

06:00

12:00

15:00

18:00

22:00

**OUR**  
*story*



2022 ANNUAL REPORT

We are deeply wounded by the devastating earthquake disaster we had in our country on February 6, 2023.

We have grave losses...

Unfortunately we lost a colleague.

We also had losses from among first degree relatives of our employees, their families and our franchisees.

We wish God's mercy on those who died, condolences to their families and our nation and a quick recovery to the wounded.

While we feel the pain of our losses, we will work with the strength we take from unity and solidarity, continuing to stand by our nation and all our people...

Our deepest condolences...

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Stores for January 1 - December 31, 2022  
Accounting Period

09:00

Retailing means being the hero of a very significant story for us...

Welcome to Bizim Toptan!

# OUR story

## About Bizim Toptan

- 8 Corporate Profile
- 10 Mission-Vision
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# Bizim Toptan at One Sight

**Bizim Toptan maintains its standing as Türkiye's most innovative trading platform with its multi-channel widespread sales model while continuing to contribute to traditional channel retailing and the national economy with the business partnership supply system SEÇ Market, it acquired it in July 2014.**

Having completed its foundation works in 2001 and commenced its activities in the Cash&Carry (Organized Wholesale Trade) industry with 14 stores in 2002, Bizim Toptan carries out wholesale and retail sales of its Private Label products with the brands of high consumer awareness of national and international companies operating in Türkiye.

There are approximately 8,000 products in its product portfolio, which consists of main product categories such as food, non-alcoholic beverages, cleaning, personal care, paper products, and tobacco products. The company, which aims to meet the needs of all its customers from a single point with an average of 3,500 stock items per store, is the largest company of the multi-channel trading platform in terms of the number of stores in Türkiye and the most widespread in terms of accessibility, both in terms of customer portfolio and sales methods.

With its multi-channel customer portfolio, the Company sells to both commercial taxpayers and individual customers. Grocery stores, markets, specialized retailers, wholesalers, hotels, restaurants, cafes, gas station markets, school canteens, SEÇ Market business partners and individual customers constitute the general customer portfolio of the company.

As Türkiye's most innovative trading platform, Bizim Toptan, which is a pioneer in its sector in the changing and developing market structure, has also adopted a multi-channel structure in its sales methods. The company continues to contribute to the traditional channel retailers and the country's economy with the business partnership goods supply system SEÇ Market, which it acquired in July 2014. Bizim Toptan became the supplier of the member franchises in this system and became the leading and strongest company in the industry with a business partnership goods supply system. With the SEÇ Market system, Bizim Toptan undertook the supplier of member dealer markets, thus becoming the leading and strongest company in the sector with a business partnership goods supply system.

By establishing the professional sales force PROSAF in 2017, it aimed to be a professional solution partner that offers products specific to the needs of corporate customers and gas station markets, especially at out-of-home consumption points, with customer-type-specific campaigns. In addition, with its digital infrastructure developed day by day, it has transferred the physical merchandising experience to digital with the cargo and click & pick up method.



With the importance it places on digitalization and development, Bizim Toptan changed its enterprise resource planning (ERP) software in 2022 and switched to SAP, the market leader in enterprise application software. Bizim Toptan is distinguished from its competitors with its artificial intelligence-supported customer relationship management (CRM) applications and as of the end of 2022, 180 stores, 4 main warehouses and 7 cold warehouses in 72 provinces of Türkiye in addition to 2,409 SEÇ Market business partners.

The shares of the company were offered to the public in 2011 and listed on Borsa Istanbul as of February 3, 2011. Acting with a cash-generating growth strategy and aiming to create value for all of its stakeholders, Bizim Toptan has a dividend policy of "distributing 50% of the distributable net profit as cash dividend to shareholders with the proposal of Board of Directors and the approval of the General Assembly based on CMB notifications and regulations, taking into account the investment, financing plans and profitability pursuant to the Company's long-term growth strategies".



## OUR VISION

to be the number one wholesaler of Türkiye with its widespread, modern and reliable concept in the fast-moving consumer goods industry.

## OUR MISSION

to be a strategic business partner that reduces the costs and risks of customers and suppliers and provides them with a competitive advantage.

# Milestones

Having started its operations with 14 stores in 2002, Bizim Toptan has become the leading company in the sector with its strong partners, innovative and agile business conduct.

2001

2002

2006

2009

2011

2014

Bizim Toptan, the leading company in the wholesale industry, took the first step in its successful journey. Bizim Toptan Satış Mağazaları A.Ş. (Bizim Toptan) was incorporated in 2001 and was registered in Istanbul in accordance with the provisions of the Turkish Commercial Code.

Having completed its incorporation process, Bizim Toptan began to operate with a total of 14 stores, eight of them working under a franchise system. With its corporate strategy and strong organization, the company began its rapid progress on the way to become the leading company in the Turkish wholesale industry.

Operating with 59 stores across Türkiye, Bizim Toptan completely stopped managing its stores through a franchise business model in 2006 and began to operate all of its stores personally.

Having improved its extended sales network with 7 new stores, Bizim Toptan appeared as the 55<sup>th</sup> Largest Company of Türkiye in terms of turnover in Capital Magazine's top 500 companies research. Enabling purchasing power through key suppliers and improving its product combination, Bizim Toptan performed successfully despite the global crisis.

Having 124 stores and 228 thousand active customers, Bizim Toptan completed its public offering in January 2011 and the company's shares began to be traded on the Borsa Istanbul on February 03, 2011. The company took over the new channel management in 2011 and focused on the HORECA segment in this context. In the last months of 2011, the "Bizim Professional Card" application was launched to offer advantages to its customers.

Reaching 153 stores in 65 provinces across Türkiye, Bizim Toptan increased its number of customers to 650,000. Acquiring a business partnership goods supply system comprising 196 stores in July, it became the one and only Cash&Carry player in Türkiye to have a business partnership goods supply system for B2B.

2016

Bizim Toptan focused on the multi-channel sales strategy in 2016 and increased its number of stores to 162 in 68 provinces Türkiye. Bizim Toptan decided to continue its business partnership goods supply system under the brand "SEÇ Market" over the course of the year and increased the number of business partners in the system to 332 by the end of the year. Focusing on developing the private label product category in the course of the year, Bizim Toptan increased the number of SKUs in this category to over 200 and increased its share of sales revenues in the main category sales from 8% to 12.8%.

2017

Bizim Toptan positioned 2017 as a period of "investing in the future", where its sales strategy was rehabilitated and its entire functions were revised to achieve more profitable sales. During this period, the company accelerated its store launches and increased its number of stores from 162 to 176. As part of arranging its sale strategy in terms of application, it opened 7 stores for the large wholesaler customers whose sales it conducts on a large cart scale, whereby it improved its current store performance. It continued to develop its product range in the private label product category and increased the proportion of sales in this category to the sales in the main category to 15%. It increased the number of "SEÇ Markets" in the business partner goods supply system to 381.

2018

With strong CRM applications, the number of active customers increased by 37.2% and the company offered services to about 1.5 million customers. Aiming to improve the functions of its stores and target its sales revenue per store, Bizim Toptan commenced works to offer services to its customers through its Professional Sales Force named PROSAF. Bizim Toptan commissioned Pendik Marina store, which was the company's first store to be located inside a shopping mall, and also commissioned Göcek Marina store per its Marina Service concept, whereupon the company sharply increased the number of "SEÇ Markets" in the business partner goods supply system to 539.

