



**GEN İLAÇ VE SAĞLIK ÜRÜNLERİ  
SANAYİ TİCARET ANONİM ŞİRKETİ  
ACTIVITY REPORT FOR THE PERIOD BETWEEN  
01.01.2025 – 31.06.2025**

**- Unofficial Translation-**

**NOTE: This report is prepared for informational purposes and it is English translation of Turkish Activity report. In case of inconsistency between the Turkish and English texts, the Turkish text shall prevail.**

## 1. GENERAL INFORMATION

**Activity Period:** 01.01.2025 – 30.06.2025

**Commercial Title:** Gen İlaç ve Sağlık Ürünleri Sanayi ve Ticaret A.Ş.

**Registration Number:** Ankara Trade Registry – 131040

**Tax Office:** Ankara Corporate Tax Office

**Tax Number:** 391 031 0236

**Mersis Number:** 0391031023600021

**Place of Incorporation:** Gen İlaç ve Sağlık Ürünleri Sanayi Ticaret A.Ş. (“GEN”, “Company” veya “Gen İlaç”) is established in Ankara, Türkiye.

**Head Office:** The Company's address and main activity center is Mustafa Kemal Mahallesi 2119. Sokak No: 3-5 Çankaya / Ankara.

**Production Facility:** ASO 2. And 3. Organize Sanayi Bolgesi Alci OSB Mah. 2013. Cad. No: 24 Sincan/Ankara.

In addition, the Company has 9 offices in Ankara, İzmir and Istanbul in Türkiye and Germany, Azerbaijan, Kazakhstan, Uzbekistan, Russia and Georgia abroad.

**Contact Info:** 0312 219 62 19 (Center) / 0312 945 14 36 (Production Facility)

**Corporate Web Site:** <https://www.genilac.com.tr/>

**Independent Audit Company:** Eren Bağımsız Denetim A.Ş.: Member of Grant Thornton.

## 2. AREA OF OPERATION

The Company's main operation area is production of all kinds of human medicines and health products, trading, import and export of these products. Gen İlaç operates with its medicines especially in the field of treatment of rare diseases and in the elimination of dysfunctions due to these diseases.

## 3. CAPITAL AND PARTNERSHIP STRUCTURE

The Company accepted authorized capital system according to code numbered 6362 and transmitted to the authorized capital system with the permission of Capital Markets Board of Türkiye dated 08 April 2021 and numbered 19/595. Between 2024-2028 Our Company's authorized capital limit is TL 5.000.000.000 and issued capital is TL 300.000.000. TL 55.000.000 portion of the total capital consist of A group shares and remaining TL 245.000.000 portion consist of B group shares.

In accordance with the Article 7 of our company's Articles of Association A group shareholders have privilege to promote board member. Also, according to the Article 10 of our company's Articles of Association each A group share has five (5) voting right in general assembly.

Company's capital has been registered and announced on Trade Registry Gazette dated 14 September 2021 and numbered 10408

The partnership structure of the company as of March 31, 2025 is presented below.

| Partner's Name                     | Capital Amount (TL) | Ratio (%)     |
|------------------------------------|---------------------|---------------|
| Abidin Gülmüş                      | 217.160.000         | 72,39         |
| Semra Gülmüş                       | 3.750.000           | 1,25          |
| Şükrü Türkmen                      | 2.656.000           | 0,89          |
| Ömer Dinçer                        | 2.656.000           | 0,89          |
| Absel Emlak İnşaat Limited Şirketi | 1.250.000           | 0,42          |
| Public                             | 72.528.000          | 24,16         |
| <b>Total</b>                       | <b>300.000.000</b>  | <b>100,00</b> |

#### 4. BOARD OF DIRECTORS AND SENIOR MANAGEMENT

| Yönetim Kurulu Üyesi | Ünvanı / Görevi                         |
|----------------------|-----------------------------------------|
| Abidin GÜLMÜŞ        | Chairman of the Board of Directors      |
| Şükrü TÜRKMEN        | Vice Chairman of the Board of Directors |
| Ömer DİNÇER          | Vice Chairman of the Board of Directors |
| Tolga KIZILTAN       | Board of Directors Member (Independent) |
| Bernay ÖZAVCI        | Board of Directors Member (Independent) |

| Üst Yönetim Üyesi         | Ünvanı / Görevi                                      |
|---------------------------|------------------------------------------------------|
| Abidin GÜLMÜŞ             | Chairman of the Board of Directors / General Manager |
| Şükrü TÜRKMEN             | Vice Chairman of the Board of Directors              |
| Ömer DİNÇER               | Vice Chairman of the Board of Directors              |
| Tolga KIZILTAN            | Board of Directors Member (Independent)              |
| Bernay ÖZAVCI             | Board of Directors Member (Independent)              |
| Selçuk Deniz KARAGÜLLE    | Vice President (Global Sales-Marketing)              |
| Yağmur Selin GÜLMÜŞ KOLAY | Vice President (Strategy & Corporate Development)    |
| Nadir ULU                 | Vice President (R&D – Clinical Operations)           |
| Eda GÜLMÜŞ DEMİR          | Vice President (Foreign Trade)                       |

**5. SUBSIDIARIES AND AFFILIATED COMPANIES****Affiliated Companies ("Group")**

GEN forms a group together with its affiliated companies, detailed below.

| Affiliated Companies                              | Activity Location | Main Activity                        |
|---------------------------------------------------|-------------------|--------------------------------------|
| Genject Sağlık Ürünleri Kimya Sanayi Ticaret A.Ş. | Türkiye           | Syringa Production and Sales         |
| Elixir İlaç Araştırma Geliştirme A.Ş.             | Türkiye           | Human Drugs Research and Development |
| Gen Ilac Germany GMBH                             | Germany           | Drug Marketing and Sales             |
| Gen Pharma Caucasus Manufacturing Operations MMC  | Azerbaijan        | Pharmaceutical Production            |

**Genject Sağlık Ürünleri Kimya Sanayi Ticaret A.Ş. ("Genject")** was founded in 2010 and Gen İlaç ve Sağlık Ürünleri A.Ş. has 96,40% shares in Genject. Genject manufactures its own brand Genject disposable hypodermic syringes in Türkiye in accordance with CE standards.

**Elixir İlaç Araştırma Geliştirme A.Ş. ("Elixir")** was founded in 2014 and Gen İlaç ve Sağlık Ürünleri A.Ş. has 95,00% shares in Elixir. Elixir conducts R&D studies on the development of new and generic medicine products and production processes in accordance with the standards of the «European Medicine Agency (EMA)» and the «United States Food and Drug Administration (USFDA)».

**Gen Ilac Germany GMBH ("Gen Germany")** was founded in 2021 and deals with sales and marketing activities of drugs produced by GEN in Europe.

