. The "Nutrition & Metabolism" segment had the largest share, both in units and TRY/USD.

Total Market Sales Distribution (%) (Units)



Total Market Sales Distribution (%) (TRY/USD)

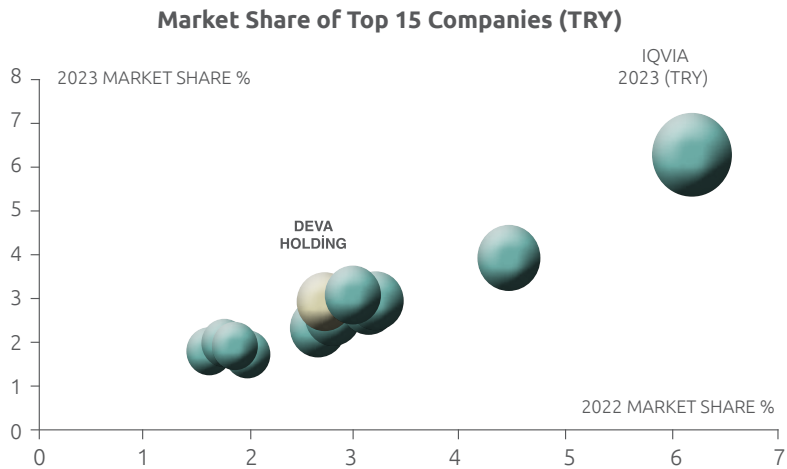
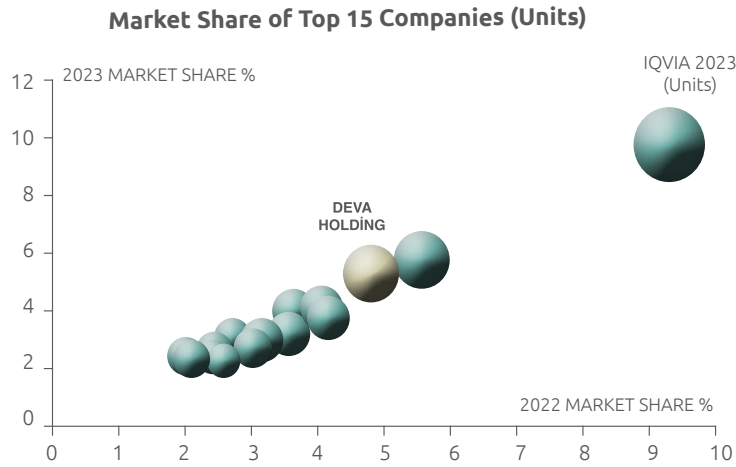


Source: IQVIA Free Flexview Data

DEVA IN 2023

According to IQVIA data (Free Market), DEVA Holding sold 141 million units worth TRY 6,088 million in 2023, growing by 12.1% in terms of units and by 105.3% in terms of TRY compared to 2022.

In 2023, DEVA Holding ranked third with a market share of 5.2% in units and sixth with a market share of 2.9% in TRY.

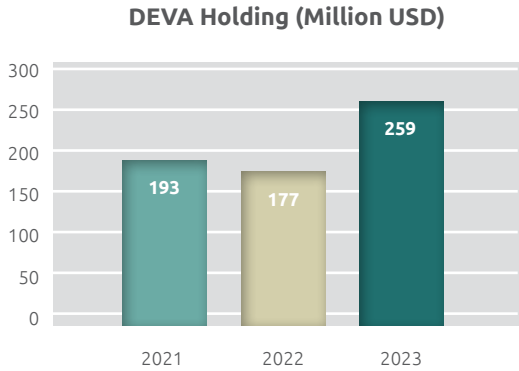
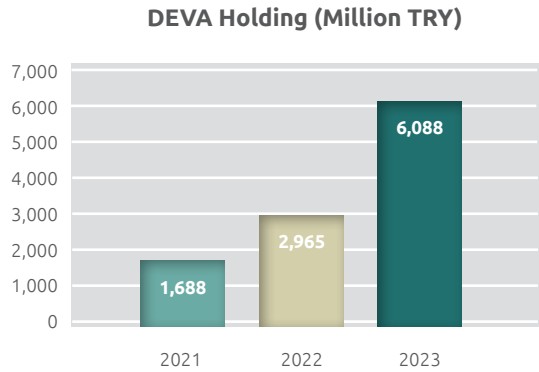
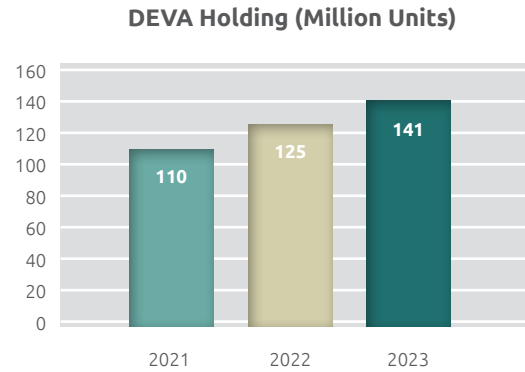


In 2023, DEVA Holding sold 25.5 million boxes worth 424.3 million TL to the State Supply Office and 18.6 million boxes worth 253.4 million TL to hospitals, and these sales are not included in IQVIA data.

Source: IQVIA Free Flexview Data

DEVA IN 2023

The unit/TRY/USD values realized by DEVA Holding in the last three years are as follows:



Source: IQVIA Free Flexview Data

DEVA IN 2023

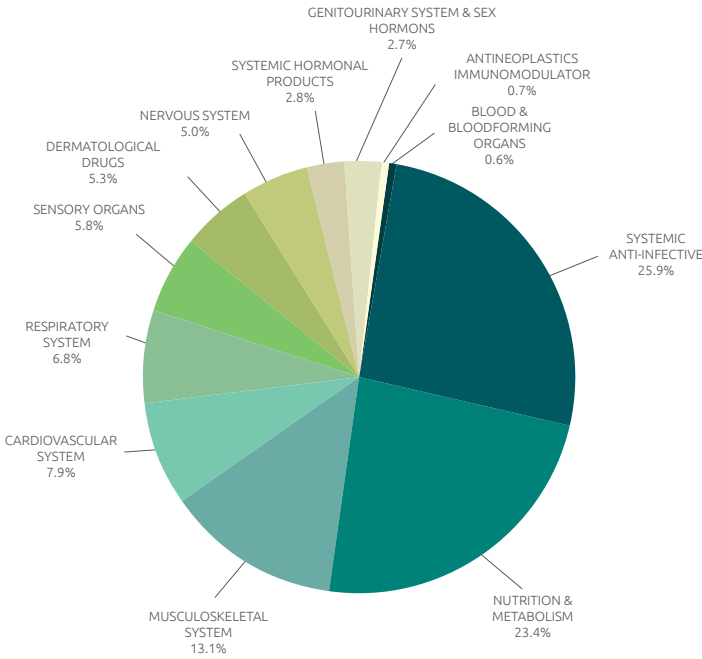
In 2023, DEVA Holding’s products named Amoklavin, Devit D3, Dikloron and Dodex ranked among the top 100 products of the Turkish pharmaceutical market in terms of units sold. Amoklavin ranked among the top 100 products of the Turkish pharmaceutical market, respectively, in terms of TRY.

According to IQVIA data for 2023, a total of 12 products accounted for 50.9% of the company’s revenue. These products are Amoklavin, Devit D3, Rivelime, Dikloron, Dodex, Candexil Plus, Cefaks, Tribeksol, Azitro, Novaqua, Desefin and Dilatrend, respectively.

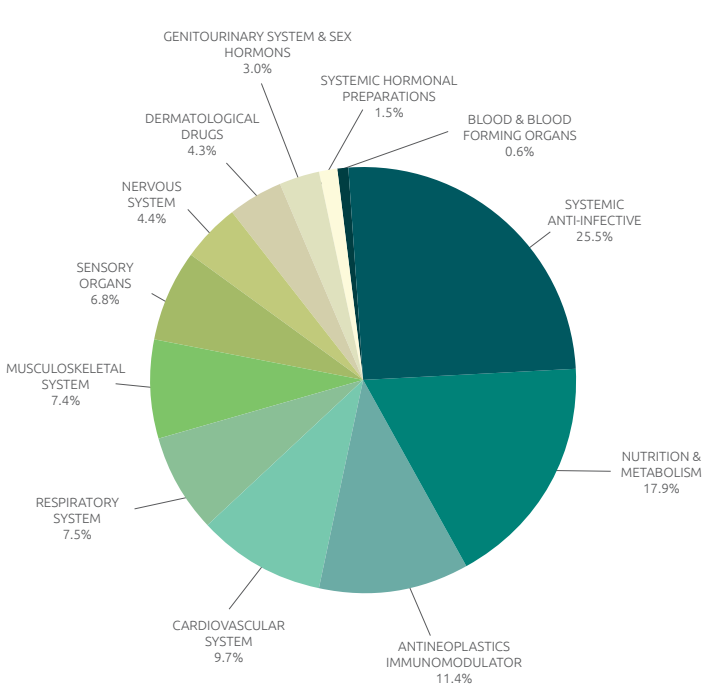
Four new products were launched in 6 different forms, and seven different forms were added to existing products in 2023.

“Systemic Anti-Infective” group of drugs make up the largest portion of DEVA Holding’s drug sales in 2023 in units and in TRY/USD. The distribution of sales by segments in terms of units and TRY/USD is as follows:

DEVA Holding’s Distribution of Sales % (Units), 2023



DEVA Holding’s Distribution of Sales % (TRY/USD), 2023



Source: IQVIA Free Flexview Data

DEVA IN 2023

INTERNATIONAL MARKETS

GMP Inspections

In 2023, GMP inspections were carried out at Çerkezköy-I Manufacturing Site by the health authorities of Ukraine, Kyrgyzstan, Germany and Türkiye, as well as US FDA (US Food and Drug Administration), and approvals were obtained for the renewal of the GMP certificate.

GMP inspections were carried by US FDA and the health authorities of Germany and Türkiye at Çerkezköy-II Manufacturing Site, and approvals were obtained for the renewal of GMP certificate.

Additionally, GMP inspections were carried out by US FDA and the health authorities of Kyrgyzstan at Kartepe Manufacturing Site, and approvals were obtained for the renewal of the GMP certificate.

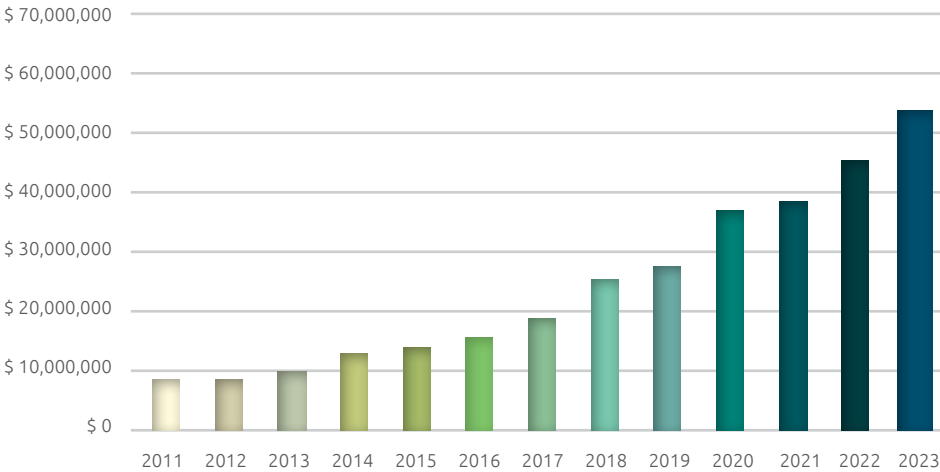
Also, a Supplementary Food inspection has been conducted at the Çerkezköy Facilities, and GMP & HACCP inspection documents have been provided.

The validity of the CE certificate was maintained through the recertification audit for EN ISO 13485:2016 Quality Management System Certificate, and the 93/42/EEC surveillance audit for medical devices at the Kartepe Manufacturing Site. In addition, the validity of the ISO 9001:2015 Quality Certificate was maintained through the renewal audit carried out for the Empty Ampoule and Cologne Departments at the Kartepe Manufacturing Site.

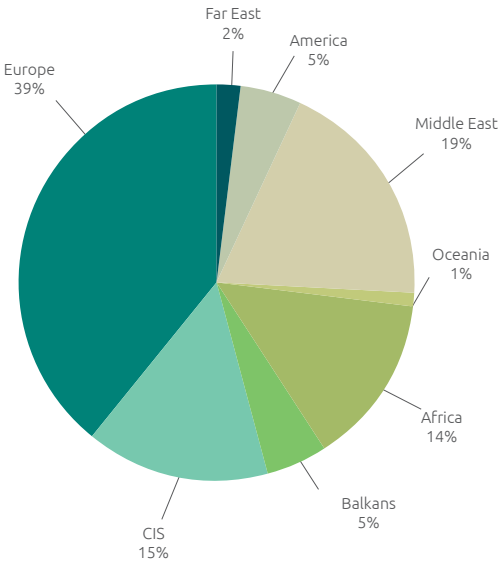
Export of Medicinal Products for Human Use and Raw Materials

Agreements with pharmaceutical companies and distributors abroad were maintained in 2023, and products sales to foreign markets with the DEVA brand and license agreements continued as the main business model.

In 2023, while new agreements and strategies continued to produce results, DEVA's share in medicinal products for human use and raw material exports, as well as foreign contract manufacturing projects increased by 19% compared to the previous year, reaching approximately 53.7 million USD.



Distribution of Exports in 2023 by Regions



DEVA IN 2023

The global growth strategy is executed using a dual-pronged approach, involving entering new markets and expanding footprint in existing markets with new launches.

In 2023, total of 100 approvals were received, bringing the grand total to 1,119 approvals in 65 countries.

In Germany, as DEVATIS GmbH, we have achieved significant growth compared to the previous year by capitalizing on market opportunities.

With new launches in oncology and neurology areas through DEVATIS AG in Switzerland, the product range offered to patients has been expanded. Participation in congresses annually as DEVATIS AG has been continued.

In the European region, product diversity has been enhanced through strategic launches in key therapeutic areas in the Netherlands and Slovakia, while initial country sales have been made to Romania, Malta, and Iceland, strengthening our presence in Europe.

In New Zealand, the product range in the market has been expanded by DEVATIS Ltd.

In Mexico, we have introduced ophthalmology products to patients for the first time and continue to work on new products.

As DEVATIS, we have continued our efforts on strategically important products with potential in the United States, Australia, and Canada.

In the Balkans, while maintaining market leadership in the respiratory field in Bosnia, our market share in the field of ophthalmology has also increased with new launches in this field.

