



ŞOK MARKETLER TİCARET ANONİM ŞİRKETİ

ARTICLES OF ASSOCIATION (26.05.2018)

INCORPORATION

Article 1 –

A Joint Stock Company is hereby incorporated by the founders whose names, surnames, titles, addresses, and nationalities are stated below in accordance with the provisions of Turkish Commercial Code regarding immediate incorporation of joint-stock companies.

Names of the Shareholders		Nationality	Address
1.	Migros Türk T.A.Ş.	T.C.	Caferağa Mah. Damga Sok. No: 23/25 Kadıköy/İstanbul
2.	Temel Ticaret ve Yatırım A.Ş.	T.C.	Nakkaştepe Azizbey Sok. No: 1 Kuzguncuk/İstanbul
3.	Nazar Dayanaklı ve Dayanıksız Sınai Malları Pazarlama A.Ş.	T.C.	Nakkaştepe Azizbey Sok. No: 1 Kuzguncuk/İstanbul
4.	Zer Madencilik Dayanaklı Mallar Yatırım ve Pazarlama A.Ş.	T.C.	Nakkaştepe Azizbey Sok. No: 1 Kuzguncuk/İstanbul
5.	Düzy Tüketim Malları Sanayi Pazarlama ve Ticaret A.Ş.	T.C.	TEM Çıkışı Şile Otobanı 11. Km Alemdağ Sapağı 81270 Sultançifliği/İstanbul

TRADE NAME OF THE COMPANY

Article 2 –

The title of the Company is Şok Marketler Ticaret Anonim Şirketi. It will be hereinafter referred to as the "Company" in this Articles of Association.

PURPOSE AND SCOPE OF ACTIVITY OF THE COMPANY

Article 3 –

A) The purpose of the Company is to be engaged in retail trade both in Turkey and abroad regarding import, export and store management of all kinds of products, provided that current import and export legislation and other related legislation is complied with.

The Company may conduct all kinds of works in order to achieve its purposes, provided that such works are fall under the Company's scope of activity. In this regard, the Company may;

- engage in wholesale or retail purchase, prepare, package, warehouse, engage in wholesale or retail sale all of food products, all types of beverages and drinks, all types of consumer durable goods, all types of textile and garment products, clothes, carpets and furs, leather and leather products, shoes, slippers and bags, office and family products, all types of consumer goods, electric electronic and electro mechanical devices related to home and office and all types of technological products, equipment and materials related to healthcare, cleaning and sports, jewelry and knick-knacks, optical devices and instruments, toys, products, goods and accessories; to sell all types of foods and non-food products; to open commercial places as



supermarket or hypermarket in order to carry out such transactions; to issue credit cards to its customers and to establish chain stores to carry out the aforementioned activities.

- b)** organize, market, manage, sell administrative, financial and commercial activities regarding aforementioned goods within the boundaries of Turkey and abroad; and render such services for the benefit of its customers.
- c)** purchase wholesale or retail, sell, export, import, get produced all kinds of foods including fresh foods and vegetables, family products, all kinds of manufactured, agricultural and commercial goods and services and carry out selling, marketing and distributing activities for tobacco and tobacco products.
- d)** reuse of first products produced by the Company through converting them into raw material, fabricated material or reusable manufactured goods; and to sell and export those goods domestically and abroad.
- e)** establish and operate warehouses, stores, commercial vehicles, outsource or to get outsourced its works with regard to its field of business.
- f)** engage in labeling, printing and decorating for its own necessities; and to engage in marketing and within the scope of commercial organization, consultancy, agency, feasibility study.
- g)** However, the Company shall not engage in wholesale and retail purchase, sale and distribution, or active or by-outsourcing contract, warehousing, importing and exporting of alcoholic beverages and products that includes alcoholic beverages and goods containing pork and pork products. This provision (Article 3A- subparagraph (g)) may only be amended or rescinded by unanimous consent of all shareholders.