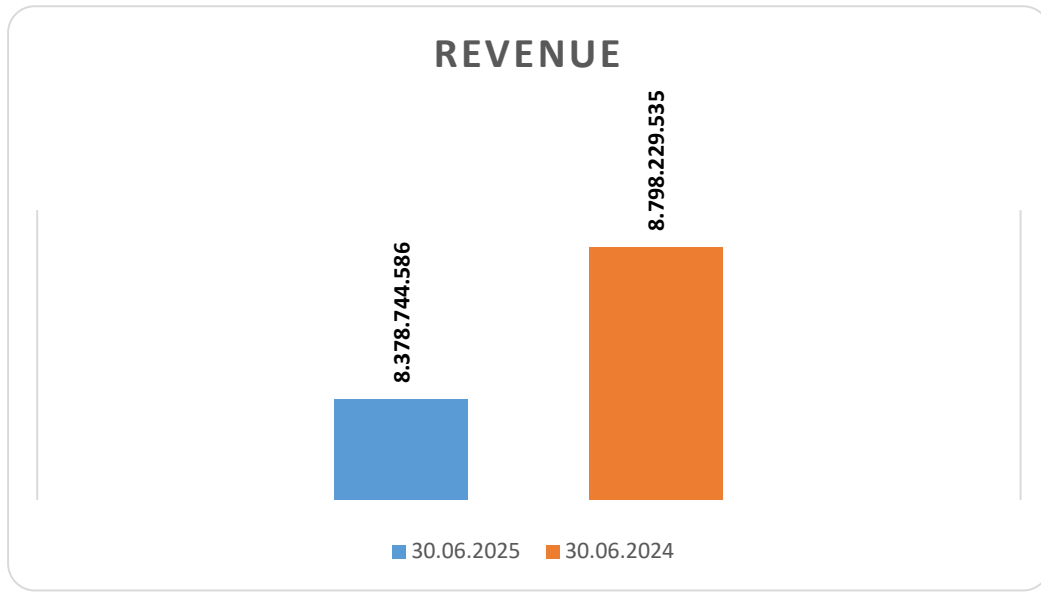
**Gen Pharma Caucasus Manufacturing Operations MMC ("GEN Caucasus")** was established in 2023, and GEN is a 66.00% partner. GEN Caucasus was established with the aim of establishing a pharmaceutical manufacturing facility in Azerbaijan and selling and marketing the products to be produced in this facility. Currently, construction work of the manufacturing facility continues.

| Subsidiaries                                                                           | Activity Location | Main Activity                                            | Share Ratio (%) |
|----------------------------------------------------------------------------------------|-------------------|----------------------------------------------------------|-----------------|
| Stimusul Inc.                                                                          | USA               | Medical Device Development                               | 19,30           |
| RS Araştırma Eğitim Danışmanlık İlaç Sanayi ve Ticaret A.Ş.                            | Türkiye           | Drug Research and Development                            | 11,70           |
| Galventa AG                                                                            | Switzerland       | Drug and Food Supplement Research and Development        | 4,55            |
| Neo Auvra Dijital Sağlık ve Biyonik Teknolojileri ve Hizmetleri Sanayi ve Ticaret A.Ş. | Türkiye           | Biotechnological Medical Device Research and Development | 35,15           |

|                                                                              |         |                                  |       |
|------------------------------------------------------------------------------|---------|----------------------------------|-------|
| Invios Holding AG                                                            | Austria | Precision Cancer Immunotherapies | 0,98  |
| H2O Bilişim Yazılım Elektronik Sağlık Hizmetleri Sanayi ve Türk Ticaret A.Ş. | Türkiye | Digital Health Technologies      | 10,00 |
| Jaguar Health Inc.                                                           | USA     | Drug Research and Development    | 6,70  |

## 6. MAIN FINANCIAL INDICATORS

As of 30.06.2025 according to the financial statement prepared compliant with TAS 29 total revenue of the company is TL 8.378.744.586.



## Distribution of Sales

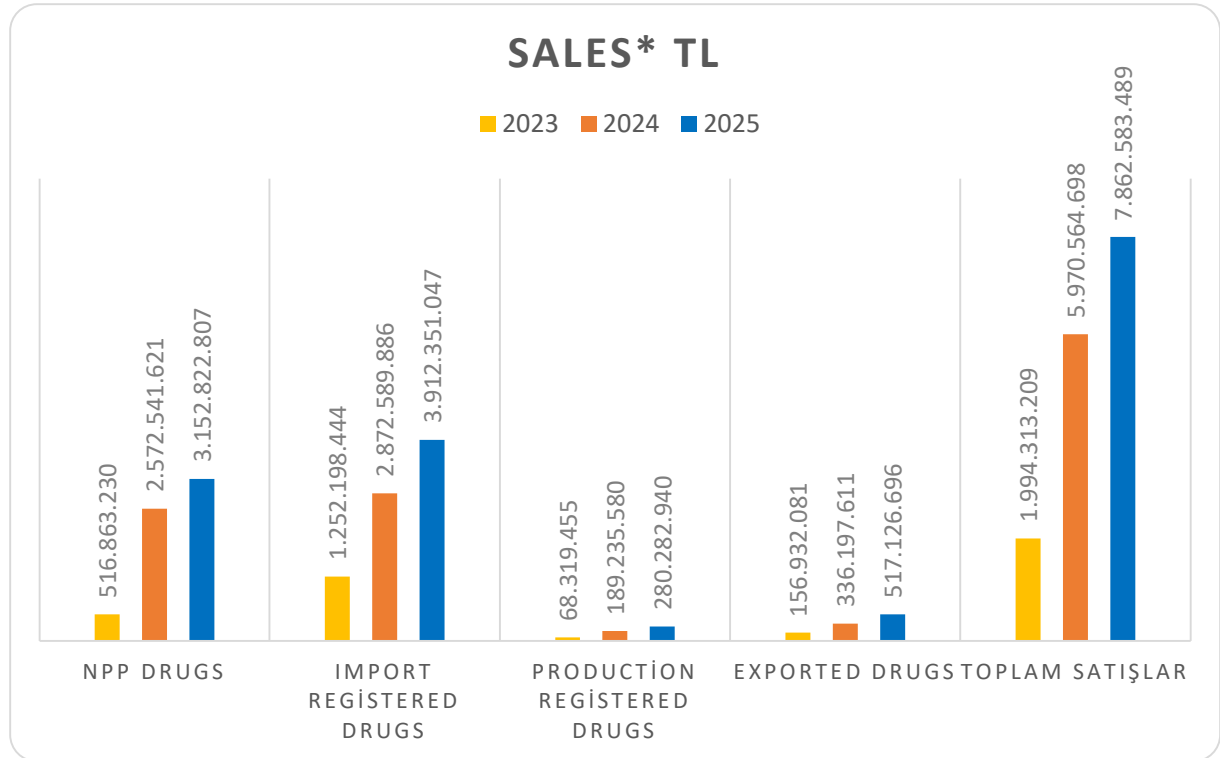
GEN's distribution of comparative drugs sales has given below for the 1st and 2nd quarter of the 2023, 2024 and 2025.