In Azerbaijan, new launches have been conducted in the therapeutic areas of oncology, CNS, and ophthalmology. DEVA participated for the first time in the “3rd Azerbaijan Hematology Specialists Congress,” held in the field of hematology.

In Kazakhstan and Belarus, the product portfolio in strategic therapeutic areas has been expanded with the addition of new molecules. Partnerships have been extended in Turkmenistan and Russia through different business models.

Market access has been achieved in the Philippines and Hong Kong with the first regulatory approvals obtained.

The first sale has been conducted in the field of oncology in Paraguay. Successful launches have been completed in cardiology in Ghana, hematology in Jordan, and ophthalmology in Qatar.

In Iraq, numerous new products in the respiratory and ophthalmology fields have been introduced to the market with new partners, thereby expanding the existing portfolio. Additionally, the acquisition of new government tenders in the fields of oncology and hematology has further strengthened the position in the market.

Promotional Activities in the International Arena

DEVA has demonstrated a strong commitment to enhancing its presence and visibility on a global scale by actively participating in some of the most significant pharmaceutical events worldwide, opening up to more partnerships, while simultaneously strengthening its relationships with existing partners.

International Business Development Projects

In 2023, the mission to provide new generic drugs to reference markets and patients continued, with investments made into company resources to identify the most crucial generic drugs for the global supply chain. As a result of these efforts, DEVA has added numerous new pharmaceutical products to its robust portfolio.

Congresses and Exhibitions Participated in International Markets:

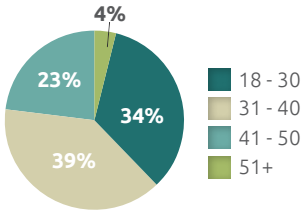
- PharmaSynergy Barcelona, February 2023
- EuroPLX Lisbon, March 2023
- DCAT New York, March 2023
- BePharma Mexico City, April 2023
- EuroPLX Netherlands, June 2023
- CPHI Barcelona, October 2023



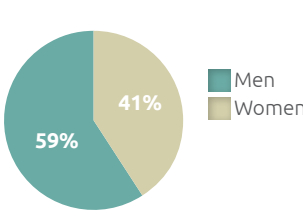
HUMAN RESOURCES AND DEVELOPMENT

DEVA Holding, in view of the fact that it will gain more competitive power with high-profile employees, continues to generate employment, primarily in R&D, field promotion and manufacturing facilities, in 2023, its 65th anniversary, as well. Career opportunities offered to employees were kept in place, and internal resources were prioritized, especially in promotions. DEVA continued to utilize systems that enable the appointment of employees to appropriate positions through assessment center practices and Promotion Committee evaluations. As a result, as of the end of 2023, the demographic structure of the company is as follows:

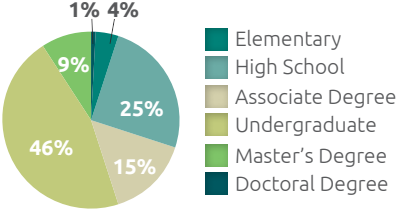
Age-based Distribution



Gender Distribution



Educational Distribution



As in previous years, in 2023 DEVA continued to recruit interns as part of its Human Resources policy in order to contribute to the development of vocational high school students and to support university students in shaping their careers, during their education. Internship placement agreements were signed with leading universities in Türkiye. Internship opportunities in various departments of DEVA Holding were offered to university students during the summer and to vocational high school students during the winter, contributing to the development of young talent and introducing them to business life while they were still students. In addition, DEVA Holding and the wider pharmaceutical industry were introduced to the students enrolled in Faculties of Pharmacy and Chemical Technologies Programs through career days at universities and by organizing factory tours.

Our collaboration with Istanbul University Faculty of Pharmacy continued in 2023 with a mentoring project and career planning seminars within the scope of the “360 Degrees Education Program in the Pharmaceutical Industry”. The 4th year students of the Faculty of Pharmacy who took part in this special training program were provided the opportunity to take part in various scientific projects and gain experience in the pharmaceutical industry through their participation in face to face courses given by our R&D managers. Within the scope of the “TÜBİTAK 2247-C Intern Researcher Scholarship Program (STAR)”, 3rd and 4th year students from Faculties of Pharmacy, and Departments of Chemistry and Chemical Engineering were provided with internship opportunities in various departments. The Company participated in the “TÜBİTAK 2244 - Industrial Doctorate Program” and students pursuing their doctoral degrees in the Pharmacy and Analytical Chemistry at designated universities were employed as “Doctoral Scholars” in the framework of R&D. Thus, the students were supported in shaping their careers during their studies.

In order to engage with young talents in the increasingly digitalized world and to raise awareness about our brand as an employer, by offering them internship and job opportunities, we continued our cooperation with the Youthall platform and reached out to young talents through the platform.

In 2023, the Orientation Process Enhancement and Buddy System Project was completed. This project aimed to enhance the

orientation experiences of DEVA employees from the perspective of employee experience and to implement the Buddy application as an effective mechanism in the onboarding process. It has been integrated with the Digital Onboarding process.

As part of the Career Management System project, the DEVA Career System has been restructured with the Potential - Performance approach, and the project design processes have been completed. The project aims to design a planning process for employee development to identify their potentials and prepare them for future roles. Additionally, the ‘Our Values’ and ‘DEVA Competency Matrix’ have been revised as part of this project.

The DEVA Performance Management System has been restructured with target-based performance evaluation and competency assessment as part of the Career Management System project; both performance and competency assessments were conducted in 2023. It has been continued to be integrated with Training and Development, Recruitment and Selection, and Promotion processes.

The DEVA Family organized a blood donation campaign at the Head Office and all our production facilities. The blood donated by our employees was delivered to patients in need, by the Red Crescent Society. This social responsibility project set an example for DEVA employees to act ethically and responsibly towards the society, once again emphasizing the importance of human health and the necessity for major companies to lead the way in challenging times, providing ongoing assistance in line with their corporate responsibility.

Many events such as celebrations, holidays, happy hours and award ceremonies were organized to boost employee motivation, unity and solidarity. The creativity of employees was supported, with new ideas and projects they develop being evaluated and rewarded.

The “Nominate-Win” program enables employees to suggest candidates who are well in tune with DEVA’s corporate culture and values, for open positions. In turn, the employees who recommended the candidates are rewarded in the event that the recommended candidates are hired.

HUMAN RESOURCES AND DEVELOPMENT

In order to support success, scholarships are offered to successful children of DEVA Family members who are studying Medicine, Pharmacy, Chemistry, Chemical Engineering, Biology, Chemical-Biological Engineering, Molecular Biology and Genetics, Genetics and Bioengineering, Biochemistry, Bioengineering, Biotechnology, Molecular Biotechnology, Veterinary Medicine and Dentistry.

In line with our strategic objectives, specialized training programs have been implemented in 2023 to focus on the personal and professional development of our employees, while also providing opportunities for each individual to discover and maximize their potential. Additionally, we have supported their participation in both domestic and international training events, enabling our employees to gain global knowledge and experience.

To support our managers’ leadership vision and foster diverse perspectives, various seminars and speaker events have been organized. Within this framework, efforts have continued with online and classroom interactive programs aimed at enhancing the leadership skills of our mid-level managers and improving the communication and relationship management competencies of employees in other positions. Additionally, new training programs tailored to the current needs of the period have been designed and implemented.

The trainings organized for our field promotion staff have been developed with a pioneering approach inspired by coaching perspectives, aiming to maintain their leadership positions in shaping the future.

The Devakademi training portal’s development catalog continued to support our employees’ personal growth in 2023 with thousands of resources ranging from professional development to leadership skills, from personal life to new world skills. The Individual Development Planning System (GPS) was continued in 2023, guiding employees to define their own learning journeys and focus on career goals.

In order to further enhance our employees’ rapid adaptation to the changing world and international business dynamics, the foreign language training process was strengthened in 2023 and enriched with various language alternatives.

Continuing to utilize technological solutions tailored to the demands of the digital age, such as virtual classrooms, videos, e-exams, podcasts, e-learning, webinars, and mobile learning, we have provided impactful learning solutions accessible to all employees across all locations. This approach enables us to cater to our employees’ diverse learning styles, fostering a more interactive and personalized learning culture that encourages continuous development and curiosity.

All Human Resources and Development activities have been successfully conducted to support DEVA’s mission, vision, strategies, and to ensure its achievement of future goals.



MANUFACTURING FACILITIES

DEVA HOLDING ÇERKEZKÖY-I MANUFACTURING FACILITIES

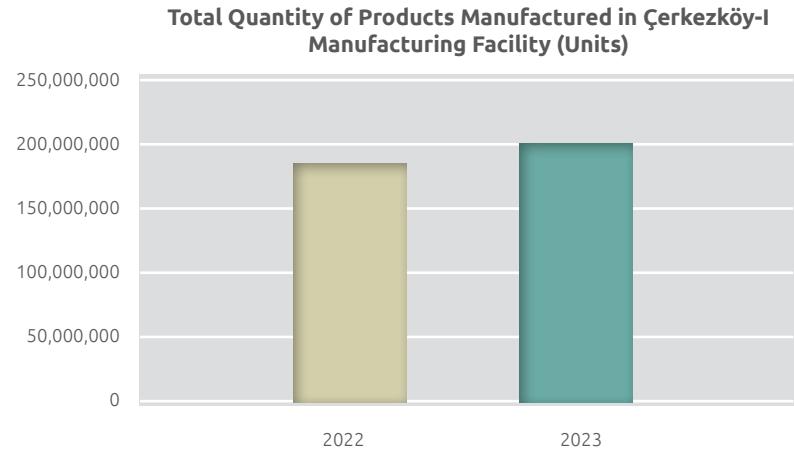


DEVA Holding Çerkezköy-I Manufacturing Facility has an enclosed area of 43,000 m² established on an area of 52,000 m² in the Çerkezköy Organized Industrial Zone, at a distance of approximately 110 km from Istanbul.

The facility is made up of modern buildings where liquids/semi-solids and solids, cephalosporin, penicillin, hormone products, inhaled products, sterile liquid ampoules and vials and soft gel capsules are manufactured.

While a total of 183 million units were manufactured in the manufacturing facility in 2022, 201.7 million units were manufactured in 2023.

The number of units manufactured in 2023 increased by 18.7 million units compared to 2022, which corresponds to an increase of 10%.



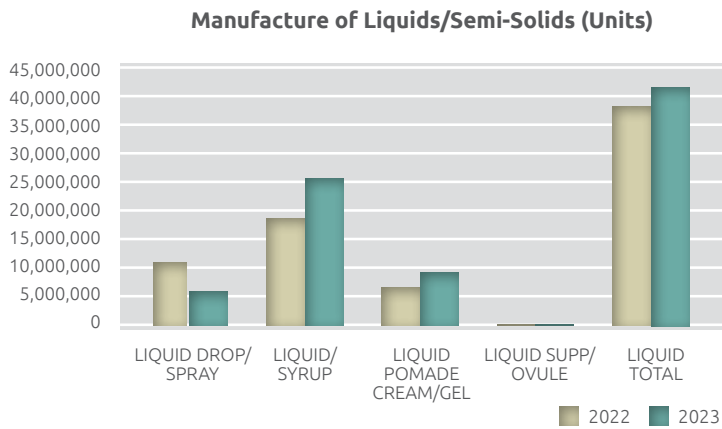
MANUFACTURING FACILITIES

Liquids/Semi-Solids and Solids Manufacturing Unit

In the Liquids/Semi-Solids Manufacturing Unit, medicines in the form of syrup, drops and spray, cream and gel, suppositories and ovules are manufactured with state-of-the-art technology.

In this unit, where a total of 37.5 million units of products were manufactured in 2022, a total of 40.9 million units, including 31.6 million units of syrups-drops and sprays and 9.3 million units of pomades, gels, suppositories and ovules, were manufactured in 2023.

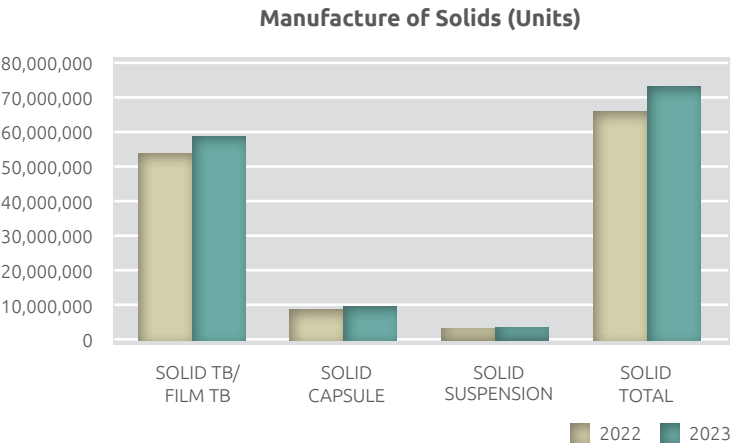
The quantity manufactured in the Liquids Manufacturing Unit in 2023 on a unit basis increased by 9% compared to 2022, with 3.4 million more units manufactured.



In the Solids Manufacturing Unit, medicines in the form of tablets/film tablets, capsules, and powders for suspension are manufactured with state-of-the-art technology.

In this unit, where 65.9 million units of products were manufactured in 2022, a total of 72.8 million units of products were manufactured in 2023, including 69.2 million units of tablets/capsules and soft gel capsules, and 3.6 million units of suspensions.

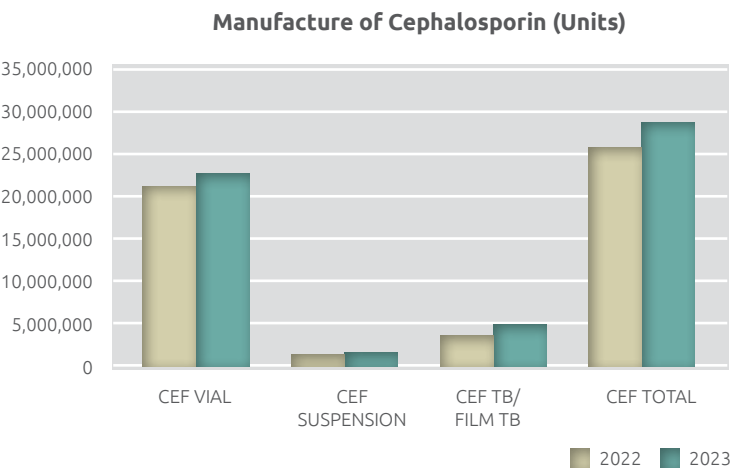
The quantity manufactured in the Solids Manufacturing Unit in 2023 on a unit basis increased by 10% compared to 2022, with 6.9 million more units manufactured.



