



## **TURCAS PETROL A.Ş.**

### **2018 ANNUAL GENERAL MEETING 16 MAY 2019**

#### **INFORMATION DOCUMENT**

##### **1) INVITATION TO THE 2018 ANNUAL GENERAL MEETING DATED 16 MAY 2019**

2018 Annual General Meeting of our Company shall be held at the address of Conrad Hotel, Beşiktaş, Istanbul at 10.00 a.m. on 16.05.2019, Thursday to discuss and conclude the agenda stated in this document.

The Annual General Meeting of our Company may be attended by shareholders in physical environment or electronic media and they may also attend through their representatives. Attendance in the General Assembly is possible with secure electronic signatures of shareholders or their representatives. Therefore, it is necessary for shareholders to take action at Electronic General Assembly System (EGAS) to register in Central Registry Agency A.Ş. (CRA) e-CRA Information Portal and record their contact details and to have secure e-signatures. Shareholders or their representatives who are not registered in e-CRA Information Portal or do not have secure electronic signatures can not attend the General Assembly electronically.

In addition, shareholders or their representatives who want to attend to the meeting on electronic media are required to fulfill their obligations in accordance with provisions of “Communiqué on Electronic General Assembly System to be Applied in General Assemblies of Joint Stock Companies issued at Official Gazette no. 28396 and dated 29 August 2012 and “Regulation on General Assemblies to be Held Electronically in Joint Stock Companies” issued at Official Gazette no. 28395 and dated 28 August 2012.

Our shareholders who want to attend General Assembly in physical environment can use their rights as to their shares registered in “Shareholders List” stated in CRA system by submitting their identity.

It is required for shareholders who can not participate in the meeting personally in physical or electronic media to arrange their powers of attorney in compliance with the sample in the public disclosure of Annual General Meeting or to provide the sample form from our

Company Headquarter or website [www.turcas.com.tr](http://www.turcas.com.tr) and to fulfill matters foreseen in “Voting by Proxy and Proxy Solicitation” Communiqué II-30-1of Capital Markets Board published in the Official Gazette dated 24 December 2013, no.28861 and to submit their notarized powers of attorney by attaching it to Power of Attorney Form bearing their own signatures. Proxy holders who have been electronically appointed via Electronic General Assembly System don’t have to submit a notarized power of attorney.

Open ballot system shall be used by the procedure of raising hand provided that voting provisions for electronic media are reserved as to approval of Agenda items at General Meeting.

In accordance with subparagraph 4 of article 415 of New Turkish Commercial Code no. 6102 and subparagraph 1 of article 30 of Capital Markets Law, right to attend to general assembly and voting shall not be affiliated to term of storing share certificates. Within this framework, there is no need for our shareholders to block their shares in case they want to attend to General Meeting. However, our shareholders who do not want their identities and information as to shares in their accounts to be communicated to our Company and therefore information of whom can not be seen by our Company are required to apply to intermediary agencies where their accounts are available and to remove “limitation” that block their identities and information as to shares in their accounts to be informed to our Company until 16.30 one day before the General Meeting (15 May 2019) at the latest in case they want to attend to General Meeting.

Further information can be obtained from “Investor Relations Department” at the Head Office of our Company.

In accordance with related legislation of Capital Markets Board and Ministry of Customs & Trade, 2018 Board of Directors’ Annual Report, Independent Audit Report, Financial Statements, Dividend Distribution Proposal and detailed information document including requirements of Corporate Governance Principles will be readily available for review of shareholders 21 days prior to the General Meeting at the Company’s Head Office, corporate web-site, [www.turcas.com.tr](http://www.turcas.com.tr) and Electronic General Assembly System.

Stakeholders and the press as well as other media organs are invited to our General Meeting without having the right to speak.

It is noticed to our shareholders respectfully.

**TURCAS PETROL A.Ş.**

## **2) FURTHER EXPLANATION ON AGENDA ITEMS OF 2018 ANNUAL GENERAL MEETING DATED 16 MAY 2019**

### **1. Opening and constitution of Meeting Council,**

Pursuant to the provisions of “Turkish Commercial Code” (TCC), “Regulation on the Procedures and Principles of the General Meetings of Joint Stock Companies and Representatives of the Ministry of Customs and Trade to Attend These Meetings” (“Regulation”) and Article 7 of Internal Directive on Working Principles of General Assembly of the Company, Meeting Chairman and the Presidency Council to direct the General Meeting shall be formed.

### **2. Authorizing Meeting Council to sign the Annual General Meeting Minutes**

Pursuant to the provisions of “Turkish Commercial Code” (TCC) and Article 13 of Internal Directive on Working Principles of General Assembly of the Company, authorization of Meeting Council to sign the Annual General Meeting Minutes shall be submitted to the approval of our shareholders.