| Satışlar (TL)*              | Q1/2023            | Q2/2023              | Q1/2024              | Q2/2024              | Q1/2025              | Q2/2025              |
|-----------------------------|--------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| NPP Drugs                   | 181.168.786        | 335.694.444          | 1.292.821.895        | 1.279.719.726        | 1.411.000.702        | 1.741.822.105        |
| Imported Registered Drugs   | 605.509.072        | 646.689.372          | 1.346.670.390        | 1.525.919.496        | 1.852.395.497        | 2.059.955.550        |
| Production Registered Drugs | 32.500.437         | 35.819.018           | 107.524.944          | 81.710.636           | 162.960.118          | 117.322.822          |
| Exported Drugs              | 96.314.144         | 60.617.937           | 208.808.900          | 127.388.711          | 290.797.246          | 226.329.450          |
| <b>Total Sales</b>          | <b>915.492.439</b> | <b>1.078.820.770</b> | <b>2.955.826.129</b> | <b>3.014.738.569</b> | <b>3.717.153.563</b> | <b>4.145.429.927</b> |

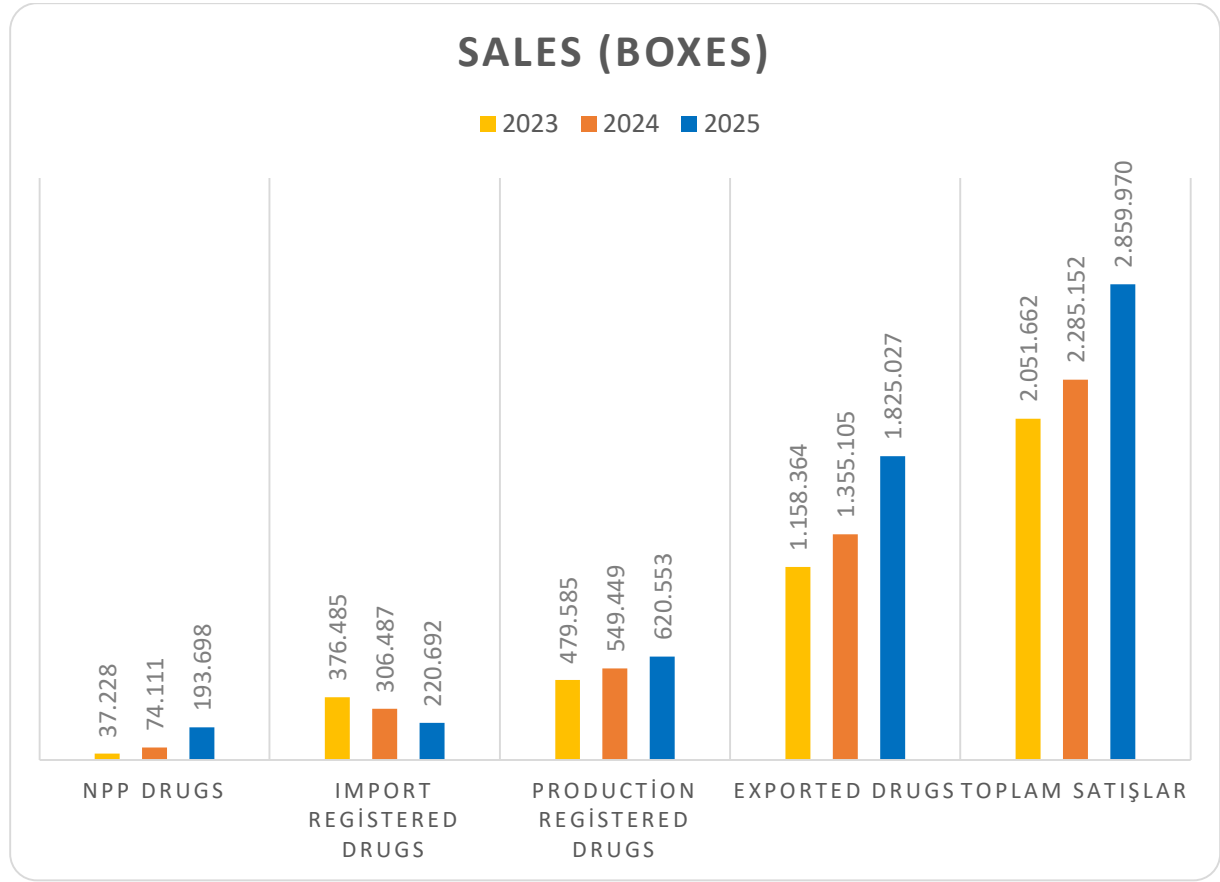
(\*These values are calculated based on the invoice amounts for the products sold by the company, and TAS 29 Financial Reporting Standards in High Inflation Economies has not been applied.)

| Sales (Boxes)               | Q1/2023          | Q2/2023        | Q1/2024          | Q2/2024        | Q1/2025          | Q2/2025          |
|-----------------------------|------------------|----------------|------------------|----------------|------------------|------------------|
| NPP Drugs                   | 11.584           | 25.644         | 41.304           | 32.807         | 28.130           | 165.568          |
| Imported Registered Drugs   | 190.943          | 185.542        | 131.777          | 174.710        | 182.347          | 38.345           |
| Production Registered Drugs | 332.414          | 147.171        | 424.522          | 124.927        | 306.924          | 313.629          |
| Exported Drugs              | 594.180          | 564.184        | 945.231          | 409.874        | 798.421          | 1.026.606        |
| <b>Total Sales</b>          | <b>1.129.121</b> | <b>922.541</b> | <b>1.542.834</b> | <b>742.318</b> | <b>1.315.822</b> | <b>1.544.148</b> |

A comparative chart of sales for the first three months of 2023, 2024 and 2025 sales are presented below.