Cephalosporin Manufacturing Unit (Beta-lactam I)

While 26.3 million units were manufactured in the Cephalosporin Manufacturing Unit in 2022, 22.8 million units of sterile powder vials for injection, 1.9 million units of oral suspension, 5 million units of film coated tablets and capsules, totaling 29.7 million units, were manufactured in 2023.

The quantity manufactured in the Cephalosporin Manufacturing Unit in 2023 in terms of units increased by 13% compared to 2022, with 3.4 million more units manufactured.

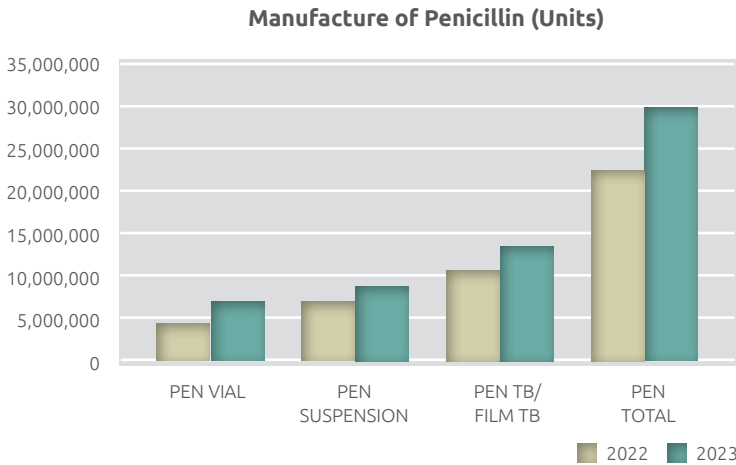


MANUFACTURING FACILITIES

Penicillin Manufacturing Unit (Beta-lactam II)

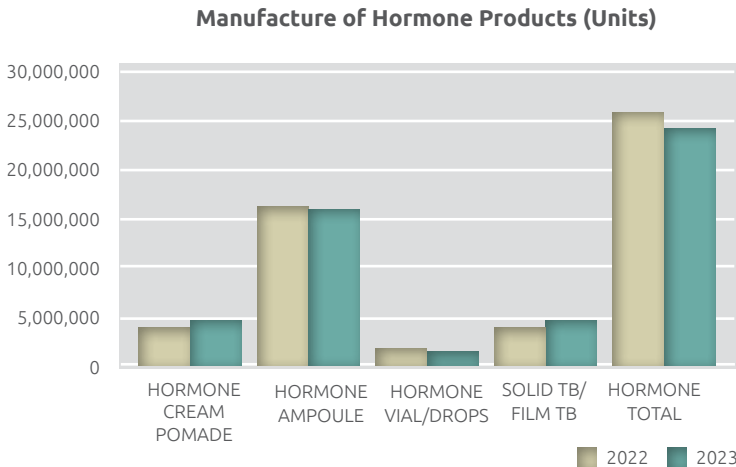
While 22.6 million units were manufactured in the Penicillin Manufacturing Unit in 2022, 7.1 million units of sterile powder vials for injection, 8.8 million units of oral suspension, 13.7 million units of film coated tablets, totaling 29.7 million units, were manufactured in 2023.

The quantity manufactured in the Penicillin Manufacturing Unit in 2023 on a unit basis increased by 31% compared to 2022, with 7.1 million more units manufactured.



Hormone Products Manufacturing Unit

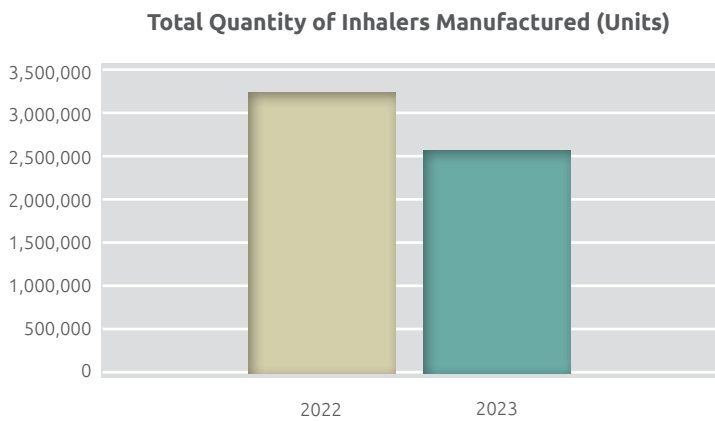
While 25.9 million units were manufactured in the Hormone Products Manufacturing Unit in 2022, 4.7 million units of cream/pomade, 4.6 million units of solid tablets and film tablets, and 15.2 million units of sterile ampoules, vials and drops, totaling 24.5 million units, were manufactured in 2023.



MANUFACTURING FACILITIES

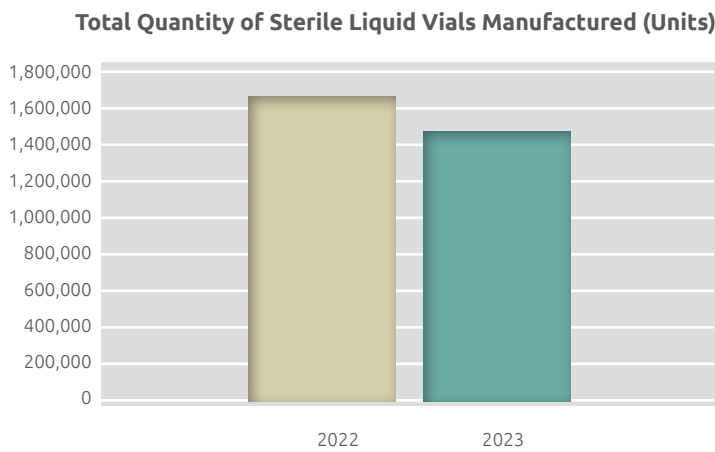
Inhaled Products Manufacturing Unit

While 3.3 million units were manufactured in the Inhaled Products Manufacturing Unit in 2022, 2.6 million units were manufactured in 2023.



Sterile Liquid Ampoules, Vials and Soft Gel Capsules Manufacturing Unit

While 1.7 million units were manufactured in the Sterile Liquid Ampoules and Vials Manufacturing Unit in 2022, 1.5 million units were manufactured in 2023.



MANUFACTURING FACILITIES

DEVA HOLDING ÇERKEZKÖY-II MANUFACTURING FACILITIES



DEVA Holding Çerkezköy-II Manufacturing Facility, which has enclosed facilities of 50,270 m² established on an area of 67,551 m² in Çerkezköy Organized Industrial Zone, at a distance of approximately 110 km from İstanbul, is made up of modern buildings manufacturing solid oncology products, sterile liquid oncology products, animal health products and APIs.

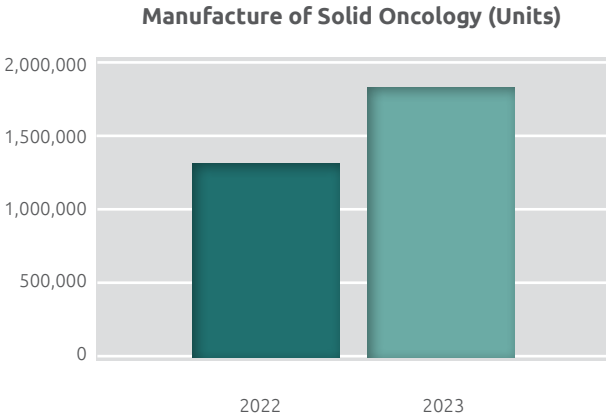
Çerkezköy-II Manufacturing Facility also houses the Biotechnology Building, the Central Stability Building, and the R&D Center Buildings, each dedicated to their respective fields of operation.

The production site approval for the High Potent Production Building, for which construction and equipment installations have been completed, was obtained in the first quarter of 2023, initiating operations.

Solid Oncology Manufacturing Unit

Products in the form of tablets and capsules are manufactured in the Solid Oncology Manufacturing Unit.

The total quantity manufactured, which was 1.3 million units in 2022, increased by 42% to 1.8 million units in 2023.



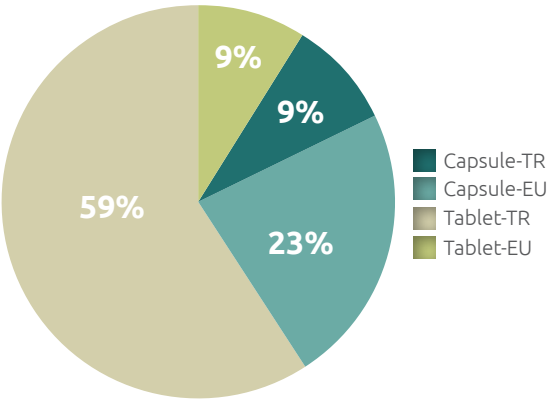
MANUFACTURING FACILITIES

Of a total of 1.84 million units manufactured in 2023, 0.57 million units were manufactured in the form of capsules and 1.27 million units in the form of tablets.

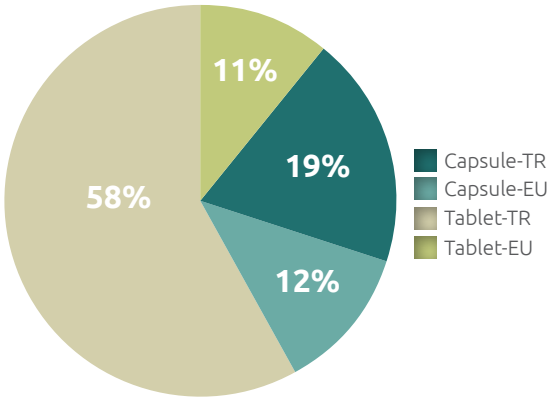
In addition, 0.2 million of 1.27 million units of products manufactured in tablet form and 0.2 million of 0.57 million capsules were manufactured for the European market.



Distribution of Solid Oncology Products in 2022



Distribution of Solid Oncology Products in 2023



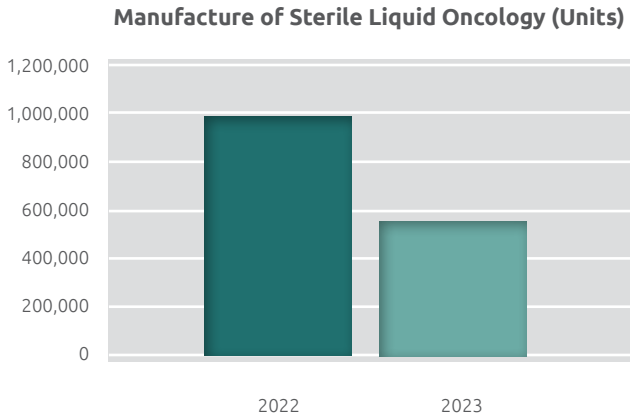
MANUFACTURING FACILITIES

Sterile Liquid Oncology Manufacturing Unit

Products in the form of sterile liquid and sterile lyophilized powder are manufactured in the Sterile Liquid Oncology Manufacturing Unit.

The total quantity manufactured in the unit, which was 1 million units in 2022, was realized as 0.58 million units in 2023.

Of 0.58 million units of products, 0.41 million units were liquid products and 0.17 million units were lyophilized products.

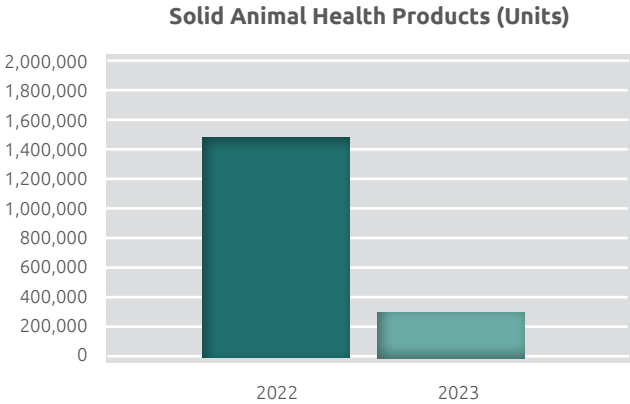


MANUFACTURING FACILITIES

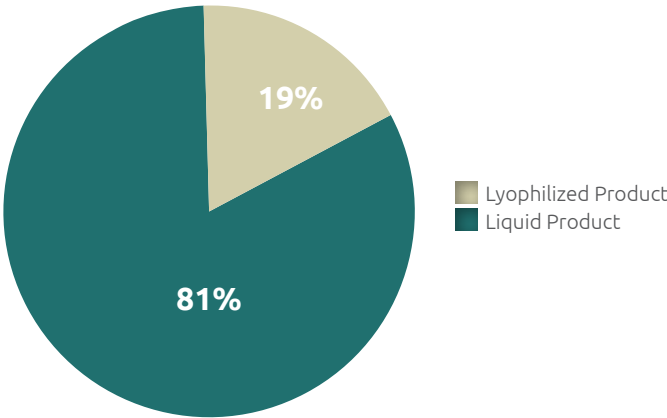
Non-Sterile (Solid) Animal Health Products Manufacturing Unit

Animal health products are manufactured in the NonSterile (Solid) Animal Health Products Manufacturing Unit, 7 of which are in tablet form, 11 in powder form filled in small and large sachets.

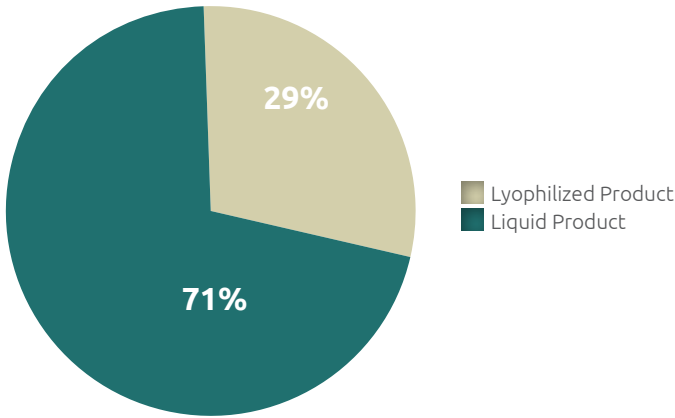
The total quantity manufactured in the unit, which was 1.47 million units in 2022, realized as 0.32 million units in 2023. 0.27 million units of these products are in tablet form while 0.05 million units are in powder form.



