

**BOYNER PERAKENDE VE TEKSTİL YATIRIMLARI  
ANONİM ŞİRKETİ**

**ARTICLES OF ASSOCIATION**

**FIRST PART  
FOUNDATION PROVISIONS**

**FOUNDATION:**

**Article 1** – The founders, identified hereinbelow, have instantaneously founded a joint-stock company in order to manage in accordance with the current applicable laws and the proviso of these Articles of Association.

**FOUNDERS:**

Ahmet Sadıkoğlu

Maçka Silahhane Cad. Yeni Maçka Han No. 14/5 T.R.

Nazım Sadıkoğlu

Harbiye, Harbiye Palas No. 2 T.R.

Hasan Boyner

Nişantaşı, Bostan Sok. Derya Apt. No. 18/5 T.R. İsmail Boyner

Nişantaşı, Bostan Sok. Derya Apt. No. 18/5 T.R. Fazıl Boyner

Nişantaşı, Bostan Sok. Derya Apt. No. 18/5 T.R. A. Osman Boyner

Nişantaşı, Bostan Sok. Derya Apt. No. 18/5 T.R.

**COMPANY NAME:**

**Article 2** – Name of the Company is “Boyner Perakende ve Tekstil Yatırımları Anonim Şirketi”. It will hereafter be shortly referred to as the “Company”.

**OBJECTIVES AND FIELDS OF BUSINESS:**

**Article 3** – Objectives and fields of business of the Company are:

- A.** To manufacture or cause others manufacture, purchase, sell, import and export all kinds of combined textile and ready-to-wear finished and semi-finished goods, and to manufacture or cause others manufacture, purchase, sell, import and export all kinds of leather products, all accessories made of any materials, all and any fast-foods / foodstuffs.
- B.** In order to achieve its aforementioned objectives, the Company:
  - a)** May deal with exports, imports, domestic trade, commissioning, contracting and representation businesses; and

- b)** May engage in import, export and domestic trade of raw, semi-finished and finished goods and relevant machinery, plants and spare parts within its fields of business; and
- c)** May borrow long-, medium- and short-term credits and get guarantees for its businesses from local and foreign markets; and
- d)** May enter into all types of financial, commercial and administrative activities and actions; and
- e)** May found new companies or participate in existing commercial enterprises in partnership with other natural persons or legal entities, or may buy, sell, exchange, trade, pledge, or show as a guarantee, all kinds of shares, bonds and other securities of them, providing that it does not deal with brokerage activities and securities portfolio management; and
- f)** May acquire, sell, transfer or assign, lease or hire all types of machinery and plants and real properties as and when needed for achievement of its objectives and within its fields of business, and may establish rights of usufruct and habitation and real estate encumbrances, condominiums and easements on real properties, and may remove the same, and may build factory and administration buildings, and may grant powers of attorney to third parties in connection therewith, and may separate or combine lands or other real properties, and may acquire portions of lands formed by roads, and may make border corrections, and may follow up expropriation proceedings, and may collect expropriation sums, and may sign the land registry documents relating thereto, and as per the legal requirements, may abandon lands for roads, parking areas, green zones, children's playgrounds, technical utility zones, religious facilities, or elementary school and secondary school plants, and may establish condominium rights, and may have title deeds registered, and may buy and sell them, and may put or remove annotations in land registry; and
- g)** May establish pledges and give guarantees, and receive pledges and guarantees, and revise and annul pledges, in favor of third parties, as a security for repayment of debts of the Company or third parties, providing that the required public disclosures of material events are made for investors as and to the extent required by the Capital Markets Board; and
- h)** May acquire motor vehicles needed for its business, and transfer the same, and enter into all and any acts of disposition in connection therewith; and
- i)** May acquire and assign, and enter into license agreements with respect to, trademarks, patents, know-how and other industrial property rights with regard to its fields of business; and
- j)** May issue all types of bonds and debentures in compliance with the provisions of the Capital Markets Law and other applicable laws; and

- k) May build and operate “combined electricity vapor (co-generation) plants” providing with an “at all times available” system the electricity and vapor energies needed for its activities within the generation capacity limits chosen for its own fields of business, and may generate electricity and vapor energies for its business activities, and may sell its surplus electricity production, and may purchase these energies if and to the extent needed.