2019

In addition to the sales network of 175 stores in the 69 provinces of Türkiye, the company increased the number of "SEÇ Markets" in the business partner goods supply system from 539 to 801. Professional Sales Force PROSAF was positioned in 65 provinces and became the solution partner for non-domestic consumption and corporate points of sale. Focusing on developing its digital sales channel as well, Bizim Toptan turned its e-commerce site into a digital platform that offers customizable sales services to both corporate and individual customers.

2020

With the pandemic conditions, Bizim Toptan considered protecting the health of its customers and employees as top priority and continued its uninterrupted service under any circumstances. It took steps to digitalize in order to improve its multi-channel business model and to follow trends in advance. For this purpose, it initiated a transformation on the Enterprise Resource Planning (ERP) model, completed its infrastructure work on the digital trading platform, and implemented the Click & Pick Up digital sales business model in a short time in all its stores in Türkiye. In addition to the sales network of 173 stores in 70 provinces of Türkiye, the company increased the number of "SEÇ Markets" in the business partner goods supply system from 801 to 1,209. At the same time, it founded Seç Marketçilik A.Ş., where it owns 90% of the shares representing the capital. Professional Sales Force PROSAF, through which Bizim Toptan offers sales and logistics services to its customers, expanded its access to 102 stores in 70 provinces of Türkiye. Active customers of the company reached 2.2 million customers.

2021

Despite continuing pandemic and macro-economic factors, Bizim Toptan improves content of its multi-channel sales model and service quality. The company increased the number of "SEÇ Market" in business partnership goods supply system from 1,209 to 1,726. Professional Sales Force PROSAF, through which Bizim Toptan offers sales and logistics services to its customers, expanded its access to 105 stores in 70 provinces of Türkiye. PROSAF operation focused on new sales channels in the pandemic process, becoming a solution partner of gas station markets and turned into a much stronger sales channel. 24-hour delivery was initiated in İstanbul. The company broke its own record during the year and provided services to a total of 2.3 individual customers.

2022

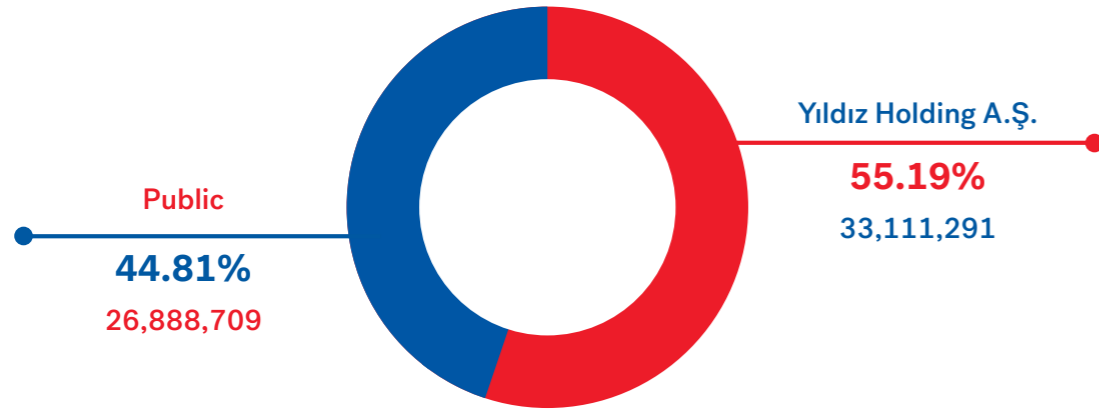
- Completed Enterprise Resource Planning (ERP) transformation and started using SAP.
- Developing its efficiency and sustainability-centered structure, Bizim Toptan added Denizli warehouse to its warehouse network by the end of the year.
- It established a 264 Kwp-solar power plant to produce all power needs of its Gebze store.
- The number of SEÇ Markets increased from 1,726 to 2,409 and the number of stores in PROSAF operation increased from 105 to 117.
- Private label product launches continued, achieved 435 SKU in the category in question. The share of private label products in sales increased to approximately 28% other than cigarette and sugar.
- The company renewed its own record and increased to the number of individual customers it reaches during the year to 2.5 million.
- Being a strong trading platform, in 2023 Bizim Toptan will continue to be "at the side" of all customer groups and all stakeholders without distinguishing whether B2B or B2C.

# Capital and Partnership Structure

## STRONG AND RELIABLE PARTNERSHIP STRUCTURE

Bizim Toptan, the largest Cash & Carry company in Türkiye in terms of the number of stores and geographical presence with its strong partnership structure, went public in 2011.

Bizim Toptan's stocks have been traded on Istanbul Stock Exchange since February 3, 2011. As of the end of 2022, the publicly held share is 44.81%. The shareholding status as of December 31, 2022\* is shown below.



\* CRA data dated December 31, 2022.

SEÇ Marketçilik A.Ş. with 90% of capital owned by Bizim Toptan Satış Mağazaları A.Ş., having a capital of 50.000 TL was registered on August 19, 2020, and its establishment was completed.

Subsidiary	31.12.2022 Bizim Toptan's Share in Capital (%)
SEÇ Marketçilik A.Ş.	90.00%



# Main Financial Indicators

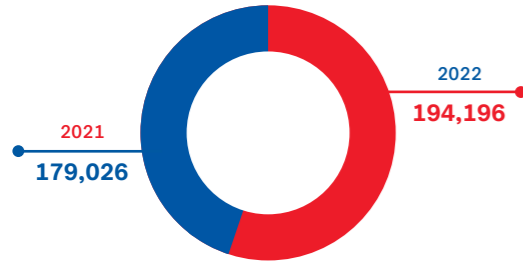
## Employees

2,853

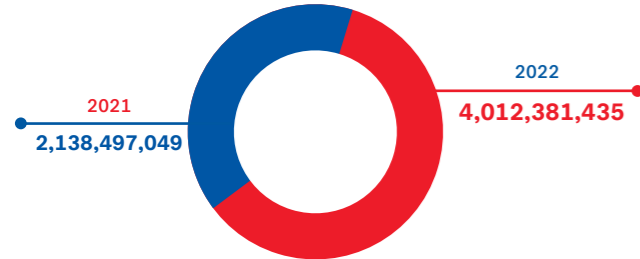
## Average Daily Customers

approximately  
35,000

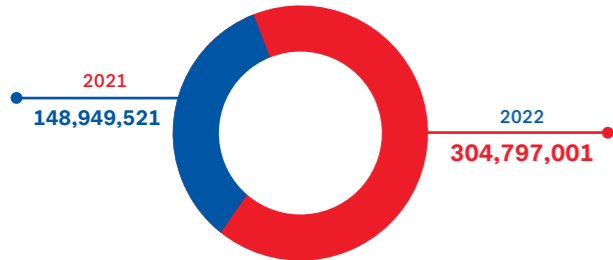
## Total Net Sales Area (m<sup>2</sup>)



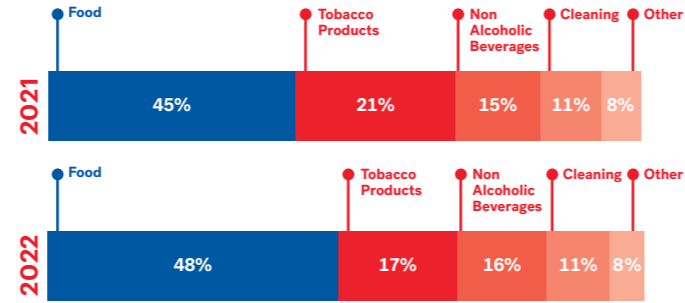
## Total Assets (TL)



