

# PINAR SU SANAYİ VE TİCARET ANONİM ŞİRKETİ

## ARTICLES OF ASSOCIATION

### ESTABLISHMENT:

#### Article 1-

A joint stock company has been incorporated between the incorporators whose names and domiciles are written below, in accordance with the provisions of the Turkish Commerce Code governing instantaneous incorporation of joint stock companies.

Founders	Adress	Nationality
1. Hüseyin DOGU, Hatay Cad. No.394/7 IZMIR		Citizen of Republic of Turkey
2. Halim Selim OCAL, Plevne Bul. No.3/15 IZMIR		Citizen of Republic of Turkey
3. Emre DOGU, Hatay Cad. No.394/7 IZMIR		Citizen of Republic of Turkey
4. Tamer DOGU, Hatay Cad. No.394/7 IZMIR		Citizen of Republic of Turkey
5. Transadexim S.A Century House, 6 Rue de la Fleche CH-1207 GENEVE		Citizen of Switzerland
6. Oryantal Gıda İhracat Konserveçilik ve Dondurulmuş Gıda Sanayi Koll.Sti. Cumhuriyet Bul. No.77 IZMIR		Citizen of Republic of Turkey

### TRADE NAME:

#### Article 2-

The trade name of the company is “PINAR SU SANAYİ VE TİCARET ANONİM ŞİRKETİ”.

### PURPOSE AND SUBJECT:

#### Article 3-

In order to realize the same purposes in the Permission and Incentive Document dated 11.10.1981 and numbered 72 granted by the Undersecretary of State Planning Organization of the Prime Ministry and in the future, mainly the purpose and subject of the corporation are as follows:

- To obtain spring water, soda water and mineral water from every kind of resources, to purify them, to make them drinkable, to bottle, to pack, to store, to market them in the country and abroad, in this context, to search geothermal resources and sparkling mineral water and abstract, manage, process, trade them in the country and abroad, distribute, market and also do other all business and transactions specified in the law and other relevant legislation including

import and export within the bylaw on Water Intended for Human Consumption, the law no 5686 “Geothermal Resources and Sparkling Mineral Water Law” relevant to mineral water and drinking water and other related legislations.

b. To produce, manufacture and prepare all kinds of fruit and vegetable juice their frozen and dried types, beverages, soda water with fruit aroma, the beverage and equivalents with coke, jam, marmalade, concentrated fruit pulp, to make them produced, to pack and market them in the country and abroad, to make the marks registered related with them and to obtain patent and purchase technical information.

c. To manufacture all kinds of bottles and their crowns made in PVC, plastic and equivalent materials, pack materials and covers from cardboard and pellets from wood related to packing materials and to market them in the country and abroad.

d. To import, establish and operate the machinery and equipment, apparatus and complete facilities of the half finished goods, finished goods and products necessary to manufacture the above-mentioned products.

e. To realize all kinds of undertakings, commissioning, agencies, import and export activities in the country and abroad in the works that are the subjects of the corporation.

f. To realize partnerships and corporations related with its works, to establish new companies, to realize enterprises in accordance with the provisions of the Code numbered 6224.

g. In order to realize the above-mentioned purposes, to purchase all kinds of real estates and movable properties, to make them constructed, to rent, to sell when necessary, to hire, to donate them and to establish and remove mortgage and pledge, easement right, right of usufruct, right of habitation, divided co- ownership, floor easement right and similar rights on and from them, to give warranty provided that it should be made necessary explanations to be searched for by the Capital Markets Board within the scope of special situations in order to provide identifying the investors and to establish mortgage on the real estates of the Company for the debts of others persons.

h. To borrow and lend for equivalent of mortgage or other warranties or without guaranty from and to other persons, to accept all kinds of warranties and to lift a lawful restriction, in kindly and personally in order to collect rights and receivables.

i. With the condition of serving to the provisions of Capital Markets Law and other pertinent laws, to conclude borrowing and issue bonds with long, medium and short term.

j. Grant donations or allocate dividends to foundations having been established for various purposes and such persons and/or institutions within the frame of the regulations of the Capital Markets Board.

Essential is to comply with the principles specified by Capital Markets Board in the matter of that company would grant guarantee, surety, and security or set pledge right including mortgage on its behalf and in favor of 3rd persons.

## **THE HEAD OFFICE AND BRANCHES OF COMPANY:**

### **Article 4-**

The head office of the company is in Izmir. Its address is Akdeniz Mahallesi Şehit Fethi Bey Caddesi No.120/101 Konak/IZMIR. In case of any changes in the address, the new address shall be registered in the trade registry and announced in Turkish Trade Registry Gazette. The notifications made to the registered and announced address shall be deemed to have been made to the Company. In case the company does not register its new address in the registry term, this will constitute a reason for termination although the company moves from the registered and announced address.