#### **HEAD OFFICES OF COMPANY:**

**Article 4** – Head offices of the Company are in Istanbul at the address of Eski Büyükdere Cad. Park Plaza No. 14 Kat 15-16 Maslak – Sarıyer / ISTANBUL. In the case of a change of address, the new address will be registered in trade registry and announced in the Turkish Trade Registry Gazette and separately notified to the Ministry of Customs and Trade and to the Capital Markets Board. Notices delivered to its registered and announced address will be deemed to have been served on the Company. Failure of the Company to have its new address registered in a timely manner after leaving its registered and announced address will be deemed as a just cause for dissolution of the Company.

The Company may open branches in Turkey and abroad by informing the Ministry of Customs and Trade and the Capital Markets Board beforehand.

#### **TERM OF COMPANY:**

**Article 5** – The Company has been founded for an indefinite term, and may terminate due to legal reasons or by a decision to be taken by its General Assembly of Shareholders in accordance with the pertinent provisions of the Turkish Commercial Code.

### **SECOND PART CAPITAL PROVISIONS**

#### **CAPITAL OF COMPANY:**

**Article 6** – The Company has adopted the registered capital system in accordance with provisions of the repealed Law no. 2499, and has shifted to this system by permission, no. 878, dated 31.08.1994, of the Capital Markets Board.

Registered capital ceiling of the Company is TL **1,000,000,000 (One billion)**, divided into **100,000,000,000 (Hundred billion)** shares written to bearer, each with a nominal value of 1 (one) kurush.

The registered capital ceiling permission granted by the Capital Markets Board is valid for a term of 5 years between **2018 and 2022**. Even if the permitted registered capital ceiling has not been reached as of the end of **2022**, in order for the board of directors to take a decision of capital increase after the year **2022**, the Company is required to receive a new permission from the Capital Markets Board for the previously permitted ceiling or for a new ceiling amount, and to obtain an authorization from the general assembly of shareholders for a new term up to 5 years. **If such authorization is not taken, the Company cannot make a capital increase by a decision of the board of directors.**

Issued capital of the Company is TL 657,700,000 (sixhundredfiftysevenmillionsevenhundredthousand Turkish Lira), which has been fully paid free from any collusion.

Shares of the Company are written to bearer. Shares representing the capital are pursued on book-entry basis within the framework of dematerialization principles.

Capital of the Company may, if and when required, be increased or decreased within the frame of provisions of the Turkish Commercial Code and the Capital Markets regulations.

The Board of Directors is authorized to increase the issued capital by issuing new shares up to the registered capital ceiling if and when deemed necessary in compliance with provisions of the Capital Markets Law. The Board of Directors is authorized to take decisions on issuance of new shares above or below the nominal value per share, and to limit the rights of option of the existing shareholders on newly issued shares. However, the Board of Directors may not use its power to limit the rights of option of the existing shareholders on newly issued shares in such manner to cause inequality among shareholders.

#### **SHARES:**

**Article 7** – Capital of the Company is composed of shares written to bearer.

**Article 8** – REPEALED.

**Article 9** – REPEALED.

**Article 10** – REPEALED.

**Article 11** – REPEALED.

#### **TRANSFER OF SHARES:**

**Article 12** – Transfer of shares written to bearer is governed by the pertinent provisions of the Turkish Commercial Code and the Capital Markets regulations.

**Article 13** – REPEALED.

#### **ISSUANCE AND CONDITIONS OF BONDS AND OTHER SECURITIES:**

**Article 14** – The Company may issue all types of bonds, financing notes, participation dividend certificates, profit and loss sharing certificates or all kinds of other capital market instruments acceptable to the Capital Markets Board, up to the limits permitted by the laws and regulations, for sale to natural persons and legal entities in Turkey or abroad, in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Law and other laws and regulations.

Out of the securities covered by this Article, those which can be issued by a decision of the Board of Directors pursuant to the Capital Markets regulations are issued by a decision of the Board of Directors.

### **THIRD PART ORGANS OF COMPANY**

#### **FORMATION AND ELIGIBILITY FOR ELECTION OF BOARD OF DIRECTORS:**

**Article 15** – Members elected for the Board of Directors are categorized in two groups, namely executive and non-executive members.