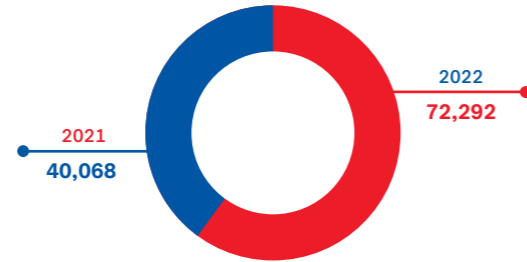
## Operating Profit (TL)



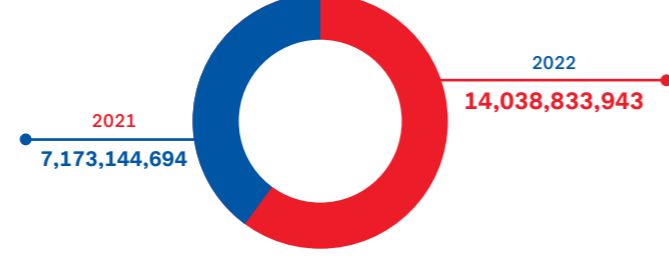
## Sales Distribution by Category



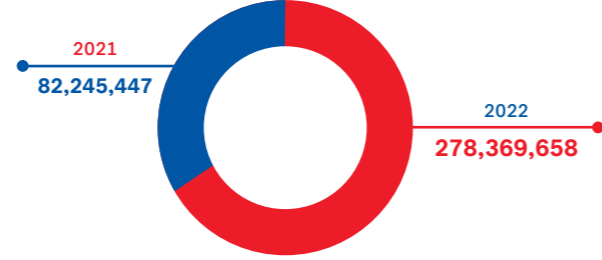
## Sales per Square Meter (m<sup>2</sup>)



## Net Sale (TL)



## Net Profit for the Year (TL)



Consolidated Balance Sheet (TL)	31.12.2021	31.12.2022
Current Assets	1,540,869,062	2,967,063,613
Fixed Assets	597,627,987	1,045,317,822
<b>Total Assets</b>	<b>2,138,497,049</b>	<b>4,012,381,435</b>
Current Liabilities	1,730,315,335	3,205,897,115
Non-Current Liabilities	192,086,824	316,053,617
Shareholder's Equity	216,094,890	490,430,703
<b>Total Liabilities</b>	<b>2,138,497,049</b>	<b>4,012,381,435</b>

Consolidated Income (TL)	31.12.2021	31.12.2022
Net Sales	7,173,144,694	14,038,833,943
Gross Profit	882,824,508	2,014,511,469
Operating Profit	148,949,521	304,797,001
<b>Net Profit for the Year</b>	<b>82,245,447</b>	<b>278,369,658</b>

Financial Ratios	31.12.2021	31.12.2022
Current Ratio	0.89	0.93
Current Liabilities/Total Assets	0.81	0.80
Equity/Total Assets	0.10	0.12
Gross Profit Margin (%)	%12.3	%14.3
Gross Profit Margin (%)	%5.6	%5.6
Net Profit Margin (%)	%1.1	%2.0
<b>Net Profit Per Share (TL)</b>	<b>1.371</b>	<b>4.639</b>

The distribution of sales of Bizim Toptan as of the years 2017-2022 is shown on the table below.

Thousand TL	2017	2018	2019	2020	2021	2022
Main Categories <sup>(1)</sup>	2,037,870	2,729,711	3,393,795	4,138,941	5,665,280	11,665,522
Other Categories	858,498	995,633	1,126,878	1,222,880	1,507,865	2,373,312
<b>Total</b>	<b>2,896,368</b>	<b>3,725,344</b>	<b>4,520,673</b>	<b>5,361,821</b>	<b>7,173,145</b>	<b>14,038,834</b>

(1) It refers to sales except cigarettes.

# OUR story

**12:00** We are a team that works  
with pleasure for a brand  
new Bizim Toptan every day...

## From the Management

- 22** General Manager's Message
- 26** Board of Directors
- 30** Senior Management

# General Manager's Message

**In 2022, we both reaped fruits of the steps we took in the past two years and had a successful year by working determinedly without deviating from our long-term goals.**



Our esteemed shareholders, esteemed business partners, and dear Bizim Toptan family,

We are deeply saddened by the earthquake disaster, which had its epicenter in Kahramanmaraş on February 6 and affected 10 of our provinces. I wish God's mercy on our citizens who lost their lives in this great disaster, patience and condolences to their relatives and all our nation. I have full faith that the wounds of this disaster will be healed quickly with the feeling of unity and solidarity, the strength of our state and the unity of our nation. As Bizim Toptan family, we will continue to work to serve our people in these difficult days.

Another period when we, as Bizim Toptan, worked with a sense of service to our people was undoubtedly 2022. Despite the normalization period that started following the pandemic process we have experienced globally in the past two years, 2022 was a challenging period with uncertainties for the world economy while our country experienced the highest inflation rates in recent years. Despite this challenging process, we reaped fruits of the steps we took in the past two years, and we completed a successful year by working diligently without deviating from our long-term goals. While continuing our work, we maintained our human and service-oriented philosophy. We put our strategic plans into practice by following the trends. I can separate our work in 2022 into groups as our human and future-oriented work, our activities to improve our operations, and steps we took for digitalization.

Our sensitivity to people and the future, as Bizim Toptan, aims to ensure health, safety and continuous development of our customers, business partners and all our employees. Thus, just as we underlined health and safety during the pandemic period, we continued to develop this philosophy in 2022.

2022 has been a year when we improved ourselves in Occupational Health and Safety (OHS) and became a pioneer in our sector. Throughout the year, we provided a total of 6,234 hours of basic OHS training to all our personnel, with our continuous OHS

trainings. Simultaneously, we provided 960 hours of OHS training to our business partners at our construction sites. We created emergency sketches of our 168 stores, prepared our crisis plans for disaster management and conducted our drills. As a matter of fact, thanks to these efforts, we were able to stand strong in emergencies, including the recent earthquake disaster, and continued to serve our people uninterrupted. As a product of our efforts, we crowned our OHS management system with the TSE ISO 45001 certificate we received during the year.

Our sensitivity to the future directed us to take steps to "work for the future of nature", which is one of the components of our main partner Yıldız Holding's sustainability philosophy. Thus, we installed a solar energy system with an installed power of 264 kWp on an area of 1,288 square meters on the roof of our Gebze store.

As of 2023, our Gebze store will produce 107% of its power consumption, that is more power than it needs by using solar energy. We are happy to prevent about 141 tons of carbon emission, what could be cleaned by 6,300 trees in one year.

The activities we undertook during the year to develop our operations ensured growth of our company in terms of both quality and quantity. With the 7 new stores we opened during the year and two stores we relocated, we increased our geographical prevalence to 72 provinces and the total number of our stores to 180.

Our SEÇ Market business partnership model, which is Türkiye's leading purchasing business partnership model in its area, continued to stand by our merchants with a win-win understanding. We continued to contribute to both national economy and the traditional retail channel with the number of SEÇ Market business partners, which we increased from 1,726 to 2,409 during the year. The SEÇ Market



network, located in every city of our country, currently has a share of more than 20% in our sales. I fully believe that the high interest in this model, which makes all its stakeholders, from business partners to customers "win", will continue in 2023 and will become much more efficient.

