

# **mavi**

**General Assembly Information Document**

**MAVİ GİYİM SANAYİ VE TİCARET A.Ş.**  
**ON THE ORDINARY GENERAL ASSEMBLY DATED**  
**27 APRIL 2022**  
**FOR THE SPECIAL ACCOUNTING PERIOD OF**  
**1 FEBRUARY 2021 – 31 JANUARY 2022**

**1. INVITATION TO THE ORDINARY GENERAL ASSEMBLY DATED 27 APRIL 2022**

Our Company shall convene its Ordinary General Assembly on Wednesday, 27 April 2022 at 13:00 p.m. at “Sultan Selim Mahallesi Eski Büyükdere Caddesi No:53 34418 Kağıthane İstanbul” in order to evaluate the activity results of the special accounting period of 1 February 2021 – 31 January 2022 and to discuss and resolve on the agenda indicated hereinbelow.

The Financial Tables relating to the special accounting period of 1 February 2021 – 31 January 2022, the Independent Audit Report issued in relation to such Financial Tables by the independent audit firm, DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the Annual Report of the Board of Directors containing the Corporate Governance Compliance Report, Corporate Governance Information Form and the dividend distribution proposal of the Board of Directors, Sustainability Principles Compliance Report and this Information Document and its annexes inclusive of the agenda items indicated below as well as the additional disclosures required for compliance with the Capital Markets Board’s regulations shall be made available to the examination of Esteemed Shareholders at the Company’s Headquarters, the corporate web site of the Company ([www.mavicompany.com](http://www.mavicompany.com)), which can be reached via the Company’s official web site ([www.mavi.com](http://www.mavi.com)), the Public Disclosure Platform and the Electronic General Assembly System, at least three weeks prior to the meeting and within the applicable legal deadline.

Provided that the rights and obligations of our Shareholders who shall attend the meeting electronically via the Electronic General Assembly System shall be reserved, our Shareholders who shall not be able to attend the meeting in person are required to issue their proxy documents in accordance with the form set forth hereinbelow or to obtain the form of the proxy from the Company’s headquarters or the Company’s corporate web site ([www.mavicompany.com](http://www.mavicompany.com)), which can be reached via the Company’s official web site ([www.mavi.com](http://www.mavi.com)) and submit to the Company their proxies bearing their notarized signatures upon fulfilling the relevant requirements under the “Communiqué No: II-30.1 on Voting by

Proxy and Public Call for Collecting Proxies” published in the Official Gazette dated 24.12.2013 No: 28861 as well. Proxies appointed electronically via the Electronic General Assembly System are not required to submit a proxy document. **Due to our legal liability, proxy documents which do not comply with the form stipulated under the aforementioned Communiqué and included hereinbelow shall under no circumstances be accepted.**

Real person shareholders who shall be attending the meeting in person and the proxies appointed via the Electronic General Assembly System shall submit the identity documents, proxies of real person shareholders shall submit their proxy documents together with their identity documents and representatives of legal entity shareholders shall submit their proxy documents along with their identity documents.

Our shareholders who shall be attending the meeting electronically via the Electronic General Assembly System and their proxies may enter the corporate web site of the Central Registration Agency at [www.mkk.com.tr](http://www.mkk.com.tr) for obtaining information on procedures and principles applicable to attendance, appointment of proxy, making proposals, declaring opinions and voting.

Pursuant to Article 415, paragraph 4 of the Turkish Commercial Code No: 6102 and Article 30, paragraph 1 of the Capital Markets Law, the rights to attend the General Assembly and vote are not conditional upon the depositing of shares. Within this framework, should they wish to attend the General Assembly, our Shareholders are not required to deposit their shares.

Provided that the rules governing electronic voting of the Agenda items shall be reserved, voting during the Ordinary General Assembly shall take place as open vote by show of hands.

Pursuant to the Law No: 6698 Regarding the Protection of Personal Data, you may find the detailed information on the processing of your personal data by the Company in the Privacy Notice for Protection of Personal Data Concerning Investor Relations Processes, which is disclosed to the public on <http://www.mavicompany.com/i/assets/documents/pdf/Privacy-Notice-for-Protection-of-Personal-Data.pdf> .

In accordance with the provisions of the Capital Markets Law, no additional notification via registered mail shall be made to the Shareholders for the registered shares that are traded at the stock exchange.

We would like to state that due to the Covid-19 epidemic affecting the world, the meeting will be held in accordance with the rules announced by official institutions, and the announcements to be made by official institutions on this issue should be closely followed by our shareholders.

Respectfully submitted for the consideration of our Esteemed Shareholders.

**MAVİ GİYİM SANAYİ VE TİCARET A.Ş.**

**BOARD OF DIRECTORS**

**Company's Address:** Sultan Selim Mah. Eski Büyükdere Cad. No:53  
34418 Kağıthane/İstanbul

**Trade Registry and Registration Number:** İstanbul/309315

**Mersis No:** 061300279850012

## **2. OUR ADDITIONAL DISCLOSURES WITHIN THE SCOPE OF THE CMB LEGISLATION**

From among the additional disclosures that are required to be made under the CMB's "Communiqué on the Determination and Implementation of Corporate Governance Principles (No: II-17.1)", those relating to the Agenda items are included below under the respective Agenda items and the remaining mandatory disclosures are submitted for your consideration in this section.

### **2.1. Shareholding Structure and Voting Rights**

The shares of our Company are classified into two groups as Class A shares and Class B Shares.

Class A shareholders have certain privileges relating to the election of the Board of Directors' members. Accordingly, provided that Blue International Holding B.V., its shareholders and/or affiliates and subsidiaries hold at least 20% of the capital or voting rights of the Company

(Class A and Class B shares in aggregate), half of the members of the Company's Board of Directors shall be elected from among the persons to be nominated by Class A shareholders. The Board of Directors' members to be elected from among the nominees of the Class A shareholders shall be members other than the independent members stipulated under the Corporate Governance Principles of the Capital Markets Board.

The Company's Articles of Association does not grant any privileges to the shareholders regarding the exercise of voting rights. Each share entitles its holder to one vote.

However, provided that the quorums stipulated under the Capital Markets Law and the Turkish Commercial Code are reserved and Blue International Holding B.V., its shareholders and/or affiliates and subsidiaries hold at least 20% of the capital or voting rights of the Company (Class A and Class B shares in aggregate), in order for the Company's General Assembly to pass a resolution on the matters listed below and on amendments to the Articles of Association on any of such matters, the affirmative votes of all of the Class A Shareholders shall also be required:

- Changing the Company's field of operation, entering into new lines of business or abandoning existing lines of business.
- Capital increases of the Company other than those to be made within the registered capital system, capital decreases, liquidation, termination or dissolution of the Company or changing the type of the Company.
- Filings for bankruptcy, concordat, financial restructuring, adjournment of bankruptcy.
- Transfer of all or a substantial part of the Company's commercial enterprise.
- Changes to the privileges held by Class A shareholders to nominate the Board of Directors' members or changes to the structure of the Board of Directors.
- Changes to the meeting and resolution quorums of the Board of Directors and committees of the Company.
- Approval of the annual activity report, the profit and loss statement and the balance sheet, and release of the Board of Directors' members from liability.

The table below presents the information on the aggregate amount and number of shares and the voting rights, which demonstrate our Company’s shareholding structure as of the date of disclosure of this Information Document.