### **3. Review, discussion and approval of 2018 Annual Report,**

Pursuant to the provisions of TCC, Regulation, Capital Markets Law and other applicable legislation; information shall be given about 2018 Annual Report which was available to our shareholders for examination purposes at the Head Office of our Company at the address of Ahi Evran Caddesi No:6 Aksoy Plaza Kat:7 34398 Maslak Sarıyer İstanbul 21 days prior to the date of the meeting, within statutory period, as well as at our corporate web site ([www.turcas.com.tr](http://www.turcas.com.tr)), Electronic General Assembly portal of the Central Registry Agency and Public Disclosure Platform (“PDP”). The mentioned annual report shall be submitted to the approval of our shareholders.

### **4. Review, discussion and approval of 2018 Independent Audit Report Summary,**

Pursuant to the provisions of TCC, Regulation, Capital Markets Law and other applicable legislation; information shall be given about 2018 Independent Audit Report Summary which was available to our shareholders for examination purposes at the Head Office of our Company at the address of Ahi Evran Caddesi No:6 Aksoy Plaza Kat:7 34398 Maslak Sarıyer İstanbul 21 days prior to the date of the meeting, within statutory period, as well as at our corporate web site ([www.turcas.com.tr](http://www.turcas.com.tr)), Electronic General Assembly portal of the Central Registry Agency and Public Disclosure Platform (“PDP”). The mentioned independent audit report shall be submitted to the approval of our shareholders.

**5. Review, discussion and approval of the year-end financial statements for the fiscal year 2018,**

Pursuant to the provisions of TCC, Regulation, Capital Markets Law and other applicable legislation; information shall be given about Balance Sheet and Income Statement for the fiscal year 2018 which was available to our shareholders for examination purposes at the Head Office of our Company at the address of Ahi Evran Caddesi No:6 Aksoy Plaza Kat:7 34398 Maslak Sarıyer İstanbul 21 days prior to the date of the meeting, within statutory period, as well as at our corporate web site ([www.turcas.com.tr](http://www.turcas.com.tr)), Electronic General Assembly portal of the Central Registry Agency and Public Disclosure Platform (“PDP”). The mentioned financial statements shall be submitted to the approval of our shareholders.

**6. Release of each member of the Board of Directors of liability related to activities of the Company during 2018,**

Pursuant to the provisions of TCC and Regulation, release of our members of the Board of Directors separately for activities, transactions and accounts for the year 2018 shall be submitted to the approval of our shareholders.

**7. Appointment of Board Members whose term of office expired and determination of the term of office of the newly elected members,**

The members of the Board of Directors shall be elected for a period of 3 (three) years in accordance with the principles set forth in the Articles of Association of the Company regarding the election of the Board of Directors, and pursuant to provisions of the Turkish Commercial Code.

The article of the Articles of Association of the Company regarding the election of the Members of the Board of Directors is as follows:

**BOARD OF DIRECTORS, ESTABLISHMENT, ELECTION, TERM**

**ARTICLE 13**

The Company shall be managed by a Board of Directors composed of seven members. The members of the Board of Directors shall be elected by the General Shareholders’ Meeting for the period of three years. At least three of the members of the Board of Directors shall be elected among the candidates nominated by the Group B shareholders. At least two of the members of the Board of Directors shall be elected among the candidates nominated by the Group C shareholders. In case the Group C shareholders hold at least forty percent (40%) of the Group A shares on the date of the General Shareholders’ Meeting where the members of the Board of Directors are elected, then they shall have the right to nominate and elect three (3) members of the Board of Directors.

The remaining members of the Board of Directors, however, shall be nominated and elected by the Group B shareholders. The Board of Directors shall call a meeting of the Group C shareholders and the Group B shareholders for the purpose of electing their candidates at least

seven days before the General Shareholders' Meeting. This meeting shall be held on a plain majority of both the Group B shares and the Group C shares separately, and the resolution shall be adopted on a plain majority of the Group B shares and the Group C shares, which are represented in the meeting, separately.

The chairman of this meeting shall inform the Chairman of the Board of Directors of the candidates for the purpose of being submitted to the Chairmanship of the General Shareholders' Meeting. The member who quits the membership is allowed to be reelected. The General Shareholders' Meeting, if considered necessary, may change the members of the Board of Directors at any time without being bound by any term provided that the related procedure shall be respected. In appointments to be made to the memberships that become vacant for any reason by the Board of Directors in accordance with the article 315 of the Turkish Commercial Code, new members shall be appointed taking into consideration the Groups. Such members shall be submitted for the approval of the next General Shareholders' Meeting. In case their appointments are approved, then they shall complete the duty period of the previous members.