As a result of our company's agility and its success in keeping up with change, the PROSAF team, which became stronger in alternative channels during the pandemic period, increased both the number of customers and operational reach in 2022 with the normalization of the non-domestic consumption (NDC) sector. We started to conduct our PROSAF operations from our 117 stores. We also launched the digital sales channel following face-to-face and tele-sales methods in order to increase the efficiency of this operation. In 2023, we will strive to further develop the achievements of our PROSAF team in the sector on the NDC channel.

Our development in digital trade continued through the year. Thanks to the mobile application we activated, with our "click & pick up" method we improved existence of physical store experience in

the digital. We continued to increase our customer satisfaction score with feedback we received from our customers in both digital and physical store experience. Our target is to carry our already high customer satisfaction score even higher. Our work with this target ensures we can achieve the customer number with which we break our own record every year. Finally in 2022 we renewed our record and carried our number of individual customers to over 2.5 million with 8.1% increase compared to the year before.

We also invested in the supply chain to support our customer number and efficiency of our multi-channel sales model that improves every day. With the main warehouse we opened in Denizli at the end of the year, we increased the number of our warehouses to 4 with Gebze, Adana, and Erzurum.

Another significant investment area in 2022 were doubtlessly our digitalization efforts. In 2022 when we celebrated the 20th year of Bizim Toptan, we moved the enterprise resource planning (ERP) system used since foundation of our company to SAP software. Used broadly all around the world and also by leader retail companies, the SAP software ensured we take a major step towards digitalization.

Using artificial intelligence algorithms, we dynamically analyzed product purchase tendencies, behaviors, demand, and expectations of our customers both on B2B and on B2C side to create exclusive activity suggestions for every one of our customers. Digitalization projects we realized to have an efficient and automation-based infrastructure will continue in 2023 with new additions.

#### Esteemed Stakeholders,

I must mention that as a unique trade platform in its field, Bizim Toptan is by the side of its customers and trade with its reliable and high-quality products, broad spectrum of products and services, affordable prices and uninterrupted service, aiming to support our national economy. Thanks to our collective synergy, our company grew by 95.7%, our sales excluding cigarette and sugar increased by 107%, exceeding our target.

Our company successfully achieved all targets disclosed at Public Disclosure Platform for 2022. This success is owed to our customers who always trusted our quality, our shareholders who support we have always felt beside us, and our employees who perform with dedication from the heart and devotion. With this synergy we create together, in 2023 when we will celebrate the 100 years of our Republic, we will work every day to outdo the day before.

Respectfully,

**Hüseyin Balcı**  
CEO

# Board of Directors

Name, Last Name	Position
Cengiz Solakoğlu	Chairman of Board of Directors
Mehmet Tütüncü	Deputy Chairman of Board of Directors
Ali Ülker	Member of Board of Directors
Fahrettin Günalp Ertik	Member of Board of Directors
Erman Kalkandelen	Member of Board of Directors
Fatma Füsün Akkal Bozok	Independent Member of Board of Directors
Ahmet Bal	Independent Member of Board of Directors
Ömer Faruk Sevgili	Independent Member of Board of Directors

## Board of Directors

### **CENGİZ SOLAKOĞLU** Chairman of Board of Directors

Cengiz Solakoğlu graduated from Istanbul Academy of Economic and Commercial Sciences in 1964. He began to work as a salesman at Beko Ticaret A.Ş. in 1967 and became the General Manager of the Company in 1977. He held this position until 1983, when he became the General Manager of Atılım Company, which also belonged to Koç Group. During this 8-year office, he led the works on “Restructuring and strengthening Arçelik Authorized Dealer System”. He was appointed Vice President of Koç Holding Consumption Group in 1991 and Chairman of Consumption Group in 1994. Solakoğlu, who also served as a Member of the Group Executive Board between 1996 and 1998, was appointed as the Chairman of Koç Holding Consumer Durables Group in 2002 and retired from Koç Group in 2004 due to 60 years of age principle. He had worked in Koç Group for 38 years without interruption. In addition to Bizim Toptan, Solakoğlu is a member of the Board of Directors and serves as Chairman of the Board of Directors in Şok Marketler A.Ş., one of Yıldız Holding’s retail sector companies. Cengiz Solakoğlu is one of the founders of 1907 Fenerbahçeliler Association and Education Volunteers Foundation and was chosen the Leader of Civil Society by Economist journal in 2004.

### **MEHMET TÜTÜNCÜ** Deputy Director of Board of Directors

Mehmet Tütüncü completed his undergraduate studies in the Department of Mechanical Engineering at Gazi University and his master’s degree in the Department of Industry and Organizational Psychology at Maltepe University. He also attended 6 months of Production, Quality Control and Maintenance Applications in Italy with IRI scholarship, Strategic Marketing at Harvard Business School, and took various training courses in IMD/Switzerland and Insead/Singapore. Starting his work life as an engineer in the Department of Structural Works at the Ministry of National Education in 1981, Mehmet Tütüncü worked as the Production Manager, Business Manager and General Manager of Best Rothmans Entegre Sigara ve Tütün Sanayi A.Ş. respectively between 1987-1996. He started his first job at Yıldız Holding in 1996 as the Operations Coordinator at Ülker Gıda A.Ş. He served as the General Manager of Ülker Biscuit and Chocolate factories, Vice President of Ülker Group, President of Food and Beverage Group, President of Food Group and President of Ülker International Group. He was appointed as Regional CEO in charge of Türkiye, Middle East, North Africa and Middle Asia in the pladis organization, which was founded within the organization of Yıldız Holding in 2016. In 2017, he also took responsibility of the South Asia and Latin America regions and pladis Global Information Systems and Business Models Transformation and continued to serve as Deputy CEO. Starting from October 2018, he assumed the roles of Vice Chairman of Board of Directors of Yıldız Holding and CEO of Yıldız Holding. Tütüncü, a member of TÜGİS Board of Directors, is also a member of many Turkish and foreign sectoral organizations. He is also on the Board of Directors of FoodDrinkEurope and the Liaison Committee of FoodDrinkEurope.

### **ALİ ÜLKER** Member of Board of Directors

Born in 1969, Ali Ülker studied in Istanbul Male High School and then completed his university education in Boğaziçi University, Faculty of Economics and Administrative Sciences, Department of Economics and Business Administration. He attended various educational programs at IMD, INSEAD, Wharton and Harvard. He participated in the Internal Kaizen Study (1992) with De Boccard & Yorke Consultancy Company and the IESC Sales System Development and Internal Organization Project (1997). Ali Ülker started his work life as an intern in Ülker Gıda A.Ş. Quality Control Department in 1985, whereupon he worked in chocolate production plants and at Atlas Gıda Pazarlama A.Ş. in Intern, Sales Manager, Sales Coordinator, Product Group Coordinator and Product Group Manager positions between 1986 and 1998. Ali Ülker was appointed as General Manager of Atlas Gıda Pazarlama A.Ş. in 1998 and Vice President of the Retail Group in 2000, whereupon he also assumed the role of General Manager of Merkez Gıda Pazarlama A.Ş. in 2001. He was appointed Vice President of Food Group in 2002 and President of Ülker Group in 2005. Ali Ülker had been the Acting Chairman of Board of Directors of Yıldız Holding since 2011, whereupon he became the Chairman of Board of Directors of Yıldız Holding on January 29, 2020. Ülker has deep knowledge and experience in marketing and sales, has a special interest in innovation and supports the teams working on it within the Group. Ülker enjoys mentoring young people. He likes the outdoors, being in nature and doing sports. Ali Ülker speaks English and German, is married with 3 children.