Shareholder	Class of Shares	Amount of Shares (TL)	Number of Shares	Ratio of Capital (%)	Voting Rights	Ratio of Voting Rights (%)
<b>Blue International Holding B.V.</b>	A	108.293	108.293	0,22	108.293	0,22
<b>Seyhan Akarlılar</b>	B	4.500.000	4.500.000	9,06	4.500.000	9,06
<b>Fatma Elif Akarlılar</b>	B	4.500.000	4.500.000	9,06	4.500.000	9,06
<b>Hayriye Fethiye Akarlılar</b>	B	4.500.000	4.500.000	9,06	4.500.000	9,06
<b>Publicly Held</b>	B	36.048.707	36.048.707	72,60	36.048.707	72,60
<b>Total</b>		49.657.000	49.657.000	100	49.657.000	100

## 2.2. Information on the Shareholders’ Requests of Adding Items to the Agenda

In the course of preparing the Agenda of the Ordinary General Assembly to be held on 27 April 2022 pertaining to the special accounting period of 1 February 2021 – 31 January 2022, the Company’s shareholders have not submitted any written request to the Investors Relations Department relating to any matter they wished to be included in the Agenda as an item.

## 2.3. Changes in Relation to Management and Activities Which May Have A Material Effect on the Activities of Our Company and Its Subsidiaries

There is no change in management and activity of our company that would significantly affect the activities of our company that took place in the previous fiscal period or planned for the upcoming fiscal periods. Such situations are announced to the public through special case statements, and such statements can be accessed at <https://www.mavicompany.com/en/financial-reports/public-disclosures>.

**OUR DISCLOSURES RELATING TO THE AGENDA ITEMS OF THE ORDINARY  
GENERAL ASSEMBLY  
DATED 27 APRIL 2022  
FOR THE SPECIAL ACCOUNTING PERIOD OF  
1 FEBRUARY 2021 – 31 JANUARY 2022**

**1. Opening and Election of the Meeting’s Chairperson,**

The Chairperson who will preside the General Assembly is elected pursuant to the provisions of the Turkish Commercial Code No: 6102 (the “TCC”), the Regulation on the Procedures and Principles Applicable to General Assemblies of Joint Stock Companies and the Representatives of the T.C. Ministry of Customs and Commerce Who Will Attend Such Meetings (the “Regulation” or the “General Assembly Regulation”) and Article 7 of the Internal Directive on General Assemblies. In accordance with the Internal Directive on General Assemblies, the Chairperson shall appoint at least one Secretary to keep the minutes and sufficient number of Vote Collectors.

**2. Reading, discussion and approval of the Annual Report prepared by the Company’s Board of Directors for the special accounting period of 1 February 2021 – 31 January 2022,**

Information shall be provided on the Annual Report pertaining to the special accounting period of 1 February 2021 – 31 January 2022, which, in accordance with the TCC, the Regulation and the relevant regulations under the Capital Markets Law is to be submitted to our shareholders’ examination for three weeks prior to the date of the General Assembly at our Company’s Headquarters, the Electronic General Assembly portal of the Central Registration Agency and our Company’s corporate web site ([www.mavicompany.com](http://www.mavicompany.com)) that is accessible via our official web site ([www.mavi.com](http://www.mavi.com)), and the Annual Report shall be submitted for the consideration and to the approval of our shareholders.

**3. Reading of the Independent Audit Report Summary for the special accounting period of 1 February 2021 – 31 January 2022,**

Summary of the Independent Audit Report prepared under the TCC and the Capital Markets Board regulations, a copy of which is submitted to our shareholders’ consideration for three weeks prior to the date of the General Assembly at our Company’s Headquarters, the

Electronic General Assembly portal of the Central Registration Agency and our Company's corporate web site ([www.mavicompany.com](http://www.mavicompany.com)) that is accessible via our official web site ([www.mavi.com](http://www.mavi.com)), shall be submitted to the information of the General Assembly.

**4. Reading, discussion and approval of the Financial Statements relating to the special accounting period of 1 February 2021 – 31 January 2022,**

Our financial statements which, in accordance with the TCC, the Regulation and the relevant regulations under the Capital Markets Law, are to be submitted to our shareholders' examination at least for three weeks prior to the date of the General Assembly at our Company's Headquarters, the Electronic General Assembly portal of the Central Registration Agency and our Company's corporate web site ([www.mavicompany.com](http://www.mavicompany.com)) that is accessible via our official web site ([www.mavi.com](http://www.mavi.com)), shall be submitted for consideration and to the approval of our shareholders.

**5. Release of the Board of Directors' members separately and individually from their liabilities with respect to their activities within the Company's special accounting period of 1 February 2021 – 31 January 2022,**

In accordance with the provisions of the TCC and the Regulation, release of the Board members from their liabilities in respect of their activities, transactions and accounts within the special accounting period of 1 February 2021 – 31 January 2022, shall be submitted to the approval of the General Assembly separately for each Board member.

**6. Approval of the Board of Directors' proposal prepared within the framework of the Dividend Distribution Policy on the determination of the manner of utilization and distribution of the profit for the special accounting period of 1 February 2021 – 31 January 2022, the applicable dividend distribution ratios and the date of dividend distribution,**

According to our Company's financial tables for the accounting period of 1 February 2021 – 31 January 2022 prepared pursuant to the provisions of Turkish Commercial Code and the Capital Markets Law, in line with Turkish Accounting/Financial Reporting Standards and audited by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., the "Consolidated Net Profit After Taxation of the Parent Company for the Period" equals to TRY 400,440,871.00 The table demonstrating our dividend distribution proposal, which was



prepared in accordance with our Dividend Distribution Policy, the Dividends Communiqué No: II-19.1 and the Dividend Guidelines announced under the said Communiqué is attached hereto as ANNEX-1.

**7. Informing the shareholders on the Remuneration Policy which sets out the principles of remuneration of the Board Members and the Senior Executives in accordance with the Capital Markets Board's regulations and providing information regarding the attendance fees paid to the Board of Directors' members in accordance with such Policy within the special accounting period of 1 February 2021 – 31 January 2022,**

Pursuant to the Mandatory Corporate Governance Principle No: 4.6.2 of the Capital Markets Board, the principles of remuneration payable to the Board Members and executives must be put in writing and submitted for the consideration of the shareholders as a separate agenda item during the General Assembly, thereby allowing the shareholders to express their opinions on the matter. Within this context, the Remuneration Policy of our Company is presented as ANNEX-2. Footnote 6 of our financial tables relating to the special accounting period of 1 February 2021 – 31 January 2022 is inclusive of information on the benefits provided by Mavi Giyim Sanayi ve Ticaret A.Ş. to its Board Members and senior executives within the special accounting period of 1 February 2021 – 31 January 2022.

**8. Determination of the salaries and other rights of Board of Directors' Members such as attendance fees, bonuses and premiums,**

As per the Remuneration Policy submitted to the kind information of our shareholders under the agenda item 7; the amount of the annual net attendance fee, to be paid to the members of the Board of Directors, shall be submitted to the approval of our shareholders.

In accordance with the provision(s) set out under the Directive on the Operating Principles of the Corporate Governance Committee of our Company, it has been proposed by the Corporate Governance Committee of our Company that:

- (1) No attendance fee be paid to the members of the Board of Directors who have administrative functions across the Company, and that
- (2) Beginning from the month following the relevant General Assembly meeting, a monthly net amount of TRY 40,000 be paid per person for the other members of the Board of Directors who don't have any administrative function across the Company.

It has been resolved by the Board of Directors of our Company to submit this proposal to the Shareholders' General Assembly for approval.

#### **9. Appointment of the auditor,**

In accordance with the TCC and the principles stipulated under the Capital Markets Board's Communiqué on Independent Audit Standards in Capital Markets and upon consultation with our Audit Committee, our Board of Directors has selected DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as the firm that will audit the financial reports of our Company within the the special accounting period of 1 February 2022 – 31 January 2023 and to carry out the other activities within the scope of the aforementioned legislation and this selection shall be submitted for the approval of the General Assembly.