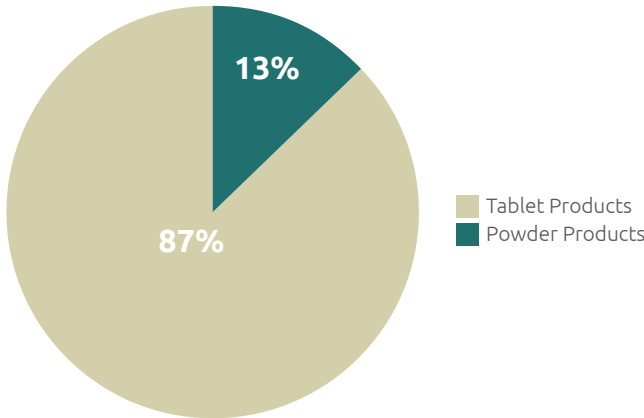
Distribution of Sterile Liquid Oncology Products in 2022



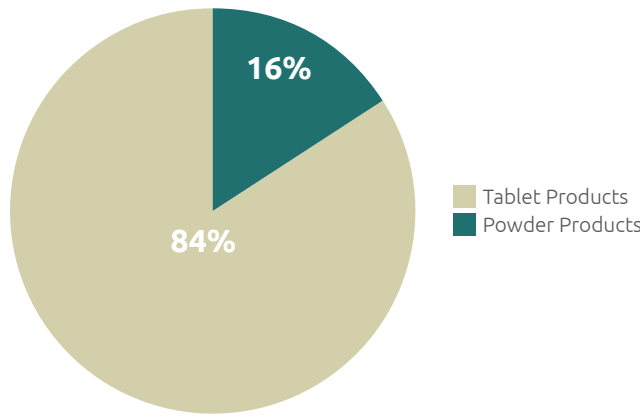
Distribution of Sterile Liquid Oncology Products in 2023



Distribution of Solid Animal Health Products in 2022



Distribution of Solid Animal Health Products in 2023



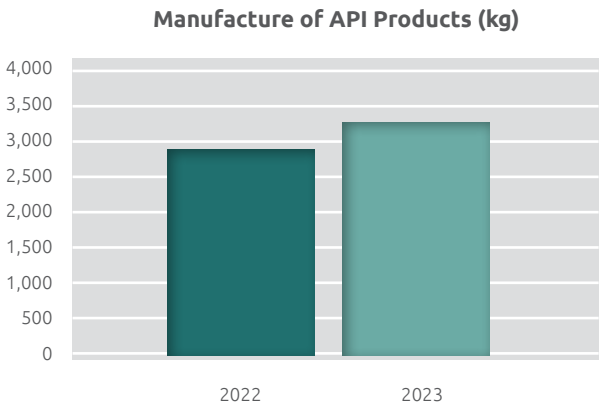
MANUFACTURING FACILITIES

API (Active Pharmaceutical Ingredient) Manufacturing Units

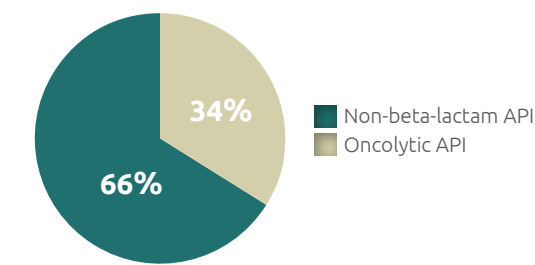
The facility has two physically separate and independent API Manufacturing Units for manufacture of non-betalactam API and oncolytic API.

The quantity of the API manufactured was 2,749 kg in 2022, while it was 3,142 kg in 2023.

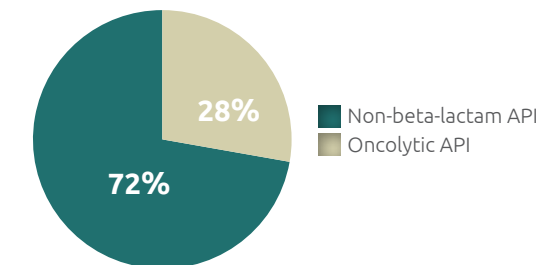
Of the total API quantity of 3,142 kg manufactured in 2023, 2,261 kg was non-beta-lactam API while 881 kg was oncolytic API.



Distribution of API Products Manufactured in 2022



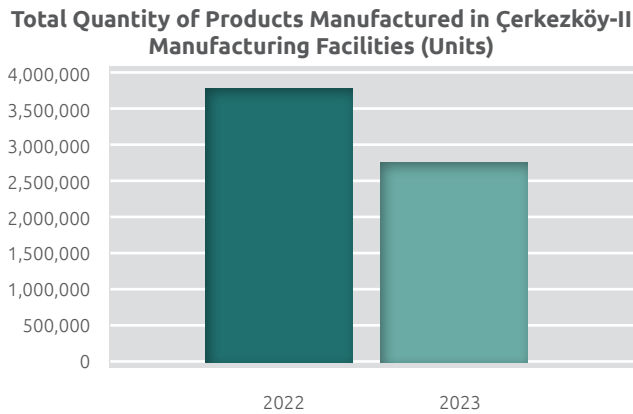
Distribution of API Products Manufactured in 2023



In API manufacturing, the toxic gases arising from reaction are neutralized before being released to the atmosphere to minimize the environmental effects resulting from manufacturing activities.

To sum up, the total quantity of finished products manufactured in the Çerkezköy-II Facility of DEVA Holding was 3.76 million units in 2022, while it was 2.74 million units in 2023.

The total capacity utilization rate of the Çerkezköy Manufacturing Facilities is 89%.



MANUFACTURING FACILITIES

DEVA HOLDING KARTEPE MANUFACTURING FACILITIES

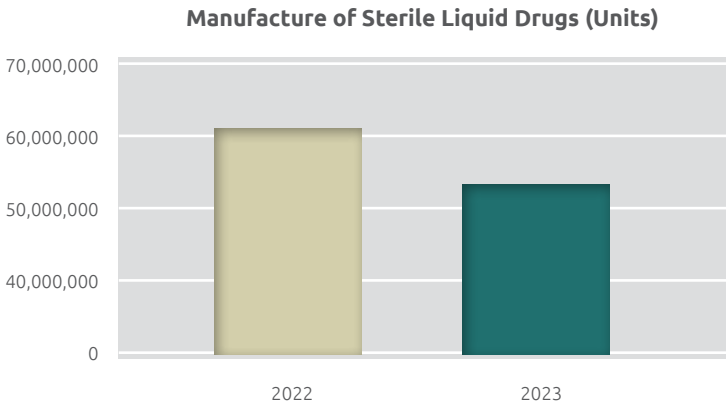


DEVA Holding Kartepe Manufacturing Facilities, located by the İzmit - Ankara highway, in Kartepe, Kocaeli, established on an area of 32,000 m² with an enclosed area of 16,500 m² is made up of modern buildings that manufacture sterile liquid drugs, empty medical ampoules and colognes.

Manufacture of Sterile Liquid Drugs

At Kartepe Sterile Liquid Drug Manufacturing Unit, sterile liquid ampoules for injection, sterile liquid vials for injection, sterile lyophilized liquid vials for injection, sterile liquid eye drops in ready-to-use PE bottles manufactured with the BFS (Blow-Fill-Seal) technology, sterile liquid solvent vials and vials containing inhalation solution for sterile nebulization are manufactured.

At the facility, where a total of 60.6 million units of sterile liquid drugs were manufactured in 2022, a total of 52.9 million units were manufactured in 2023.

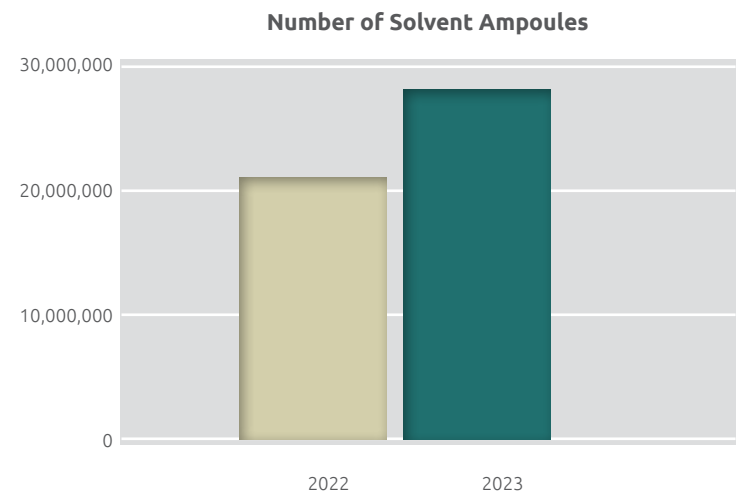
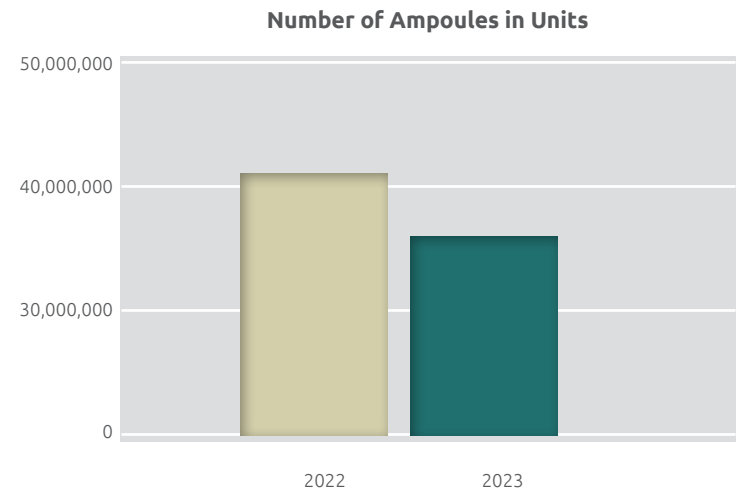


MANUFACTURING FACILITIES

Manufacture of Sterile Ampoules for Injection

At the facility, where a total of 41.4 million units of ampoules and 21.2 million solvent ampoules were manufactured in 2022, a total of 36.3 million units of ampoules and 28.37 million units of solvents were manufactured in 2023.

The total number of single ampoules produced in 2023 is 185 million.



MANUFACTURING FACILITIES

Manufacture of Sterile Liquid Vials for Injection and Sterile Liquid Lyophilized Vials for Injection

At our production line of Sterile Liquid Vials for Injection and Sterile Lyophilized Liquid Vials for Injection, where a total of 13.84 million units of vials were manufactured in 2022, a total of 9.36 million units of vials were manufactured in 2023.

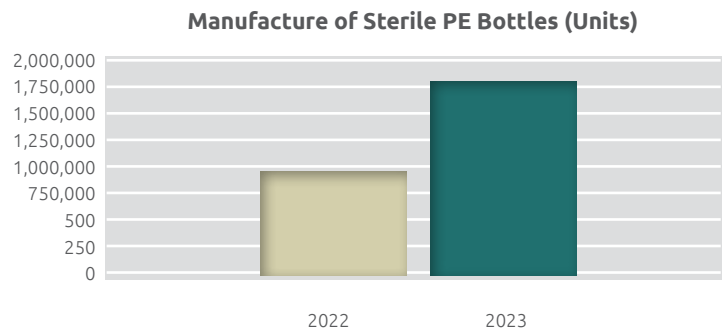
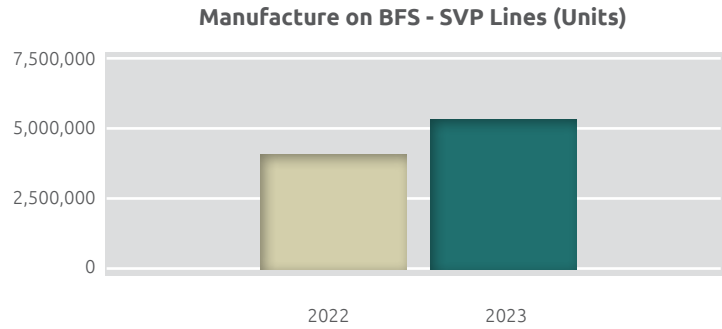
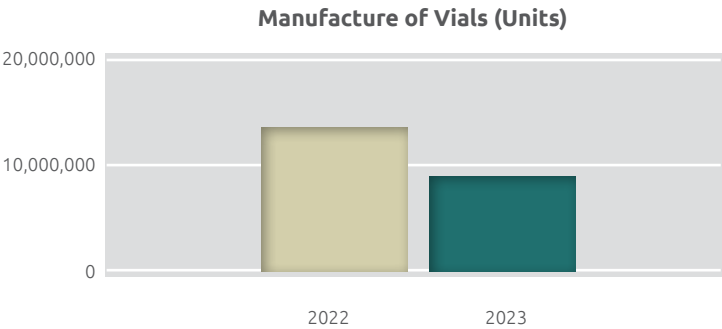
Furthermore, within the year 2023, our vial filling line, integrated with two lyophilizers, has been enhanced with the installation and integration of a third lyophilizer, enabling the line to lyophilize a greater number of products in accordance with its current capacity.

Manufacture of BFS-SVP

At our BFS-SVP production lines, where a total of 4.35 million units were manufactured in 2022, a total of 5.42 million units were manufactured in 2023. An increase of approximately 25% was seen in manufacture compared to 2022.

Manufacture of Sterile PE Bottles

In our filling line of eye drops in sterile PE bottles, where 0.97 million units were manufactured in 2022, a total of 1.82 million units were manufactured in 2023. An increase of approximately 87.6% was seen in manufacture compared to 2022.



MANUFACTURING FACILITIES

Manufacture of Sterile PE Bottles

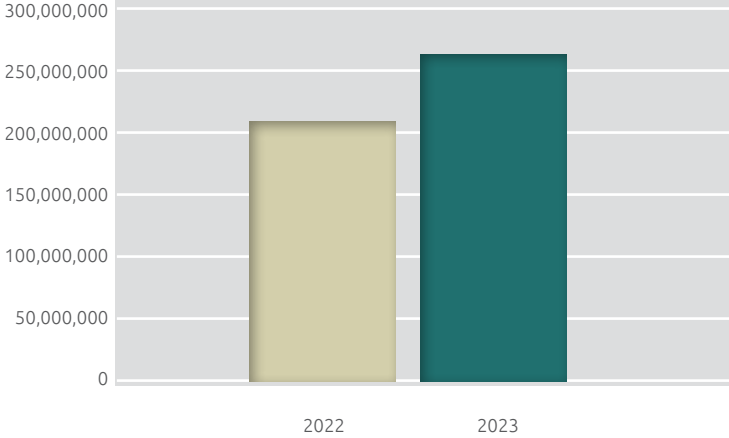
Our empty medical ampoule manufacturing unit meets a substantial part of the market’s need as one of the three leading medical ampoule manufacturing companies in our country.