B) In order to carry out the aforementioned purposes and scope the Company may operate in the below mentioned field of activities:

1. invest in all manner regarding its purposes,
2. execute the special circumstances disclosures required under the capital market legislation and procedures required by the regulations in order to public disclosure, without prejudice to provisions of capital market legislation related to illegal transfer pricing activities, incorporate a company or companies, joint ventures, merge with domestic and foreign and real and legal persons; also participate to current commercial businesses, partnerships and unlimited companies; benefit from incentive law and communicates within the framework of foreign investment incentives; purchase, pledge, hold as a security or take the shares and bonds of aforementioned firms, companies and establishments under the condition that they shall not intermediate.
3. realize all kinds of financial, commercial, administrative disposals and activities in order to realize the purpose of the Company, on the condition that such activities are not contrary to capital market legislation.
4. acquire, alienate, lease and lease out the machines and facilities and properties that is required to reach the purposes of the Company, establish right of easement, usufruct, residence, common hold and construction servitude and establish pledge and security on relevant machines and facilities and real estates,
5. acquire, assign, lease vehicles that are necessary for the works of the Company in Turkey and abroad and use them in Turkey and make real and personal disposals of them
6. take actions on transportation and storage of the goods that will be imported and exported relating to scope of the Company.
7. transfer the goods belongs to itself or others, acquire vehicles for other purposes, use, purchase and sell, lease and import these vehicles.



8. get loans for long, medium and short term credits in domestic and foreign markets get asset financing and guarantee loans, commodity loans, import loans, investment loans, loans against bills and such loans; utilize financial leasing and other financial instruments (such as hedging, forwarding etc.)
9. mortgage and pledge of the Company's debts and receivables in whole or partly hold in pledged, release the securities and make amendment on them in the context of the principles stated in compliance with the capital market legislation and related to Company's purposes .
10. acquire, alienate trademark, patents, know-how and other industrial property rights relating to scope of the Company, may execute license agreements on aforementioned.
11. may construct, lease and sublease facilities such as factory, storage, stores and administrative buildings to reach the purposes of the Company.
12. may establish process searching laboratories to carry out studies and researches necessary for the production and marketing of the substance relating to the scope of the Company.
13. may establish branches in order to carry out Company's activities, grant representative agencies, dealerships (franchising) and agencies in Turkey and abroad in the framework of the Company's scope and purposes and may associate and be in cooperation with Turkish and foreign companies and establishments engaged in operations relevant to Company's activities
14. utilize in every kind of technologies and rationalization precautions to reach the purposes of the Company and cooperate with real persons and legal persons operating in the private and public sectors.
15. without acting as an intermediary purchase, sell, issue the bonds and the other asset backed securities and may establish every kind of right on those.
16. help and donate the foundations, public benefit associations, universities, educational institutions and similar establishments, providing shareholders to be informed in the General Assembly meeting, in the context of the principals stated under the Turkish Commercial Code and by the Capital Markets Board.

The limits of donations to be granted will be determined by the General Assembly, the donations over this limit shall not be granted. The amount of donations granted shall be added to distributable profit basis. The Capital Markets Board is authorized to determine an upper limit for the amount of donation. The Donations do not constitute a contradiction to the provisions related to illegal transfer pricing activities under the Capital Markets Law. The donations granted within the year shall be submitted to shareholders' review in the General Assembly Meeting.

In case the Company wishes to undertake other activities that are necessary and beneficial for the company in addition to the above-mentioned transactions, upon the proposal of the Board of Directors this arbitrariness shall be submitted to the General Assembly and after the General Assembly resolution, the Company will also be able to operate these activities.

In the event that the provisions foreseen under this article are not in compliance with the regulations to be made by the Capital Markets Board, the regulations shall be applicable.

In regard to the business, transactions and activities operated by the Company within the scope of this provision, the mandatory disclosures shall be made in accordance with the capital market legislations providing public disclosure, and the regulations related to public disclosure of the Capital Markets Board in the event that the transactions may be affect the investors' investment decisions.