### **FAHRETTİN GÜNALP ERTİK** Member of Board of Directors

After graduating from Bilkent University, Department of Business Administration, Fahrettin Günalp Ertik started his business life as a Financial Controller at Finansbank. He worked as Internal Auditor, Kellogg Finance Manager, Ülker Financial Affairs Coordinator, Food Group Financial Affairs Coordinator, Food & Beverage and Retail Group CFO, Besler General Manager and Önem Gıda Vice President respectively in Yıldız Holding between 2002-2019. Having assumed responsibilities in important projects throughout his career at Yıldız Holding, Ertik completed the INSEAD Leadership program in 2011. He then studied finance, sales, marketing and leadership at Wharton Business School and Kellogg School of Management. Having served as Chairman of Financial Affairs and Member of Board of Directors at Azersun Holding since 2019, Ertik has been appointed as Chairman of Financial Affairs in Yıldız Holding as of August 2020.

**ERMAN  
KALKANDELEN**  
Member of Board of  
Directors

Having served as a Member of Board of Directors in Bizim Toptan Satış Mağazaları A.Ş. since 2013, Mr. Kalkandelen works as CEO and Chairman of Board of Directors of Franklin Templeton Danışmanlık A.Ş. Having worked on Developing Markets, Small Companies and Turkish Stocks products at Franklin Templeton since 2006, Kalkandelen is a member of Board of Directors at Netlog Lojistik A.Ş., D-Market Elektronik Hizmetler ve Ticaret A.Ş., Defacto Perakende Ticaret A.Ş., ŞOK Marketler Ticaret A.Ş., Bizim Toptan Satış Mağazaları A.Ş. and Gözde Girişim Sermayesi Yatırım Ortaklığı A.Ş. Erman Kalkandelen graduated with honors from Sabancı University Business Administration Master's Degree (MBA) Program. In addition, during his MBA training, he went through a period of specialization on strategic management at the University of Florida Warrington School of Business Administration and graduated with a high honor degree from Ankara University Faculty of Political Sciences, Department of Labor Economics. Erman Kalkandelen speaks English.

**FATMA FÜSUN  
AKKAL BOZOK**  
Independent  
Member of Board of  
Directors

Fatma Füsün Akkal Bozok completed her academic education with a master's degree from Boğaziçi University, Faculty of Administrative Sciences and a doctorate degree from Istanbul University, Faculty of Business Administration. After graduation, she started working at Arthur Andersen Audit Company in 1980. She joined Koç Group in 1983 and worked as Audit Expert and Assistant Coordinator in Audit and Financial Group department within the organization of the Holding. She was appointed as Audit and Financial Group Coordinator in 1992 and held office for 11 years. Having worked as Director of Financing Group between 2003-2006, Akkal served as a Member of Board of Directors of Yapı Kredi Bank between 2004-2019. She is currently an independent member of board of directors of Ford-Otosan, Tat Gıda, Akiş GYO and Gözde companies. Akkal taught Auditing and International Accounting courses as lecturer at Sabancı University in 2008-2020, and is member to TKYD, TİDE, Expert Accountants' Association of Türkiye and Boğaziçi Alumni Association.

**AHMET BAL**  
Independent  
Member of Board of  
Directors

Born in Tokat in 1957, Ahmet Bal graduated from Ankara University Faculty of Political Sciences, Department of Economics and Finance and joined the Board of Accounting Experts of the Ministry of Finance. Ahmet Bal received the title of Chief Accounting Expert and Certified Public Accountant in 1991, did his master's degree (MBA) in Business Administration at Nottingham University in England in 1992 and began to work as Assistant Financial Affairs Coordinator at Anadolu Endüstri Holding in 1994. He worked as Finance Director of Efes Sınai Yatırım Ticaret A.Ş. in charge of Anadolu Group Overseas Coca-Cola operations between 1995 and 1998, General Manager of Efes Sınai Yatırım Holding A.Ş. between 1998 and 1999, and as Financial Affairs Coordinator in charge of Automotive, Finance and Stationery Companies at Anadolu Endüstri Holding Department of Financial Affairs between 1999 and 2006. Between 2006 and 2012, he served as Audit Coordinator in charge of Group Companies at Anadolu Endüstri Holding. Ahmet Bal served as Head of Audit Responsible for the Audit of Anadolu Group Companies between 2013 and 2018, and is married and has two children. Apart from Bizim Toptan, Ahmet Bal serves as an Independent Member of Board of Directors of Şok Marketler A.Ş. and as an Independent Member of Board of Directors and Chairman of Board of Directors of Ülker Bisküvi Sanayi A.Ş.

**ÖMER FARUK  
SEVGİLİ**  
Independent  
Member of Board of  
Directors

Ömer Faruk Sevgili was born in Siirt in 1968, received his high school education in Siirt High School, and he graduated from Istanbul University, Faculty of Law. (1991) He began to work as a freelance lawyer under the Istanbul Bar Association. (1994) Subsequently, after working as Bakırköy Municipality Legal Advisor, İzmir Çiğli Air Base Disciplinary Officer, and as a lawyer and legal advisor at Türkiye Ship Industry Joint Stock Company respectively, he continues to work as a freelance lawyer under Ankara Bar Association. He assumed roles such as KÖY-TEKS Holding Board Membership, TÜPRAŞ Supervisory Board Membership, Bicycle Federation Disciplinary Board membership, TÜKÇEV board of trustees and board of directors' membership. He began his profession as a lawyer in 1994 and he currently continues that profession under Mizan Hukuk ve Danışmanlık. He is married and has two children. He speaks Arabic.

# Senior Management



NOTE: Channel Development, OHS and Quality Director M. Murat Yanık did not take place in the group photo for being out of town on the day photo was taken.



Please scan the QR code to watch the pleasant moments of our photo shoot.

1



**HÜSEYİN BALCI**  
CEO

Hüseyin Balci completed his undergraduate education in Anadolu University, Finance Department, and began his career as a Chain Store Sales Representative at Atlas Gıda Pazarlama A.Ş., one of Yıldız Holding A.Ş. companies in 1997. After that, he worked as Sales Operations Manager and Sales Manager at Rekor Gıda A.Ş., as Sales Operations and Planning Group Manager, Deputy General Manager, General Manager at Merkez Gıda A.Ş., General Manager at Atlas Gıda A.Ş and General Manager of Trade at Ülker Bisküvi A.Ş. respectively. He worked as Deputy General Manager of Sales at Avea İletişim Hizmetleri A.Ş., one of Türk Telekom Group Companies in early 2013 and finally worked as Deputy General Manager in Charge of Individual Sales of Türk Telekom Group. Huseyin Balci joined Bizim Toptan as General Manager at the beginning of 2017, realized the company's transformation process and updated and strengthened its multi-channel sales model in line with the dynamics of the digital age and the sector.