Pursuant to the relevant provisions of the Turkish Commercial Code, regulations of the Capital Markets Board and this Articles of Association, the Company will be represented and managed by a board of directors, consisting of at least 9 (nine) members, to be elected by the General Assembly. The General Assembly of Shareholders, at the time of election of directors, determines the number of members to be elected to the Board of Directors within the aforementioned limits.

Majority of members of the Board of Directors will be non-executive members who do not have any administrative duty or job in the Company, other than or beside the membership in the Board of Directors.

Included among the non-executive members of the Board of Directors will be independent members having the qualifications listed in the Capital Markets Board's Corporate Governance Principles.

**Article 16** – Directors, other than independent directors, are elected for a minimum term of office of one year and a maximum term of office of three years. Term of office of independent members of the Board of Directors is up to three years, and they may be re-nominated and re-elected. A Director whose term of office is over may be re-elected.

Upon vacation of any seat in the Board of Directors before the end of term of office and for any reason whatsoever, the Directors other than independent directors are liable to elect new director for the vacant seat. The newly elected director takes office until the first meeting of the General Assembly of Shareholders. If and when his election is approved by the General Assembly of Shareholders, his term of office is extended until the end of term of office of his predecessor.

The General Assembly of Shareholders may, in its sole discretion and at all times, replace any members of the Board of Directors. In its first meeting to be held after elections, the Board of Directors will elect a president and a vice president from among its own members.

#### **DUTIES AND POWERS OF DIRECTORS:**

**Article 17** – The board of directors is empowered to resolve and execute on all matters excluding the matters that the general assembly is exclusively empowered to resolve on.

Board of directors shall issue an internal directive within the scope of this article and in line with the articles of 367, 371., 419 and other related articles of the Turkish Commercial Code numbered 6102. Such internal directive shall regulate the management of the Company and determine duties, descriptions, and reporting obligations in relation to management of the Company.

Provisions of the Article 375 of the Turkish Commercial Code are preserved. Board of Directors shall convene whenever necessary, at least two times within a year. The Board of Directors shall also convene whenever necessary or upon the invitation of the president or deputy president.

The Board of Directors may resolve on the regular matters requested by one of the members by the written consents of the board members as long as none of the members request for a meeting. **The Board of Directors can only validly take decisions without a meeting if such motion has been submitted to all of the members of the Board of Directors.**

**Consents/approvals of the members of the Board of Directors are not required to be placed on the same paper, but all of the papers containing the related consents/approvals must be affixed to the decision book of the Board of Directors, or a single decision document containing signatures of all of the consenting members must be prepared and incorporated in the decisions book for a valid resolution without a meeting.**

Those who are entitled to attend board of directors of the Company may also attend such meetings electronically, pursuant to Article 1527 of the Turkish Commercial Code. The Company may either establish an Electronic Meeting System, allowing right holders to attend such meetings and vote electronically pursuant to the provisions of the Regulation Regarding Electronically Held Assemblies of Joint Stock Companies, or may purchase services from systems created for such purpose. In accordance with this provision, right holders and their representatives shall be allowed to use their rights specified in the relevant legislation, over that system in all general assembly meetings.

The Board of Directors convenes by the attendance of board members with simple majority. The Board of Directors resolves with the affirmative votes of simple majority of the board members attending the board meeting.

However, the board of directors convenes with the absolute majority of the board members in order to discuss matters listed below (“Board of Director’s Material Transactions”) and such matters are resolved with the affirmative votes of the simple majority of the board members on the condition that there is no negative vote by the members other than the independent board members. If there is a negative vote by the members other than the independent board members, then such a transaction shall not be realized.

#### *Purchase and Disposals*

1. Within the framework of the transactions to be realized in a single transaction or consecutive transactions (i) intergroup transactions: (ii) ordinary transactions that the company engages into in line with the previous implementations of the company (iii) excluding the transaction in relation to BNY Gayrimenkul Gelistirme A.S, provided that it is below the materiality criteria indicated under the capital markets regulation and Turkish Commercial Code and on the condition for that transaction to be in relation to a single transaction or consecutive transactions to be in relation to assets and activities over the amount 20.000.000 USD ( including but not limited to revenues in disposals) or any activity (or material part of any activity) or acquisition or sale of shares or share options. For the avoidance of doubt, the quorums indicated under the Article 26 of these articles of association

will be applicable for the transactions that fulfil the materiality criteria under the capital markets regulation and Turkish Commercial Code.