Our unit, which also has an ISO 9001:2015 certificate, is inspected periodically by TUV Thuringen.

While the number of empty ampoules we manufactured in 2022 was 209.8 million, it was 269.6 million in 2023, seeing an increase of approximately 28.5% compared to 2022.

Additionally, in 2023, the installation of another production line has been completed, enabling the production of empty medical ampoules and vials in various sizes and volumes.

Manufacture of Empty Medical Ampoules (Units)



Manufacture of Cologne

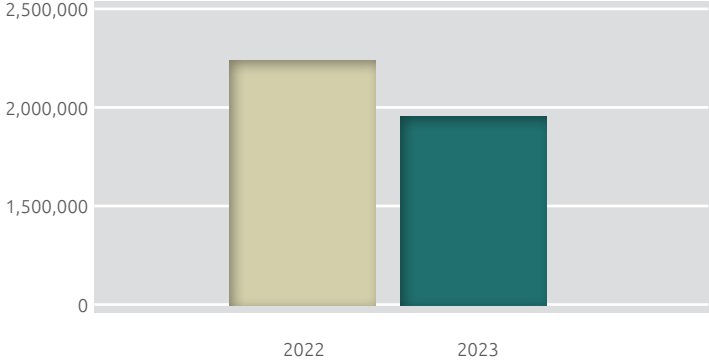
Boğaziçi Kolonyaları, one of Türkiye’s best-selling brand, is produced in line with the Turkish Ministry of Health, Cosmetic GMP practices.

Our unit, which holds an ISO 9001:2015 certificate, is also inspected periodically by TUV Thuringen. While the number of colognes we manu

factured in 2022 was 2.23 million, it was approximately 2 million in 2023.

The total capacity utilization rate of the Kartepe Manufacturing Facilities is 84%.

Manufacture of Colognes (Units)



PRODUCTION INDICATORS

The total human and veterinary products manufactured in our manufacturing facilities on a unit basis was 247.8 million units in 2022 and 257.7 million units in 2023.

The total manufacturing value (drugs and other products) was realized as TRY 5,896.3 million in 2022 and TRY 6,237.0 million in 2023.

DEVA TÜRKİYE REGULATORY AFFAIRS & MARKET ACCESS



DEVA Türkiye Regulatory Affairs & Market Access Department

The DEVA Türkiye Regulatory Affairs & Market Access Department operates under the Regulatory Affairs Directorate, alongside Medical Regulatory Affairs and International Markets Regulatory Affairs.

The department consists of

- Regulatory Affairs
- Market Access
- Government Relations

groups.

In 2023, our product portfolio expanded with the addition of 34 new products, including 29 new approvals in 9 therapeutic areas and 5 dietary supplements.

In total, we currently have 641 registered pharmaceutical products for human use, 2 medical devices, and 20 dietary supplements, with 399 registered products actively marketed, corresponding to 208 molecules.

DEVARGE

As DEVARGE,

Our objectives are to be the pioneer in generic drug development, to make difference by developing value-added products, to develop products for regulated markets and have these products authorized and launched in these markets, to invest into future by adapting new technologies to our company, to develop products with high added value through university - industry cooperation and to make sure that the rights of our company are protected via patent registration.

We work to be the top generic drug manufacturer of Türkiye and to develop high added value products exportable to international markets.

With our strong staff consisting of 416 trained personnel who are experts in their fields as well as laboratories and manufacturing sites equipped with cutting-edge technology, we work to develop innovative products.

We strive to perform R&D activities in compliance with all ethical and legal principles in a manner to meet the expectations of the concerned authorities; prove that the safety, efficacy and quality of the products do not change throughout the shelf life, increase product accessibility, develop sustainable methods to increase efficiency and adapt production to new technologies.

The operating principle requires product quality meeting current standards, and finding new formulations, new dosage forms, and different routes of synthesis and/or new polymorph methods that do not infringe patents for raw materials.

Our long-term goal is to continue being a pioneer in developing generic drugs, ensure vertical integration in strategic products, compete with the world in developing active ingredients and new polymorphs, create a difference by developing products with added value, to continue to develop products for regulated markets (EMA and FDA), increase our competence by adapting new technologies, develop products with high added value by means of cooperation between universities and the industry, and to protect our innovative intellectual property with patent registration.

DEVARGE comprises of Pharmaceutical Development, Analytical Development, Manufacturing Excellence, API Development, CMC Documentation, Patent and Biotechnology units.

DEVARGE contains Pre-formulation and pilot manufacturing area, synthesis and scale-up laboratories, stability area, analytical development laboratories and biotechnology laboratories.



In 2023:

- Alternative sourcing studies have been conducted for active substance of 33 commercial products to reduce costs and overcome potential supply issues.
- Alternative sourcing studies have been conducted for excipients of 25 commercial products to reduce costs and overcome potential supply issues.
- Process improvements have been made for 22 commercial products to enhance efficiency.
- Initial productions of 5 Dietary Supplement products have been completed.
- 3 patent applications have been filed.



VETAŞ

Merged with DEVA Holding in 2016 with no changes in its former structure, Vetaş, operating in the field of manufacturing and marketing veterinary drugs, is among the leading animal health brands in Türkiye.

Offering high-quality solutions in the prevention, diagnosis and treatment of diseases, Vetaş has the widest range of products in the industry with its innovative products.

Evaluating all developments in the industry, which is extremely sensitive to economic developments, and meat, milk and livestock prices, in a timely manner with the right strategies, Vetaş puts weight on future projects with a view to maintain and improve its strong position.

The long-term business partnership activities in line with the goal of increasing our experience of 50 years in the field of animal health products in international markets are continuing. Actively sustaining its licensing activities abroad, Vetaş also and continues its licensing works in Türkiye, both as updates or new products.

Continuing its participation in congresses in the field of animal health, Vetaş participated as a Veterinarian Participant Sponsor in the 6th International Farm Animals Fertility and Udder Health Congress, organized by the Faculty of Veterinary Medicine at Near East University in Belgrade, held on April 27-30, 2023.

On October 26-29, 2023, participation was ensured as the Gold Sponsor at the 10th National & 4th International Congress on Obstetrics and Gynecology organized by the Turkish Veterinary Gynecology Association in Fethiye, where the introduction of our new products was carried out.

The seventh edition of our Vetakademi Campus Training program, initiated to monitor, research, and generate solutions for the issues and needs of the country's livestock, was held in Cyprus from November 2nd to 5th, 2023.

Additionally, participation was ensured as a Supporting Sponsor at the 14th National & 3rd International Veterinary Internal Medicine Congress organized by the Veterinary Internal Medicine Association in Marmaris on November 30 - December 1, 2023.

Vetaş has continued to meet the needs for ensuring healthy, high-quality, safe, and efficient animal food production in 2023, just as it always has. Utilizing its superior technological infrastructure with an awareness of the importance of animal health for human health, Vetaş has emphasized new product development and ongoing projects to expand its product range in line with field dynamics.

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K.Çekmece - İstanbul
Phone: +90 (212) 692 92 92
Fax: +90 (212) 697 02 08
Website: www.vetas.com.tr



ADMINISTRATIVE ACTIVITIES

RISK MANAGEMENT AND INTERNAL CONTROL MECHANISM

The risk management activities of our company are performed under the coordination of Risk Management Committee. Risk Management Committee evaluates the information from the Credit Committee and Internal Audit within the framework of Corporate Risk Management, and prepares and the results of the evaluation and any action plans to mitigate risks and presents them to the Board of Directors.

The credit committee sets the credit limits to be allocated to customers in product purchases and the bases for the securities to be received. It uses the partnership structure, immovable properties, financial status, and intelligence activities about the region in setting limits and securities. It is aimed to keep the security rates on desired levels and minimize doubtful receivable risks by continuous management of customers' open accounts.

Internal Audit Management audits the compliance of the activities carried out by the company with international auditing principles and generally accepted management standards, company's articles of association as well as written policies and practices. Internal Audit Management evaluates all units in terms of management within the framework of the audit plan, and presents audit results to the Risk Management Committee and the Committee Responsible for Audits on a regular basis.

In 2023, internal audit activities were carried out for the company's operations, the risk reports from all units were evaluated, and the findings and recommendations for improvement were presented to the Board of Directors.

THE AMENDMENTS MADE IN THE ARTICLES OF ASSOCIATION WITHIN THE PERIOD AND THEIR RATIONALE

During the period, in accordance with Article 18 of the Capital Markets Law and the Capital Markets Board's Communiqué II.18-1 on the Registered Capital System, the Company's Articles of Association, under the title 'Company Capital,' have been amended to obtain authorization for a new 5-year (2023 – 2027) registered capital ceiling.

REGARDING PARTNERSHIP:

Changes in the Capital Status of the Partnership within the Period

No changes were made within the period.

Audits Carried Out within the Period

No audit was conducted in our company during the period of 01.01.2023 - 31.12.2023.

Information on legislative changes that may significantly affect company operations during the period

None.

Cases filed against the company

The lawsuits filed consist of cases pertaining to labor law, tax law, and commercial law. Detailed information on the matter is provided in footnote number 18.

Information on Conflicts of Interest Between the Institutions from Which the Company's Receives Services for Investment Consulting and Rating, and Information on Measures Taken by the Company to Prevent These Conflicts of Interest

There are no conflicts of interest between the relevant institutions and our company, and provisions that prevent conflicts of interest are included in the contracts made with the institutions.

Collective Agreement Practices

No Collective Agreement with employees exists.

Personnel and Labor Movements

No personnel or labor movements occurred.

ADMINISTRATIVE ACTIVITIES

Severance pay liability

The severance pay liability of DEVA Holding A.Ş. and Group Companies for 01.01.2023 - 31.12.2023 period was TRY 100,362,710 and provisions were made for the entire amount in accordance with the related legislation.

Right and benefits provided to the personnel and laborers

In addition to their wages, according to the requirements and necessities of their duties, lunch, clothing, personnel transportation service, holiday allowance, child and education support, food, fuel, marriage aid, family allowance were provided to our employees and health insurance practices continued by making optional group health insurance or Complementary Health Insurance fully covered by the Company.

Information on the donations made within the period

In the period from January 1, 2023, to December 31, 2023, donations and aid totaling 2,793,785 TL (4,023,942 TL based on the purchasing power as of December 31, 2023) were made to various institutions and associations.

Recognizing our responsibility to improve society’s quality of life and support economic, environmental, cultural and social development, based on the principle “human health is our first priority no matter where in the world”, our company continued the social responsibility activities it performed with non-profit organizations in 2023, and for that purpose, support was provided to meet equipment needs of several education and health institutions.

COMMITTEES AND WORKING PRINCIPLES

Supervisory Committee

Eşref Güneş Ufuk	Chairman (Independent Member of the Board of Directors)
Sengül Soytaş	Member (Independent Member of the Board of Directors)

The Supervisory Committee supervises the accounting system, disclosure of financial information, independent auditing and operation and effectiveness of the company’s internal control system within the framework of the Capital Market Legislation. The Committee also evaluates the issues identified in the framework of their evaluations and reports to the Board of Directors.

Corporate Governance Committee

Eşref Güneş Ufuk	Chairman (Independent Member of the Board of Directors)
Sengül Soytaş	Member (Independent Member of the Board of Directors)
Mesut Çetin	Member (Executive Member of the Board of Directors)

The Corporate Governance Committee monitors the Company’s compliance with the Corporate Governance Principles in accordance with the Capital Market Legislation and the Capital Markets Board Corporate Governance Principles, and carries out improvement activities and presents recommendations to the Board of Directors. The Corporate Governance Committee convenes when deemed necessary. Since “Nomination Committee” or “Wage Committee” has not been established in our Company, the duties of these committees are also fulfilled by the Corporate Governance Committee.

Committee for Early Detection of Risks

Eşref Güneş Ufuk	Chairman (Independent Member of the Board of Directors)
Sengül Soytaş	Member (Independent Member of the Board of Directors)
Mesut Çetin	Member (Executive Member of the Board of Directors)

The Early Risk Detection Committee reports to the Board of Directors by conducting studies for early detection of risks that may endanger the company’s existence, development and continuity, the implementation of the necessary measures for the identified risks and the management of the risk.

ADMINISTRATIVE ACTIVITIES

The Sustainability Subcommittee

Mesut Çetin	Chairman (Member of the Board of Directors / CFO)
Doğan Varinlioğlu	Vice Chairman (Deputy General Manager of Türkiye and International Markets)
Emre Günaydın	Secretary / Member (Strategic Planning & Corporate Communication)
Gülseren Mahmutoğlu	Member (Treasury & Investor Relations)
Gülcan Gümüş	Member (Human Resources and Development)
Aytaç Aysuna Erden	Member (Legal)
Rıza Yıldız	Member (Finance)
Sibel Kayaoğlu	Member (Work Health, Safety and Environment)
Fatma Yanbasan Turp	Member (Quality Operations)
Saniye Yazar	Member (R&D and International Technical Authorization)
Gökhan Kaba	Member (Purchasing)
Murat Aksoy	Member (Production Planning & Logistics)
Serkan Varlık-Mert Uz	Member (International Markets)
İrfan Çinkaya	Member (Biotechnology)
Suat Cingiler	Member (Engineering Projects Coordination)

The Sustainability Subcommittee, reporting to the Corporate Governance Committee, is established to determine the company’s sustainability strategy for environmental, social and corporate governance (ESC), and execute, oversee, supervise, review, improve and develop the company’s sustainability policies, goals and practices.

In 2023, the Supervisory Committee convened 11 times, the Committee for Early Detection of Risks convened 6 times, the Corporate Governance Committee convened 6 times, and the Sustainability Subcommittee convened 2 time, and continued their activities within the framework of their obligations within the scope of CMB Legislation regulations.

The working principles of the committees are available at www.deva.com.tr.

No external consultancy services were received by the committees during the year.

ASSESSMENT OF RISKS AND ADMINISTRATIVE BODY

Early Risk Detection Committee was formed to detect the risks that may compromise the existence early, growth and continuation of our company, to implement the necessary measures against the risks detected, and to perform studies to manage risks.

Financial Risks:

The operating capital need of our company is met by its shareholders’ equity, short- and long-term bank loans in Turkish Lira and foreign currencies, and debt instruments. The increases in exchange rates and interests as a result of possibility of negative market conditions increase the financing costs of the company. Thus, due to economic and geopolitical developments both in the world and in our country, it is expected that the fluctuations in exchange rates and interest rates will adversely affect our profitability. For the purpose of managing the interest risks the company is exposed to, the gains and losses to occur in case of potential changes in interests are measured using sensitivity analyses on the basis of credit portfolio and cash flow projections. In addition, efforts are made to keep the floating rate loans among the total loans at a reasonable rate. Derivative products may be used for protection against exchange risks that may result from both bank loans in foreign currencies and purchases in foreign currencies.