HEADQUARTER AND BRANCHES OF THE COMPANY

Article 4 –

The headquarters of the Company is in İstanbul. The address of the Company is Kısıklı Mahallesi, Hanımseti Sok. No:35 B/1 Üsküdar, İstanbul. In the event of any change in the address, the new address shall be registered with the Trade Registry and published in the Trade Registry Gazette and notified to the Ministry of Customs and Trade and the Capital Markets Board as required by the legislation. Notices served at the registered and announced address shall be deemed to have been duly served to the Company. The Company may open branches, liaison offices, stores, hypermarkets, supermarkets, chain stores and agencies in Turkey and abroad in compliance with the regulations. Failure to register the new address within the required time period after leaving the registered and announced address is considered a reason for the dissolution of the Company.

DURATION OF THE COMPANY

Article 5 –

The Company has been incorporated for an unlimited term.

SHARE CAPITAL

Article 6 –

The Company accepted the authorized capital system in accordance with the Capital Markets Law numbered 6362 and included to authorized capital system with the Capital Markets Board permission dated 22.02.2018 and numbered 2064.

The upper limit of the authorized share capital of the Company is TL 1,800,000,000 and divided into 1,800,000,000 shares, with a nominal value of TL 1 each.

The permission for the upper limit of the authorized capital granted by the Capital Markets Board is valid for five years between 2022 and 2026. Even if the upper limit of the registered capital is not be reached by the end of 2026, in order that the Board of Directors decide on capital increase after 2026, an authorization shall be obtained from the General Assembly for the new time limit by way of obtaining permission from Capital Markets Board regarding the previous upper limit of the authorized share capital or a novel upper limit of the authorized share capital.

The issued capital of the Company is TL 593.290.008 and divided into two groups and 593.290.008 shares in total in registered form, which are 144.000.000 of them Preferred Shares and 449.290.008 of them Ordinary Shares, with a nominal value of TL 1 each and the issued capital is paid free from collusion.

The issued capital of the Company which was TL 611.928.571 previously has been dropped to TL 593.290.008 as a result of the cancellation of 18.638.563 Preferred Shares with a nominal value of TL 18.638.538, acquired by the Company.

The shares representing the issued share capital are monitored in accordance with principals of the dematerialization of the shares.

The Board of Directors is authorized to decide on increasing the issued capital by issuing new shares up to upper limit of authorized capital if it is necessary, to take decision regarding the restriction of right of share purchase of privileged and other shareholders and within the scope of provisions of capital markets regulations to take decision regarding issuance of privileged shares or shares over the nominal value or shares under the nominal value in accordance with the capital market legislation and relevant legislation between the years 2022 and 2026 (by the end of 2026). The authority to restrict the right of share purchase shall not be exercised in a way leading to inequality between the shareholders.



INCREASING AND DECREASING OF THE SHARE CAPITAL

Article 7 –

The share capital of the Company may be increased or decreased when it is necessary, within the scope of Turkish Commercial Code and capital market legislations.

TRANSFER OF SHARES

Article 8 –

8.1 The Ordinary Shares and unless otherwise stated in this Articles of Association the Preferred Shares, may be freely transferred pursuant to the provisions of the Turkish Commercial Code, the Capital Markets Law, this Articles of Association and relevant legislations, in regard to Preferred Shares the Article 8.2 of this Articles of Association is reserved.

8.2 In the event that the any of the Preferred shareholders wish to transfer their shares partially or as a whole to third party in the first instance they shall make an offer to other Preferred shareholders thereby determining a price in compliance with the market value of that shares and quantity and shall grant reasonable time. The Preferred shareholders shall be authorized to transfer the Preferred Shares to third party/parties, in the event that no application has been made by the other Preferred shareholders to Preferred shareholder to purchase the shares under the prescribed conditions within the granted time.

8.3 In the event that the Preferred shareholders transfer their shares to third party/parties in compliance with the Article 8.2, the Preferred Shares subjected to transfer immediately convert into the Ordinary Shares. The Preferred Shares to be sold in the stock exchange shall be converted into Ordinary Shares. In the event that the Preferred shareholders apply to the Central Registration Agency or any another competent authority that may substitute, the shares subjected to that application convert automatically into Ordinary Shares.