#### *Capital Increase and Approval of Share Transfers*

2. Without prejudice to the matters required under the relevant legislation, issuance or allotment of shares in any Group company in an amount within the registered capital ceiling, debt convertible to capital or issuance of any other securities convertible to capital to any 3rd person; or entitling any 3rd person with the right to contribute or contribution option to the shares in any Group company in an amount within the registered capital ceiling, debt convertible to capital or issuance of any other securities convertible to capital (by means of restricting the pre-emptive rights and privileges of the existing shareholders)

#### *Accounts*

3. To change the major accounting principles of the Company, without prejudice to the conditions under the regulation and accounting standards accepted in Turkey at times.

#### *Re-organization*

4. Company to become a party to simplified merger and/or demerger transactions with a different company within the group.

### **BINDING OF COMPANY:**

**Article 18** – In order to be valid for and binding on the Company, all documents and papers to be issued in the name of the Company are required to signed under the common seal of the Company by persons who are appointed by a decision of the Board of Directors, duly registered and announced, indicating the degrees, limits and formats of their signature authorization and describing how they will sign in the name of the Company.

### **REMUNERATIONS PAYABLE TO DIRECTORS:**

**Article 19** – Principles of waging of directors and other top echelon executives will be determined by the Board of Directors in writing, and presented to shareholders for information purposes as a separate agenda item in a general assembly meeting in order to allow shareholders to express their opinions thereon. Waging policy prepared for this purpose will further be published in the Company's internet website.

Stock options or performance-based payment schemes of the Company are not used in waging of independent directors. Fees payable to independent directors will be at an adequate level for them to maintain their independence.

### **ELECTION OF AUDITOR:**

**Article 20** – Audit of the Company and other issues specified in the applicable laws, and auditors to be assigned thereinfor, shall be governed by and subject to the pertinent provisions of the Turkish Commercial Code and the Capital Markets laws and regulations.

## **DUTIES OF AUDITOR:**

**Article 21** – The auditor will perform the duties listed and enumerated in Article 397 et seq. of the Turkish Commercial Code no. 6102, and will conduct the audits required and feasible for good management and for protection of interests of the Company.

## **GENERAL ASSEMBLY OF SHAREHOLDERS, ORDINARY AND EXTRAORDINARY GENERAL ASSEMBLY MEETINGS:**

**Article 22** – The General Assembly of Shareholders is the highest decision making organ of the Company.

The General Assembly of Shareholders meets for ordinary (regular) and extraordinary (special) meetings. Ordinary meetings of the General Assembly of Shareholders are held at least once a year upon a call of the Board of Directors within three months following the end of each accounting period of the Company. In these meetings, the agenda items determined according to Article 413 of the Turkish Commercial Code are discussed and decided.

Duties and powers of the General Assembly of Shareholders are governed by provisions of Article 408 of the Turkish Commercial Code.

Extraordinary meetings of the General Assembly of Shareholders are convened upon a call of the Board of Directors or the auditor or upon written demand, also indicating the underlying reasons, of shareholders holding at least five percent of paid capital of the Company, in order to discuss, and decide on, the predetermined agenda.

## **PLACE AND TIME OF GENERAL ASSEMBLY MEETINGS:**

**Article 23** – Place, date and time of meetings of the General Assembly of Shareholders are determined and announced by the Board of Directors.

The Board of Directors is authorized to decide to call the General Assembly of Shareholders for a meeting at the head offices of the Company or at any other convenient address within the borders of Istanbul province.

Advertisements and calls for meetings of the General Assembly of Shareholders are required to be made no later than three weeks prior to the scheduled date of meeting of the General Assembly of Shareholders, except for meeting days, in accordance with the procedures described in the Turkish Commercial Code, the Capital Markets Law and other applicable laws and in compliance with the provisions of the Communiqué on Determination and Implementation of Corporate Governance Principles of the Capital Markets Board and of the Corporate Governance Principles attached thereto.

