

## **MINUTES OF THE ORDINARY GENERAL ASSEMBLY OF TAT GIDA SANAYI ANONİM ŞİRKETİ HELD ON 11.03.2019**

General Assembly of Tat Gıda Sanayi Anonim Şirketi for year 2018 was held on 11.03.2019 at 14:00 hours at Divan İstanbul Elmadağ Hotel, Askeroğacağı Cad.No:1 Şişli/İstanbul under the supervision of Ms. Aysun Arasoğlu, the Ministry Representative appointed by the letter of the Provincial Directorate in İstanbul of the Ministry of Trade dated 08 March 2019 and numbered 42391046.

Call for the assembly was made within due period by announcement in Turkish Trade Registry Gazette dated 15.02.2019 numbered 9768, including the agenda of the assembly, as stipulated in the applicable laws and the articles of association, and also by registered mail sent from Çekmeköy Post Office on 15.02.2019 to the shareholders registered in share book, whose shares are not publicly traded, and by announcement on our Company's website at [www.tatgida.com](http://www.tatgida.com), Public Disclosure Platform and at e-company portal and Electronic General Assembly System of the Central Registry Agency (Merkezi Kayıt Kuruluşu A.Ş.) starting from 21 days in advance.

The examination of the list of attendants revealed that, out of total 13.600.000.000 shares corresponding to the company capital of TRY 136.000.000, 148.566.400 shares corresponding to the capital of TRY 1.485.664 were represented in person and 8.920.201.380 shares corresponding to the capital of TRY 89.202.013,80 were represented by attorneys, and thus total 9.068.767.780 shares were represented during the assembly and the quorum stipulated by both the applicable laws and the Articles of Association was present. Ms. Arzu Aslan Kesimer, member of the Board of Directors and General Manager of our Company, announced that among such shares, value of TRY 9.992.906 was represented by the representatives who deposited shares.

Under article 1527 paragraphs 5 and 6 of the Turkish Commercial Code, it was found that the Company duly made the electronic general assembly preparations according to the legal arrangements. Ms. Arzu Aslan Kesimer appointed Mr. Hikmet in order to use the electronic general assembly system, and the assembly was opened simultaneously both in physical and in electronic environments and the discussion of the agenda started.

Ms. Arzu Aslan Kesimer, Member of the Board of Directors, provided explanations on the manner of voting. She stated that, provided that the electronic vote counting arrangements included in both the Code and the Articles of Association of the Company are reserved, the esteemed shareholders attending the assembly physically will vote by open voting by a raise of hands, and that the esteemed shareholders to vote negatively, on the other hand, will declare the negative vote orally.

**1.** Pursuant to the first item of the agenda, it was proceeded to the selection of the Assembly President responsible from the management of the Ordinary General Assembly. Mr. Kerem Kaşitoğlu, representing the company's shareholder Mr. Yıldırım Ali Koç, disclosed his proposal for the Assembly Presidency. As the result of the voting, Ms. Arzu Aslan Kesimer was elected as the President of the General Assembly unanimously, with assenting votes corresponding to TRY 90.687.672,80.

The President of the Assembly indicated that she appointed Mr. Hakan Turan as the Vote Collector and Ms. Başak Tekin Özden as the Clerk of Minutes.

The Assembly President stated that the documentation necessary for the items of the agenda to be discussed during the Ordinary General Assembly was present and that herself, Ms. Fatma Füsün Akkal Bozok and Mr. M. Sait Tosyalı attended the Assembly as the Members of the Board of Directors, and that Ms. Hatice Nesrin Tuncer attended representing the Independent Audit Company, KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi, and that other members did not attend stating their excuses.

The President thanked the attendants and announced that next was the second item on the agenda.

**2.** Under item 2 of the agenda, the President announced that the Activity Report for Year 2018 was announced in Public Disclosure Platform, Electronic General Assembly System of Central Registry Agency, Inc., corporate website address [www.tatgida.com](http://www.tatgida.com) and in Activity Report for Year 2018 booklets 21 days in advance of the General Assembly. The part of the Board of Directors in the Activity Report issued by the Board of Directors of the Company about the activities in year 2018 was presented by the Clerk of Minutes. Negotiations started on Activity Report for Year 2018. Inquiries of shareholders Mr. Gürkan Yıldız and Mr. Saffet Koşut regarding the activity report were responded to by Ms. Arzu Aslan Kesimer, President of the General Assembly, and Ms. Başak Tekin Özden, Clerk of the Minutes. It was stated that some inquiries would be responded to in writing. Activity Report for Year 2018 was adopted by majority of votes, with dissenting votes amounting to TRY 1.485.241 and assenting votes amounting to TRY 89.202.436,80.