#### **10. Approval of the Board of Directors' proposal regarding the amendment of the Principles of Operation of the Audit Committee as shown in the first annex of the agenda,**

It has been stated in Article 8 of the Articles of Association of the Company, which is titled as "Representation and Binding of the Company and Duty Distribution among Board Members", following the initial public offering, changes to the duties and principles of operation of the committees of the Board of Directors shall be subject to the approval of the General Assembly.

Within the scope of the corporate compliance works which are being conducted by the Board of Directors, it has been decided that new functions shall be attributed to the Audit Committee in relation to internal audit function and the scope of the functions which was attributed to the Audit Committee in relation to code of conduct shall be updated, and for this purpose and in accordance with the provisions of Article 8 of the Articles of Association, the amendment of "The Principles of the Operation of the Audit Committee" governing the duties and operation of the Audit Committee shall be submitted to the approval of the General Assembly as shown in ANNEX-3.

#### **11. Approval of the Board of Directors' proposal regarding the amendment of Article 6 of the Company's Articles of Association, titled "Capital and Shares", for the purpose of increasing the registered capital ceiling of the Company from 245.000.000,- TL (two hundred and five million Turkish Liras) to 500.000.000,- TL**

**(five hundred million Turkish Liras), determining the validity period of the registered capital ceiling as 2022-2026, and increasing the issued capital of the Company from 49.657,000,- TL (forty-nine million six hundred and fifty seven thousand Turkish Liras) to 99,314.000 TL (ninety-nine million three hundred and fourteen thousand Turkish Liras) by converting the amounts in the "Retained Earnings" account into share capital,**

As announced to the public with the material event disclosure dated 17.01.2022, it has been resolved that the Company's registered capital ceiling shall be increased from 245,000,000.- TL (two hundred and forty-five million Turkish Liras) to 500.000.000,- TL (five hundred million Turkish Liras), the validity period of the registered capital ceiling shall be determined as 2022-2026 and the issued capital of the Company shall be increased from 49.657,000,- TL (forty-nine million six hundred and fifty seven thousand Turkish Liras) to 99,314.000 TL (ninety-nine million three hundred and fourteen thousand Turkish Liras) by converting the amounts in the "Retained Earnings" account into share capital, for this purpose article 6 of the Company's Articles of Association, titled "Capital and Shares", shall be amended as shown in ANNEX-4, requisite permissions shall be obtained from the Capital Markets Board and the T.R. Ministry of Trade and the amendments shall be submitted to the approval of the shareholders during the first General Assembly to be held following the obtaining of such permissions. Accordingly, the Amendments to the Articles of Association as approved by the letter of the Capital Markets Board dated 18/03/2022 and numbered E-29833736-105.01.01.01-18779 and the letter of the T.R. Ministry of Trade dated 25/03/2022 and numbered E-50035491-431.02-00073163629 shall be submitted for the approval of the General Assembly.

**12. Informing the shareholders on the donations made by the Company within the special accounting period of 1 February 2021 – 31 January 2022 and determination of an upper limit for the donations to be made within the special accounting period of 1 February 2022– 31 January 2023,**

In accordance with Article 6 of the Dividends Communiqué No: II-19.1 of the Capital Markets Board, the donations and aids made within the special accounting period of 1 February 2021 – 31 January 2022 must be submitted to the information of the shareholders during the Ordinary General Assembly.

Aggregate amount of the donations and aids made by the Company within the special accounting period of 1 February 2021 – 31 January 2022 is TRY 938,169.00.

Pursuant to Article 6 of the Dividends Communiqué No: II-19.1 of the Capital Markets Board, unless specified in the Articles of Association, the limit of the donations and aids to be made must be determined by the General Assembly. Within this framework, the limit of the donations and aids to be made within the special accounting period of 1 February 2022– 31 January 2023 shall be determined by the General Assembly.

The Board of Directors resolved that the upper limit of donations and aids to be granted during the special accounting period between 1 February 2022 – 31 January 2023, shall be proposed to the Shareholders' General Assembly as TRY 2,250,000.00.

**13. Informing the shareholders on the securities, pledges, collaterals and mortgages granted to third parties within the special accounting period of 1 February 2021 – 31 January 2022 in accordance with the Capital Markets Board regulations and the revenues or benefits obtained in connection therewith,**

Pursuant to Article 12 of the Corporate Governance Communiqué No: II-17.1 of the Capital Markets Board, securities, pledges, collaterals and mortgages granted to third parties by our Company and/or its subsidiaries and the revenues or benefits obtained as a result thereof must be included as a separate item in the General Assembly's agenda. Accordingly, these issues are covered by footnote no: 16 of our Financial Statements related to the special accounting period of 1 February 2021 – 31 January 2022.

**14. Granting authority to the members of the Board of Directors in accordance with sections 395 and 396 of the Turkish Commercial Code, and informing the shareholders on the transactions carried out during the special accounting period between 1 February 2021 – 31 January 2022, in accordance with the mandatory principle 1.3.6 of the Corporate Governance Communiqué as promulgated by the Capital Markets Board,**

Members of the Board of Directors may engage in dealings as described in paragraph one of section 395 titled "Prohibition to Deal With and Borrow from the Company" and section 396 titled "Noncompetition" under the Turkish Commercial Code only if approval is obtained from the Shareholders' General Assembly.

As per the mandatory Corporate Governance Principle 1.3.6 prescribed under the Corporate Governance Communiqué numbered II-17.1 as promulgated by the Capital Markets Board; in the event that any shareholders who holds the managerial control, or members of the Board of Directors, or employees with administrative responsibilities, and the spouses, and the kinsmen and relatives by marriage up to second degree of such persons enter into any significant business transactions with the company or its subsidiaries that might lead to any conflict of interest, and/or carry out any commercial business transaction which corresponds to the sphere of activity and business of the company or its subsidiaries, either for their own account or for the account of any other persons, or participate in any other company, which is engaged in any similar business activities, as a shareholder with unlimited liability, then such transactions shall be included in the agenda of the Shareholders' General Assembly as a separate agenda item in order to provide detailed information to the Shareholders' General Assembly about the same, and it shall be recorded under the meeting minutes of the Shareholders' General Assembly.

Some of the members of our Company's Board of Directors also serve as executives at the subsidiaries of our Company, and they may represent our subsidiaries against our Company in the related party transactions established between our Company and its affiliates, and they may also perform any and all commercial business transactions, falling under the scope of the sphere of activity and business of our Company, for the account of our subsidiaries. Financial statements of such subsidiaries are included under the financial statements of our Company through full consolidation method, and such transactions, performed and carried out by the members of our Company's Board of Directors for the subsidiaries of our Company, constitute a usual part of our Company's consolidated activities, and don't lead to any conflict of interest. Such transactions performed and carried out by the members of the Board of Directors are needed in order for the effective performance of the consolidated activities of our Company and its subsidiaries, and thereby such transactions require the approval, to be granted by the Shareholders' General Assembly, in accordance with sections 395 and 396 of the Turkish Commercial Code.

Based on the explanations provided herein above and in accordance with sections 395 and 396 of the Turkish Commercial Code; grant of such authorizations shall be submitted to the

approval of our shareholders in the Shareholders' General Assembly, and it will be stated that no significant transaction has been performed under the mandatory Corporate Governance Principle numbered 1.3.6 during the special accounting period between February 1, 2021 - January 31, 2022.