In the Company's internet website, in addition to the advertisement of meeting of the General Assembly of Shareholders, the disclosures and statements required to be issued by the Company pursuant to the applicable laws will be published, and notices will draw attention to the matters dealt with by the Capital Markets Board's Corporate Governance Principles.



The Company issues an internal directive dealing with modus operandi of the General Assembly of Shareholders.

Those having the right to attend the meetings of the General Assembly of Shareholders of the Company may also attend these meetings via electronic media pursuant to Article 1527 of the Turkish Commercial Code. In accordance with provisions of the Regulation on Meetings of General Assembly of Shareholders To Be Held Via Electronic Media in Joint-stock Companies, the Company may either itself establish an Electronic General Assembly Meeting System enabling the right owners to participate general assembly meetings and express their opinions, raise motions, and vote therein via electronic media, or may purchase services from service providers founded for this purpose. In all meetings of the General Assembly of Shareholders, in accordance with this provision of the Articles of Association, the right owners or their proxies are enabled to use their rights arising out of said Regulation through the system established therein for or through support service providers.

#### **NOTIFICATION TO MINISTRY, AND APPOINTMENT OF PROXY:**

**Article 24** – Both ordinary and extraordinary meetings of the General Assembly of Shareholders will be notified to the Ministry of Customs and Trade and the Capital Markets Board, and meeting agenda and one copy of each of the substantiating documents will be sent thereto, no later than twenty days prior to the meeting day.

A representative of the Ministry of Customs and Trade is required to be available in all meetings.

Decisions to be taken in absence of such a representative are null and void.

#### **RIGHT TO VOTE:**

**Article 25** – Each share gives one vote right. If a share is co-owned by more than one person, the co-owners may attend the general assembly meetings and vote therein only through a proxy to be elected from among themselves or from outside.

Votes are used in compliance with pertinent provisions of the Turkish Commercial Code, the Capital Markets Law and other applicable laws.

Pursuant to Article 415/4 of the Turkish Commercial Code, the rights to participate general assembly meetings and vote therein cannot be conditioned upon a condition of delivery by the shareholder of his share certificates or other documents of proof of shareholding status to a crediting institution or elsewhere.

Within the frame of the Corporate Governance Principles, if a party to material transactions is a related party, the related parties cannot vote in meetings of the General Assembly of Shareholders.

## QUORUMS:

### A- MEETING QUORUM:

**Article 26** - General Assembly shall convene with the attendance of the shareholders representing at least  $\frac{1}{4}$  of the Company capital.

In the event that this quorum cannot be reached at the first meeting, the General Assembly of Shareholders shall be invited to a meeting for the second time.

The General Assembly of Shareholders may pass resolutions regardless of the amount of share capital represented by the shareholders attending to such second meeting. Relevant provisions of the Article 421 of the Turkish Commercial Code numbered 6102 and Capital Markets Law are applicable for the discussion and decision quorums for the matters requiring amendment to articles of association.

General Assembly resolution in relation to the transactions mentioned below (**‘Material GAM Transactions’**) shall be passed by the 75% affirmative votes of the shareholders present at such meeting in a quorum representing at least 75% of capital of the Company.

#### *Purchase and Disposals*

1. Within the framework of the transactions to be realized in a single transaction or consecutive transactions (i) intergroup transactions: (ii) ordinary transactions that the company engages into in line with the previous implementations of the company provided that it is above the materiality criteria indicated under the capital markets regulation and Turkish Commercial Code or any activity (or material part of any activity) or acquisition or sale of shares or share options.

#### *Establishment of encumbrance*

2. Establishing real encumbrance over the assets, liabilities and real estate of the Company in a manner overreaching the materiality criteria indicated under the Capital Markets regulation.

#### *Company Activities*

3. In relation to scope and type of Company activities, inclusion of a new scope of activity, exclusion of an existing scope of activity, terminating the Company activities, changing Company’s place of main activities.

#### *Re-organisation*

4. Company to become a party to simplified merger and/or demerger transactions with a different company within the group.