**3.** The President asked the summary report of the Independent Audit Organization KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi relating to account period 2018 be presented under item 3 of the agenda. The Summary Independent Audit Report was presented by the Clerk of Minutes. This is for information purposes only as this part of the agenda is not subject to voting.

**4.** Under item 4 on the agenda, the President announced that the Financial Statements of the Company for Year 2018 prepared under the "Communique Regarding the Principles for Financial Reporting in Capital Market", No.II-14.1 of the Capital Market Board duly subjected to Independent Audit have been publicly announced since 21 days in advance of the General Assembly on Public Disclosure Platform, Electronic General Assembly System of the Central Registry Agency, Inc., the Company's website at [www.tatgida.com](http://www.tatgida.com) and Activity Report for Year 2018 booklets. The Clerk of the Minutes presented the summary balance sheet and income statement. Negotiations have been opened relating to the financial statements pertaining to activity year 2018 and nobody took the floor. The financial reports presented and the financial statements prepared according to Tax Procedure Law for year 2018 were approved by majority of votes, with dissenting votes amounting to TRY 154.760 and assenting votes amounting to TRY 90.532.917,80.

**5.** The President asked for a voting by General Assembly on the release of the Members of the Board of Directors for their activities in year 2018. Each of the Members of the Board of Directors abstained from exercising their rights arising out of the shares they own for their own release, and each was separately released by majority of votes, with dissenting votes amounting to TRY 1.418.241 and assenting votes amounting to TRY 89.269.436,80.

6. The President provided information that the suggestion regarding the dividend distribution of year 2018 has been announced in the Public Disclosure Platform, Electronic General Assembly System of Central Registry Agency Inc., Company's website at [www.tatgida.com](http://www.tatgida.com) and the Activity Report of Year 2018 booklets starting from 21 days in advance of the General Assembly, and next was the negotiation of the suggestion of the Board of Directors.

The proposal of the Board of Directors to reserve TRY 782.538,65 as primary legal reserve out of the period profit of TRY 38.576.777,00 as accrued in the income statement prepared according to the financial statements for the account period between the dates 01.01.2018 and 31.12.2018 prepared by the Company in accordance with Accounting/Financial Reporting Standards of Turkey within the framework of the provisions of Turkish Commercial Code and Capital Market Code and audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi, and to use TRY 37.794.238,35 for profits of the past years; and to reserve TRY 782.538,65 out of the profit found in the income statement prepared according to Tax Procedures Code amounting to TRY 15.650.772,95 as primary legal reserve, and to reserve the remaining TRY 14.868.234,30 as extraordinary reserve was approved by majority of votes, with dissenting votes amounting to TRY 221.760 and assenting votes amounting to TRY 90.465.917,80; and such proposal was made in accordance with the Capital Market legislation and Article 19 of the Articles of Association of our Company and our Company's Dividend Distribution Policy, about which the shareholders were informed during the General Assembly dated 13.03.2018, taking into consideration long-term strategies, investment, cash and financing policies of our Company. The inquiry by the shareholder Mr. Gürkan Yıldız as to whether any capital increase is considered or not was responded to by the president of the assembly.

7. Next was the discussion of item 7 on the agenda, which was related to the election of the Members of the Board of Directors. Mr. Kerem Kaşitoğlu, deputy to Mr. Yıldırım Ali Koç, a shareholder of the company, presented the proposal for Members of the Board of Directors. The Ministry Representative examined the declarations of candidacy for membership of the Board of Directors of the persons, who were not present at the general assembly in person. The number of the members of the Board of Directors was determined as 11, with 2 members being independent members, and it was resolved by majority of votes to elect Mr. Mustafa Rahmi Koç with TR ID No 12001049568, Ms. Semahat Sevim Arsel with TR ID No. 29902866798, Mr. Mehmet Ömer Koç with TR ID No. 11992049892, Mr. Yıldırım Ali Koç with TR ID No. 11989049966, Ms. Caroline Nicole Koç with TR ID No. 11971050598, Mr. Levent Çakıroğlu with TR ID No. 27226347542, Mr. Ibrahim Tamer Haşimoğlu with TR ID No. 22769373706, Ms. Arzu Aslan Kesimer with TR ID No. 13411237316, Mr. Takashi Hashimoto with Tax No. 4580878698 as Members of the Board of Directors and also to elect Ms. Fatma Füsün Akkal Bozok with TR ID No. 15554380270 and Mr. M. Sait Tosyalı with TR ID No. 17687119864 as Independent Members of the Board of Directors as independent Members of the Board of Directors to act for 1 year, with dissenting votes amounting to TRY 896.542 and assenting votes amounting to TRY 89.791.135,80.

It was reported that the backgrounds of the Members of the Board of Directors have been announced publicly in the Public Disclosure Platform, Electronic General Assembly System of Central Registry Agency, Inc., Company's website at [www.tatgida.com](http://www.tatgida.com) and the Activity Report of Year 2018 booklets starting from 21 days in advance of the General Assembly and that the existing membership will be duly maintained.