## **15. Wishes and requests.**

### **ANNEXES:**

**ANNEX-1:** Dividend Distribution Proposal

**ANNEX-2:** Remuneration Policy

**ANNEX-3:** Amendment Text of the Principles of Operation of the Audit Committee

**ANNEX-4:** Amendment Text of the Articles of Association

## ANNEX-1: Dividend Distribution Proposal

Mavi Giyim Sanayi ve Ticaret A.Ş. Profit Distribution Proposal for 2021 (TL)					
1. Paid-in Capital		49.657.000,00			
2. General legal reserves (as per statutory records)		19.165.758,02			
Information concerning preferred shares, if, as per the company Articles of Association, there are any privileges for preferred shares in distribution of dividends: No					
		As per Capital Markets Board	As per Statutory Records		
3.	Profit for the period	539.022.382,00	514.912.958,79		
4.	Taxes (-)	116.003.383,00	131.153.823,58		
5.	Net Profit (=)	400.440.871,00	383.759.135,21		
6.	Prior years' losses (-)	--	--		
7.	Legal reserve fund (-)	--	--		
8.	NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	400.440.871,00	383.759.135,21		
	Dividend Advance Distributed (-)	--	--		
	Dividend Advance Less Net Distributable Current Period Profit	400.440.871,00	383.759.135,21		
9.	Grants made during the year (+)	988.169,00	0,00		
10.	Net distributable profit including grants	401.429.040,00	383.759.135,21		
11.	First category dividend to shareholders	--	--		
	-Cash	120.428.712,00	2.482.850,00		
	-Shares	--	--		
	-Total	120.428.712,00	2.482.850,00		
12.	Dividends distributed to preferred shareholders	--	--		
13.	Other dividends distributed	--	--		
	-Members of the Board of Directors	--	--		
	-Employees	--	--		
	-Non-shareholders	--	--		
14.	Dividends distributed to holders of usufruct right certificates	--	--		
15.	Second category dividend to shareholders	--	117.945.862,00		
16.	Legal reserve fund	11.794.586,20	11.794.586,20		
17.	Status reserves	--	--		
18.	Special reserves	--	--		
19.	EXTRAORDINARY RESERVES	268.217.572,80	251.535.837,01		
20.	Other sources planned for distribution	--	--		
	Retained Earnings	--	--		
	-Extraordinary reserves	--	--		
	-Other distributable reserves as per the legislation and Articles of Association	--	--		
	<b>GROUP</b>	<b>TOTAL DIVIDEND AMOUNT*</b>		<b>TOTAL DIVIDEND AMOUNT/ NET DISTRIBUTABLE PROFIT FOR THE PERIOD*</b>	<b>DIVIDEND PER SHARE FOR 1 TL NOMINAL VALUE</b>
		<b>CASH (TL)</b>	<b>RATIO (%)</b>	<b>AMOUNT (TL)</b>	<b>SHARE (%)</b>
<b>Gross</b>	A (*)	262.633,40	0,07	2,4252	242,52
	B (**)	120.166.078,61	30,01	2,4252	242,52
	<b>Total</b>	<b>120.428.712,01</b>	<b>30,07</b>		
<b>Net</b>	A (*)	236.370,06	0,06	2,1827	218,27
	B (**)	108.149.470,75	27,01	2,1827	218,27
	<b>Total</b>	<b>108.385.840,81</b>	<b>27,07</b>		

\* Group A shares representing 0,22% of the capital are owned by Blue International Holding BV. The Company shall be subject to withholding tax within the framework of the provisions of the Double Taxation Prevention Agreement.

\*\*The Company does not have information regarding the entity type of Group B shareholders ("limited liability, full liable, legal entity or real person"). The calculation is based on the assumption that all shareholders in this group are subject to withholding tax at the local rate.

This table is drafted in Turkish and English languages. In case of any discrepancy between Turkish and English versions, Turkish version shall prevail.

## **ANNEX-2: Remuneration Policy**

### **REMUNERATION POLICY**

This is an English translation of the original document in Turkish for information purposes only. In the event of any discrepancy between this translation and the original Turkish document, the original Turkish document shall prevail. Mavi Giyim makes no warranties or representations about the accuracy or completeness of the English translation and assumes no liability for any errors, omissions or inaccuracies that may arise from use of this translation.

#### **Article 1: Scope and Legal Basis**

This Remuneration Policy sets forth the principles applicable to remunerations payable to the members of the Board of Directors of Mavi Giyim Sanayi ve Ticaret A.Ş.'nin (the "Company") and the Company's executives with administrative responsibilities within the scope of the relevant regulations.

This Policy has been prepared pursuant to the provisions of the Capital Markets Law No. 6362, the Corporate Governance Communiqué No. II-17.1 and other related legislation.

#### **Article 2: Purpose**

The purpose of the Remuneration Policy is the planning and implementation of the remuneration practices in accordance with the relevant legislation, the scope and nature of the Company's activities, and the strategies and long term goals of the Company.

The Remuneration Policy has been prepared to attract executive candidates to the Company and to maintain our well performing executives.

The industry related data were taken into account when establishing this Remuneration Policy, in order to be able to compete in the industry, attract executive candidates to the Company and to reduce external mobility.

#### **Article 3: Remuneration Principles**

The Corporate Governance Committee is authorized and in charge of evaluating the Remuneration Policy and submitting its recommendations to the Board of Directors.

The members of the Board of Directors shall be remunerated annually in the amount to be determined by the General Assembly. When determining the remuneration levels of the Board members, the responsibility assumed by the relevant member in the decision process and the



knowledge, skills and competence that would be expected from the relevant Board member shall be taken into account, and also comparisons shall be made with the remuneration levels of the Board members in similar companies in the same industry.

The executives with administrative responsibilities shall be remunerated in the amounts approved by the Board of Directors. The payments to be made to the executives with administrative responsibilities shall be planned with a view to encourage the achievement of the Company's short and long terms goals and to ensure sustainable performance. The remunerations shall be compatible with the Company's ethical values, internal balances and strategic goals. The executives with administrative responsibilities shall be remunerated in a fair manner, taking into account the respective responsibilities assumed by them.

Base salaries shall be revised and determined annually as per the recommendations of the Corporate Governance Committee and the resolution of the Board of Directors.

Bonus payments consist of payments aimed at increasing the efficiency of the executives in order to reach the corporate targets, ensuring the sustainability of performance, differentiating successful executives by emphasizing individual performance, and rewarding the executives who create added value for the Company.

The intention is paying higher salaries and bonuses to the executives who, as per the results of their performance evaluation, have performed at a level that exceeds the expected standards. The performance measurements for the relevant periods shall be taken into account when determining the remunerations and bonuses, and the amount of payments based on performance, particularly those of the bonus payments, shall not be guaranteed in advance.

The Board of Directors, by taking into account the net income and share price increase targets set for a period of three (3) years ("Incentive Period"), may grant executives with administrative responsibilities a performance based long-term incentive grant in accordance with the principles determined by the Board of Directors. Long-term incentive grants will be paid at the end of the Incentive Period and following the announcement of the financial results to the public in accordance with the schedule determined by the Board of Directors.

To the extent that the payment scales of the executives who have been promoted or whose job descriptions have been modified are changed, the new remuneration payable to the relevant executive shall be determined based on his/her position in the new payment scale.

Confidentiality of salaries, bonuses and other personnel rights shall be maintained.

No loans shall be extended to the Board members and the executives with administrative responsibilities, nor shall they be able to utilize any credits from the Company, and the Company shall not grant any security, surety or guarantee in favour of such persons.

The expenses incurred by the Board members and the executives with administrative responsibilities as a result of the duties and responsibilities assumed by them shall be paid by the Company.

Information regarding the aggregate amounts paid within the year to the executives with administrative responsibilities and the Board members shall be submitted to the shareholders during the next General Assembly in accordance with the provisions of the applicable legislation, and shall be disclosed to public within the scope of the financial reporting requirements.