The company may open branches within and outside the country pursuant to Turkish Commercial Code, Capital Market Law and other legislative provisions. In case the company opens or closes branches, such actions shall be registered in the Trade Registry and announced in the Turkish Trade Registry Gazette.

## **EXPIRATION PERIOD OF THE COMPANY:**

### **Article 5-**

Expiration period of the company is indefinite.

## **REGISTERED CAPITAL:**

### **Article 6-**

The Company accepted registered capital system pursuant to the provisions of Capital Market Law, and started this system with the permission of Capital Market Board dated 30.04.2013 and numbered 15/491.

The registered capital of the Company is TRY 50.000.000

Authorized capital stock permission granted by the Capital Market Board is valid for 5 (five) years between 2017-2021. Even if the authorized capital stock is not reached by the end of 2021, for the board of directors to decide for capital increase after 2021, an authorization from the general assembly shall be sought by obtaining permission from the Capital Market Board for the previously permitted authorized stock or a new authorized stock. In case such authorization is not obtained, the capital can not be increased by a decision the Board of Directors.

The issued capital of the Company is TRY 44.762.708,45, and it is distributed into 4.476.270.845 shares with 1 Kr. par value.

The Board of Directors is authorized to increase the capital by issuing shares to the bearer up to the registered authorized stock in compliance with the provisions of the Capital Market Law and the regulations of Capital Market Board between 2017-2021 when deemed necessary.

The Board of Directors is authorized to issue shares in their above or below par value, to limit the rights of shareholders to buy new shares pursuant to the provisions of the Capital Market Law.

Shares representing the capital are monitored pursuant to principles of dematerialising.

## **ISSUING THE NEW SHARES**

### **Article 7-**

It is removed.

## **BONUS SHARES**

### **Article 8-**

It was issued 120 founders' bonus shares.

## **BOARD OF DIRECTORS**

### **Article 9-**

Business and administration of the Company are conducted by a Board of Directors consisting of 5 to 7 members to be elected by the General Assembly under the provisions of the Turkish Commerce Code and the Capital Markets Board of Turkey regulations.

Number and qualities of independent members to assume office in Board of Directors shall be determined under the Capital Markets Board regulations concerning Corporate Management Principles.

In the event that an independent member fails to maintain independency, resigns or becomes unable to run the office, then the procedures specified in Capital Markets Board regulations shall be followed.

It is essential to elect Members of Board of Directors among such persons furnished with fundamental knowledge on legal procedures regulating transactions and dispositions in connection with business field of company, trained and experienced in company management, having ability to investigate financial charts and reports and preferably college educated.

## **DURATION OF THE BOARD OF DIRECTORS**

### **Article 10-**

The members of the Board of Directors are elected for a period of maximum 3 years. It is possible to re-elect the member term is over. On condition that the procedures for independent members determined under the Capital Markets Board regulations concerning Corporate Management Principles are reserved, General Assembly may anytime replace the members of Board of Directors if it deems necessary even if election period is not expired.

## **MEETINGS OF BOARD OF DIRECTORS**

### **Article 11-**

Board of Directors convenes as the business and affairs of company require. However, it is an obligation to convene once a month. Board of Directors convenes with majority of whole members and resolves with majority of members present in meeting.

## **REPRESENTATION OF THE COMPANY AND MANAGEMENT**

### **Article 12-**

Administration of the company and representation and delegation thereof against outside belong to the board of directors. The Board of Directors may assign Managing Director/Directors amongst the Board of Directors. The Board of Directors may hand over its authority of management and representation to the Managing director/directors or Directors, that are not shareholders. Provisions of articles 371, 374 and 375 of Turkish Commerce Code are reserved. For all the documents from the company and all agreements to be executed by the company to be valid they should bear the signature of the president of the board of directors or the signature of the Managing Director, which they shall affix severally, or the signatures of any two members of the board of directors, which they shall affix jointly or the signatures of duly authorized persons, who would be authorized and whose manner of undersigning has been specified by the board of directors under the title of the company.

Board of Directors is authorized to assign administration power partially or entirely to one or several board members or one third person under an internal directive it shall regulate.

## **THE DIVISION OF MISSIONS AMONG THE BOARD OF DIRECTORS**

### **Article 13-**

The members of the Board of Directors determine the division of the missions among them. The board of directors may delegate some of its powers to managing director/directors and shareholder managers.

