



ORDINARY GENERAL ASSEMBLY MEETING DATED MARCH 17, 2021 QUESTIONS ASKED BY INVESTORS AND ANSWERS

Question 1: First of all, I would like to thank the management for such a strong balance sheet. It is very good considering its debt structure and equity. However, I have a question. There is a serious decrease in sales in terms of USD currency. Although there is a 16% increase in terms of TRY, it is very low in terms of USD. I assume this is due to the pandemic, but when it comes to COGS, there was an increase of 28% in personnel expenses, although there was an increase of 16% in sales. In other words, personnel expenses share in the total COGS has increased. The second question is; Erdemir owns İsdemir's 95%, its price in the market seems low. What do you think about the share performance?

Answer: In fact, there is no actual increase in personnel expenses in COGS. The reason for the increase in personnel expenses is that our functional currency is different from our reporting currency. We have to report the personnel expenses in TRY currency due to the reporting currency. There is no increase in the USD basis, which is our functional currency, but when we convert it into the reporting currency, there seems to be an increase due to the exchange rate.

Also about the share performance; as is known, the stock price of public companies is determined according to supply & demand and the balances in the market. Our investors attach great importance to dividend yield. Our Company is one of the companies with the highest dividend yield in Borsa Istanbul. Erdemir shares increased by 69% in 2020, outperforming Borsa Istanbul.

Question 2: Could you share the thoughts and projections on domestic and global sector development and the position of the Company in the industry for the next 5 years, caused by the Covid-19 pandemic?

Answer: Our Company's guidance for 2021 has not been shared yet, however we foresee a recovery in the sector for the first half of the year. We consider it appropriate to announce our expectations for the future periods in the upcoming quarters in line with the practices in previous years.