ISSUANCE OF CAPITAL MARKET INSTRUMENTS

Article 9 –

The Company is able to issue all kinds of capital market instruments, securities and negotiable instruments in order to sell to natural or legal persons in Turkey and abroad in compliance with the Turkish Commercial Code, the Capital Markets Law and relevant legislations. The Board of Directors of the Company has an unlimited authority to issue bonds, capital market instruments in the form of debt instruments and promissory notes within the scope of the Capital Markets Law.

COMPOSITION OF THE BOARD OF DIRECTORS AND TERM OF OFFICE

Article 10 –

The activities, representation of the Company against third parties shall be conducted by the Board of Directors that comprises of 6 (six) to 8 (eight) members, which shall be appointed by the General Assembly among the shareholders in accordance with the provisions of the Turkish Commercial Code, this Articles of Association and capital market legislation. The duty period of the members of the Board of Directors is maximum 3 (three) years. The members whose duty period is expired may be re-elected.

The independent members shall be assigned to Board of Directors at least in a number specified under the Capital Market Board Corporate Governance Principles and the independent members shall be elected by the General Assembly in compliance with the principles related to independence of the members of the Board of Directors.



In the event that the ratio of the Preferred Shares is 20% (inclusive) or more of the Company's total shares, half of the members of the Board of Directors of the Company shall be elected among the candidates nominated by Preferred shareholders. In case of the ratio of the Preferred Shares to Company's total shares drop to below 20%, the privilege to nominate the candidates to Board of Directors will be abolished without being automatically applicable again.

The Preferred shareholders shall meet and adopt a resolution in compliance with the provisions of the Turkish Commercial Code related to the General Assembly Meetings, in order to determine the candidates to be nominated in amount of half of the members of the Board of Directors and issue a directive to the General Assembly Council.

In the event that the members of the Board of Directors nominated by the Preferred shareholders pursuant to this Article numbered 10 or any of the members of the Board of Directors may not be elected or approved by the General Assembly, the General Assembly shall select the new member/s of the Board of Directors that will be nominated by the Preferred shareholders.

After the election, the Board of Directors shall convene and select a chairman and a deputy chairman from among its members. The General Assembly of the Company may change the members of the Board of Directors when deemed necessary.

Members of the Board of Directors and the real person to be registered on behalf of the legal entity must be fully competent and bear the conditions specified under the Turkish Commercial Code and capital markets legislation. The causes that terminate being a member are also prevent being selected.

BOARD OF DIRECTORS MEETINGS

Article 11 –

The Board of Directors shall convene at any time as the business of the Company require. The meeting place is the headquarters of the Company. However, the Board of Directors may convene at any other convenient place within or outside of Turkey subject to the Board of Directors resolution.

The agenda of the meeting shall be determined by the chairman or deputy chairman.

Presence of majority of the total member number of the Board of Directors are required for a resolution to be adopted, without prejudice to the provisions of the capital market legislation. Resolutions shall be adopted by majority of votes of members present in the meeting.

The meetings may be conducted through teleconference, videoconference or voice or video communication tools and resolutions may be adopted with the signing the minutes of related to this. A resolution may be adopted without the need for a meeting in case that all of the members of the Board of Directors unanimously approve the resolutions by signing them.

Those who have right to participate to the Board of Directors meetings may also participate to these meetings by electronic means pursuant to Article 1527 of the Turkish Commercial Code. The Company may establish the Electronic Meeting System allowing beneficiaries to participate in Board of Directors meetings and to vote by electronic means as per the terms of the "Communiqué regarding the Meetings to be held on Electronic Environment in Joint Stock Companies apart from General Assembly Meetings" or may purchase systems created for this purpose. It shall be provided in the meetings that, the beneficiaries exercise their rights specified in the provisions of the relevant legislation within the scope of the relevant Communiqué prepared by Ministry over the system established as per this Article of the Articles of Association or over the supporting system.

In the event of the Board of Directors meetings held through electronic environment, the provisions related to quorum in this Articles of Association shall be applied in the same way.



