

MINUTES OF ORDINARY GENERAL ASSEMBLY MEETING OF BİM BİRLEŞİK MAĞAZALAR ANONİM ŞİRKETİ FOR THE YEAR 2018 AS HELD ON 21.05.2019

The Ordinary General Assembly of BİM Birleşik Mağazalar Anonim Şirketi has been held on 21 May 2019, at 14:00 hours, at its head office at Abdurrahmangazi Mahallesi Ebubekir Caddesi No.73 Sancaktepe İstanbul, under the supervision of Aysun Arasoğlu, the observer of the Ministry who has been authorized with a letter No. 90726394-431.03-E-00044540818 of 20.05.2019 issued by the Istanbul Provincial Directorate of Trade.

The meeting invitation prescribed under the applicable law and the Articles of Association and so as to include the agenda has been published in due course of time in the Turkish Trade Registry Gazette No. 9818 of 29.04.2019, the website of our Company (www.bim.com.tr), and in the Electronic General Assembly System in which the date and agenda of the meeting have been duly notified.

Upon review of the list of present, it has been verified that the total share capital of the company being TL 303.600.000 corresponding to 303.600.000 shares has been represented at the meeting including 3.849.330 shares corresponding to TL 3.849.330 principally and 250.994.908 shares corresponding to TL 250.994.908 by proxy and totally 254.844.238 shares were represented. Thus constituting the required quorum as prescribed in the applicable law and its Articles of Association. It has been understood that 169.395.083 shares corresponding to TL 169.395.083 have been represented by the assigned representatives. Then, the meeting has been opened physically and electronically by Ahmet AKÇA, the member of the Board of Directors.

After Ahmet AKÇA, the member of the Board of Directors has briefed about the voting method, the items of the agenda have been negotiated as follows.

1. It has been **resolved** by the majority of votes as a result of 254.833.569 favorable votes against 10.669 opposing votes cast physically and electronically that Ahmet AKÇA, be elected as the president of the meeting, Haluk DORTLUOĞLU as the Secretary and Galip AYKAÇ as the Vote Counter and that the Presidency of the meeting is authorized to sign the minutes of the Ordinary General Assembly Meeting.
2. Annual Report of the Board of Directors for the operations in 2018 as publicly disclosed 21 days in advance of the General Assembly Meeting has been read out by the secretary and it has been negotiated by the attendants. No voting has taken place as this item is for information only.
3. The summary of the report for the operating year 2018 as issued by Independent Audit Firm PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi has been read out and negotiated. No voting has taken place as this item is for information only.
4. Balance sheet, profit & loss statements indicating the operating results and accounts for the year 2018 as issued in accordance with the Communiqué No. II-14.1 of the Capital

Markets Board have been read out and negotiated. Upon voting, physically and electronically, the financial statements have been ratified by the majority of votes with 254.187.719 favorable votes and 656.519 opposing votes.

5. Upon voting, physically and electronically, it has been **resolved** by the majority of votes with 254.062.708 favorable votes and 781.530 opposing votes that the members of the Board of Directors of the Company be released for their activities in 2018.
6. 2018 Profit Distribution has been discussed. Upon announcing the recommendation of Board of Directors, it has been **resolved** by the consensus of votes as a result of 254.844.238 favorable votes against 0 opposing votes cast physically and electronically that of the post-tax profit for the year 2018 in the amount of TL 1.250.464.000 pursuant to the consolidated financial statements issued in accordance with the Communiqué No. II-14.1 of the Capital Markets Board:

- gross **TRY 728.640.000** which corresponds to the 240% of the capital paid to the shareholders shall be distributed in cash and **TRY 303.600.000** which corresponds to the 100% of the capital paid shall be distributed as bonus issue

- **TRY 71.346.000** shall be allocated as 2nd legal reserve

- in calculation of the distributable profit in cash, the equation of "TRY 1.- Nominal value = 1 piece = 1 Lot" shall be used and therefore for each fully paid bearer share of TRY 1.- shall be paid a gross=net dividend of TRY 2,40.- to shareholders whose dividends are not subject to withholding tax and shall be paid a net dividend of TRY 2,04 (gross TRY 2,40) for each share of TL 1 for other shareholders,

- distribution of cash dividend to be implemented in two installments, first installment be distributed as gross TRY 1,20 for each share from 12th June 2019 and second installment as TRY 1,20 for each share from 18th November 2019,

- the date of the amount to be distributed as bonus issue will be decided by Company Management after finalizing all legal procedures.

The profit distribution table, is presented in **ANNEX-1**,

7. The advisory decision of the Board of Directors to change article of association to increase Company Share Capital from TRY 303.600.000 to TRY 607.200.000 , completely free of charge (bonus issue) was discussed. As per the authorizations dated April 15, 2019 and No. 43548192 obtained from the Capital Markets Board of Turkey and Republic of Turkey Ministry of Trade, it was **decided** to approve article of association amendment by the consensus of the votes collected physically and on electronic media which corresponds to 254.844.238 affirmative votes against 0 negative votes

The amendment of Company Article of Association is attached.