ADMINISTRATIVE ACTIVITIES

Credit Risk of Customers:

The distribution and payment terms of trade receivables are of great importance in terms of risk management. The company tries to decrease receivable risk by performing its transactions only with credible parties, and wherever possible, obtaining securities. While transactions are carried out without any security with Group A customers, securities are requested from Group B and Group C customers such as bank letters of guarantee or collaterals. To minimize the credit risks the company is exposed to, the financial statuses, credit limits and securities of customers are monitored on a regular basis by the Credit Committee.

Strategic Risks:

The drug pricing policy set/to be set by the Ministry of Health (increase in institution discount rates and/or reduction in reference prices, non-revision of the reference exchange rate) may have negative effects on the industry, and consequently on our company. We try to overcome these negative effects by means of new markets, increasing product range, new sales policies, and effectively managed cost-limiting policies.

Operational Risks:

Operational risks are related with events affecting activities such as earthquakes, fire, and environmental accidents and smooth functioning of business processes. Insurable risks are revised on an annual basis and excluded by being insured.

Committee for Early Detection of Risks

Eşref Güneş Ufuk	Chairman (Independent Member of the Board of Directors)
Sengül Soytaş	Member (Independent Member of the Board of Directors)
Mesut Çetin	Member (Executive Member of the Board of Directors)

THE NATURE AND AMOUNT OF THE FINANCING SOURCES AND ISSUED CAPITAL MARKET INSTRUMENTS OF THE ORGANIZATION

The financing sources of our company consist of equity capital, the funds arising from its operations and short- and long-term debts from money and capital markets.

Under the Issuance Document approved by the Capital Markets Board on 15.09.2022 with decision number 50/1354, financial bonds with a nominal value of 150,000,000 TL, maturing in 364 days with coupon and principal repayment at maturity, were issued on 06.10.2023. Additionally, financial bonds with a nominal value of 80,000,000 TL, maturing in 273 days with coupon and principal repayment at maturity, were redeemed on 26.12.2023.

Under the same Issuance Document, financial bonds with a nominal value of 270,000,000 TL, sold on 28.02.2023, with an annual interest rate of 34%, maturing in 364 days with coupon and principal repayment at maturity, were also redeemed on 28.02.2024.

Furthermore, under the Issuance Document approved by the Capital Markets Board on 24.08.2023 with decision number 49/1025, the sale of financial bonds with a nominal value of 250,000,000 TL, bearing an annual interest rate of 46%, maturing in 364 days with coupon and principal repayment at maturity, was completed on 14.09.2023. Additionally, the sale of financial bonds with a nominal value of 200,000,000 TL, bearing an annual interest rate of 47%, maturing in 364 days with coupon and principal repayment at maturity, was completed on 05.10.2023, and the sale of financial bonds with a nominal value of 200,000,000 TL, bearing an annual interest rate of 47%, maturing in 364 days with coupon and principal repayment at maturity, was completed on 15.11.2023.

INVESTMENTS

In the 01.01.2023-31.12.2023 period, TRY 493,637,784 was invested in DEVA Holding A.Ş. and Group Companies, for Management Building, Plant, Machinery and Equipment, and Fixtures, TRY 1,366,738,191 for R&D, Registration and Licenses, amounting to a total of TRY 1,860,375,975.

Our company, which holds a R&D center certificate, benefits from monetary support provided for Tübitak-approved R&D projects as well as tax and social security institution discounts for all projects under the R&D center. Maximum 60% of the total amount of expenses that are evaluated and approved by TÜBİTAK are paid as monetary support.

In 2023, incentivized expenditures amounting to TRY 628,822,475 TL were made under Tübitak-supported projects or within the scope of the R&D center.

In the same period, TRY 54,474,839 was spent for DEVA Kartepe facilities within the scope of the incentive certificate number 501317 received on 30.10.2018; TRY 427,005,337 was spent withing the scope of the incentive certificate numbered 525422 received for Çerkezköy facilities on 26.05.2021, and no expenditure has been realized within the scope of incentive certificate numbered 136611 dated 17.04.2018 for Çerkezköy facilities.

Incentivized expenses have various advantages in terms of VAT and Customs Tax exemption, Corporate Tax exemption, Reduced Corporate Tax and other taxes.

The background of the slide is a close-up, high-resolution image of a leaf's venation. The veins are a light, yellowish-green color, creating a complex, branching network against a darker teal background. The pattern is organic and fills the entire frame.

Subsidiaries and Related Companies

INFORMATION ON THE SUBSIDIARIES AND RELATED COMPANIES

DEVA Subsidiaries

DEVATIS LTD

The company was established to sell and distribute medicinal products for human use and veterinary drugs in New Zealand and Australia

DEVATIS GmbH

The company was established to sell and distribute medicinal products for human use and veterinary drugs in Germany.

DEVATIS AG

The company was established to sell and distribute medicinal products for human use and veterinary drugs in Switzerland.

DEVATIS INC.

The company was established to sell and distribute medicinal products for human use and veterinary drugs in the USA.

DEVATIS DE MEXICO, S.DE RL. DE C.V.

The company was established to sell and distribute medicinal products for human use and veterinary drugs in Mexico.

DEVATIS PTY.LTD

The company was established to sell and distribute medicinal products for human use and veterinary drugs in Australia.

DEVATIS CANADA INC

The company was established to sell and distribute medicinal products for human use and veterinary drugs in Canada.

DEVATIS d.o.o. BEOGRADE

The company was established to sell and distribute medicinal products for human use and veterinary drugs in Serbia.

DEVATIS B.V. (*)

The company was established to sell and distribute medicinal products for human use and veterinary drugs in the Netherlands.

(*) Establishment procedures were completed on 12.02.2024.

INFORMATION ON THE SUBSIDIARIES AND RELATED COMPANIES

Subsidiaries

DEVA Holding holds 100% stake in Devatis Ltd, which was established in New Zealand in order to sell and distribute its products abroad, Devatis GmbH, established in Germany, Devatis AG, established in Switzerland, Devatis Inc. established in America, Devatis de Mexico S. De RL. De.Cv established in Mexico, Devatis Pty Ltd established in Australia, Devatis Canada Inc. established in Canada, Devatis d.o.o. Beograde established in Serbia, and Devatis B.V. in the Netherlands.

Other Related Companies

Operating in field of production and marketing of medicinal products for human use, active pharmaceutical ingredients and veterinary drugs and having its registered office in Luxembourg, Eastpharma S.a.r.l. is the major shareholder of DEVA Holding with a share of 82.20%. Eastpharma S.a.r.l. is also the major shareholder of Saba İlaç San. ve Tic. A.Ş. operating in pharmaceutical industry in Türkiye with a share of 99.99%.

Information on Commercial Relations with Subsidiaries and Related Companies

EastPharma S.a.r.l. has transferred, on a time-limited basis, the rights in 9 products in which it holds the license and right to sale, to DEVA Holding through agreements with the Roche company operating in the pharmaceutical industry. Also in this period, the marketing of the products in question continued, and Eastpharma S.a.r.l. gained royalty revenue from DEVA Holding through the sales of these products in Türkiye.

Saba İlaç purchases contract manufacturing services from DEVA Holding. In this context, Saba products are produced and stored by DEVA Holding as subcontractors. DEVA Holding provides R&D service to Saba at its R&D Center, whereby it carries out studies on Saba products and performs pilot production. In addition, Saba company purchases financial, administrative and marketing/promotional services from DEVA Holding. The overseas sales of Saba drugs are also partially made by DEVA Holding.

Affiliation Report of Transactions made with the Holding Company and Subsidiaries

In accordance with Article 199 of Turkish Commercial Code No. 6102 effective as of 1 July 2012, the Board of Directors of DEVA Holding A.Ş. is obliged to prepare a report regarding its relationship with the holding company and subsidiaries affiliated with holding company in the previous operating year within the first three months of the operating year and include the conclusion of this report in the annual report. The necessary explanations regarding the transactions made by DEVA Holding A. Ş. with the related parties are included in the footnote of the financial table no.7. Besides, the Board of Directors of DEVA Holding has prepared this Affiliation Report in accordance with related provision of the said law.

In this report issued by the board of directors of our Company, it has been concluded that, in all transactions made by our company with the holding company and subsidiaries of the holding company within 2023, a suitable counter performance was obtained in every transaction and there is not action taken or failed to be taken, resulting in a harm to the company, and within this framework, there is not any transaction or action, or non-action to require compensation according to circumstances and conditions known to us at the time of the transaction.



CONCLUSION

Operating Period

Operating Period has resulted in a net profit of as follows:

- An amount of TL 3,385,418,491 TL after tax according to consolidated financial statements related to the period between 01.01.2023-31.12.2023 audited within the freamework of the provisions of the communiqué Number II-14.1 of the Capital Markets Board in compliance with to the Turkish Accounting/Turkish Financial Reporting Standards (TMS/TFRS) by the independant auditor DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş
- and net profit in the amount of TL 2,647,406,478.68 after tax according to the individual financial statements of DEVA Holding, drawn up within the framework of the relevant provisions of Tax Procedure Code No. 213 and Turkish Commercial Code.

Previous years’ losses arising from the inflation adjustment of the financial statements dated 31.12.2023 in accordance with the provisions of the Tax Procedure Law, inflation occurring in the accounts of legal reserves, extraordinary reserve funds and capital adjustment positive differences in accordance with the 5th and 7th paragraphs of the Repeated Article 298/A of the Tax Procedure Law. adjustment differences are offset.

We respectfully submit for the approval of the General Assembly that, in accordance with the Capital Market Legislation, all relevant legal regulations, Article 20 of the Company’s Articles of Association and our Company’s profit distribution policy as approved by the General Assembly Meeting dated 15.04.2019, the profit distribution as of 25 June 2024 related to the first and second dividend total gross profit amounting to TL 50,004,821.95 corresponding to the gross cash dividend of TL 0.25 and net TL 0.2250 per share with a nominal value of TL 1, corresponding to approximately 1.48% (25% of issued capital) of the total distributable net profit for the 2023 accounting period, to right holders as per the profit distribution table prepared within the framework of the relevant legal regulations.

We respectfully submit to the approval of the General Assembly.

DEVA HOLDİNG A.Ş.
Board of Directors

STATEMENT

DECISION OF THE BOARD OF DIRECTORS ON THE ACCEPTANCE OF FINANCIAL STATEMENTS AND ANNUAL REPORTS

RESOLUTION DATE : 17.05.2024
RESOLUTION NO : 2024/15

STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS REGARDING ACCEPTANCE OF FINANCIAL STATEMENTS AND ANNUAL REPORTS IN ACCORDANCE WITH ARTICLE 9 OF THE SECTION TWO OF “THE COMMUNIQUE ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKET” OF CAPITAL MARKETS BOARD

We hereby state that:

In accordance with “Communiqué on Principles in Relation to Financial Reporting in Capital Market (II-14.1)” (the Communiqué) of the Capital Markets Board (“CMB”) for the accounting period of 01.01.2023 - 31.12.2023, prepared by our Company and independently audited by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., and based on the CMB regulations, the consolidated financial statements prepared in line with the formats specified by Turkish Accounting Standards / Turkish Financial Reporting Standards (“TAS/TFRS”) and the annual report prepared in line with the Turkish Code of Commerce and CMB Communiqué;

- a) Have been reviewed by us,
- b) Are within the framework of information we have in our field of duty and responsibility in our company, and do not contain explanations contrary to facts on significant subjects or do not contain any deficiency which may result in the explanation being misleading as of the date on which it is made,
- c) And are within the framework of information we have in field of duty and responsibility in our company, consolidated financial statements prepared according to financial reporting standards in force reflect the real situation relating to assets, liabilities, financial position and profit and loss of our company fairly and the annual report reflects the development and performance of the business, financial position of our Company fairly, including the significant risks and uncertainties faced by our company.

Best Regards,

Eşref Güneş UFUK
Chairman of the
Audit Committee

Mesut ÇETİN
Vice-Chairman of the Board
of Directors/CFO

Rıza YILDIZ
Director, Financial Reporting and
Accounting

CORPORATE GOVERNANCE PRACTICES

DIVIDEND DISTRIBUTION

The “Profit Distribution Policy” of our company is determined in accordance with the Turkish Commercial Code, Capital Markets Legislation, Tax Legislation and other relevant legislation and in line with the proposal of the Board of Directors and the resolution of the General Assembly in accordance with the provisions of the articles of association.

The Company intends to distribute 5% of the issued capital as cash and / or share. However, this amount shall not exceed 30% of the net distributable profit for the period. In the implementation of this policy, the financial position of the Company, fund requirement due to mid- and long-term growth and investment strategies, conditions of the sector, the country and global economic conjunctures, capital requirements of its subsidiaries and affiliates, investment and financing policies, profitability and cash position are taken into consideration.

The Board of Directors decides on dividend distribution for each accounting period, the proposal for distribution of the profit or the proposal for not distributing of the profit together with its rationale is disclosed to the public in accordance with the legislation and announced on the website of the Company. The General Assembly may accept or reject the proposal.

In the profit distribution, each of our stakeholders has the right to receive dividends in proportion to its share. Dividends are distributed equally to all existing shares as of the date of distribution, regardless of their date of issue and acquisition.

Dividend distribution commences on the date to be determined by the Board of Directors, provided that it is authorized by the General Assembly or the General Assembly by the end of the year in which the General Assembly meeting is held at the latest.

Since the Company’s articles of association do not contain any provision for advance dividend distribution, no advance dividend is distributed. The Company may consider paying dividends in equal installments or in different installments in accordance with applicable legislation.

According to our consolidated financial statements, a post-tax profit of TRY 1,360,224,221 was earned, and, according to the solo financial statements developed in line with the relevant provisions of the Turkish Commercial Code and the Tax Procedures Law no. 213, a profit of TRY 1,341,706,226.46 was earned in the 2022 operating period, and, in accordance with the Capital Market Legislation, all relevant legal regulations, Article 20 of the Company’s Articles of Association and our Company’s profit distribution policy and as per the dividend distribution table prepared in accordance with the Company’s Articles of Association and related legal regulations, first and second dividend total gross profit of TRY 30,002,893.17 equating to approximately 2.21% of the total distributable net profit for the 2022 accounting period (15% of the issued capital), and corresponding to a gross cash dividend of TRY 0.15 (net TRY 0.1350) for each share with a nominal value of 1 TL, profit to be given to other beneficiaries has been distributed as of 08.05.2023.