DUTIES AND AUTHORITIES OF BOARD OF DIRECTORS

Article 12 -

The Board of Directors shall fulfil the duties given by the provisions of the Turkish Commercial Code, Capital Market Law, Articles of Association, General Assembly resolutions and provisions of the related legislations. The Board of Directors is authorized to resolve all subjects except for the subjects stipulated to be decided by the General Assembly pursuant to law or the Articles of Association. The non-assignable duties and authorities under the Article 375 and other provisions of the Turkish Commercial Code are reserved.

MANAGEMENT AND REPRESENTATION OF THE COMPANY

Article 13 -

The management and representation of the Company is held by the Board of Directors.

In order for the any document or agreement executed in the name of Company to be valid and binding on the Company, all kinds of the documents that put the Company under obligation must bear the signatures of authorized signatory/signatories of the Company, under the official title and stamp of the Company. At least one of the Board of Directors members shall have the right to represent.

Board of Directors is entitled to transfer its management and representation authority that it has in the scope of law and this Articles of Association, in accordance with the internal directive of the Company and Articles 367 to 375 of the Turkish Commercial Code, partially or wholly or to several Board Members or third parties, and to withdraw it when deemed necessary. The transfer of the authority to represent will not be effective unless the resolution specifying the persons entitled to represent and the forms of representation of said persons is registered to the Trade Register and announced at the Trade Registry Gazette. The provisions of Articles 371, 374, 375 of the Turkish Commercial Code are reserved. Board of Directors shall determine the wage to be paid to such persons who are granted with this authorization when necessary.

COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLE

Article 14 –

In order to Board of Directors to fulfil its duties and obligations, committees determined in compliance with Turkish Commercial Code and capital markets legislation, shall be established. Establishment of committees within the Board of Directors shall be conducted in accordance with committees' scope of duty and working principles, Turkish Commercial Code, Capital Market Law, arrangements of Capital Markets Board with respect to the Corporate Governance and provisions of other related legislation.

The Corporate Governance Principles, which are considered as mandatory to be applied by Capital Markets Board, shall be duly followed. Any transaction conducted and any board of directors' resolution adopted without being in compliance with the mandatory principles shall be invalid and be considered as a contradiction to the Articles of Association.

The corporate governance regulations of the Capital Markets Board shall be complied regarding the significant transactions in the implementation of the Corporate Governance Principles and significant related party transactions of the Company.

INDEPENDENT AUDIT

Article 15 -

In case that the Company may subject to independent audit as per legislation in force, provisions of Turkish Commercial Code and other relevant legislation will be applied with regard to audit procedures and principles. Auditing of the Company shall be carried out by an auditor who shall be elected by the



General Assembly as of each fiscal year in accordance with the provisions of the Turkish Commercial Code and capital markets legislation. After the selection, the Board of Directors shall promptly register the auditor whom the duty of auditing is given to the Trade Registry and announce this in the Turkish Trade Registry Gazette and on Company's website.

During the audit of the financial statements of the Company and annual report of the Board of Directors, provisions between Articles 397 and 406 of the Turkish Commercial Code, the capital markets legislation and the provisions of the relevant legislations shall be applied.

GENERAL ASSEMBLY

Article 16 -

The meetings of the General Assembly of shareholders shall be either ordinary or extraordinary pursuant to provisions of the Turkish Commercial Code and the capital market legislation. The ordinary General Assembly shall convene within 3 months following the expiry of the fiscal year of the Company and at least once in a year. Provisions set out within Turkish Commercial Code, General Assembly Internal Directive and relevant legislations shall apply with regard to organization and execution of such meetings.

The General Assembly shall be invited for meeting by way of an announcement to prepared in accordance with the form specified in the Articles of Association and published in the Company's website, Public Disclosure Platform and Trade Registry Gazette. The invitation shall be made at least 3 (three) weeks prior to meeting date excluding the announcement and meeting dates. The obligations other than this regarding the announcement stated under Turkish Commercial Code and capital market legislation shall be reserved.