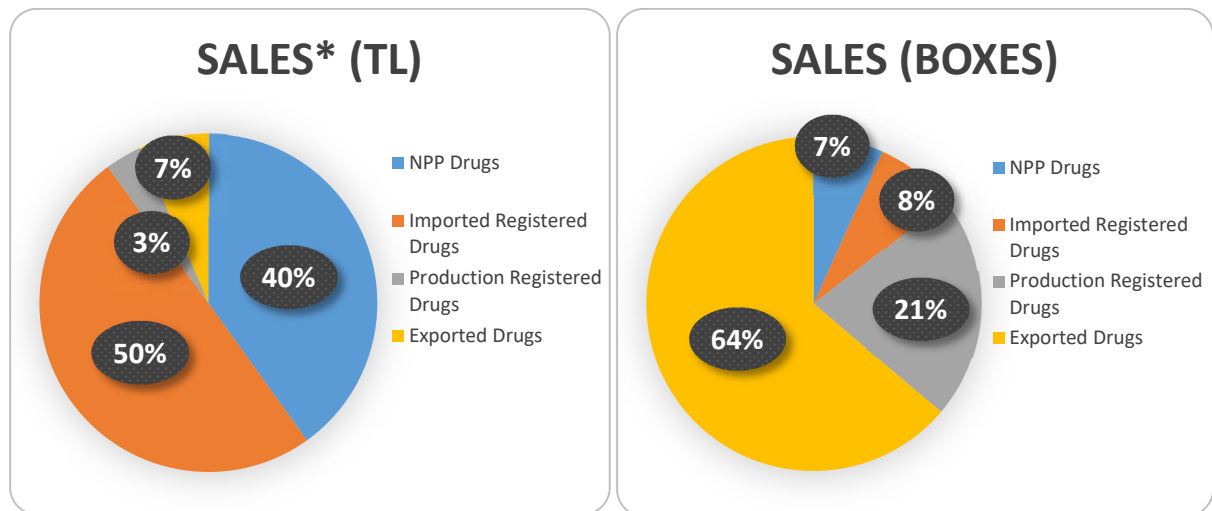


(\*These values are calculated based on the invoice amounts for the products sold by the company, and TAS 29 Financial Reporting Standards in High Inflation Economies has not been applied.)



### Distribution of Sales

The rate distribution of sales by product group as of June 30, 2025 has presented below.



(\*These values are calculated based on the invoice amounts for the products sold by the company, and TAS 29 Financial Reporting Standards in High Inflation Economies has not been applied.)

**Income Statement\***

In accordance with the Group's consolidated financial statements, selected financial performance indicators are presented below.

| Profits & Margins       | 30.06.2025    | 30.06.2024    |
|-------------------------|---------------|---------------|
| Gross Profit            | 1.771.598.168 | 1.727.842.188 |
| Gross Profit Margin     | 21,14%        | 19,64%        |
| Operating Prtfit        | 913.775.607   | 771.218.810   |
| Operating Profit Margin | 10,91%        | 8,77%         |
| EBITDA                  | 557.862.785   | 290.479.676   |
| EBITDA Margin           | 6,66%         | 3,30%         |
| Net Profit              | 413.086.956   | -9.042.700    |
| Net Profit Margin       | 4,93%         | -0,10%        |



| Profits & Margins       | Q2/2025     | Q1/2025     | Q2/2024      | Q1/2024     |
|-------------------------|-------------|-------------|--------------|-------------|
| Gross Profit            | 893.730.934 | 877.867.234 | 804.072.609  | 923.769.579 |
| Gross Profit Margin     | 20,84%      | 21,47%      | 18,87%       | 20,36%      |
| Operating Prtfit        | 350.286.167 | 563.489.440 | 318.637.408  | 452.581.402 |
| Operating Profit Margin | 8,17%       | 13,78%      | 7,48%        | 9,97%       |
| EBITDA                  | 74.145.620  | 483.717.165 | -48.144.120  | 338.623.796 |
| EBITDA Margin           | 1,73%       | 11,83%      | -1,13%       | 7,46%       |
| Net Profit              | 77.753.541  | 335.333.415 | -232.328.998 | 223.286.298 |
| Net Profit Margin       | 1,81%       | 8,20%       | -5,45%       | 4,92%       |

\*TAS 29 Financial Reporting Standard in Economies with High Inflation has been applied to these values.

**Balance Sheet\***

| Varlıklar & Yükümlülükler | 30.06.2025     | 31.12.2024     |
|---------------------------|----------------|----------------|
| Total Current Assets      | 8.293.699.347  | 6.762.131.585  |
| Total Non-Current Assets  | 7.963.583.519  | 7.601.167.171  |
| Total Assets              | 16.257.282.866 | 14.363.298.756 |
| Current Liabilities       | 6.390.286.161  | 4.893.737.643  |
| Non-Current Liabilities   | 943.704.645    | 943.417.527    |
| Total Liabilities         | 7.333.990.806  | 5.837.155.170  |
| Equity                    | 8.923.292.060  | 8.526.143.586  |
| Current Ratio             | 1,30           | 1,38           |

*(TAS 29 Financial Reporting Standard in Economies with High Inflation has been applied to these values.)*

**7. PROMINENT ACTIVITIES**

Details about prominent activities of the Company between January 01, 2025 and June 30, 2025 has presented below.

**Research and Development Activities**

In the first half of 2025, research and development activities within our company continued at full pace, with a total R&D expenditure amounting to TL 92.169.923,06

At our R&D Center, work continued with a team of 27 experts (2 technicians and 25 researchers), 70% of whom are pursuing postgraduate studies. This competent team plays an active role in the processes of developing innovative and generic drugs in coordination with academic collaborations.

During the second period of 2025, R&D studies were carried out on a total of 34 projects — 32 under the R&D Center and 2 under the Technology-Oriented Industry Move Program. The technology transfer process of one of these projects was successfully completed.

R&D activities related to 14 new projects planned for commercialization at our pharmaceutical production facility under construction in Azerbaijan are continuing according to the planned annual schedule.

As a result of the marketing authorization applications submitted in the previous quarter, one of our projects received preliminary approval for the CTD submission dossier, while two of our projects received approvals from the Bioequivalence and Bioavailability Unit.

As part of our efforts targeting international markets, necessary R&D studies to support the licensing process of a total of 7 products — 3 for the U.S. and CIS regions and 4 for Europe, MENA, and Asia-Pacific regions — were successfully completed

### ***SUL-238 –Alzheimer’s Disease Treatment Project***

In line with our company’s innovation and global growth strategies, dosing and follow-up of volunteers in our Phase 1 clinical trial — where the innovative investigational drug SUL-238, the first of its drug class, was used in humans for the first time — have been completed.

As known, our company GEN holds the rights for the preclinical and clinical phase research, development, manufacturing, and commercialization of SUL-238 for the treatment of neurodegenerative diseases such as Alzheimer’s and Parkinson’s.

The formulation and R&D stability studies of the investigational products used in our Phase 1 trial were conducted in GEN R&D Laboratories, and the clinical trial products were manufactured in GEN Production Facilities.

Following the successful completion of this phase, it is expected that SUL-238 will reverse impaired mitochondrial functions in the brain cells of Alzheimer’s patients and/or slow the progression of the disorder in Phase 2 and Phase 3 clinical studies, resulting in improved cognitive functions.

Additionally, Phase 2 clinical study designs for new indications have commenced in cooperation with international partners.