2



**ALTAN SEKMEN**  
Seç Marketçilik A.Ş.  
General Manager

Altan Sekmen was born in 1968 in Aaalen/Germany. He attended primary school in Germany, secondary school in Izmit, and high school in Bursa Işıklar Military High School. After being a student at the Air Force Academy for two years, he left to study at the university. He started his university education at Boğaziçi University Physics Department and graduated from Boğaziçi University Tourism Management Department in 1995. He started his career in 1995 as the Public Relations and Customer Relations Chief at Hillside Beach Club, a subsidiary of Alarko Holding and served as the Holiday Village Operations Assistant Manager between 1996-1998. After working as the Operations Director responsible for Store, Supply Chain and Logistics Operations at DiaSA Grocery stores between 1999-2008, he worked as the Türkiye and Hungary General Manager of HAVI Logistics between 2008-2014. He joined Yıldız Holding in 2014 as the General Manager of Tek Özel Gıda. Afterwards, between August 2017 and November 2018, he served as the General Manager of g2m Dağıtım Pazarlama ve Tic. Inc. and from December 2018 to August 2020, he worked as a senior manager in charge of projects at Yıldız Holding Board of Directors Office. He has been serving as the General Manager of Seç Marketçilik A.Ş. since September 2020.

3



**UĞUR YILMAZ**  
Senior Director of  
Supply Chain

Serving as Senior Director of Supply Chain at Bizim Toptan Satış Mağazaları A.Ş., Uğur Yılmaz was born in 1973 in Erzurum. After completing his primary, secondary and high school education in Istanbul, he graduated from Marmara University Faculty of Economics and Administrative Sciences, Department of Business Administration. Yılmaz started his professional career in November 1995 at Ülker Gıda A.Ş. as production planning specialist and in his long career at Yıldız Holding, he served as Ülker Gıda production planning specialist in 1995-1997 and Market Research Specialist, Supervisor, and Deputy Director at Atlas Gıda in 1997-2005. At the same time, while he was serving as the Assistant of the Consumer Group President between 2005-2006, he assumed the duty of the Main Marketing Planning Manager in 2006 and continued this duty until 2011. Between 2011 and 2014, he served as the Beverage Business Unit Planning and Purchasing Director where he was responsible for the procurement, planning and logistics processes of all beverage factories. In the last months of 2014, he joined Eksper Pazarlama, the Group's Non-Domestic Consumption (NDC) sales company, as the Supply Chain Director, and played an important role in making the company profitable with the changes in supply and pricing strategies. In the last quarter of 2018, he assumed important responsibilities in merger of Eksper Pazarlama and g2m, and successfully managed all the purchasing and logistics processes of the new company as the Supply Chain Group Director. Following the managerial change in 2022, Yılmaz, has been managing all supply planning and logistics processes of Bizim Toptan and Seç market companies as the Supply Chain Senior Director since September 2022. Yılmaz is married with two children.

4



**SERHAT ALTINKILIÇ**  
Director of Commerce

Serhat Altinkılıç completed his bachelor's degree at İnönü University Department of Mining Engineering and his master's degree at İstanbul Şehir University MBA department. He started his career as Sales Manager at Ülker Merkez Gıda in 2008. He served as Commercial Marketing Director and Commercial Marketing Manager at Yıldız Holding respectively. In 2013, he worked as Regional Sales Manager at Avea and as Commercial Marketing Group Manager at Türk Telekom. Altinkılıç joined Bizim Toptan in 2017. Before he was appointed Director of Commerce in 2021, he was working as Senior Sales Manager of Seç Markets at Bizim Toptan.

5



**ÖNDER ARIKAN**  
Financial Affairs  
Director

Önder Arıkan completed his bachelor's degree in Boğaziçi University, department of Business Administration and his master's degree in Bahçeşehir University, MBA department. He started his career as a budget reporting expert at Metro Cash and Carry company in 2006. After that, he worked in the finance departments of Joker Bebek, which is an Actera Group company and Markafoni, a Naspers Group company. Arıkan joined Bizim Toptan in 2017. Before he was appointed Director of Financial Affairs in 2019, he was working as Senior Manager of Budget Reporting and Profit Planning at Bizim Toptan.

6



**HASAN BAKIRCI**  
NDC&Corporate Sales  
Director

After completing his bachelor's education at İstanbul University Faculty of Economics, Hasan Bakırcı started his career in 2004 as Sales Inspector at Ülker Merkez Gıda. Afterwards, he served at Merkez Gıda in turns Sales Representative, Sales Operation Management, Commercial Planning Director, and Regional Director and in 2012 he joined founders of Ülker Horizon Fast Moving Consumer Goods and served as İstanbul Regional Director until 2014. In 2014 he served as West Türkiye Sales Group Manager at Avea İletişim Hizmetleri and Aegean and Mediterranean Regions Sales Group Manager at Türk Telekom. Joining Bizim Toptan in 2018, Bakırcı served as Gaziantep Regional Director at Seç Marketçilik A.Ş. and Senior Sales Operation Manager at Bizim Toptan. He continues to perform as NDC& Corporate Sales Director at NDC and Corporate Sales organization under PROSAF brand which he started in January 1, 2023.

7



**SERKAN ÇAKICIOĞLU**  
Strategy, Growth, and  
Data Management Director

Serkan Çakıcıoğlu completed his high school education at Cağaloğlu Anatolian High School and his undergraduate education at Boğaziçi University Guidance and Psychological Counseling Department. Çakıcıoğlu started his professional life in 1998 as a part-time Sales and Marketing Specialist at Avrupa Elektronik ve Tar. Ürn. San.Tic. Ltd. Şti. He joined the first employees of Aria (İş-TİM Telekomünikasyon Hizmetleri A.Ş.), which received Türkiye's 3<sup>rd</sup> GSM operator license at the beginning of 2001, and served as Customer Services Specialist, Sales Specialist and Corporate Sales Reporting and Analysis Specialist, respectively. Completing his military service as the Guidance and Counseling Center Supervisor in the Rescue and Underwater Command in 2005-2006, Çakıcıoğlu started to work as a Sales Budget & Control Specialist at Avea İletişim Hizmetleri A.Ş. with its changed name and partnership structure. Having stepped into the managerial position as Sales Budget & Control Manager in 2007, Çakıcıoğlu became the Sales Planning and Reporting Manager in 2008 and the Sales Strategies and Performance Management Senior Manager in the following years. Çakıcıoğlu, who served as the Retail Sales Planning Director within the Türk Telekom Group in 2015, continued his career as the Commercial Planning Director of Bereket Döner in 2018. Çakıcıoğlu joined Bizim Toptan as Budget & Profit Planning and Reporting Manager in 2019 and was appointed as the Director of Strategy, Growth and Data Governance in 2021, after serving as the Senior Manager of Decision Support and Commercial Analysis. Having 23 years of work experience, Çakıcıoğlu took an active role in the planning steps of the merger processes of Aria & Aycell and Türk Telekom Retail Sales Group. Serkan Çakıcıoğlu continues to lead Bizim Toptan's especially data-driven decision-making culture movement.

8



**RAŞİT ÇEBİ**  
Marketing and Customer  
Relations Director

Raşit Çebi completed his bachelor's degree in Boğaziçi University, department of Economy and began his career as Deputy Product Director at Yıldız Holding in 2006. After working as Brand Director and Brand Manager for Hero Baby, Kekstra and Dankek brands at Yıldız Holding A.Ş., he worked as agency president & general manager at 9.Sanad for 4 years focusing on creative strategies, digital projects and PR starting from 2013. Having joined Bizim Toptan in 2017, Çebi leads the marketing and CRM operations. As a volunteer mentor within the scope of Cube Incubation, Çebi provides support to startups in the start-up ecosystem on marketing communication & technologies, CRM, artificial intelligence and data analytics. In 2021 Çebi was awarded by Fast Company as one of the 50 CMOs Directing the Digital World.