**8. Discussion and approval of the rights of the members of the Board of Directors regarding remuneration, bonus, premium**

The rights of the members of the Board of Directors regarding the wages, attendance fees, and rights such as bonus, premium will be submitted to approval of General Assembly.

**9. Approval of the Independent Audit Company for the fiscal year 2019 recommended by the Board of Directors in accordance with the Company's related Audit Committee report pursuant to the Turkish Commercial Code and the regulations of the Capital Markets Board,**

Related studies regarding the appointment of Independent Audit Company for the independent audit of financial statements of the fiscal year 2019 is still ongoing. Public disclosure will be made once the process is completed.

**10. Discussion and approval of dividend distribution proposal by the Board of Directors for the fiscal year 2018,**

Dividend Distribution proposal, which was approved with Board resolution no. 2019/05, dated 08.04.2019 and disclosed to the public, shall be submitted to approval of the General Assembly. 2018 Dividend Distribution Table has been presented in Annex-1.

**11. Informing General Assembly about the donations granted during the fiscal year of 2018,**

Pursuant to Articles of Association and Donation Policy, our Company has donated TL 231,799.50 (of which TL 5,200 to Turkish Education Foundation, TL 1,000 to Association for Supporting Contemporary Life, TL 94,077 to Foreign Economic Relations Board, TL 131,522.50 to Global Relations Forum) during the fiscal year of 2018.

**12. Informing General Assembly about securities-pledges, mortgages and acquired incomes and benefits given in favour of third parties during the fiscal year of 2018,**

Pursuant to the Article 12 of the Capital Markets Board Corporate Governance Communiqué No. II-17.1, securities-pledges, mortgages and acquired incomes and benefits given in favor of third parties must be stipulated in a separate article of the agenda of the Annual General Meeting. This is indicated in footnote 13 of our financial statements dated 31 December 2018.

**13. Informing General Assembly about transactions stated in principles 1.3.6 and 1.3.7 (Annex -1) of Capital Markets Board’s Corporate Governance Communiqué no II.17.1,**

Since, it is only possible with approval of General Assembly for Shareholders, Board Members and Senior Managers who have management domination and their spouses and their blood relatives and relative by marriage to make transaction in a nature possible to cause interest conflict with the Company or Subsidiaries and to compete and to make transaction within framework of article 395 of Turkish Commercial Code titled “Prohibition of Transaction with the Company” and article 396 titled “Non-Competition” and in accordance with Corporate Governance Communiqué of Capital Markets Board No II.17.1, the mentioned permission request shall be submitted to approval of our shareholders at the General Assembly (15<sup>th</sup> agenda item) and General Assembly shall be informed on actions realized within this scope in accordance with the approval of General Assembly in 21 June 2018.

**14. Informing General Assembly regarding transactions with related parties in 2018,**

Information shall be given to the General Assembly about transactions made with related parties in 2018 within the framework of regulations of Capital Markets Board. The mentioned transactions with related parties are indicated in footnote 27 of our financial statements dated 31 December 2018.

**15. Granting authorization to the Chairman and Members of the Board to make transactions written in articles 395 and 396 of Turkish Commercial Code,**

Since it is only possible for our Board Chairman and Members to make a transaction within the framework of article 395 Turkish Commercial Code titled “Prohibition of Transaction with the Company” and article 396 titled “Non-Competition” with the approval of General Assembly, the mentioned permission shall be submitted to approval of our shareholders at General Assembly.

## 16. Response to questions asked by shareholders.

Necessary explanations shall be made by the authorities if there are questions asked by the Shareholders.

### 2) ADDITIONAL DISCLOSURES PURSUANT TO THE REGULATIONS OF THE CAPITAL MARKETS BOARD

#### A-) Shareholding structure of our Company/Voting Rights/ Privilege at Voting

##### **Turcas Petrol A.Ş. Shareholding Structure\***

Commercial Title/Name Surname	Share in Capital (TL)	Share in Capital (%)	Voting Right	Share in Voting Right (%)
Aksoy Holding A.Ş.	139,175,892	54.45	139,175,892	54.45
Traded at BIST	71,533,510	27.99	71,533,510	27.99
Turcas Petrol A.Ş. (Traded at BIST)	71,336	0.03	71,336	0.03
Other Individual and Corporate Investors	44,819,262	17.53	44,819,262	17.53
<b>TOTAL</b>	<b>255,600,000</b>	<b>100.00</b>	<b>255,600,000</b>	<b>100.00</b>

\*As of 16 April 2019

#### **Information as to Shares Representing the Capital**

Group	Registered/to the Bearer	Nominal Value of Each Share (TL)	Total Nominal Value (TL)	Share in Capital (%)	Privilege Type	Whether or Not Traded at Stock Exchange
A	REGISTERED	1,00	255,599,850.00	99.99	NO PRIVILEGE	TRADED
B	REGISTERED	1,00	112,50	0.00	PRIVILEGED	NOT TRADED
C	REGISTERED	1,00	37,50	0.00	PRIVILEGED	NOT TRADED
		<b>TOTAL</b>	<b>255,600,000.00</b>	<b>100.00</b>		

Majority of Group A shares are owned by Aksoy Holding A.Ş. In addition, all of Group C shares are owned by Aksoy Holding A.Ş.