#### *Increasing the registered capital ceiling*

5. Increasing the registered capital ceiling in the *Company’s articles of association*

*Consolidation, sub-division or Conversion of the Capital*

6. Consolidation, sub-division or conversion of the Capital of the Company

*Capital Decrease*

7. Capital decrease, redeem of the shares, changing the rights in relation to any share class

*Dividend*

8. Establishing and revision of the dividend principles or revising the dividend principles, notwithstanding the required conditions under the regulation.

*Auditors*

9. Changing the auditors and financial year of the Company.

*Incorporation Documents*

10. Amendment of the articles of association excluding the amendments required by the relevant regulation and/or any technical amendments.

*Liquidation*

11. To take legal action for the liquidation of the company: to apply for the appointment of an equity receiver or liquidator.

*De-listing from the Stock Exchange and to become non-public.*

12. Company to be delisted from the Stock exchange and become non-public.

In relation to the interpretation this article and article 17 of the Articles of Association:

**Group** shall mean the company and the direct and indirect subsidiaries of the Company,

**Encumbrance** shall mean mortgage, pledge, lien, option, right to purchase, pre-emption right, and guarantee or to constitute any type of guarantee (including the safekeeping agreement) assignment of receivables as a trust or security, any agreement or obligation to realize the above.

**B- DECISION QUORUM:**

**Article 27** – General Assembly shall resolve with the majority of the existing votes provided that there is no contrary provision under the Turkish Commercial Code numbered 6102 and Capital Markets Law. However, General Assembly resolution in relation to the matters mentioned in the Article 26 of this Articles of Association shall be passed by the **75%** affirmative votes of the shareholders present at such meeting in a quorum representing at least **75%** of capital of the Company.

## **GENERAL ASSEMBLY MEETINGS:**

**Article 28** – Meetings of the General Assembly of Shareholders are opened by president or in his absence, vice president of the Board of Directors. After determination of the meeting quorum, a meeting chairman, a secretary and two vote-collectors are elected from among shareholders or from outside.

Shareholders holding management control of the Company, and directors and top echelon managers, and their spouse and blood relatives and relatives by marriage up to second degree may compete or transact in such manner to pave the way for a conflict of interests with the Company or its affiliates, only with a prior consent of and only within knowledge of the General Assembly of Shareholders.

The Company will inform its shareholders in the ordinary meetings of the General Assembly of Shareholders about pledges and mortgages established by the Company in favor of third parties, and about revenues or benefits obtained therefrom, and will include this matter as a separate item in agenda of the relevant ordinary meeting of the General Assembly of Shareholders.

## **USE OF VOTES:**

**Article 29** – In meetings of the General Assembly of Shareholders, votes are used by show of hands. The regulations of the Capital Markets Board pertaining thereto are, however, reserved.

## **FOURTH PART FISCAL PROVISIONS**

### **ACCOUNTING PERIOD:**

**Article 30** – Accounting period of the Company is a calendar year. However, the first accounting period will exceptionally start as of the date of foundation of the Company and end in the last day of December of the initial year.

The Company will disclose to public and send to the Board in accordance with procedures and principles set forth by the Board its financial statements and reports and independent audit reports requested by the Capital Markets Board in accordance with the Capital Markets Law.

Footnotes of all financial statements disclosed by the Company to public will indicate details of, and ratio to shareholders' equity of, guarantees, pledges and mortgages, including sureties, granted and established by the Company in favor of natural persons or legal entities as a security for repayment of debts of third parties in accordance with the Capital Markets laws and regulations.

**Article 31** – REPEALED.

## **DETERMINATION AND DISTRIBUTION OF PROFIT:**

**Article 32** – The net profit of the Company shall be the amount remaining after the deduction of the amounts to be paid or set aside by the Company, such as general expenses and various amortization costs and the taxes shall be paid by the Company and previous years losses from the Company's revenues.

The net profit to be determined as mentioned above shall be distributed as follows:

General Legal Reserve:

a) Five per cent (5%) of the Net Profit shall be set aside as General Legal Reserve until such accumulated reserve reaches 20% of the paid-up capital of the Company.