9



**TANER SUBAŞI**  
Business and Digital  
Transformation  
Director

Completing his bachelor's education at Istanbul Technical University, Department of Civil Engineering, and his master's education at Maltepe University, Department of Business Administration, Taner Subaşı started his career in 2001 at Avea in Finance department. Having served at finance, corporate sales development, sales process, and system development departments until 2015, in 2015 Subaşı started to work as Sales Analyst, System and Process Development Director at Türk Telekom. In 2017, he was assigned as Channel Procedures and Digital Channel Management Director at Türk Telekom and served in this position until June 2020. Subaşı still serves as Seç Marketçilik Business and Digital Transformation Director.

10



**HAMİDE GÜVEN ŞEN**  
Human Resources  
Director

Hamide Güven Şen completed her bachelor's degree at Kocaeli University department of Labor Economics and Industrial Relations and her master's degree at Bahçeşehir University MBA department. She started her career as a Human Resources Director at General Kimya Ltd. in 2003. She then worked as Human Resources Director at Yıldız Holding A.Ş. and Human Resources Director at Medyasoft A.Ş. respectively. She worked as Human Resources Manager at Avea İletişim Hizmetleri A.Ş., one of Türk Telekom Group Companies in early 2011 and finally worked as Human Resources Group Manager at Türk Telekom A.Ş. Hamide Güven Şen managed the projects that received "gold" award in the "Best Mobile Site and Application in Education" category and that were chosen from among 9 international companies and received "Bronze" award in the "Best Education Applications of the Year" category with the distance education platform Oncampus application at the 2019 Stevie Awards, and currently works as the human resources director in charge of Bizim Toptan and Seç Marketçilik.

11



**ÖZER ŞİMDİ**  
Sales Operation  
Director

Özer Şimdi completed his bachelor's education at Anadolu University Department of Business Administration. Afterwards, he received vocational training at Sabancı University and Boğaziçi University Lifelong Learning Center. He started his 20 years long retail career as store staff at Metro Türkiye. Later, he served as Department Manager, Deputy Manager of Store at the same company, Sales and Operation Manager and Business Manager at the General Management and as Distribution Center Business Manager again at Metro Türkiye. Şimdi led many national and international projects at the company during his career. Some of these projects are international goods management system project, increasing efficiency at stores project, opening low-cost store in Anatolia project, and efficiency at in-store supply-logistic systems project. Şimdi, joined Bizim Toptan in 2021 as Sales Operation Director.



**M. MURAT YANIK**  
Channel Development,  
OHS and Quality Director

After graduating from Ege University Faculty of Agriculture, M. Murat Yanık completed his bachelor's degree in Anadolu University, department of International Relations and his master's degree in Istanbul University, department of Supply Chain Management. He started his career as a Sales Development Officer at Bizim Toptan Stores in 2002. He then worked as Store Director, Regional Director and Regional Manager in the stores of the company in various provinces. After that, he worked as Sales Operations Manager in the general directorate. Murat Yanık continued to work as Supply Chain Senior Manager from the beginning of 2018 and was appointed Supply Chain and Channel Development Director in August 2020. Serving as Channel Development, Quality, and OHS Director in the developing organization structure, in addition to his duties, Yanık also conducts investment, construction, environment, energy, and Business Continuity Management and processes with his teammates.

12



**İBRAHİM CEYLAN**  
Senior Digital Sales  
Channels Manager

İbrahim Ceylan, completed his associate degree in Computer Technologies and Programming, his undergraduate education in Anadolu University Business Administration and his master's degree in Marmara University Retailing and Sales Management, started his career in 2012 as Assistant Category Specialist at DSM Group (Trendyol). Then, he worked as Category Specialist and E-commerce Category Manager at Boyner Büyük Mağazacılık, respectively. Ceylan started to work as the Digital Sales Channels Manager in the digital transformation process of Bizim Toptan in 2018 and still continues to work as the Digital Sales Channels Senior Manager. Ceylan, who completed the Boğaziçi University Leadership Development program and received his certificate in 2022, ensured the integration of all channels and customer segments of Bizim Toptan into digital platforms and created a constantly evolving digital sales platform.

13



**AYHAN KARAYEL**  
Senior Information  
Technologies Manager

Completed his education at Atatürk University Computer Programming and Anadolu University Management Information Systems, Ayhan Karayel started his career in 1996 at Information Systems department of Maksi Marketçilik. In 2001 he continues working at Telsim and served as Information Systems Manager in 2005-2007 period at Öksüzoğulları company. After serving for 2 years at Alpark Marketçilik as Information Systems Manager that he started in 2007, he was transferred to Carrefour and served at Infrastructure Operation Management, Technology and Infrastructure Projects Management, and Digital Transformation Management positions in turns for 14 years, managing various retail merger and digital transformation projects. In 2021 Karayel joined Bizim Toptan and served as Infrastructure Operation Manager and ERP Manager in turns. Since January 2023 he acts as Senior Information Systems Manager.

14



**TACETTİN ENGİN**  
Senior Technical  
Procurement Manager

Receiving his associate degree at İTÜ construction and bachelor's training at Anadolu University Public Management departments, Tacettin Engin started his career in 1994 at free-lance project and construction sector. In the aftermath of the earthquake in 1999, Engin was involved in damage detection and project preparation activities for 2 years. In 2003 he started working at Bizim Toptan as construction activities specialist and continued his career as Equipment and Maintenance and Repair Manager. In 2022 he completed Real Estate Management associate education. Since 2014, Engin has been serving as Senior Technical Procurement Manager.

15



**İŞİL BÜK**  
Senior Manager of  
Investor Relations

Işıl Bük, Senior Manager of Investor Relations at Bizim Toptan Satış Mağazaları A.Ş., completed her bachelor's degree in 2004, and her master's degree in 2007, at Marmara University Department of Economics (English). She began her career as an Internal Audit and Financial Reporting Specialist at IKEA in 2006. She worked in Corporate Financing and Research units at Halk Yatırım Menkul Değerler A.Ş. in 2007-2012, took an active role in 16 public offering projects. Starting to work as an Investor Relations Director at Yıldız Holding in 2012, Bük was assigned as the head of Bizim Toptan investor relations department at the end of 2013. In 2020 she conducted Corporate Risk Management activities of the company, in 2021-2022 period she managed Budget, Reporting, and Profit Planning Department in addition to Investor Relations Department. Bük still acts as the Senior Manager in charge of Sustainability Department in addition to Investor Relations Department. At the same time, she has been Corporate Management Committee member of Bizim Toptan since 2014. Işıl Bük has Capital Market Activities Level III License and Corporate Governance Rating Expertise license. She took part in the Boards of Directors of the CFA Society of Istanbul, Financial Literacy and Access Association (Foder) and the Investor Relations Association of Türkiye (TÜYİD). She maintains her office in the Boards of Directors of Foder. At the same time she has title of ACC professional coach given by International Coaching Federation (ICF).

# OUR story

12:30 Our job is devoted  
and meticulous work...

## 2022 Activities

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# Organized Wholesale Industry and Bizim Toptan

**Sustainable supply and non-stop service in increasing demand conditions increased the importance of organized wholesale market in 2022.**

Although the COVID-19 pandemic conditions, which have affected the whole world since 2020, continued to be partially effective in the first quarter of the year, a full normalization process was started in the second quarter. This situation brought with it a revival in the activities of the customers of the Non-Domestic Consumption (NDC) sector, which were adversely affected in the pandemic period. Simultaneously, decrease in the value of the Turkish lira against foreign currencies, the ongoing price increases in the agriculture and supply sectors, accelerated the upward trend in the general level of prices that started the previous year. Consumer Price Index (CPI) increased by 64.3% and the Domestic Producer Price Index (PPI) increased by 97.7% compared to the previous year. The rising trend in inflation also caused consumers to move their demands forward. The demand-increasing effect of both the macroeconomic conditions and the normalizing pandemic conditions was observed in the Fast Moving Consumer Goods (FMCG) market, which is currently dominated by necessity goods and the wholesale and retail sales market continued to grow.