BOARD OF DIRECTORS

Board of Directors	Role	Beginning Date of Tenure	Roles in the Company
Philipp Haas	Chairman of the Board of Directors	14.07.2006	CEO
Mesut Çetin	Vice-Chairman of the Board of Directors	14.03.2008	CFO
Eşref Güneş Ufuk	Independent Member of the Board of Directors	27.09.2018	
Sengül Soytaş	Independent Member of the Board of Directors	01.04.2021	
Ayşecik Haas	Non-Executive Member of the Board of Directors	22.05.2013	

CORPORATE GOVERNANCE PRACTICES

Independence Statements of Independent Members of the Board of Directors
Sengül Soytaş

STATEMENT OF INDEPENDENCE

DEVA Holding A.Ş. To the Corporate Governance Committee,

Since I have been nominated as an independent member of the Board of Directors candidate to be discussed at DEVA’s ordinary general assembly meeting for the 2021 accounting period, I have fulfilled the conditions stated in the principles below within the scope of article 4.3.6 in the principles part of the Capital Markets Board’s Corporate Governance Communiqué No. II.17.1 and I comply with these principles. I confirm, declare and undertake that I will act accordingly.

- a) No employment, capital or trade relation was established of a significant nature either directly or indirectly, within the past five years between myself, my spouse and blood relatives up to second degree, or relatives by marriage and DEVA Holding, A.Ş., any of the related parties of DEVA Holding A.Ş., or legal persons with which shareholders holding a share of 5% or more in the capital of DEVA Holding, A.Ş. have relationship
- b) I have not worked nor performed duty as the member of the board of directors in companies carrying on the operation and organization of the company wholly or partially within the framework of agreements made, mainly in companies carrying out auditing, rating and consultancy of DEVA Holding, A.Ş. within the past five years,
- c) I have the sufficient professional education, knowledge and experience to perform duly the tasks I will assume as an independent member of the board of directors,
- d) I will not work full-time at public institutions and establishments after being elected as a member, except for academic membership of university in accordance with the legislation.
- e) I am resident of Türkiye in accordance with the Income Tax Law dated 31.12.1960 no. 193.
- f) I have the strong ethical standards, professional reputation and experience to be able to make positive contributions to the operations of DEVA Holding A.Ş., to protect my independence in conflicts of interest between shareholders and to take decision freely taking into consideration benefit rights,
- g) I will allocate sufficient time to follow-up the functioning of the activities of DEVA Holding A.Ş. and to fully meet the requirements of my duties,
- h) I have not served as a member of the Board of Directors for more than 6 years within the last 10 years,
- i) I do not serve as an independent member of the Board of Directors of more than three companies the management control of which is held by the shareholders who have the control or management control of the Company, or of more than a total of five companies that are publicly traded.
- j) I have not been registered and announced on behalf of the legal person elected as a member of the Board of Directors.

I kindly submit to the knowledge of our board of directors, partners and all related parties.

Yours truly

Date: 19.01.2022
Name, surname: Sengül Soytaş
Signature:

Sengül Soytaş

CORPORATE GOVERNANCE PRACTICES

Independence Statements of Independent Members of the Board of Directors
Eşref Güneş Ufuk

STATEMENT OF INDEPENDENCE

DEVA Holding A.Ş. To the Corporate Governance Committee,

Since I have been nominated as an independent member of the Board of Directors candidate to be discussed at DEVA’s ordinary general assembly meeting for the 2021 accounting period, I have fulfilled the conditions stated in the principles below within the scope of article 4.3.6 in the principles part of the Capital Markets Board’s Corporate Governance Communiqué No. II.17.1 and I comply with these principles. I confirm, declare and undertake that I will act accordingly.

- a) No employment, capital or trade relation was established of a significant nature either directly or indirectly, within the past five years between myself, my spouse and blood relatives up to second degree, or relatives by marriage and DEVA Holding, A.Ş., any of the related parties of DEVA Holding A.Ş., or legal persons with which shareholders holding a share of 5% or more in the capital of DEVA Holding, A.Ş. have relationship
- b) I have not worked nor performed duty as the member of the board of directors in companies carrying on the operation and organization of the company wholly or partially within the framework of agreements made, mainly in companies carrying out auditing, rating and consultancy of DEVA Holding, A.Ş. within the past five years,
- c) I have the sufficient professional education, knowledge and experience to perform duly the tasks I will assume as an independent member of the board of directors,
- d) I will not work full-time at public institutions and establishments after being elected as a member, except for academic membership of university in accordance with the legislation.
- e) I am resident of Türkiye in accordance with the Income Tax Law dated 31.12.1960 no. 193.
- f) I have the strong ethical standards, professional reputation and experience to be able to make positive contributions to the operations of DEVA Holding A.Ş., to protect my independence in conflicts of interest between shareholders and to take decision freely taking into consideration benefit rights,
- g) I will allocate sufficient time to follow-up the functioning of the activities of DEVA Holding A.Ş. and to fully meet the requirements of my duties,
- h) I have not served as a member of the Board of Directors for more than 6 years within the last 10 years,
- i) I do not serve as an independent member of the Board of Directors of more than three companies the management control of which is held by the shareholders who have the control or management control of the Company, or of more than a total of five companies that are publicly traded.
- j) I have not been registered and announced on behalf of the legal person elected as a member of the Board of Directors

I kindly submit to the knowledge of our board of directors, partners and all related parties.

Yours truly

Date: 19.01.2022
Name, surname: Eşref Güneş Ufuk
Signature:

Eşref Güneş Ufuk

CORPORATE GOVERNANCE PRACTICES

Duties and Authorizations of the Members of the Board of Directors
The chairman and members of the Board of Directors possess the duties and authorities specified in the relevant articles of the Turkish Code of Commerce and the Company’s Articles of Association.

Board of Directors Meetings During the Period
During the period, 32 Board of Directors Meetings were held. The meetings were conducted with the participation of all members, and all decisions were made unanimously.

External Roles of the Members of the Board of Directors

Board of Directors	Role	External Roles
Philipp Haas	Chairman of the Board of Directors	- Eastpharma Ltd./Saba İlaç Sanayi ve Ticaret A.Ş. /New Life Yaşam Sigorta A.Ş/ Eastpharma İlaç Üretim Pazarlama San. ve Tic. A.Ş (Chairman of the Board of Directors) - Eastpharma Sarl/Devatis Inc (Member of the Board of Directors) - Devatis Ltd/Devatis Gmbh/Devatis A.G/ Devatis de Mexico, S.DE RL. DE C.V/Devatis Pty Ltd, Devatis Canada Inc, Devatis d.o.o. Beograde and Devatis B.V. (Manager)
Mesut Çetin	Vice Chairman of the Board of Directors	- EastPharma Ltd (Member of the Board of Directors) -Saba İlaç Sanayi ve Ticaret A.Ş. (Member of the Board of Directors-CFO)
Eşref Güneş Ufuk	Independent Member of the Board of Directors	K2C Danışmanlık (Founding Member)
Sengül Soytaş	Independent Member of the Board of Directors	Consultant
Ayşecik Haas	Non-Executive Member of the Board of Directors	New Life Yaşam Sigorta A.Ş (Member of the Board of Directors)

Financial Benefits Provided to the Members of the Board of Directors and Senior Managers
The total amount of financial benefits such as attendance fee, remuneration, premium, bonus, severance pay etc. provided to Members of the Board of Directors and Senior Executives within the period is as follows: TRY 2,478,691 for the Members of the Board of Directors and TRY 435,035,782 for Senior Executives, and the total amount of benefits such as fuel, telephone, etc. is TRY 114,726 for the Members of the Board of Directors and TRY 1,133,258 for Senior Executives, amounting to TRY 438,762,457.

CORPORATE GOVERNANCE PRACTICES

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

DEVA Holding (“DEVA” or “the Company”), with the awareness of the responsibilities it carries towards its stakeholders, has adopted the notions of “equality”, “transparency”, “accountability” and “responsibility”, which form the basis of its corporate management during the activities, and makes maximal effort and shows utmost vigilance to comply with Capital Market Law (CML) and secondary rules and decisions of the Capital Market Board (CMB). DEVA Holding believes in the importance of full compliance with Corporate Governance Principles. In the operating period that ended on December 31, 2023, the Company has adopted and put into practice the corporate governance principles which were set forth in the annex to the Corporate Governance Communiqué and are required by the relevant regulations. Maximal effort is also being made to comply with the voluntary principles that are not required by the relevant regulations, and there has been no conflicts of interest up until now between the stakeholders regarding those principles that have not been fully complied for the time being.

Statements regarding compliance and non-compliance with the corporate governance principles included in the annex to the Corporate Governance Communiqué in the operating period that ended on December 31, 2023 are provided in the Corporate Governance Compliance Report (“URF”) and Corporate Governance Information Form (“KYBF”) and in other relevant parts of the report.

In the future, efforts will continue to be made for better operating the mechanisms within the framework of the said principles of corporate governance practices of the partnership, and to improve our corporate governance practices, including the voluntary principles that are mandatory and a limited number of those that could not be implemented.

Should any changes occur in URF or KYBF during the period, a special case announcement will be made and such changes will also be included in the interim activity reports.

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
Corporate Governance Compliance Report						
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				The donations and grants made during the period were categorized in the General Assembly and offered as information to the shareholders as they are very diverse in terms of institution and amount.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.					X	There have been no such demands
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.			X			As per the Articles of Association, the Company has 10 times the voting right for group C shares have as compared to group A and group B privileged shares.
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	Our Company has no partnerships in which it is in a mutual shareholding relationship.
1.5. MINORITY RIGHTS						

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			The rate applied to minority rights in the Capital Market Law is applied.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	Dividend distribution was made.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.		X				The content of the English website is not exactly the same as the Turkish website and contains more general information.
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.		X				Although there is no provision in the articles of association, employees participate in the management by taking part in the boards.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.		X				Asking the opinions of the stakeholders in important decisions was adopted as principle and the demands and suggestions of stakeholders have been evaluated.
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.		X				Although our company does not have a written employment policy, there are systems to ensure business continuity in terms of organizational structure
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.		X				Since no collective bargaining agreement was made with employees, no representative was appointed, and notifications were made directly to employees.
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.		X				Supported within the legal framework.
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.					X	
3.4.2 - Customers are notified of any delays in handling their requests.					X	

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.					X	
3.4.2 - Customers are notified of any delays in handling their requests.					X	
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.		X				It is stated in the annual report, that the Turkish Commercial Code was complied with regarding the duties and authorities of the members of the board of directors and that a counting method was not adopted
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.			X			The Chairman of the Board of Directors also serves as the CEO because he is the Chairman of the Board of Directors of the main shareholder Eastpharma Ltd and because of his knowledge of the sector from his prior experience.

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.		X				Our director's liability insurance has been fulfilled by our main shareholder
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				Although a target rate of at least 25% and target time regarding the female member percentage in the Board of Directors was not set by our Company, there are two female member in our board of directors.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.		X				Although there is no minimum period based on a documented rule, it was ensured that all members of the Board of Directors were informed before the meeting.
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.			X			Although the Board of Directors meetings are held under certain rules, these rules are not documented in writing.
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				The members of the Board of Directors outside the company are not restricted with respect to external commitments. On the other hand, the duties taken by the members outside the company are presented to the shareholders with the annual report.

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.			X			Since the board of directors of our company consists of 5 people, the same members take charge in different committees.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			Board of directors performance evaluation was not carried out.
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				In parallel with the general practice,wages are disclosed on a individual basis and are given in the breakdown of the Board of Directors and the Senior Executives

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	2
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1131091
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Presented

CORPORATE GOVERNANCE PRACTICES

The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	No situation requiring explanation occurred.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	No situation requiring explanation occurred.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	No situation requiring explanation occurred.
The name of the section on the corporate website that demonstrates the donation policy of the company	Investor Relations-Policies
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/220035 - https://www.kap.org.tr/tr/Bildirim/838334
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	There is no such provision in the articles of association.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	-
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	Evet (Yes)
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	Group A and B privileged shares have a voting right ten times the voting right of Group C shares in terms of right of voting.
The percentage of ownership of the largest shareholder	% 82,2
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	Hayır (No)
If yes, specify the relevant provision of the articles of association.	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations-Profit Distribution Policy

CORPORATE GOVERNANCE PRACTICES

Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	-
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-

General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
28/04/2023	0	% 83,13	% 0,83	% 82,3	Investor Relations-General Assembly-2022	Investor Relations-General Assembly-2022	-	154	https://www.kap.org.tr/tr/Bildirim/1131091

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Investor Relations
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	There is no real person shareholder of more than 5%.
List of languages for which the website is available	Turkish- English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Corporate Governance Practices-Statements of Independence of Independent Members of the Board of Directors-Duties of the Members of the Board of Directors Outside the Company
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Administrative Activities-Committees and Working Principles
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance Practices-Board of Directors Meetings held within the period

CORPORATE GOVERNANCE PRACTICES

c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Administrative Activities-Information on Legislative Changes That Can Significantly Affect Company Activities within the Period
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Administrative Activities-Cases-Consolidated Financial Statements-Litigation Provisions
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Administrative Activities-Conflicts of Interest Between the Institutions that the Company Receives Services on Matters such as Investment Consultancy and Rating and Information about the Measures Taken by the Company to Prevent these Conflicts of Interest
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is no cross shareholding relationship in our Company's capital.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Human Resources and Development-Administrative Activities-Rights and Interests Provided to the Personnel and Employees-Information on donations made in the period
3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Investor Relations-Policies-Compensation Policy
The number of definitive convictions the company was subject to in relation to breach of employee rights	57
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Vice Chairman of the Board-CFO
The contact detail of the company alert mechanism	mcetin@deva.com.tr
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	-

CORPORATE GOVERNANCE PRACTICES

Corporate bodies where employees are actually represented	Occupational Health and Safety Board, Discipline Committee
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	-
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Deva Human Resources
Whether the company provides an employee stock ownership programme	Pay edindirme planı bulunmuyor (There isn't an employee stock ownership programme)
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Our company attaches great importance to creating a working environment which is free from any verbal and physical harassment against race, ethnicity, religion, physical or sexual characteristics, sexual orientation or any other factor prohibited by law. Any behavior of abusive nature that may arise in terms of age, language, race, health, gender and marital status, behaviors arising from sexual harassment acts of verbal, physical or behavioral nature are evaluated by the Disciplinary Committee
The number of definitive convictions the company is subject to in relation to health and safety measures	-
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Investor Relations-Policies-Ethical Principles Procedure
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Get to Know Us Our - Understanding of Sustainability - Sustainability Reports