In accordance with Article 29 of the Company's Articles of Association, every shareholder attending the General Meeting has the right to cast one vote for each share as per Article 434 of the Turkish Commercial Code.

**Scope of Privilege:** Owners of B and C Group shares have the privilege of identifying Board Member candidates in accordance with Article 13 of Articles of Association of the Company.

#### **B-) Changes in management and operations planned or realized in 2018 by the Company which have significant impact on corporate activities of the Company and its Subsidiaries**

None.

**C-) Requests of shareholders, Capital Markets Board and other public authorities to add items to the agenda**

None.

**D-) In case the general assembly meeting agenda includes dismissal, change or election of board of directors members, the grounds for their dismissal and change and with respect to the persons whose candidacy has been declared to the corporation; their CVs, duties that they have conducted in the last ten years and reasons for their resignation, feature and materiality level of their relation with the corporation and its related parties, whether they are independent or not, and information on similar issues which may affect the activities of the corporation should these persons are elected as members of Board of Directors:**

**Turcas Petrol A.Ş. Candidate Board Members**

In accordance with Article 13 of Articles of Association of the Company, The Board of Directors shall call a meeting of the Group C shareholders and the Group B shareholders for the purpose of electing their candidates at least seven days before the General Shareholders' Meeting. Following this meeting, Candidate Board Members will be identified and the related disclosure will be made.



## ANNEX.1 Dividend Distribution Table

TURCAS PETROL A.Ş. 2018 Dividend Distribution Table (TL)			
1. Paid-in Capital		255,600,000.00	
2. Legal Reserves (According to Statutory Books)		39,308,015.52	
Info on privileges regarding dividends, if there is any as per Articles of Association		None	
		According to CMB Financials	According to Statutory Financials
3.	Profit Before Tax	-139,907,174.00	-114,970,174.06
4.	Tax Expense (-)	-12,447,133.00	0.00
5.	Net Profit (=)	-127,460,041.00	-114,970,174.06
6.	Prior Years' Losses (-)	0.00	0.00
7.	1st Legal Reserves (-)	0.00	0.00
8.	NET DISTRIBUTABLE PROFIT (=)	-127,460,041.00	-114,970,174.06
9.	Donations Made During the Year (+)	231,799.50	
10.	Net Distributable Profit including donations to be used in the calculation of first dividend (=)	-127,228,241.50	
11.	First Dividend to Shareholders	0.00	
	-Cash	0.00	
	-Bonus Shares	0.00	
	Total	0.00	
12.	Dividends Distributed to Owners of Privileged Shares	0.00	
13.	Dividends to Board Members, Employees, etc.	0.00	
14.	Dividends Distributed to Redeemed Shareholders	0.00	
15.	Second Dividend to Shareholders	0.00	
16.	Second Legal Reserves	0.00	
17.	Statutory Reserves	0.00	
18.	Special Reserves	0.00	
19.	EXTRAORDINARY RESERVES	0.00	-
20.	Other sources provided for distribution	0.00	-
	Retained Earnings	0.00	-

DIVIDEND PAYOUT RATIO							
	GROUP	TOTAL DIVIDEND AMOUNT (TL)		THE RATIO OF DIVIDEND DISTRIBUTED TO SHAREHOLDERS TO NET DISTRIBUTABLE INCOME(TL)		DIVIDEND PER SHARE WITH 1 TL.NOMINAL VALUE	
		CASH (TL)	BONUS SHARES (TL)	RATIO (%)		AMOUNT (TL)	RATIO (%)
NET	A <sup>(1)</sup>	0.00	0.00	0.00	0.00	0.000000	0.000
	B	0.00	0.00	0.00	0.00	0.000000	0.000
	C	0.00	0.00	0.00	0.00	0.000000	0.000
	TOTAL	0.00	0.00	0.00	0.00	0.000000	0.000

(1) Consists of free float and remaining other shares (not publicly traded). As these shareholders' identities (real/legal person) are unknown, net dividend amounts were calculated with the "real person" assumption