**8.** Information was provided about the "Remuneration Policy" for the Members of the Board of Directors and Senior Managers submitted to the shareholders for information and approval during the General Assembly held on 13.03.2018 under the Corporate Governance Principles and submitted to the investors for information on the company's website. It was announced that Members of the Board of Directors and senior managers, who acted in year 2018, were provided with a total benefit of TRY 10.683.139 as also mentioned in footnote no 25 to the financial statements announced publicly and that the costs covered by Tat Gıda Sanayi A.Ş. amounted to TRY 7.953.383 after applying the costs reflected on the companies, to whom Tat Gıda Sanayi A.Ş. offers services, and approval of the General Assembly was sought for the Remuneration Policy and the payments made within the scope of the Policy in 2018. As a result of the voting that took place, it was approved by majority of votes, with dissenting votes amounting to TRY 6.704.968 and assenting votes amounting to TRY 83.982.709,80.

**9.** Ms. Arzu Aslan Kesimer, representative of Koç Holding A.Ş., announced the proposal for determining the remunerations for the Members of the Board of Directors. Shareholder Mr. Gürkan Yıldız proposed the remuneration for Members of Board of Directors to be reduced. Proposal of Mr. Gürkan Yıldız was voted and was refused, with dissenting votes amounting to TRY 83.371.160,80 and assenting votes amounting to TRY 8.802.141. The proposal of Ms. Arzu Aslan Kesimer, representative of Koç Holding A.Ş. was voted and it was decided by majority of votes that the Members of the Board of Directors be paid gross TRY 189.000 (one hundred and eighty nine thousand Turkish Lira) per year within the scope of Remuneration Policy and that such payment be made in equal installments starting from the month following this General Assembly, with dissenting votes amounting to TRY 3.371.160 and assenting votes amounting to TRY 87.316.517,80.

**10.** It was resolved unanimously that the Independent Audit Organization KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi, located at Levent Mahallesi, Meltem Sokak, İş Kuleleri, Kule 3, No14/3 Kat 2-9 Levent-Beşiktaş, Istanbul and registered with Istanbul Trade Registry Office under registration no 480474, preferred by Board of Directors to audit the activities and accounts of the year 2019 and to perform other activities within the scope of the relevant regulations contained in the said Codes, taking into the consideration of the opinion of the Audit Committee, be approved and the relevant contract be signed under the provisions of Turkish Commercial Code and the Capital Market Code, with dissenting votes amounting to TRY 154.765 and assenting votes amounting to TRY 90.532.912,80.

**11.** It was stated that the Company donated TRY 696.360,06 in year 2018 and the shareholders were informed about the donations made. Proposal of Shareholder Mr. Saffet Koşut requesting no donations to be made in year 2019 was voted and was refused, with assenting votes amounting to TRY 7.916.503 and dissenting votes amounting to TRY 82.771.174,80. Moreover, the proposal of Ms. Arzu Aslan Kesimer representing Koç Holding A.Ş. to set the maximum limit for the donations for year 2019 as 0.2% (two over one thousand) of the proceeds of the former year was voted and it was resolved by majority of votes to set the maximum limit for donations in year 2019 as 0.2% (two over one thousand) of the proceeds of the former year, with dissenting votes amounting to TRY 5.047.651 and assenting votes amounting to TRY 85.640.026,80. The shareholder Mr. Gürkan Yıldız expressed his wish that donations to be made in year 2019 would be donated to Mehmetçik Foundation, families of the martyrs, veterans, and Turkish Armed Forces Foundation.

**12.** Under the Capital Market Board regulations, the General Assembly was informed that there is no guarantee, pledge, mortgage and surety provided by the company to the favor of third parties in year 2018 as also mentioned in footnote 15 of the financial statements of year 2018 announced publicly. The shareholders were informed that this this article could not be voted as it was included in the agenda for informing purposes.

**13.** It was resolved by the majority of votes to authorize the shareholders who are dominant in management, Members of the Board of Directors, senior managers and their relatives by blood or marriage up to the second generation under articles 395 and 396 of the Turkish Commercial Code as a result of dissenting votes representing TRY 1.040.398 and assenting votes representing TRY 89.647.279,80.

Moreover, in parallel with the Corporate Governance Communiqué of the Capital Market Board, the shareholders, who control management, members of the board of directors, executives with administrative and some of their relatives by blood and by marriage up to the second degree are acting as the members of the board of directors or executive at Koç Group companies, and that there is no important transactions requiring reporting that took place in year 2018 within the scope of principle no 1.3.6 of the Corporate Governance Communiqué.