8. The proposal regarding the Membership of Company Board of Directors and honorarium to be for them has been announced along with their curriculum vitae to the attendees. They have been informed about The Capital Markets Board approval about the independent nominees.

As a result of the physically and electronically voting, it has been **resolved** that;

Mustafa Latif TOPBAŞ, Mahmud Pyarali MERALI, Ömer Hulusi TOPBAŞ, Jozef Wilhelmus Johannes SİMONS, Ahmet AKÇA (Independent) and Paul FOLEY (Independent) to be elected as member of the Board of Directors and to be paid TRY 9.000 honoraria per month by the majority of votes with 178.597.645 favorable votes and 76.246.593 opposing votes,

Mrs. Sevda Alkan attending the meeting electronically has asked if any female member shall be elected to the Board of Directors or if not to be elected, the reasons thereof. Mr. Haluk DORTLUOĞLU stated that this issue is discretionary in the Corporate Governance Principles and no proposal has been submitted regarding this question.

9. Upon voting, physically and electronically, it has been **resolved** by the majority of votes with 249.240.766 favorable votes and 5.603.472 opposing votes that the members of the Board of Directors of the Company be authorized to perform the transactions set forth under Articles 395 and 396 of the Turkish Commercial Code.

Additionally, General Assembly attendees have been informed about the related party transactions of the Company in 2018. The conclusion of the report prepared by Board of Director and announced to the public in order to evaluate the transactions with related parties dated March 6, 2019 was shared with the participants. It is stated that there is not any related party transaction to be detailed in the framework of the Capital Markets Board Corporate Governance Compliance Article 1.3.6.

10. The shareholders have been informed about the buy-back transactions to repurchase the shares of the company from the stock exchange

In regards of the resolutions of the Board of Directors as of May 8, 2018 and June 26, 2018 it was decided to purchase the Company's shares back in the Stock Exchange, to determine the maximum number of shares that may be subject to buy-back will be in number of shares 3,000,000 (nominal TRY 3.000.000), to determine share buy-back fund amount as TRY 225.000.000 maximum, subject to cover it from Company internal sources, and to authorize Haluk Dortluoglu, Executive Committee Member and CFO, for the transactions. The buy-back program is ended in September 11, 2018 with resolution of the Board of Directors.

Within the scope of the current program, the Company bought back a total of 2,587,553 shares, which were traded on the Istanbul Stock Exchange and accounted for 0.85% of the Company's capital, for a total price of TL 174,618,286 (full TL), between 9 May and 15 August 2018. Minimum and maximum share price bought are TRY 63,45 per share and TRY 72,45 per share, respectively. The average buying price is TRY 67,48.

No voting has taken place as this item is for information only.

11. The General Assembly has been informed that the Company has donated 12.315.297 TL in 2018 corresponding to 0,038% of the total sales in 2018 and it has remained below the upper limit of 0,1% determined in the Company Aid & Donation Policy.

Aids and donations by the Company in 2018;

Donation made on educational institutions	TRY 8.056.494
Donations made on foundations, organization and persons	TRY 2.939.291
Donation made on public institutions	TRY 1.288.912
Other aids and donations	TRY 30.600
Total aids and donations	TRY 12.315.297

No voting has taken place as this item is for information only.

12. The shareholders have been duly informed that no guarantee, surety, pledge, mortgage or other encumbrances have been created in favor of third parties pursuant to the Corporate Governance Communiqué of the Capital Markets Board. No voting has taken place as this item is for information only.

13. Approval of the Independent Audit Firm as selected by the Board of Directors in accordance with the Turkish Commercial Code and Capital Markets Board regulations has been voted.

Upon voting, physically and electronically, it has been **resolved** by the majority of votes with 249.456.533 favorable votes and 5.387.705 opposing votes that, in line with the proposal of the chairman of the Board of Directors, the independent audit service for the year 2019 be outsourced from Independent Audit Firm PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi in accordance with the Turkish Commercial Code and Capital Markets Board regulations

After wishes the meeting has been closed and this minute has been issued by the presidency of the meeting in presence of the observer of the Ministry of Customs and Trade