The Board of Directors elects one president and one vice president among the members thereof every year. Vice president chairs the meetings where the president is absent.

## **FEES OF BOARD OF DIRECTORS**

### **Article 14-**

The general assembly determines the fees of the members of board of directors within the scope of the provisions of the Turkish Commerce Code and regulations of the Capital Markets Board.

## **AUDIT**

### **Article 15-**

Audits on accounts and transactions of Company are conducted under the provisions of Turkish Commerce Code and Capital Markets Law legislations in force.

## **RESPONSIBILITIES OF AUDITORS**

### **Article 16-**

Removed.

## **GENERAL ASSEMBLY**

### **Article 17-**

General assembly convenes ordinarily and extra ordinarily. The ordinary general assembly convenes within first three months following the account period of the company and once a year minimum; extra-ordinary general assemblies instead convene where and when the business requires and in accordance with the provisions written in law and the articles of incorporation.

Matters contained in article 409 of Turkish Commerce Code are discussed and necessary resolutions are passed during general assembly meetings.

Attending general assembly meeting in electronic media:

Shareholders having right to attend to the general assembly meetings of Company, may participate in such meetings through electronic media under the article 1527 of Turkish Commerce Code. Company may either install electronic general assembly system or may utilize systems established for such purposes in order to ensure shareholders to participate in general assembly meetings through electronic media, to release comment, to cast vote under the provisions of the Regulation on General Assemblies to be Held in Electronic Media within Joint Stock Companies. During all such general assembly meetings, shareholders and representatives thereof shall be provided with any facility enabling them to utilize their rights stipulated in the provisions of regulation mentioned above under the provisions of Articles of Incorporation.

## **PLACE OF MEETING**

### **Article 18-**

General assembly convenes in the head office of the company or at a useful place of city where head office is situated.

## **PRESENCE OF TRUSTEE OF MINISTRY IN MEETINGS**

### **Article 19-**

Presentation of the trustee of The Ministry of Industry and Trade during either ordinary or extra ordinary meetings is obliged. The resolutions being made in the meetings with lack of the trustee and the protocols of meetings without the signature of trustee are not valid.

## **MEETING AND RESOLUTION QUORUM**

### **Article 20-**

In general assembly meetings and quorum to such meetings are subject to the provisions of Turkish Commerce Code and Capital Markets Law.

## **VOTING**

### **Article 21-**

At the ordinary and extraordinary General Assembly meetings, shareholders or their representatives have one vote for each share.

## **PROXY ASSIGNMENT**

### **Article 22-**

At the ordinary and extraordinary General Board meetings, the shareholders can make them represent by a representative that they appoint amongst the other shareholders or out of the

shareholders. Proxies being shareholders will be authorized to vote on their own name as well as on behalf of the principals thereof.

The Capital Markets Board regulations on voting by proxy are reserved .

Save assignment of representatives through Electronic General Assembly System is reserved, any power of attorney to be released on this matter shall be in writing.

## **ANNOUNCEMENTS**

### **Article 23-**

Issues to be necessarily announced by Company under Law, shall be published under the provisions of Turkish Commerce Code, and in accordance with such regulations, notifications issued in frame of aforesaid Code and in compliance to the relevant legislation. Matters of which mean of announcement was not specified in regulations shall posted to web site.

Announcements concerning call for general assembly shall be published minimum three weeks beforehand excluding announcement and meeting days, under the provisions of Turkish Commerce Code and first item of article 29 of Capital Markets Law. Article 416 of Turkish Commerce Code shall apply in case of the attendancy of all shareholders and provisions of the articles 473 and 532 of Turkish Commerce Code shall apply for announcements related to the reduction of capital and liquidation.

For the obligated announcements in accordance with the Capital Markets Code, it is applied the provisions of the relevant communiqué.

## **THE AMENDMENT ON THE ARTICLES OF ASSOCIATION**

### **Article 24-**

Removed.

## **ANNUAL ACCOUNTS**

### **Article 25-**

The account period of the company starts with the first day of January and ends the last day of December.

## **FINANCIAL REPORTS**

### **Article 26-**

Financial statements and reports and independent auditor's report to be issued as foreseen by Capital Markets Board are published to public within frame of procedures and principles determined by the Board.

## **DIVISION OF PROFIT AND RESERVES**

### **Article 27-**

After deduction of expenses of any kind, and expenses to be paid obligatory by the Company, and amortizations and provisions from the income of the Company, as well as Taxes payable

by Legal Person Company and deduction of losses over former years, by the end of fiscal, the remaining amount constitutes the basis for profit division.