The Board of Directors is responsible for the implementation, improvement and monitoring the Remuneration Policy. The monitoring, supervision and reporting in relation to the remuneration practices shall be carried out by the Corporate Governance Committee on behalf of the Board of Directors.

### **ANNEX-3: Amendment Text of the Principles of Operation of the Audit Committee**

OLD VERSION	NEW VERSION
<p><b>Article 1: Scope and Legal Basis</b></p> <p>These principles of operation (“Principles of Operation”) set forth the scope of duty and principles of operation applicable to the Audit Committee (the “Committee”) of the Board of Directors of Mavi Giyim Sanayi ve Ticaret Anonim Şirketi (the “Company”).</p> <p>The Committee has been established pursuant to the resolution of the Company’s Board of Directors (the “Board of Directors”) in accordance with the relevant provisions of the Capital Markets Law No. 6362, the Turkish Commercial Code No. 6201 (the “TCC”), and the regulations of the Capital Markets Board of the Prime Ministry of the Republic of Turkey (the “CMB”), including the “Corporate Governance Communiqué No. II-17.1 (the “Communiqué”) and the Corporate Governance Principles attached thereto (the “CGP”), and the Articles of Association of the Company (the “Articles of Association”).</p> <p><b>Article 2: Definitions</b></p> <p>“<b>Balance Sheet</b>” means the balance sheet included in the financial tables.</p>	<p><b>Article 1: Scope and Legal Basis</b></p> <p>These principles of operation (“Principles of Operation”) set forth the scope of duty and principles of operation applicable to the Audit Committee (the “Committee”) <del>of</del> <b>formed under</b> the Board of Directors of Mavi Giyim Sanayi ve Ticaret Anonim Şirketi (the “Company”).</p> <p>The Committee has been established pursuant to the resolution of the Company’s Board of Directors (the “Board of Directors”) in accordance with the relevant provisions of the Capital Markets Law No. 6362, the Turkish Commercial Code No. 6201 (the “TCC”), and the regulations of the Capital Markets Board <del>of the Prime Ministry of the Republic of Turkey</del> (the “CMB”), including the “Corporate Governance Communiqué No. II-17.1 (the “Communiqué”) and the Corporate Governance Principles attached thereto (the “CGP”), and the Articles of Association of the Company (the “Articles of Association”).</p> <p><b>Article 2: Definitions</b></p> <p>“<b>Balance Sheet</b>” means the balance sheet included in the financial tables.</p>

“**Ethical Rules**” means the ethical rules of the Company.

“**General Assembly**” means the general assembly of the Company.

“**Related Party Transaction(s)**” has the meaning ascribed thereto in the **Communiqué**.

“**Principles Regarding Related Party Transactions**” means the principles adopted by the Board of Directors pursuant to the Board resolution dated 13.04.2017 No.15.

“**Profit and loss Statement**” means the profit and loss statement included in the financial tables.

“**Continuous Related Party Transactions**” refers to the Related Party Transactions constantly conducted by the Company within the scope of its activities.

“**Non-continuous Related Party Transactions**” refers to one-off Related Party Transactions, which are not constantly conducted by the Company within the scope of its activities.

### **Article 3: Purpose**

The main purpose of the Committee is to monitor the accounting system and practices of the Company, public disclosure of the financial information regarding the Company, the conduct and efficiency of the Company’s internal and external audit, and the compliance of the Company with the applicable legislation and the corporate Ethical Rules. The Committee also carries out the duties imposed on it under the Articles of Association and the **Communiqué**. Within this framework, the Committee performs the duties and functions specified in the Principles of Operation.

By virtue of the monitoring function it performs and the advice it provides in relation to the Company practices, the Committee aims to achieve a constant improvement in the Company’s level of compliance with the applicable legislation and the internal regulations, and to enhance the transparency, accountability, fairness, predictability and efficiency within the Company.

The Committee is also responsible for the following:

- i. Subject to the approval of the Board of Directors, appointment of the independent audit firm, and monitoring of the independent audit process and the conduct of activities by the auditor;
- ii. Submitting its written evaluation to the Board of Directors in order to ensure the accuracy of the interim and annual reports of the Company and the accounting procedures;
- iii. Monitoring of the Company’s compliance with the Principles Regarding Related Party Transactions and performance of the responsibilities imposed on it within the scope of such principles, and in particular, fulfilment of the duties and responsibilities stated in

“**Ethical Rules**” means the ethical rules of the Company.

“**General Assembly**” means the general assembly of the Company.

“**Related Party Transaction(s)**” has the meaning ascribed thereto in the **Communiqué**.

“**Principles Regarding Related Party Transactions**” means the principles adopted by the Board of Directors pursuant to the Board resolution dated 13.04.2017 No.15.

“**Profit and loss Statement**” means the profit and loss statement included in the financial tables.

“**Continuous Related Party Transactions**” refers to the Related Party Transactions constantly conducted by the Company within the scope of its activities.

“**Non-continuous Related Party Transactions**” refers to one-off Related Party Transactions, which are not constantly conducted by the Company within the scope of its activities.

### **Article 3: Purpose**

The main purpose of the Committee is to monitor the accounting system and practices of the Company, public disclosure of the financial information regarding the Company, the conduct and efficiency of the Company’s internal **control** and ~~external~~ **internal audit system**, and ~~the compliance of the Company with the applicable legislation and the corporate Ethical Rules~~ **the independent audit process and the work of the independent audit firm**. The Committee also ~~carries out~~ **undertakes** the **other** duties imposed on it under ~~the Articles of Association and the Communiqué~~ **and internal regulations**. Within this framework, the Committee performs the duties and functions specified in the Principles of Operation.

By virtue of the monitoring function it performs and the advice it provides in relation to the Company practices, the Committee aims to achieve a constant improvement in the Company’s level of compliance with the applicable legislation and the internal regulations, and to enhance the transparency, accountability, fairness, predictability and efficiency within the Company.

The Committee is also responsible for the following:

- i. Subject to the approval of the Board of Directors, appointment of the independent audit firm, and initiating the independent audit process by preparing independent audit agreements and monitoring of the ~~independent audit process and the~~ **independent audit firm**; conduct of activities by the ~~auditor~~ **independent**
- ii. Submitting its written evaluation to the Board of Directors in order to ensure the accuracy of the interim and annual reports of the Company and the accounting procedures;
- iii. Monitoring of the Company’s compliance with the Principles Regarding Related Party Transactions and

Article 8 of these principles;

#### **Article 4: Establishment and Members**

The Committee shall consist of at least two members, who shall be elected from among the independent members of the Board of Directors.

At least one of the Committee members must have minimum of five years of experience in the fields of audit/accounting and finance.

The members of the Committee are annually appointed by the Board of Directors latest during the first Board of Directors meeting to be held following the Company's annual general assembly. The Board members who have completed their term of duty may be appointed to serve again.

#### **Article 5: Meetings**

The Committee shall convene and take decisions with the simple majority of its members. Provided to have unanimous vote, the members may also take decisions without holding a meeting.

Except for the urgent meetings held by the Committee in accordance with the Principles Regarding Related Party Transactions, the Committee shall convene at least four times a year, holding a minimum of one meeting per quarter. To the extent practically possible, the timing of the Committee meetings shall be synchronized with the meetings of the Board of Directors, and held prior to each Board meeting that is scheduled, at the Company's headquarters or at such other location where the Committee members might be located.

All activities of the Committee shall be put in writing, their records shall be duly kept and the Committee shall report to the Board of Directors, which reporting shall be inclusive of the activities of the Committee and information on the results of the Committee meetings. The Committee shall promptly notify the Board in writing of its findings and recommendations that are related to the Committee's duties and responsibilities. The minutes of the Committee meetings shall be approved by the Committee members and shall be kept together with the Committee decisions.