First Dividend

b) The remaining profits may be set aside by inclusion of any donation amount if any to be distributed as first dividend in line with the dividend distribution policy to be determined by the general assembly in accordance with the Turkish Commercial Code and Capital Markets Regulation.

c) Following the deductions above, the General Assembly is entitled to distribute the remaining profit to the members of the board of directors, employees, to foundations established for various purposes and to real persons and institutions in the same nature.

Second Dividend:

d) Upon the deduction of the amounts determined under (a), (b), (c) from the net profit, the General Assembly is authorized to distribute the remaining amount fully or partially as the second dividend or set aside as extraordinary reserves in accordance with the article 521 of the Turkish Commercial Code.

No resolution shall be passed to distribute profit shares to the members of the Board of Directors, employees to foundations established for various purposes and to real persons and institutions in the same nature set aside other reserves or transfer profits to the following year, until and unless the statutory reserves and the first dividends to the shareholders are set aside and paid in cash.

f) The profit is distributed in equal basis of the existing shares as of the profit distribution date regardless of their issuance or acquisition date

g) The General Assembly of Shareholders shall decide on the date and the method of the distribution of profits to the shareholders, upon the proposal of the Board of Directors.

The profits distributed in accordance with the provisions of these Articles of Association shall not be reclaimed.

Provisions of the article 512 of the Turkish Commercial Code are reserved.

General Assembly may resolve for the distribution of advance dividend to the shareholders within the framework of Capital Markets Board regulations and related regulation.

**Article 33** – REPEALED.

**Article 34** – REPEALED.

**ANNOUNCEMENTS:**

**Article 35** – Any announcement concerning the company shall be made by publishing on the website of the company, public disclosure platform and Turkish trade registry gazette provided that timing complies with the requirements of the Turkish Commercial Code.

Capital Markets Board's regulations are reserved. Matters that are not indicated under Capital Markets Board regulations are published on the website of the Company.

**JURISDICTION IN RESOLUTION OF DISPUTES:**

**Article 36** – The courts and execution offices of the city of head offices of the Company will have jurisdiction in resolution of all kinds of disputes that may arise between the Company and the shareholders during operations or liquidation of the Company.

**Article 37** – REPEALED.

**Article 38** – REPEALED.

**Article 39** – The provisions of the Turkish Commercial Code and the Capital Markets Law are applicable on all and any matters on which these Articles of Association remain silent.

The Company will comply with the Corporate Governance Principles imposed by the Capital Markets Board. Transactions effected and decisions of the Board of Directors and of the General Assembly of Shareholders taken in conflict with such mandatory principles are invalid, and are deemed to be in contradiction with these Articles of Association. Regulations of the Capital Markets Board pertaining to corporate governance will be complied with in all transactions deemed material for the purposes of the Corporate Governance Principles, and in all kinds of related party transactions of the Company, and in establishment of pledges and mortgages in favor of third parties. Number and qualifications of independent members to be appointed to the Board of Directors will be determined according to regulations of the Capital Markets Board pertaining to corporate governance.

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*\* In the annual ordinary meeting of the General Assembly of Shareholders held on 27 March 2014, articles 2, 4, 5, 6, 12, 21, 25 and 32 of Articles of Association of our Company have been amended, and articles 8, 10, 11, 13, 31, 33, 34, 37 and 38 have been deleted from the Articles of Association, and these amendments and deletions have been registered by Istanbul Trade Registry on 10 April 2014. At the same time, our Company's name has been changed from Altinyıldız Mensucat ve Konfeksiyon Fabrikaları Anonim Şirketi to BOYNER PERAKENDE VE TEKSTİL YATIRIMLARI ANONİM ŞİRKETİ.*

*\*\* In the annual ordinary meeting of the General Assembly of Shareholders held on 5 April 2016, the amendments to articles 17, 26, 27 and 32 of Articles of Association of our Company have been resolved. The amendments were registered at Istanbul Trade Registry on 20 April 2016 and published in TTRG dated 26 April 2016 & no.9062.*

*\*\*\* \*\* In the annual ordinary meeting of the General Assembly of Shareholders held on 30 March 2017, the amendments to articles 26 and 27 Articles of Association of our Company have been resolved. The amendments were registered at Istanbul Trade Registry on 10 April 2017 and published in TTRG dated 14 April 2017 & no.9306.*