GENERAL ASSEMBLY MEETINGS

Article 17 -

The Board of Directors shall prepare the list of attendance in accordance with the "schedule of shareholders" to be provided by Central Security Depository pursuant to Capital Market Law in respect of shareholders that are tracked electronically.

The General Assembly may convene at place of the Company's headquarters is located or at any other convenient place, which is determined by the Board of Directors, provided that such place is in the same unit of civil administration with the Company's headquarters and does not prevent the attendance of shareholders.

The shareholders, who have the right to participate to the General Assembly meetings of the Company, may also participate to these meetings by electronic means pursuant to Article 1527 of the Turkish Commercial Code. The Company may establish electronic general assembly system allowing the shareholders to participate to general assembly meetings, to express opinions, to make suggestions and to vote as per the terms of the "Communiqué Regarding the General Assembly Meetings to be held on Electronic Environment in Joint Stock Companies" or may purchase services from the systems created for this purpose. In all general assembly meetings it shall be provided that the beneficiaries and their representatives are able to exercise their rights specified in the provisions of the foregoing Regulation through the system established as per this provision of the Articles of Association.

The electronic participation to the General Assembly through the electronic environment shall be made through the system provided by Central Security Depository.



GENERAL ASSEMBLY MEETING AND DECISION QUORUM

Article 18 -

Save for the cases where the law or this Articles of Association require higher quorums, the General Assembly shall convene with the presence of shareholders or their representatives representing at least 1/4 of the share capital. This quorum must be preserved throughout the meeting. In case this quorum cannot be reached at the first meeting, no meeting quorum shall be required in the second meeting. Resolutions shall be adopted with the majority of the votes present in the related meeting.

Each share grants 1 (one) vote to its holder in the General Assembly meetings.

For other matters, the meeting and resolution quorum of the General Assembly shall be determined in accordance with the provisions of the Turkish Commercial Code.

MINISTRY REPRESENTATIVE

Article 19 -

The provisions of the Turkish Commercial Code and the “Regulation Regarding the Principles and Procedures Applicable to the General Assembly Meetings of Joint Stock Companies and the Representatives of the Ministry of Customs and Commerce Who Will Attend Such Meetings” shall be applicable with respect to the appointment of the Ministry Representative representing the Ministry of Customs and Commerce during the ordinary and extraordinary General Assembly meetings of the Company within the scope of the Turkish Commercial Code and the relevant legislation.

VOTING IN GENERAL ASSEMBLY MEETINGS

Article 20 -

In the General Assembly, votes shall be casted openly. The provisions related to the General Assembly meetings made via electronical means are preserved.

APPOINTMENT OF REPRESENTATIVE

Article 21 -

Shareholders that are unable to attend the General Assembly meetings may be represented by proxies to be appointed among the shareholders or third parties in accordance with the Capital Markets Law and relevant legislations. The shareholders acting as proxies on behalf of the other shareholders shall vote both for their own shares and the shares they represent. In this regard, provisions of Turkish Commercial Code and the General Assembly’s Internal Directive will be applied.

ANNOUNCEMENTS

Article 22 -

The announcements of the Company shall be made in accordance with Article 35/4 of the Turkish Commercial Code, capital markets legislations and other provisions of the relevant regulations.

AMENDMENT OF THE ARTICLES OF ASSOCIATION

Article 23 -

Amendments to the Articles of Association are subject to the permission of the Ministry of Customs and Commerce and the affirmative opinion of the Capital Markets Board. Upon obtaining the affirmative opinion of the Capital Markets Board and the permission of the Ministry of Customs and Commerce,



the decision regarding the amendment of the Articles of Association shall be adopted within the frame of Turkish Commercial Code, the Capital Market Law and the provisions specified under the Articles of Association. Such amendments shall be valid as from the announcement date after being duly adopted and registered before the Trade Registry.

FISCAL YEAR

Article 24 -

The fiscal year of the Company shall commence on the first day of January and shall end on the last day of December.