### ***GN-037 Topical Cream – “A Safe and Effective Drug Formulation for Psoriasis Treatment”***

The semi-solid production line for GN-037 topical cream an innovative investigational drug developed in our GEN R&D Laboratories for the treatment of mild to moderate plaque-type psoriasis has been successfully installed and commissioned at our GEN Production Facilities.

Pre-production preparations for this product have also been completed.

The evaluation process for the PCT patent application filed under the title “Safe and Effective Drug Formulation for Psoriasis Treatment” is ongoing.

### ***TÜBİTAK & Technology-Oriented Industry Move Program Projects***

Under the Technology-Oriented Industry Move Program, R&D activities for our two projects officially launched on April 1, 2023, continued seamlessly in line with the project timeline during the second quarter of 2025. The technical and financial reports prepared during this period were submitted to TÜBİTAK, and the observer evaluations by peer reviewers were successfully completed.

Our ongoing projects include:

- *“Development of a Liposomal Dosage Form Containing Amphotericin B for the Treatment of Systemic Mycotic Infections”*
- *“Development of a Dual-Release Tablet Formulation Containing Hydrocortisone for Hormone Replacement Therapy”*

The projected completion date for both projects is March 31, 2026.

As a result of the R&D activities and expenditure carried out since the start of these projects, approximately TL5.9 million in government support has been obtained.

Under the “2024 Emerging Innovative Technologies Call” launched on August 1, 2024, final applications for the following projects have been completed, and the peer review processes have been successfully finalized. Currently, the projects are under commission evaluation within the scope of the call:

- *Development of an Oral Therapeutic Product for the Treatment of Psoriasis*
- *Development of Stable Dosage Forms Containing a New Active Substance (SUL-238) for the Treatment of Neurodegenerative Diseases*

GEN R&D continues its efforts with determination, guided by a strong academic foundation and an innovative approach, toward its goal of developing treatment solutions based on advanced technologies.

**Registration Activities:** In the period between 01.01.2025 and 30.06.2025, a total of 15 products licensed on behalf of our Company; 2 in Georgia and 13 in Türkiye. Also, the license renewal processes have been completed for 3 drugs, for which our company holds the licenses in Azerbaijan.

**15.04.2025- State Supply Office Tender Notification:** Saludem Ecza Deposu Medikal Limited Şirketi (Saludem) which authorized by our company to join State Supply Office tenders and our related party at the same time joined “State Supply Office March 2025- 1 Tenders”. As a result of the tenders drugs which will supplied by Saludem are provided from our company.

Contribution of the drugs which will be supplied by Saludem as a result of the State Supply Office March 2025- 1 Month Tender to the our Company's total sales will be TL 93.888.012,00  
<https://www.kap.org.tr/en/Bildirim/1425959>

**17.04.2025- Signing of Distributorship Agreement with Unikeris Limited:** Gen İlaç ve Sağlık Ürünleri Sanayi ve Ticaret A.Ş. (GEN) and Unikeris Limited signed an exclusive distributorship agreement regarding the import and supply of REVCovi®; a drug which has elapegademase-lvlr active substance used in the treatment of Adenosine Deaminase Severe Combined Immunodeficiency (ADA-SCID). Following effectiveness of the agreement, GEN will manage the relevant processes regulated by the Turkish Health authorities for the subjected drug and will carry out its supply and sale within the scope of the Named Patient Program (NPP). The subjected agreement signed for a period of 3 years and expected contribution of subjected drug GEN's 2025 sales will be over TL 160.000.000.  
<https://www.kap.org.tr/en/Bildirim/1427027>

**14.05.2025- Tender Result Notified by the Organization Authorized by Our Company:**

Salutem Ecza Deposu Medikal Limited Şirketi (Salutem) which authorized by our company to join State Supply Office tenders and our related party at the same time joined State Supply Office April 2025 pharmaceutical again procurement tender. As a result of the tender drugs which will supplied by Salutem are provided from our company. Contribution of the drugs which will be supplied by Salutem as a result of the State Supply Office April 2025 pharmaceutical again procurement tender of to the our Company's total sales will be TL 73.062.967,50.

<https://www.kap.org.tr/en/Bildirim/1438832>

**23.05.2025- Decision of Board of Directors for Notification Regarding Issue Limit:**

Within the framework of our Company's Board of Directors decision dated May 22, 2025, and numbered 2025/05-004, it has been unanimously resolved to issue lease certificates domestically, in tranches, without public offering, through private placement and/or sale to qualified investors, limited to an issuance ceiling of TL2,000,000,000 (TwoBillionTurkishLiras). Also It has been unanimously decided that the said lease certificates will be issued through ATA Varlık Kiralama A.Ş.

<https://www.kap.org.tr/tr/Bildirim/1441643>

**23.05.2025- Decision of the Board of Directors for Debt Securities Issuance:**

According to the Board of Directors Decision of our Company dated 22.05.2025 and numbered 2025/05-005, it has been unanimously decided to apply to the Capital Markets Board of Türkiye for the issuance of debt securities up to TL 3,000,000,000 (ThreeBillionTurkishLiras) to be issued to Qualified Investors without a public offering in the country. Necessary disclosures will made for the developments when they occurred.

<https://www.kap.org.tr/en/Bildirim/1441645>

**11.06.2025- Additional Investment on RS Research:**

Signature of Share Purchase and Shareholders agreement between Gen İlaç ve Sağlık Ürünleri Sanayi ve Ticaret A.Ş. (GEN) and ile RS Araştırma Eğitim Danışmanlık İlaç San. Tic. A.Ş. (RS Research) and other shareholders of the company announced on 15.12.2021. In addition to this, it has been also announced that GEN committed to participate in capital increase made by RS Research if the technical liabilities determined in the agreement about the drugs researched by RS Research completed. According to the protocol signed for revision of the agreement, some of the criterias were updated for second investment which will made to the RS Research. According to the redetermined criterias GEN will make total USD 1.875.000,00 capital payment in 2025 and payments will made with three installments. As a result of the investments GEN's share ratio in RS Research will increase. After the completion of GEN's shares in RS Research will be finalized and after finalization announcement will made about the topic.

<https://www.kap.org.tr/en/Bildirim/1447466>

**26.06.2025- Babaeski, Kırklareli Solar Power Plant Project Update:**

The PTD File submitted to our Ministry regarding the Gen İlaç Babaeski Solar Power Plant (2.475 MWe / 2.93706 MWm-3.79 ha) project planned to be carried out by Gen İlaç ve Sağlık Ürünleri San. ve Tic. A.Ş. in the old 102 Island 61-683-684 Parcels, New (102 Island, 874 parcel) location of Kumrular Village, BABAESKİ district, KIRKLARELİ province has been reviewed and evaluated. In accordance with Article 17 of the EIA Regulation, our Governorship has decided that 'Environmental Impact Assessment is Not Required' for the Gen İlaç Babaeski Solar Power Plant (2.475 MWe / 2.93706 MWm-3.79 ha) project.