From this profit;

a) 5% is set aside as legal reserve until it reaches at the twenty percent of paid up capital under the article 519 of Turkish Commerce Code. Part of the net profit up to 20 % of the capital is separated as general reserve.

b) From the remainder, together with addition of donation within year if any, first dividend is set aside within the profit share policy of general assembly and under the relevant legislation. From the remainder;

c) An amount as much as 5% may be set aside as provision for allocation to the members of the Board of Directors and an amount as much as 10% may be assigned to founders redeemed shares.

d) General Assembly is authorized either to distribute as second dividend partially or entirely or to set aside as legal reserve under the article 521 of Turkish Commerce Code, such amount of remainder after deduction of the amounts stipulated in a, b, c from net profit.

e) After deduction of profit share amount equal to 5% of issued capital as the part divisible to profit shareholders, 10% of the remainder shall be set aside as legal reserve under the article 519 of Turkish Commerce Code.

f) Unless legal reserves to be set aside under law and dividend to be set aside for shareholders would be set aside, any resolution may not be released for setting aside anymore reserve, carrying profit forward to forthcoming year and unless the first dividend would be distributed to shareholders, any resolution may not be released for distribution of profit to members of Board of Directors, officers, workers and servants and trusts of various purposes.

g) Advance of dividend may be distributed to shareholders under the provisions of the article 20 of Capital Markets Law.

Profit share is equally distributed to all shares as of the distribution date, regardless to dates of issue and acquisition thereof.

General assembly determines the mode and time of distribution of profit share upon proposal of Board of Directors.

## **DISTRIBUTION OF PROFIT**

### **Article 28-**

General assembly determines the mode and time of distribution of profit share to shareholders upon proposal of Board of Directors upon observing the notifications of Capital Markets Law and relevant communiques. Any profit distributed under this Articles of Incorporation may not be taken back.



## **LEGAL RESERVES**

### **Article 29-**

Up to a 20% of the corporation capital is allocated as reserved fund of the corporation. In case of any reason causing decrement in amount of subject-reserved fund, again a reserved fund is allocated up to the same rate. To make necessary- expenses from the reserve fund is subjected to the provisions of Turkish Commerce Code.

## **CANCELLATION AND LIQUIDATION OF THE CORPORATION**

### **Article 30-**

Cancellation and liquidation of the corporation are made in accordance with the provisions of Turkish Commerce Code.

## **AUTHORITY IN THE DISPUTES**

### **Article 31-**

In case of any disputes to arise, the court is authorized in the place where the headquarters is.

## **GENERAL PROVISIONS**

### **Article 32-**

It is applied the Turkish Commerce Code and Capital Markets Law about the matters not included by those Articles of Association.

## **ISSUANCE OF BONDS AND SIMILAR SECURITIES**

### **Article 33-**

Company may issue, any kind of bond, bond convertible to share, replaceable bond, bonds of golden silver and platinum, financing bonds, investment trust share, profit and loss partnership certificate, other capital market instruments acceptable to Capital Markets Board as borrowing instrument in quality respect, and similar capital market instruments of any kind in order to sell natural and legal persons in country and abroad upon resolution of Board of Directors under the provisions of Capital Markets Law and similar relevant legislation. Board of Directors is authorize to determine maximum amounts, types, maturity, interest and other conditions in connection with such issue and to furnish company management with power in this respect under the provisions of Capital Markets Law. Regulations released under Capital Markets Law and new regulations contained the relevant legislation shall be complied with in such issuance.

## **FOUNDERS**

Halim Selim OCAL
Emre DOGU
Tamer DOGU
Hüseyin DOGU
Transadexim S.A
Neriman DOGU
Oryantal Gıda İhracat Koll.Sti

## **ORIENTATION TO CORPORATE MANAGEMENT PRINCIPLES**

### **Article 34-**

Corporate Management Principles shall be complied with as an obligation as determined by Capital Markets Board. Any transaction made without complying with such principles and any such resolution by Board of Directors shall be considered a violation of this Articles of Incorporation.

Regulations of Capital Markets Board in connection with corporate management shall be complied with in any transaction considered important in such respect and in any affiliated party transactions of company as well as any transaction related to releasing guarantee, pledge and mortgage in favor third persons.

### **TEMPORARY ARTICLE**

It is reserved the rights of the partners arising from the shares that they own related to changing the shares amounting YTL 2.750, first composition registered shares with the shares amounting YTL 2.750, first composition bearer shares. Change of the shares would be started by the Board of Directors within the relevant provisions following starting to apply calendaring the means of proceedings of capital markets.