Unless invited by the chairperson of the Committee, no person other than the Committee members may attend the Committee meetings.

#### **Article 6: Monitoring of Reports, Documents and Financial Data**

The annual and interim financial tables of the Company (including the footnotes) that are to be disclosed to the public shall be evaluated by the Committee to monitor whether or not they comply with the accounting principles applied by the Company and are true and accurate, by consulting the responsible managers and independent external auditor as well, upon which the Committee shall report to the Board of Directors in writing, together with the Committee's own opinion. In addition to the foregoing, the Committee shall review the other reports or financial information submitted or

performance of the responsibilities imposed on it within the scope of such principles, and in particular, fulfilment of the duties and responsibilities stated in Article 8 of ~~this~~ these ~~Principles~~ Principles of Operation;

#### **Article 4: Establishment and Members**

The Committee shall consist of at least two members, who shall be elected from among the independent members of the Board of Directors.

At least one of the Committee members must have minimum of five years of experience in the fields of audit/accounting and finance.

The members of the Committee are annually appointed by the Board of Directors latest during the first Board of Directors meeting to be held following the Company's annual general assembly. The Board members who have completed their term of duty may be appointed to serve again.

#### **Article 5: Meetings**

The Committee shall convene and take decisions with the simple majority of its members. Provided to have unanimous vote, the members may also take decisions without holding a meeting.

Except for the urgent meetings held by the Committee in accordance with the Principles Regarding Related Party Transactions, the Committee shall convene at least four times a year, holding a minimum of one meeting per quarter. To the extent practically possible, the timing of the Committee meetings shall be synchronized with the meetings of the Board of Directors, and held prior to each Board meeting that is scheduled, at the Company's headquarters or at such other location where the Committee members might be located.

All activities of the Committee shall be put in writing, their records shall be duly kept and the Committee shall report to the Board of Directors, which reporting shall be inclusive of the activities of the Committee and information on the results of the Committee meetings. The Committee shall promptly notify the Board in writing of its findings and recommendations that are related to the Committee's duties and responsibilities. The minutes of the Committee meetings shall be approved by the Committee members and shall be kept together with the Committee decisions.

Unless invited by the chairperson of the Committee, no person other than the Committee members may attend the Committee meetings.

#### **Article 6: Monitoring of Reports, Documents and Financial Data**

The annual and interim financial tables of the Company (including the footnotes) that are to be disclosed to the public shall be evaluated by the Committee to monitor whether or not they comply with the accounting principles applied by the Company and are true and accurate, by consulting the responsible managers and independent external auditor as well, upon which the Committee shall report to the Board

disclosed to the administrative authorities or public (except for the information derived from the financial tables reviewed and approved by the Committee) in accordance with the principles stated above.

#### **Article 7: Independent Audit**

Election of the independent audit firm, preparation of the independent audit agreements and initiation of the independent audit process, and all activities of the independent audit firm at each and every stage shall be carried out under the supervision of the Committee.

The independent audit firm to be contracted by the Company and the services to be obtained from such firm shall be determined by the Committee and submitted to the approval of the Board of Directors, in order to be eventually submitted to the Company's shareholders. The Committee shall obtain from the independent external auditor a written statement confirming that they indeed act independently when performing the independent audits, and to the extent any factors which might prejudice the independence of the external auditor exists prior to the recommendation of the external auditor to the Board of Directors, the Committee shall report to the Board of Directors its analysis of such factors.

The Committee may also invite the independent external auditor to its meetings in order to discuss the independent external auditor's evaluation of the financial tables and to receive information on the activities of the independent external auditor.

The Committee monitors the independent external audit firm to ensure that it shares with the Committee the significant matters relating to the accounting policies and practices of the Company, the alternative practices and public disclosures in line with the accounting standards and accounting principles previously communicated to the Company, the potential consequences thereof and the recommended course of action, and the significant correspondence between the Company's management and the independent audit firm.

The Committee shall take into account the restrictions under the applicable legislation regarding the appointment of the independent external auditor repeatedly.

#### **Article 8: Duties Regarding Related Party Transactions**

Organizing extraordinary meetings to discuss the terms and conditions of each Non-continuous Related Party Transaction, the value of which exceeds 1% of the Company's gross profits in the Profit and Loss Statement for the previous year, or the total assets of the Company as per the Balance sheet for the previous year, and submitting a report to the Board of Directors for each Non-continuous Related Party Transaction that exceeds the aforementioned thresholds.

On occasions where the Communiqué or other relevant rules or regulations require the preparation of an independent valuation report, the Committee shall ensure that such independent valuation report is obtained, and the references

of Directors in writing, together with the Committee's own opinion. In addition to the foregoing, the Committee shall review the other reports or financial information submitted or disclosed to the administrative authorities or public (except for the information derived from the financial tables reviewed and approved by the Committee) in accordance with the principles stated above.

#### **Article 7: Independent Audit**

Election of the independent audit firm, preparation of the independent audit agreements and initiation of the independent audit process, and all activities of the independent audit firm at each and every stage shall be carried out under the supervision of the Committee.

The independent audit firm to be contracted by the Company and the services to be obtained from such firm shall be determined by the Committee and submitted to the approval of the Board of Directors, in order to be eventually submitted to the Company's ~~shareholders~~ **General Assembly**.

The Committee shall obtain from the independent external auditor a written statement confirming that they indeed act independently when performing the independent audits, and to the extent any factors which might prejudice the independence of the external auditor exists prior to the recommendation of the external auditor to the Board of Directors, the Committee shall report to the Board of Directors its analysis of such factors.

The Committee may also invite the independent external auditor to its meetings in order to discuss the independent external auditor's evaluation of the financial tables and to receive information on the activities of the independent external auditor.

The Committee monitors the independent external audit firm to ensure that it shares with the Committee the significant matters relating to the accounting policies and practices of the Company, the alternative practices and public disclosures in line with the accounting standards and accounting principles previously communicated to the Company, the potential consequences thereof and the recommended course of action, and the significant correspondence between the Company's management and the independent audit firm.

The Committee shall take into account the restrictions under the applicable legislation regarding the appointment of the independent external auditor repeatedly.

#### **Article 8: Internal Audit**

**The Committee shall review the Internal Audit policies and procedures and submit any change proposals, if any, to the Board of Directors for approval.**

**The Committee shall present its opinion on the appointment or dismissal of the Head of Internal Audit to the Board of Directors approval.**

**The Committee shall review the internal audit budget, resource plan, activities, and organizational structure of the Internal Audit Department with the Head of Internal**

to the independent valuation report are included in the report of the Committee.

During the meetings to be held by the Committee following the announcement of the relevant quarterly financial tables, the Committee shall review the Related Party Transactions within the scope of the Continuous Related Party Transactions, the annual approval of which have been granted for the relevant period (in other words, as per the Board Resolution of a general nature). Following its annual review of the Related Party Transactions, the Committee shall submit a report to the Board of Directors, which shall later on be included in the annual activity report of the Company.

#### **Article 9: Internal Control System**

The Committee shall communicate its opinions and recommendations relating to the internal control system, also taking into account the submissions of the senior management of the Company and the independent external auditor.

The Committee shall ensure that all kinds of measures necessary to ensure the transparent and sufficient performance of both the internal audit and the independent external audit are duly taken. The Committee is further responsible for taking the necessary measures to ensure that the officers in charge of signing the financial tables and annual reports have access to the material information regarding the Company as well as the subsidiaries, affiliates and entities under common control with the Company, which are covered by the financial tables. The officers in charge of signing the aforementioned are required to notify the Board of Directors, the Committee and the independent external audit firm of their criticism and recommendations regarding the Company's internal control and the system through which they have gained access to information, and to submit information in relation to the internal control system employed by them when reviewing the annual report.