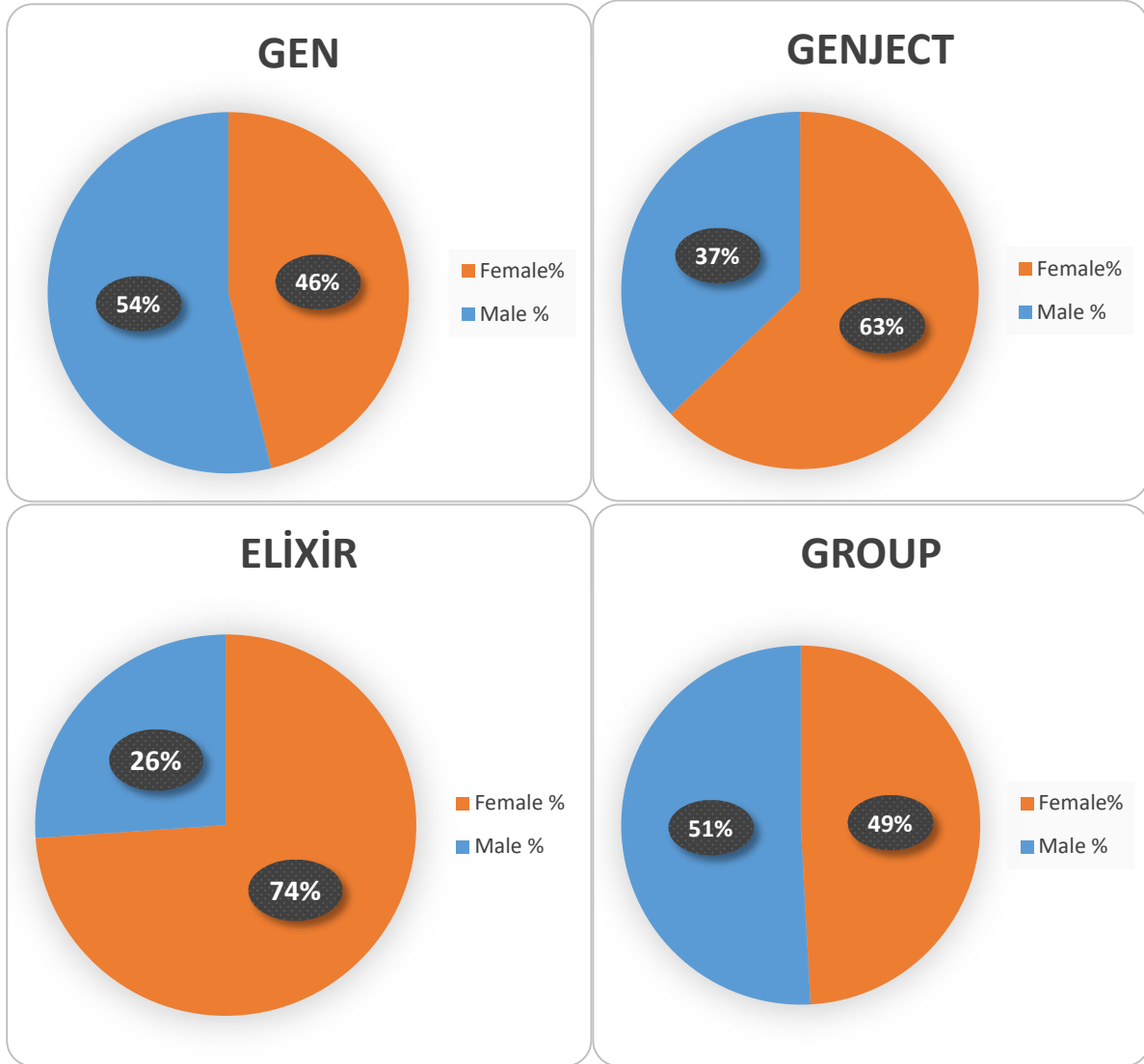
<https://www.kap.org.tr/en/Bildirim/1452414>

## 8. EMPLOYEE STATUS

As of 30.06.2025, the number of personnel working within the group is 672. The Group's employee distribution is as follows.

| Company                                            | Number of Employee |
|----------------------------------------------------|--------------------|
| Gen İlaç ve Sağlık Ürünleri Sanayi ve Ticaret A.Ş. | 571                |
| Genject Sağlık Ürünleri Kimya Sanayi Ticaret A.Ş.  | 78                 |
| Elixir İlaç Araştırma Geliştirme A.Ş.              | 23                 |
| <b>Total</b>                                       | <b>672</b>         |

### Gender Distribution



**9. LEGAL EXPLANATIONS****Lawsuits and Sanctions**

According to the consolidated financial statements as of June 30, 2025 of the amount of provision allocated about Lawsuits which may affect company's financial situation and activities significantly is TL 15.265.365.

**10. CHANGE TO THE ARTICLES OF ASSOCIATION MADE DURING THE PERIOD**

There is no any changes in the articles of association within the period between January 01, 2025 and June 30, 2025.

**11. THE TERM DISTRIBUTED DIVIDEND INFORMATION DURING THE PERIOD**

During the Ordinary General Assembly held on March 27. 2025 it has been decided that distribute 74,38% of the net distributable profit as cash dividend 3 installments. The distribution of the first installment was made on 09.05.2025. The table regarding dividend payment is presented below:

| Share Group Info                      | Payment        | Cash Dividend To Be Paid For Share With Par Value of 1 TL - Gross (TL) | Cash Dividend To Be Paid For Share With Par Value of 1 TL -Gross (%) | Withholding Rate (%) | Cash Dividend To Be Paid For Share With Par Value of 1 TL - Net (TL) | Cash Dividend To Be Paid For Share With Par Value of 1 TL - Net (%) |
|---------------------------------------|----------------|------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------|----------------------------------------------------------------------|---------------------------------------------------------------------|
| A Group, Not Trading, TREGENL00016    | 1. Installment | 0,1333333                                                              | 13,33333                                                             | 15                   | 0,1133333                                                            | 11,33333                                                            |
| A Group, Not Trading, TREGENL00016    | 2. Installment | 0,1333333                                                              | 13,33333                                                             | 15                   | 0,1133333                                                            | 11,33333                                                            |
| A Group, Not Trading, TREGENL00016    | 3. Installment | 0,1333333                                                              | 13,33333                                                             | 15                   | 0,1133333                                                            | 11,33333                                                            |
| A Grubu, İşlem Görmüyor, TREGENL00016 | TOTAL          | 0,3999999                                                              | 39,99999                                                             | 15                   | 0,3399999                                                            | 33,99999                                                            |
| B Grubu, GENİL, TREGENL00024          | 1. Installment | 0,1333333                                                              | 13,33333                                                             | 15                   | 0,1133333                                                            | 11,33333                                                            |

|                              |                |           |          |    |           |          |
|------------------------------|----------------|-----------|----------|----|-----------|----------|
| B Group, GENİL, TREGENL00024 | 2. Installment | 0,1333333 | 13,33333 | 15 | 0,1133333 | 11,33333 |
| B Group, GENİL, TREGENL00024 | 3. Installment | 0,1333333 | 13,33333 | 15 | 0,1133333 | 11,33333 |
| B Group, GENİL, TREGENL00024 | TOTAL          | 0,3999999 | 39,99999 | 15 | 0,3399999 | 33,99999 |