**14.** During the session on comments and wishes, the questions asked by Mr. Saffet Koşut and Mr. Gürkan Yıldız, shareholders attending the assembly, were answered by Ms. Arzu Aslan Kesimer, General Manager of the Company, and Ms. Başak Tekin Özden, Ass. General Manager of Financial Affairs. Opinions of the shareholders were heard.

As there was no other item on the agenda to be discussed, the President closed the assembly. The minutes were issued and signed at the place of the assembly following the assembly. 11.03.2019

Arzu ASLAN KESİMER  
PRESIDENT OF ASSEMBLY

Aysun ARASOĞLU  
REPRESENTATIVES OF THE MINISTRY

Hakan TURAN  
VOTE COLLECTOR

Başak TEKİN ÖZDEN  
CLERK OF MINUTES

<b>Tat Gıda Sanayi A.Ş. Dividend Distribution Statement for Year 2018 (TRY)</b>			
<b>1. Paid-in/Issued Capital</b>		<b>136.000.000,00</b>	
<b>2. Total Legal Reserve Fund (According to Legal Records)</b>		<b>24.922.716,09</b>	
<b>Information on privileges in dividend distribution, if any, in the Articles of Association</b>		<b>-</b>	
		According to CMB	According to Legal Records
<b>3.</b>	<b>Period Profit</b>	41.394.953,00	19.038.793,89
<b>4.</b>	<b>Taxes ( - )</b>	2.818.176,00	3.388.020,94
<b>5.</b>	<b>Net Profit for the Period ( = )</b>	38.576.777,00	15.650.772,95
<b>6.</b>	<b>Losses in Previous Years ( - )</b>	0,00	0,00
<b>7.</b>	<b>Primary Legal Reserve ( - )</b>	782.538,65	782.538,65
<b>8.</b>	<b>NET DISTRIBUTABLE PERIOD PROFIT (=)</b>	37.794.238,35	14.868.234,30
<b>9.</b>	<b>Donations within the Year ( + )</b>	696.360,06	0,00
<b>10.</b>	<b>Net Distributable Period Profit Including the Donations</b>	38.490.598,41	14.868.234,30
<b>11.</b>	First dividend to Shareholders	0,00	0,00
	-Cash	0,00	0,00
	-Bonus	0,00	0,00
	-Total	0,00	0,00
<b>12.</b>	Dividend Distributed to Privileged Shareholders	0,00	0,00
<b>13.</b>	Dividend to the Members of the Board of Directors, Employees etc.	0,00	0,00
<b>14.</b>	Dividend Distributed to Owners of Dividend Shares	0,00	0,00
<b>15.</b>	Second Dividend to Shareholders	0,00	0,00
<b>16.</b>	Primary Legal Reserve	0,00	0,00
<b>17.</b>	Statutory Reserves	0,00	0,00
<b>18.</b>	Special Reserves	0,00	0,00
<b>19.</b>	<b>EXTRAORDINARY RESERVES</b>	37.794.238,35	14.868.234,30
<b>20.</b>	<b>Other Distributable Resources</b>	0,00	0,00

## Our Responses in Writing to Inquiries by Investors

**Question 1:** Will you please clearly express your relationship with Düzey A.Ş. that distributes your goods?

**Answer 1:** Düzey Tüketim Malları A.Ş. was established in 1975; and at present, it engages in extensive distribution of Ferrero, Dardanel, Maret, Pringles, Züber products in addition to Tat Gıda products. Tat – Düzey relationship is governed by the distribution agreement signed on 01.01.2017. As the amount of extensive and continuous product sales by our Company to Düzey A.Ş. is expected to exceed 10% of the proceeds given in financial statements of year 2018, being the last annual financial statements publicly disclosed as of year 2019; the report, which was issued in accordance with Article 10 of the Communiqué Regarding Corporate Governance (Communiqué), No. II-17.1 of the Capital Market Board, was publicly disclosed on 15/02/2019 through Public Disclosure Platform.

**Question 2:** What is the share of Yapı Kredi Bankası A.Ş., a company of the group, in costs of interest?

**Answer 2:** Among the total costs of financing, the total amount of interest paid to Yapı Kredi Bankası A.Ş., a related party, in year 2018 is TRY 1.304.326; and its share in total costs of interest is 6.9%. Relevant data are included into the footnotes No 23 and 25 of the activity report.

**Question 3:** Costs of marketing, sales and distribution amounting to approximately TRY 142 million and general administrative expenses amounting to approximately TRY 57 million are found to be high; will you please explain this?

**Answer 3:** Costs of marketing, sales and distribution have increased by 1.4% as compared to the previous year; and this increase is reasonable considering the increase in proceeds by 7.5%. General administrative expenses have increased by 21% as compared to the previous year; and, as may be seen in the footnote No. 20 as well, staff costs, severance pays, costs of information processing infrastructure within the framework of digital transformation and depreciation costs mainly account for this increase.