#### **Article 10: Compliance with the Legislation and the Ethical Rules**

The Committee shall prepare, review and regularly revise the Ethical Rules of the Company. Whether or not the Company's senior management has established the system necessary for ensuring compliance with such Ethical Rules shall be monitored by the Committee.

The Committee shall further monitor the compliance of the Company's senior management with the Ethical Rules.

In relation to the communication of the financial tables, reports and other financial information to be transmitted to the administrative authorities and the public, the Committee shall evaluate whether or not a sufficient and thorough system is in place, which also fulfils the applicable legal requirements.

The Committee monitors compliance with the internal regulations aimed at preventing potential conflicts of interest between the members of the Board of Directors, the senior management and other related parties, and the abuse of

**Audit. Annual audit plan and all significant changes in the plan shall be reviewed and submitted to the Board of Directors for approval.**

**At least once a year, the Committee shall review the performance of the Head of Internal Audit and receive the Board of Directors approval regarding annual salary and fringe benefits adjustments accordingly.**

**The Committee shall review the effectiveness of internal audit activities, including compliance with the IIA's Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing.**

#### **Article 98: Duties Regarding Related Party Transactions**

**The Committee shall organize** ~~Organizing~~ extraordinary meetings to discuss the terms and conditions of each Non-continuous Related Party Transaction, the value of which exceeds 1% of the Company's gross profits in the Profit and Loss Statement for the previous year, or the total assets of the Company as per the Balance sheet for the previous year, and submitting a report to the Board of Directors for each Non-continuous Related Party Transaction that exceeds the aforementioned thresholds.

On occasions where the Communiqué or other relevant rules or regulations require the preparation of an independent valuation report, the Committee shall ensure that such independent valuation report is obtained, and the references to the independent valuation report are included in the report of the Committee.

During the meetings to be held by the Committee following the announcement of the relevant quarterly financial tables, the Committee shall review the Related Party Transactions within the scope of the Continuous Related Party Transactions, the annual approval of which have been granted for the relevant period (in other words, as per the Board Resolution of a general nature). Following its annual review of the Related Party Transactions, the Committee shall submit a report to the Board of Directors, which shall later on be included in the annual activity report of the Company.

#### **Article 109: Internal Control System**

The Committee shall communicate its opinions and recommendations relating to the internal control system, also taking into account the submissions of the senior management of the Company and the independent external auditor.

The Committee shall ensure that all kinds of measures necessary to ensure the transparent and sufficient performance of both the internal audit and the independent external audit are duly taken. The Committee is further responsible for taking the necessary measures to ensure that the officers in charge of signing the financial tables and annual reports have access to the material information regarding the Company as well as the subsidiaries, affiliates and entities under common control with the Company, which are covered by the financial tables. The officers in charge of signing the aforementioned are required to notify the Board of Directors, the Committee and the

information which constitutes commercial secrets or could influence the value of the Company's shares.

If deemed necessary, the Committee shall, together with the independent external auditor, investigate the violation of the rules set forth herein by the officers performing material duties in the Company's accounting or internal control systems, and shares its findings and recommendations on the matter with the Board of Directors.

The Committee shall, together with the legal advisors, monitor the compliance with law within the Company, including compliance in relation to the policies applicable to the purchase and sale of securities.

The Committee shall, together with the legal advisors, evaluate the legal disputes which may have a material effect on the financial tables.

The Committee shall evaluate the efficiency of the risk management system operated within the Company, and for such purpose, share information and cooperate with the other committees established by the Board of Directors.

#### **Article 11: Other Responsibilities**

The Committee shall determine the methods and criteria applicable to the review of the complaints received by the Company in relation to the accounting and internal control system and the independent audit, resolving of such complaints, and, subject to the principles of confidentiality, the evaluation of the submissions and declarations of the Company's employees on the accounting and independent audit related matters.

The Committee shall establish the mechanisms necessary to communicate to the Company the Complaints received by the Committee from the persons who hold interests, which are related to the Company's actions that violate the law or are unethical. The Committee has full authority to conduct investigations relating to such investigations.

Upon being required by the Board of Directors, the Committee shall also assume other duties and responsibilities, which would be considered to remain within the scope of its duties.

The Committee shall ensure that the Board of Directors is sufficiently informed of the matters that fall within the scope of the Committee's duties and responsibilities. The decisions of the Committee constitute recommendations to the Board of Directors, and the activities and recommendations of the Committee do not release the members of the Board of Directors from their liability stemming from the TCC.

In accordance with the legislation in effect, the Board of Directors is responsible for the preparation and submission of the financial tables and reports in accordance with the financial reporting standards and for ensuring that they are true and accurate.

#### **Article 12: Access to Resources and Information**

independent external audit firm of their criticism and recommendations regarding the Company's internal control and the system through which they have gained access to information, and to submit information in relation to the internal control system employed by them when reviewing the annual report.

#### **Article 1110: Compliance with the Legislation and the Ethical Rules**

The Committee shall ~~prepare~~, review and regularly ~~revise~~ **update** the Ethical Rules of the Company. ~~Whether or not the Company's senior management has established the system necessary for ensuring compliance with such Ethical Rules shall be monitored by the Committee.~~

~~The Committee shall further monitor the compliance of the Company's senior management with the Ethical Rules.~~

In relation to the communication of the financial tables, reports and other financial information to be transmitted to the administrative authorities and the public, the Committee shall evaluate whether or not a sufficient and thorough system is in place, which also fulfils the applicable legal requirements. The Committee monitors compliance with the internal regulations aimed at preventing potential conflicts of interest between the members of the Board of Directors, the senior management and other related parties, and the abuse of information which constitutes commercial secrets or could influence the value of the Company's shares.

If deemed necessary, the Committee shall, together with the independent external auditor, investigate the violation of the rules set forth herein by the officers performing material duties in the Company's accounting or internal control systems, and shares its findings and recommendations on the matter with the Board of Directors.

The Committee shall, together with the legal advisors, monitor the compliance with law ~~within the Company, including compliance~~ in relation to the policies applicable to the purchase and sale of securities **within the Company**.

The Committee shall, together with the legal advisors, evaluate the legal disputes which may have a material effect on the financial tables.

The Committee shall evaluate the efficiency of the risk management system operated within the Company, and for such purpose, share information and cooperate with the other committees established by the Board of Directors.

#### **Article 1211: Other Responsibilities**

The Committee shall determine the methods and criteria applicable to the review of the complaints received by the Company in relation to the accounting and internal control system and the independent audit, resolving of such complaints, and, subject to the principles of confidentiality, the evaluation of the submissions and declarations of the

The Board of Directors shall provide the resources and support necessary for the fulfilment of the Committee's duties and responsibilities.

The Committee may, in relation to the matters investigated by it or if it deems necessary, require information from the managers and employees of the Company (in confidence, if necessary), and may invite the relevant persons to the Committee meetings.

If needed in relation to the Committee's activities, the Committee may refer the matters in question to independent consultants for their opinion. The costs of the consultancy services required by the Committee shall be paid by the Company.

**Article 13: Amendments**

Amendments to the Principles of Operation of the Audit Committee are subject to the approval of the General Assembly.

Company's employees on the accounting and independent audit related matters.

~~The Committee shall establish the mechanisms necessary to communicate to the Company the Complaints received by the Committee from the persons who hold interests, which are related to the Company's actions that violate the law or are unethical. The Committee has full authority to conduct investigations relating to such investigations.~~

Upon being required by the Board of Directors, the Committee shall also assume other duties and responsibilities, which would be considered to remain within the scope of its duties.