## 12. CORPORATE GOVERNANCE PRACTICES

### Committees of the Board of Directors

It has been decided by the Board of Directors of the Company to establish the following committees and to determine the memberships as follows.

| Audit Committee |                | Early Detection of Risk Committee |                |
|-----------------|----------------|-----------------------------------|----------------|
| President       | Tolga KIZILTAN | President                         | Bernay ÖZAVCI  |
| Member          | Bernay ÖZAVCI  | Member                            | Tolga KIZILTAN |

| Corporate Governance Committee |                 |
|--------------------------------|-----------------|
| President                      | Bernay ÖZAVCI   |
| Member                         | Tolga KIZILTAN  |
| Member                         | Ali KETENCİOĞLU |

The Duties and the Working Principles of the Committees are accessible in our company's corporate website <https://www.genilac.com.tr/komite-calisma-usul-ve-esaslari-kurumsal-yonetim/>

## 13. RISK MANAGEMENT PRACTICES

Risk management is implemented in accordance with the policies approved by the board of Directors and in accordance with international standards. Due to the fact that the sector in which company company operate it is faced with various risks, especially in the financial, operational and legal fields, risks are managed within the framework of the corporate risk management structure with an integrated, systematic and proactive approach with risk assessments updated with processes and spread throughout the organization. With effective risk following, it is provided that prioritization according to effects and possibilities of these risks and management of these risks correctly.

### Financial Risks

Within the scope of financial risks, risks arising from uncertainties and fluctuations in exchange rates, interest rates and commodity prices are defined.

When the exchange rate risk is evaluated, although most of our sales are based on imported products, our company does not face a serious exchange rate risk. The purchases and sales of the NPP business line, which constitutes the majority of our company's sales, are in foreign currency in accordance with the contracts made between our company and the relevant institutions, and our company does not carry any exchange rate risk in this field. In the case of imported registered drugs, which have the second largest share in the sales of our company, most of the exchange rate risk has been protected by the contracts signed with the business partners. As a result, our company, which does not carry exchange rate risk in most of its sales. Also, minimizes the exchange rate risk with effective financial management which may arise from the remaining part of the operation.

Interest Rate Risk exerts its influence on interest-sensitive assets and liabilities. The negative effects of interest rate risk are eliminated by balancing financial liabilities in short term / long term and fixed interest / variable interest.

Uncertainties in commodity prices are minimized with effective stock management.

### **Liquidity Risk**

Liquidity risk is managed by closely monitoring the current cash position and forecasted cash flows, and attention is paid to ensuring maturity matching between assets and liabilities. In order to protect short-term liquidity, net working capital is closely monitored and cash and cash-like assets are held against movements that may occur in the capital markets. In this way, the need for working capital and liquidity risk are minimized. Long-term liabilities are largely held at fixed interest rates and in a flexible structure. Ready-to-use cash and non-cash loan limits are determined with banks.

### **Risk of Concentration**

The majority of the company's revenue comes from the NPP business line. However, with the production facility established in 2017, it is aimed to reduce the NPP concentration. With the registration of the products produced in the production facility and the increase in these products' sales, it is aimed to eliminate the risk of concentration by reducing the share of the NPP business line in total sales.

Due to the company's extensive operation and customer structure, its receivables are distributed across different sectors and geographical areas. Care is taken not to concentrate in a particular area or client. Trade receivables are monitored with regular reporting and evaluations, and attention is paid to the fact that customer credit risk arising from trade receivables remains within the approved limits. Care is taken to carry out transactions with parties with have credit reliability and to reduce existing risks with the collaterals taken.

### **Capital Risk**

In terms of Capital Risk, the company's goal is to prevent harm to the company and its stakeholders in unexpected situations by continuing its activities with the most appropriate capital structure that reduces the cost of capital while providing returns to its partners. The most important indicators taken into account for this purpose are Net Financial Debt/EBITDA, Total Financial Debts/Equity, Current and Liquidity Ratios, Financial Debt Maturity Structure and Net Working Capital. By ensuring that all these indicators remain within the specified limits, it

is seen that the Company has the capital structure and debt capacity to continue its activities in a healthy manner. The Board of Directors is informed by the reports prepared by the Company's management and submitted periodically to the Risk Management Committee.

The Company's issued capital of TL 300 million is protected by its shareholders' equity of TL 8.923.292.060 as of June 30, 2025.

#### **Other Risks**

Operational, legal and strategic risks are evaluated by the relevant units and the decisions taken by the Senior Management in this field are followed by the Board of Directors through the Risk Management Committee. The Board of Directors also acts proactively with the Early Detection of Risk Committee and Senior management on corporate risk management activities carried out within the scope of strategic planning and management processes.

In order to cover the damages that may arise in the event of operational or other risks including the company and its affiliates, insurance is taken out in various issues related to the risks that may occur. All transferrable risks that are transferred to third parties through the insurance process. Operational risks are monitored by the relevant units for the company and periodically reported to the Senior Management.

Changes in the legislation are followed by all relevant units, especially the Legal Counsel's Office, and necessary information, training and compliance activities are carried out to avoid legal risks.