CORPORATE GOVERNANCE PRACTICES

Any measures combating any kind of corruption including embezzlement and bribery	Our company meticulously avoids unethical behaviors such as bribery, corruption and misconduct. The "Ethical Principles" procedure of our company was shared with all of our employees via intranet and mechanisms were established to ensure compliance with related issues.
4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	-
Whether the board evaluation was externally facilitated	Hayır (No)
Whether all board members released from their duties at the GSM	Evet (Yes)
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Philipp Daniel Haas-CEO, Mesut Çetin-CFO. They are authorized to represent and bind the company with their joint signature in the broadest sense in all aspects.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	20
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Administrative Activities-Risks and Evaluation of the Governing Body
Name of the Chairman	Philipp Daniel Haas
Name of the CEO	Philipp Daniel Haas
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	https://www.kap.org.tr/tr/Bildirim/1016647
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	-
The number and ratio of female directors within the Board of Directors	2person 40%

CORPORATE GOVERNANCE PRACTICES

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Philipp Daniel Haas	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	14/07/2006	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Mesut Çetin	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	14/03/2008	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Eşref Güneş Ufuk	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	27/09/2018	https://www.kap.org.tr/Bildirim/1008750	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Sengül Soytaş	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	01/04/2021	https://www.kap.org.tr/Bildirim/1008750	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Ayşecik Haas	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	22/05/2013	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)

CORPORATE GOVERNANCE PRACTICES

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical or electronic board meetings in the reporting period	32
Director average attendance rate at board meetings	% 100
Whether the board uses an electronic portal to support its work or not	Evet (Yes)
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	-
The name of the section on the corporate website that demonstrates information about the board charter	None
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	-
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Administrative Activities-Committees and Working Principles
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/tr/Bildirim/688585

CORPORATE GOVERNANCE PRACTICES

Composition of Board Committees-I

Names Of The Board Committees	Name Of Committees Defined As " Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Denetim Komitesi (Audit Committee)		Eşref Güneş Ufuk	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)		Sengül Soytaş	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Eşref Güneş Ufuk	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Sengül Soytaş	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Mesut Çetin	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Eşref Güneş Ufuk	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Sengül Soytaş	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Mesut Çetin	Hayır (No)	Yönetim kurulu üyesi (Board member)
Diğer (Other)	Sustainability Subcommittee	Mesut Çetin	Evet (Yes)	Yönetim kurulu üyesi (Board member)

CORPORATE GOVERNANCE PRACTICES

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Administrative Activities-Committees and Working Principles
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Administrative Activities-Committees and Working Principles
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	-
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Administrative Activities-Committees and Working Principles
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	-
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Consolidated Financial Statements
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations-Policies-Board Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Corporate Governance Practices-Financial Rights provided to the Members of the Board of Directors and Senior Management

CORPORATE GOVERNANCE PRACTICES

Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Denetim Komitesi (Audit Committee)		% 100	% 100	11	4
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		% 67	% 67	6	2
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		% 67	% 67	6	6



CORPORATE GOVERNANCE PRACTICES

SUSTAINABILITY PRINCIPLES

As DEVA Holding, we believe that sustainability is a social and even a global responsibility that we should all adopt towards the world we live in.

Our primary goals are to leave a more livable world to future generations, energy efficiency and to use resources effectively without harming the nature, and to ensure the widespread use of recycling practices, and our activities are carried out in accordance with ISO 14001 Environmental Management System standards in all our production facilities and headquarters.

In order to ensure sustainable development, protecting the environment, not harming the ecological balance, contributing to the reduction of carbon footprint and emissions, which are the main responsible factors for global warming, and raising awareness in the society by promoting the effective use of natural resources are our main focus areas.

Within the framework of “Compliance with Sustainability Principles” introduced by the Corporate Governance Communiqué of the Capital Markets Board and whose implementation is based on a voluntary basis; by following the developments related to sustainability in Türkiye and in the world, to carry out studies determining the policies and procedures within the Company and to present their opinions and suggestions, to review the sustainability management, policies and procedures and effectiveness at least twice a year, to ensure that sustainability can be steered quickly, effectively and healthily within the Company.

A “Sustainability Subcommittee” was established to work under the Corporate Governance Committee in order to ensure and contribute to the development of standards, and the “2022 Sustainability Report” was published within the framework of related studies.

Sustainability Subcommittee

Mesut Çetin	Chairman (Member of the Board of Directors/CFO)
Doğan Varinlioğlu	Vice Chairman (Deputy General Manager of Türkiye and International Markets)
Emre Günaydın	Secretary / Member (Strategic Planning & Corporate Communication)
Gülseren Mahmutoğlu	Member (Treasury & Investor Relations)
Gülcan Gümüş	Member (Human Resources and Development)
Aytaç Aysuna Erden	Member (Legal)
Rıza Yıldız	Member (Finance)
Sibel Kayaoğlu	Member (Work Health, Safety and Environment)
Fatma Yanbasan Turp	Member (Quality Operations)
Saniye Yazar	Member (R&D and International Technical Authorization)
Gökhan Kaba	Member (Purchasing)
Murat Aksoy	Member (Production Planning & Logistics)
Serkan Varlık-Mert Uz	Member (International Markets)
İrfan Çinkaya	Member (Biotechnology)
Suat Cingiler	Member (Engineering Projects Coordination)

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
Sustainability Compliance Report						
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Goals						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X					https://www.deva.com.tr/en/policy
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X					https://www.deva.com.tr/en/policy
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.		X			Our work on this issue continues.	https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
A2. Implementation/Monitoring						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X					https://www.deva.com.tr/en/committees
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X					
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.			X		Action plans on the issue have been created but have not been disclosed to the public.	
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.		X			Our work on this issue continues.	https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
A3. Reporting						
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X					Annual Report, Sustainability Principles Compliance Report
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.			X		We do not have any work regarding to this subject.	
A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.				X	There is no lawsuits in this matter.	

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A4. Verification						
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	X				It is explained in general terms in the sustainability reports.	https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B. ENVIRONMENTAL PRINCIPLES						
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	X					https://www.deva.com.tr/en/policy
B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.		X			It is explained in general terms in the sustainability reports.	https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).			X		No incentives were offered for the management for environmental issues.	
B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.		X			It is explained in general terms in the sustainability reports.	https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.			X		We do not have any work regarding to this subject.	
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.		X				https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.		X			Our work on this issue continues.	
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.			X		We do not have any work regarding to this subject.	
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.		X			Our work on this issue continues.	https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.			X		We do not have any work regarding to this subject.	
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.			X		We do not have any work regarding to this subject.	
B19. The renewable energy production and usage data has been publicly disclosed.			X		We do not have any work regarding to this subject.	
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.			X		We do not have any work regarding to this subject.	
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).			X		We do not have any work regarding to this subject.	
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.			X		We do not have any work regarding to this subject.	
B24. If carbon pricing is applied within the Company, the details have been disclosed.			X		We do not have any work regarding to this subject.	
B25. The platforms where the Company discloses its environmental information have been disclosed.	X					www.deva.com.tr

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the ligh of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officals that responsible for the implementation of it have been determined and disclosed.	X				Sustainability Policy – Ethical Principles Procedure	https://www.deva.com.tr/en/policy
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X				Ethical Principles Procedure	https://www.deva.com.tr/en/policy
C1.3. The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.		X			Our work on this issue continues.	
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X				Ethical Principles Procedure	https://www.deva.com.tr/en/policy
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X				Fundamental Rights and Responsibilities Procedure	
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X					
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.			X		Studies on this subject have not been made public.	
C1.6. The occupational health and safety policies have been established and disclosed.	X					https://www.deva.com.tr/en/health-safety-and-environmental-policy
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
C1.7. The personal data protection and data security policies have been established and disclosed.	X					https://www.deva.com.tr/tr/kvkk
C1.8. The ethics policy have been established and disclosed.	X					https://www.deva.com.tr/en/policy
C1.9. The studies related to social investment, social responsibility, finansal inclusivity and access to finance have been explained.			X		We do not have any work regarding to this subject.	

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X					
C2. Stakeholders, International Standards and Initiatives						
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.		X			Ethical Principles Procedure	
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
C2.3. The international reporting standards that adopted in reporting have been explained.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
C2.4. The principles adopted regarding sustainability,the signatory or member international organizations, committees and principles have been disclosed.	X					https://www.deva.com.tr/uploads/pdf_files/faaliyet_raporlari/DEVAHolding-A.S.-2022-Sustainability-Report.pdf
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.		X			Our work on this issue continues.	
D. CORPORATE GOVERNANCE PRINCIPLES						
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X					
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X					

INFORMATION FOR THE SHAREHOLDERS

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E-Mail address : deva@deva.com.tr

Trade Registry Information of the Company

Trade Register : İstanbul Commerce Registry Office
Register No. : 70061

Independent Auditor

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Tax Attestation

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2023 Performance of DEVA Holding Shares

The issued capital of DEVA Holding is 200,019,287.78 TL. The capital of the company is divided into 20,001,928,778 shares, each with a value of 1 kuruş.

In 01.01.2023 - 31.12.2023 period, 1 lot of shares of DEVA Holding traded at Borsa İstanbul (BİST) was traded at TRY 36.46 as the lowest value and at TRY 101.00 as the highest value and closed the year at TRY 75.55.

The graph showing the performance of DEVA Holding shares in 2023 by closing prices is presented below:



PROFIT DISTRIBUTION TABLE

PROFIT DISTRIBUTION TABLE

DEVA HOLDING A.Ş.			
2023 Profit Distribution Table (TL)			
1	Issued Capital	200.019.287,78	
2	General Legal Reserve (based on legal records)	40.003.857,56	
If privilege exists in profit distribution in accordance with the Articles of Association, information on such privilege		10% of the profit amount to be determined in accordance with the the Articles of Association is distributed to privileged shareholders of A group.	
		Based on CMB	Based on Legal Records (LR)
3	Profit for the Period	1.975.558.207,00	2.721.467.485,05
4	Taxes (-)	1.409.860.284,00	-74.061.006,37
5	Net Profit for the Period	3.385.418.491,00	2.647.406.478,68
6	Losses from the Previous Periods (-)	0	0
7	General Legal Reserve (-)	0	0
8	Net Distributable Profit/Loss for the Period	3.385.418.491,00	2.647.406.478,68
9	Donations made within the year (+)	4.023.941,77	
10	Net Distributable Profit for the Period with Donations added	3.389.442.432,77	
11	First Profit to Shareholders -Cash -Without charge -Total	10.000.964,39 10.000.964,39	10.000.964,39 10.000.964,39
12	Profit distributed to Privileged Shareholders	337.341.733,37	337.341.733,37
13	Other Profit Distributed - To the Members of the Board of Directors - To the Employees - To persons other than Shareholders	98.777.910,35	98.777.910,35
14	Profit distributed to Dividend Shareholders	0	0
15	Second Profit to Shareholders	40.003.857,56	40.003.857,56
16	General Legal Reserve	47.612.350,13	47.612.350,13
17	Statutory Reserves	0	0
18	Special Reserves	0	0
19	Extraordinary Reserves	2.851.681.675,20	2.113.669.662,88
20	Other Resources Foreseen to be Distributed -Previous Years Profit -Extraordinary Reserves -Other Distributed in accordance with Law and Articles of Association		

TABLE OF PROFIT RATES

DETAILS OF PROFIT PER SHARE

	GROUP	TOTAL PROFIT DISTRIBUTED		TOTAL PROFIT DISTRIBUTED/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	PROFIT CORRESPONDING TO SHARE WITH NOMINAL VALUE OF TL 1	
		Cash (TL)	Free (TL)	Rate (%)	Amount (TL)	Rate (%)
GROSS	A (*)	303.607.560,03	0	8,97	60.721.512,01	6072151201
	B	0,01	0	0,00	0,225	22,50
	C	45.004.339,75	0	1,33	0,225	22,50
	TOTAL	348.611.899,80	0			

(*) Although the "Profit Share Ratios table requires that the cash dividend to be paid to the share with a nominal value of 1 TL be shown, the A group, the amount and rate corresponding to the 1 kuruş preferred share are shown in the relevant part of the table, since the nominal value of the privileged shares belonging to our company is 1 kuruş.

INDEPENDENT AUDITOR’S REPORT

Deloitte.

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(CONVENIENCE TRANSLATION OF
INDEPENDENT AUDITOR’S REPORT ON THE MANAGEMENT’S ANNUAL REPORT
ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR’S REPORT ON THE MANAGEMENT’S ANNUAL REPORT

To the General Assembly of Deva Holding A.Ş.

1) Opinion

As we have audited the full set consolidated financial statements of Deva Holding A.Ş. (“the Company”) and its subsidiaries (“the Group”) for the period between 01/01/2023–31/12/2023, we have also audited the annual report for the same period.

In our opinion, the consolidated financial information provided in the Management’s annual report and the Management’s discussions on the Group’s financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

2) Basis for Opinion

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibility is disclosed under *Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report* in detail. We declare that we are independent from the Group in accordance with the *Code of Ethics for Independent Auditors* (“Code of Ethics”) issued by POA and ethical provisions stated in the regulation of audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3) Auditor’s Opinion for the Full Set Consolidated Financial Statements

We have presented unqualified opinion for the Group’s full set consolidated financial statements for the period between 01/01/2023–31/12/2023 in our Auditor’s Report dated 17 May 2024.

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INDEPENDENT AUDITOR’S REPORT

Deloitte.

4) Management’s Responsibility for the Annual Report

The Group’s Management is responsible for the following in accordance with Article 514 and 516 of the Turkish Commercial Code No. 6102 (“TCC”) and “Communiqué on Principles of Financial Reporting in Capital Markets” with No.14.1 of the Capital Markets Board (“the Communiqué”):

- a) Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly,
- b) Preparing the annual report with the all respects of the Group’s flow of operations for that year and the Group’s consolidated financial performance accurately, completely, directly and fairly. In this report, the consolidated financial position is assessed in accordance with the consolidated financial statements. The Group’s development and risks that the Group may probably face are also pointed out in this report. The Board of Director’s evaluation on those matters are also stated in this report.
- c) The annual report also includes the matters stated below:
 - The significant events occurred in the Group’s activities subsequent to the financial year ends,
 - The Group’s research and development activities,
 - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Ministry of Trade and related institutions while preparing the annual report.

5) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report

Our aim is to express an opinion and prepare a report about whether the Management’s discussions and consolidated financial information in the annual report within the scope of the provisions of the TCC and the Communiqué are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management’s discussions on the Group’s financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

The engagement partner on the audit resulting in this independent auditor’s report is Zere Gaye Şentürk.

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



Zere Gaye Şentürk
Partner

İstanbul, 17 May 2024



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DEVA Holding