ANNEX1: Profit Distribution Table 2018

ANNEX2: Amendment of Article of Association

Ahmet AKÇA
PRESIDENT OF MEETING

Haluk DORTLUOĞLU
SECRETARY

Galip AYKAÇ
VOTE COUNTER

Aysun ARASOĞLU
OBSERVER OF MINISTRY

Annex1: BİM Birleşik Mağazalar A.Ş. 2018 Dividend Distribution Chart (TL)			
1. Share Capital			303.600.000
2. Total Reserve Funds (Per Legal Records)			571.193.740
Priority on dividend			None
		Per Capital Market Board	Per Legal Records
3.	Profit Before Tax	1.626.812.000	1.609.143.943
4.	Corporate Tax (-)	376.348.000	353.481.604
5.	Profit After Tax (=)	1.250.464.000	1.255.662.339
6.	Prior Year Loss(-)	-	-
7.	First Reserve Fund (-)	-	-
8.	Net Income Distributable(=)	1.250.464.000	1.255.662.339
9.	Donations (+)	12.315.297	
10.	Distributable Income + Donations	1.262.779.297	
11.	First Dividend to Shareholders		
	-Cash	728.640.000	
	-Bonus	303.600.000	
	- Total	1.032.240.000	
12.	Dividend For Privileged Shares	-	
13.	Other Dividend		
	- Board Members		
	- Employees		
	- Other	-	
14.	Dividend to Redeemed Shares	-	
15.	Second Dividend to Shareholders	-	
16.	Second Reserve Fund to be allocated	71.346.000	
17.	Other Reserves	-	-
18.	Special Reserves	-	-
19.	Extraordinary Reserves	146.878.000	152.076.339
20.	Other funds to be distributed	-	-

DIVIDEND RATIO TABLE

	GROUP (*)	TOTAL DIVIDEND DISTRIBUTED		TOTAL NET DIVIDEND DISTRIBUTED / NET DISTRIBUTABLE INCOME	DIVIDEND TO 1 TL NOMINAL SHARES, NET	
		CASH (TL)	BONUS(TL)	RATIO (%)	AMOUNT (TL)	RATE (%)
NET	TOTAL	619.344.000	303.600.000	73,81	3,04	304

(*) There is no privileged shares.

BİM BİRLEŞİK MAĞAZALAR A.Ş. ARTICLES OF ASSOCIATION AMENDMENTS**OLD****NEW****SECTION II SHARE CAPITAL AND SHARES****SHARE CAPITAL AND SHARE PERCENTAGES****Article 6.**

The principal capital of the Company is TL 303.600.000 (Three hundred three million six hundred thousand Turkish Lira) divided into 303.600.000 (Three hundred three million six hundred thousand) shares each having a nominal value of TL 1 (One Turkish Lira). The share capital of the Company being TL 303.600.000 (Three hundred three million six hundred thousand Turkish Lira) has been fully paid.

The share capital has now been increased TL 151.800.000 (One hundred fifty one million eight hundred thousand Turkish Lira) by 100%, including TL 23.121.744 (Twenty three million one hundred twenty one thousand seven hundred forty four Turkish Lira) being secured from 2012 annual profit and TL 128.678.256 (One hundred twenty eight million six hundred seventy eight thousand two hundred fifty six Turkish Lira) from extraordinary reserves.

All of the shares in the Company are of bearer type.

The shares to be issued due to addition of internal resources to principal capital, will be given free of charge to the shareholders in proportion to their shareholding.

No new shares can be issued until all issued shares are sold and their values are collected.

The announcements in this respect are made in accordance with the announcement article of Article of Association.

Shares representing the capital are monitored in line with dematerialization rules.

The share capital may be increased or decreased in accordance with the provisions of the Turkish Commercial Code and Capital Markets Legislation.

There is no restriction regarding the share transfer under the Capital Markets laws and regulations. The shares are transferred and assigned in accordance with the provisions of Turkish Commercial Code, Capital Markets Law and other applicable regulations.

SECTION II SHARE CAPITAL AND SHARES**SHARE CAPITAL AND SHARE PERCENTAGES****Article 6.**

The principal capital of the Company is TL 607.200.000 (Six hundred seven million two hundred thousand Turkish Lira) divided into 607.200.000 (Six hundred seven million two hundred thousand) shares each having a nominal value of TL 1 (One Turkish Lira). All of these shares are bearer type.

TL 303.600.000, which constitutes the previous capital of the Company, has been fully paid. All of the capital increase by %100 this time amounting to TL 303.600.000 (three hundred three million six hundred thousand Turkish Liras) was covered by the net profit of 2018 period and this profit was determined by the YMM report dated 05.03.2019 and numbered 1964-551/947-04.

The shares to be issued due to addition of profit to principal capital, will be given free of charge to the shareholders in proportion to their shareholding.

No new shares can be issued until all issued shares are sold and their values are collected.

The announcements in this respect are made in accordance with the announcement article of Article of Association.

Shares representing the capital are monitored in line with dematerialization rules.

The share capital may be increased or decreased in accordance with the provisions of the Turkish Commercial Code and Capital Markets Legislation.

There is no any restriction regarding the share transfer under the Capital Markets laws and regulations. The shares are transferred and assigned in accordance with the provisions of Turkish Commercial Code, Capital Markets Law and other applicable regulations.