DETERMINATION AND DISTRIBUTION OF PROFITS

Article 25 -

The Company's net period profit recognized within annual balance sheet and remaining after the deduction of expenses that Company is required to pay or reserve, such as the Company's general overheads and miscellaneous depreciations, and taxes that are required to be paid by the Company, from revenues of the Company determined at the end of the fiscal year shall be distributed, after deduction of losses of the previous years if exist, in the following order and manner pursuant to relevant provisions of Turkish Commercial Code:

- A. General Legal Reserve** 5% (five per cent) of the profit shall be set aside as the first general legal reserve, until the general legal reserve reaches 20% (twenty percent) of the paid-in capital of the Company.
- B. First Dividend:** After the limits aforementioned in paragraph (A) are reached, the first dividend shall be set aside from the amount to be determined by means of adding the donation amount, if available, made during the year, in accordance with the Turkish Commercial Code and the capital market legislation, pursuant to the dividend distribution policy of the Company,
- C.** After the abovementioned deductions are made, the General Assembly shall be entitled to decide on the distribution of the dividends to the members of the Board of Directors, employees of the Company, foundations and the other persons and entities other than the shareholders.
- D. Second Dividend:** After deducting the amounts set forth under subparagraphs (A), (B) and (C) from net period profit, the General Assembly shall be entitled to fully or partially distribute the remaining portion as the second dividend or set aside such portion as legal reserve pursuant to Article 521 of the Turkish Commercial Code.
- E. General Legal Reserve:** 10% (ten per cent) of the amount to be determined after the deduction of the dividend corresponding to 5% (five per cent) from the portion decided to be distributed to the shareholders and other persons participating to the profit shall be added to the legal reserve pursuant to Article 519/2 of the Turkish Commercial Code.

In case that general legal reserve does not exceed half of the paid-in capital, the General Assembly may only resolve to use the general legal reserve in order to cover the losses, maintain the business when it meets with difficulties or prevent unemployment and take convenient precautions to mitigate its results.

Unless the legal reserves required to be set aside pursuant to Turkish Commercial Code and dividends determined for the shareholders in the dividend distribution policy or the Article of Association are set aside, it cannot be resolved to set aside other legal reserves, to transfer the profit to the following year and to distribute the profit to the member of Board of Directors, employees of the Company, foundations and the other persons and entities other than the shareholders and profit cannot be distributed to such persons until the dividend determined for the shareholders is paid in cash.

The General Assembly shall resolve on how much and how this profit will be distributed considering the financial situation, initiatives and investments of the Company, taking into account the regulations



of the Capital Market Board and suggestions of the Board of Directors. The dividend shall be distributed equally to the shares that are existing at the date of the distribution, without taking into consideration their issuance and acquisition dates.

The resolution of the General Assembly with respect to distribution of the dividend pursuant to the provisions of this Articles of Association shall not be revoked unless permitted by law.

The Board of Directors may resolve to distribute advance dividend, only for the relevant year, to shareholders provided that it shall be authorized by the General Assembly and shall comply with Capital Markets Law and relevant legislation. The Board of Directors' authorization to distribute the advance dividend granted by General Assembly shall be limited with the year (fiscal year) during which such authorization is granted. The provisions of the relevant legislation shall be complied with in the calculation and distribution of the advance dividend amount.

TERMINATION AND LIQUIDATION

Article 26 -

The Company shall be dissolved as per the reasons stated in the Turkish Commercial Code or by decision of the Court. Liquidation and dissolution of the Company shall be effected within the provisions of the Turkish Commercial Code with respect to dissolution.

STATUTORY PROVISIONS

Article 27 -

For the matters not covered in this Articles of Association, the provisions of Turkish Commercial Code, capital market legislation and other relevant legislation shall apply.

PROVISIONAL ARTICLE-1

Until the first General Assembly Meeting to be convened following the initial public offering of the Company, the Company's Board of Directors shall be composed at least 6 (six) members and the current members of the Board of Directors shall continue to perform their duties. Effectives of this Provisional Article 1 shall not be affected by obtainment of the Capital Market Board's approval for amendment of this Articles of Association and subsequently registration and announcement of the amendment of the Articles of Association which is approved by General Assembly, before the Trade Registry.