## **14. STOCK INFORMATION**

**Ticker ID:** GENIL

**Bulletin Name:** GEN ILAC

**Market:** BIST STARS

**Indices:** BIST PARTICIPATION DIVIDEND / BIST 500 / BIST STARS / BIST ANKARA / BIST BUYBACK / BIST DIVIDEND / BIST PARTICIPATION ALL SHARES / BIST W. AND RETAIL TRADE / BIST 100-30 / BIST PARTICIPATION 100 / BIST SERVICES / BIST ALL SHARES / BIST 100

**28.06.2024 Price:** 66,29<sup>1</sup>

**30.06.2025 Price:** 153,00<sup>2</sup>

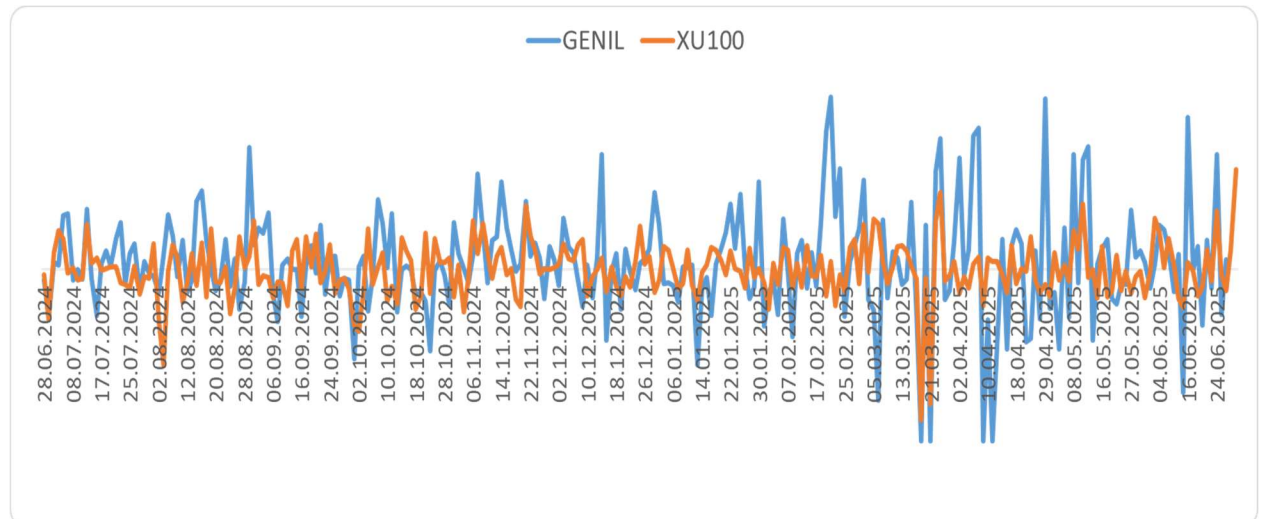
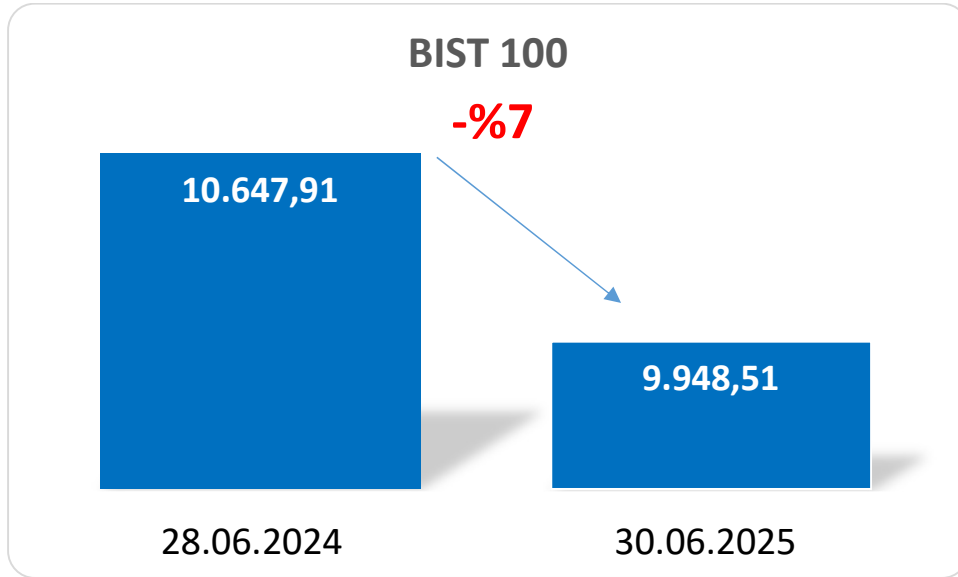
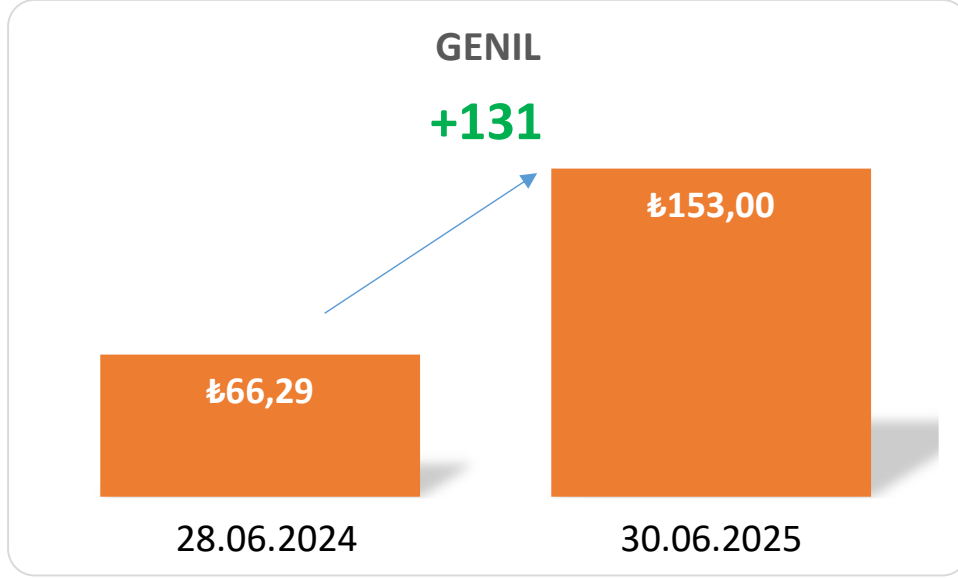
**Revenue:** 131%

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<sup>1</sup> The corrected closing price on 28.06.2024

<sup>2</sup> The corrected closing price on 30.06.2025

One year comparative prices of GENIL with BIST 100 Index has presented below.



## **15. CONTACT INFORMATION**

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0505 177 10 06

## **Legal Notice**

This Activity Report has been prepared in accordance with the legislation in order to inform the shareholders about the company's activities and accounts for the period January 01, 2025 and June 30, 2025. It is not intended to be the basis for any investment decision.

Forward-looking views and estimated numbers reflect company management's views about future situation, realization of these forecasts can vary depending on assumptions and variables which constitutes forward looking numbers. In accordance with this, GEN or its Board of Director Members, advisors or employees are not responsible for any information or communications made in this Report or direct or indirect losses of anybody based on information given in this report or not.

As of the time of preparation of this Activity Report, it is believed that all information in the report is accurate and GEN is not responsible for any inaccuracies that may occur during the spelling and printing stages.

This report has been translated into English for informational purposes. In case of a discrepancy between the Turkish and the English versions of this report, the Turkish version shall prevail.