The Committee shall ensure that the Board of Directors is sufficiently informed of the matters that fall within the scope of the Committee's duties and responsibilities. The decisions of the Committee constitute recommendations to the Board of Directors, and the activities and recommendations of the Committee do not release the members of the Board of Directors from their liability stemming from the TCC.

In accordance with the legislation in effect, the Board of Directors is responsible for the preparation and submission of the financial tables and reports in accordance with the financial reporting standards and for ensuring that they are true and accurate.

**Article 1312: Access to Resources and Information**

The Board of Directors shall provide the resources and support necessary for the fulfilment of the Committee's duties and responsibilities.

The Committee may, in relation to the matters investigated by it or if it deems necessary, require information from the managers and employees of the Company (in confidence, if necessary), and may invite the relevant persons to the Committee meetings.

If needed in relation to the Committee's activities, the Committee may refer the matters in question to independent consultants for their opinion. The costs of the consultancy services required by the Committee shall be paid by the Company.

**Article 1313: Amendments**

Amendments to the Principles of Operation of the Audit Committee are subject to the approval of the General Assembly.



## ANNEX-4: Amendment Text of the Articles of Association

OLD VERSION	NEW VERSION
<p><b>Article 6</b></p> <p><b>CAPITAL AND SHARES</b></p> <p>The Company has adopted the registered capital system under the provisions of the Capital Markets Law, and has initiated the registered capital system based on the permission of the Capital Markets Board dated 3 March 2017 No.9/332.</p> <p>The upper limit of the Company's registered capital is TL 245.000.000.-, which is divided into 245.000.000 registered shares, each with a nominal value of TL 1.- (one Turkish Lira).</p> <p>This upper limit of registered capital allowed by the Capital Markets Board is valid for the years 2017 through 2021 (for 5 years). Even if the upper limit of registered capital is not yet reached at the end of 2021, for capital increase resolutions to be passed after 2021, the Board of Directors must be granted an authorization by the General Assembly for a new period not exceeding 5 years, provided that the permission of the Capital Markets Board is obtained. In case such authorization is not granted, capital increases may not be effected based on the resolution of the Board of Directors.</p> <p>The issued capital of the Company is TL 49.657.000.- (forty nine million six hundred and fifty seven thousand). This capital has been fully paid up, free from any simulation.</p> <p>The Company's capital of TL 49.657.000.- is divided into 108,293 Class A registered shares with a nominal value of TL 108,293.-, representing 0.22% of the issued share capital; and 49,548,707 Class B registered shares with a nominal value of TL.- 49,548,707, representing 99.78% of the issued share capital.</p> <p>The shares representing the issued share capital are monitored in book-entry form in accordance with the principles of dematerialization.</p> <p>The capital of the Company may be increased or decreased as necessary, pursuant to the provisions of the Turkish Commercial Code and the Capital Markets Legislation.</p> <p>Within the years 2017 through 2021 (until the end of 2021), the Board of Directors is authorized to pass resolutions to increase the issued capital as it may deem necessary from time to time by issuing new shares up to the registered capital upper limit, restrict the rights of the existing shareholders to subscribe for new shares in capital increases, and to issue shares with premium or with values lower than their nominal value. The authority to restrict the right to subscribe for new</p>	<p><b>Article 6</b></p> <p><b>CAPITAL AND SHARES</b></p> <p>The Company has adopted the registered capital system under the provisions of the Capital Markets Law, and has initiated the registered capital system based on the permission of the Capital Markets Board dated 3 March 2017 No.9/332.</p> <p>The upper limit of the Company's registered capital is TRY <b><u>500.000.000.-</u></b>, which is divided into <b><u>500.000.000</u></b> registered shares, each with a nominal value of TL 1.- (one Turkish Lira).</p> <p>This upper limit of registered capital allowed by the Capital Markets Board is valid for the years <b><u>2022 through 2026</u></b> (for 5 years). Even if the upper limit of registered capital is not yet reached at the end of <b><u>2026</u></b>, for capital increase resolutions to be passed after <b><u>2026</u></b>, the Board of Directors must be granted an authorization by the General Assembly for a new period not exceeding 5 years, provided that the permission of the Capital Markets Board is obtained. In case such authorization is not granted, capital increases may not be effected based on the resolution of the Board of Directors.</p> <p>The issued capital of the Company is TRY <b><u>99,314,000.-</u></b> (ninety-nine million three hundred fourteen thousand). This capital has been fully paid up, free from any simulation.</p> <p>The Company's capital of TRY <b><u>99,314,000.-</u></b> is divided into <b><u>216,586</u></b> Class A registered shares with a nominal value of TRY <b><u>216,586.-</u></b>, representing 0,22% of the issued share capital; and <b><u>99,097,414</u></b> Class B registered shares with a nominal value of TRY.- <b><u>99,097,414</u></b>, representing 99.78% of the issued share capital.</p> <p>The shares representing the issued share capital are monitored in book-entry form in accordance with the principles of dematerialization.</p> <p>The capital of the Company may be increased or decreased as necessary, pursuant to the provisions of the Turkish Commercial Code and the Capital Markets Legislation.</p> <p>Within the years <b><u>2022 through 2026</u></b> (until the end of <b><u>2026</u></b>), the Board of Directors is authorized to pass resolutions to increase the issued capital as it may deem necessary from time to time by issuing new shares up to the registered capital upper limit, restrict the rights of the existing shareholders to subscribe for new shares in capital increases, and to issue shares with premium or with values lower than their nominal value. The authority to restrict the right to subscribe for new</p>

<p>shares may not be exercised in a manner to give rise to inequality among the shareholders.</p> <p>Where any new shares are to be issued, unless the Board of Directors has resolved otherwise, the ratio of Class A registered shares in the issued capital shall be maintained the same.</p> <p>In case of a transfer of any Class A shares to any person, the transferred Class A shares are transformed into Class B shares at the time the transfer is effected.</p> <p>In order for the Class A shares to be traded at the stock exchange, first they must have been transformed into ClassB Shares. Upon the application by the holder of the Class A shares to the Central Registraton Agency (<i>Merkezi Kayıt Kuruluşu Anonim Şirketi</i>) for transforming them into shares eligible for being traded at the stock exchange, the shares that are covered by such notification are automatically transformed into Class B shares.</p> <p>During capital increases, the bonus shares are distributed to the shares existing as at the date of the capital increase in question.</p>	<p>shares may not be exercised in a manner to give rise to inequality among the shareholders.</p> <p>Where any new shares are to be issued, unless the Board of Directors has resolved otherwise, the ratio of Class A registered shares in the issued capital shall be maintained the same.</p> <p>In case of a transfer of any Class A shares to any person, the transferred Class A shares are transformed into Class B shares at the time the transfer is effected.</p> <p>In order for the Class A shares to be traded at the stock exchange, first they must have been transformed into ClassB Shares. Upon the application by the holder of the Class A shares to the Central Registraton Agency (<i>Merkezi Kayıt Kuruluşu Anonim Şirketi</i>) for transforming them into shares eligible for being traded at the stock exchange, the shares that are covered by such notification are automatically transformed into Class B shares.</p> <p>During capital increases, the bonus shares are distributed to the shares existing as at the date of the capital increase in question.</p>
--	--

## **Disclaimer**

*The General Assembly Information Document together with Annex I, Annex II, Annex III and Annex IV are English translation of the original Turkish language documents and they are only provided for information purposes. In the event of any discrepancy between the translation and the original Turkish documents, the original Turkish documents shall prevail. Mavi Giyim makes no warranties or representations about the accuracy or completeness of the English translation and assumes no liability for any errors, omissions or inaccuracies that may arise from the use of this translation.*