In the face of the unorganized wholesalers and distributors that are estimated to have formed the bulk majority of wholesale market in Türkiye, the organized wholesale market that Bizim Toptan is included

in continued its development in 2022. Providing sustainable supply against increased demand and continuing to serve customers became more important than ever. This increased the significance of organized wholesale market.

In the organized wholesale market in Türkiye in question, 4 corporate company chains including Bizim Toptan are active while many grocery stores that are active locally and known as individual cash&carry companies (gross market) are included in the organized cash&carry market. Despite the disorderly structure of the market it is in and competitive conditions, Bizim Toptan keeps its status as Türkiye's most geographically dispersed cash&carry company and trade platform since 2007.

## **BİZİM TOPTAN IS A TRADE PLATFORM**

Considering developments in retail and wholesale industries, growth dynamics in supplier and demand conditions over the years, Bizim Toptan realizes a transformation in the wholesale concept and continues to meet demands of suppliers towards accessing a broader store network and broad customer base in the most effective way. In addition, it analyzed market dynamics and positioned its stores in wholesale concept towards sustainable growth to serve to multi-

channel sales strategy. Diversifying the company's sales channels and enrich them to respond to demands of all customer groups, Bizim Toptan ceased to be a sole wholesaler market and transformed into a trade platform. Bizim Toptan is the leader of innovation and digitalization in its sector with its business partner dealership model is the leader in Türkiye with Seç Market brand, presenting micro distribution service to target customer channels with PROFAS as its Professional Sales Force, and [www.bizimtoptan.com.tr](http://www.bizimtoptan.com.tr) digital sales address where it carried physical store experience to the digital.

**With SEÇ Market, PROSAF, and digital sales network, Bizim Toptan is the leader of innovation and digitalization in its industry.**



# 2022 Activities

**Bizim Toptan continues to be the best alternative for all customer groups with its 180 stores in 72 provinces, its extensive and diverse multi-channel sales network, the advantages it presents to its customers and its accessibility.**

Bizim Toptan increased its power in alternative channels during the pandemic period and with normalization of the pandemic conditions it added revival at non-domestic consumption industry to its existing performance. The company increased its individual customers by 7.5%; B2B customers by 11.6% in 2022, thus broke its own record with a total rate of increase of 8.1% to exceed 2.5 million customers.

Focusing on alternative channels with multi-channel sale model and increasing its store efficiency, Bizim Toptan both increased its number of stores and expanded its alternative sales channels with strong growth in 2022. The company relocated 2 of its existing stores and opened 7 new stores, increasing its geographical prevalence to 72 provinces and 180 stores.

## SUPPORT TO MERCHANT ENTREPRENEURS, CONTRIBUTION SUSTAINABILITY OF TRADITIONAL RETAIL CHANNEL

Türkiye's first procurement cooperation platform SEÇ Market that supports small merchants in traditional retail channel increased its number of stores from 1,726 at the end of 2021 to 2,409 and covered the entire Türkiye. Becoming a significant supplier of the market channel with its "win-win" philosophy, Bizim Toptan, supports merchant entrepreneurs to contribute to the national economy and sustainability of traditional retail channel.

Another innovative application of Bizim Toptan, the Professional Sales Force PROSAF, continued to expand its non-domestic consumption (NDC) industry and corporate customer network that was revived following removal of pandemic limitations. The PROSAF operation that was run at 105 stores in 70 provinces at the end of 2021 was expanded to 117 stores by the end of 2022. With the impact of increasing customer demands and industrial trends, Bizim Toptan got live on its digital sales platform [www.prosaf.com.tr](http://www.prosaf.com.tr) at the end of 2022 to ensure growth and increased efficiency on PROSAF channel. The fact that PROSAF which provides micro-sales service to non-domestic consumption customers, school canteens, and corporate sales points started to use digital channel after face-to-face and tele-sale channels show the innovative and leading position of Bizim Toptan in its industry.

As a result of its expanding sales channels and customer network, Bizim Toptan also invested in its main warehouse network and in Denizli opened its fourth main warehouse in Türkiye. The company also has 7 cold product warehouses in Gebze, İstanbul Alibeyköy, Bursa Gemlik, Ankara Gimat, Muğla, Manisa Alaşehir, and Burdur.

## THE NUMBER OF CUSTOMERS THAT PRIVATE LABEL PRODUCTS REACHED EXCEEDED 1.8 MILLION

Bizim Toptan continues to diversify its product portfolio next to its sales channels. During the year, it developed its private label products in line with its "best price" and

"best quality service" policy and increased the number of SKU from 412 to 435. Thanks to the favor customers showed to the development of its private label product portfolio that present quality for affordable price, the share of such products in sales except for cigarette increased from 25% the previous year to 27%. The number of customers that private label products exceeded 1.8 million customers with 9.2% increase.

While developing its operations, the company also started investment in renewable energy to use resources effectively and save resources for future generations. Thus the company concluded solar energy plant that it built on the roof of its Gebze store at the end of 2022 on an area of 1,288 square meter and with a capacity of 264 kWp installed power. Thus, starting from 2023, the power that will be produced will equal 107% of the power consumption of Gebze store.

Bizim Toptan continued to improve its financial performance in 2022. Its growth rate exceeded expectations and total sales increased by 95.7% to increase from 7.2 billion TL the previous year to 14 billion TL. Sales revenue of the company except for cigarette (Main Category) increased by 105.9% while its revenue except for cigarette and sugar increased 107.0% over year-end target.

The gross profit margin that was 12.3% the previous year increased and EBITDA margin protected its 5.6% level. While the company achieved a total net profit of 82.2 million TL at the end of 2021, approximately 25 million TL of this figure included deferred tax income from revaluation, the net profit amount increased to 278.4 million TL at the end of 2022. The deferred tax income effect due to revaluation is TL 158.8 million, and the profit of TL 119.6 million achieved when excluding this amount, is more than double the profit of the previous year.

In the first quarter of 2022, the company concluded its Enterprise Resource Planning (ERP) software transformation process it had been undertaking since 2020 to go online in SAP software and gained a significant momentum in supporting innovative applications that add value to its industry through digitalization and artificial intelligence focused projects.

Bizim Toptan continues to work at "the closest point to its customer", motivated to respond to all needs and at once from a single location and provide uninterrupted service to all customer groups in all conditions.



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## 2022 Awards

Activities of Bizim Toptan that conducted projects in many fields and completed an active year, received awards in different areas throughout the year.

In 2022 Bizim Toptan developed digitalization-focused projects for the operational and financial development it pursued, included good practices to its operations to achieve efficiency increase. Such projects did not only contribute to operational development of the company, but also were perceived as best practices in their fields. In this framework, projects were found successful by national and organizations and awarded.

Transformation of enterprise resource planning (ERP) software that Bizim Toptan had been using since its establishment was successfully completed

and transformed to SAP software in 2022. Used by leading companies in their areas, the internationally-known SAP company gave Bizim Toptan "The Digital Transformation of the Year in Retail Sector Award" in "SAP Transformation Awards of the Year" in 2022.

In order to increase efficiency in supply chain process, the Company developed an end-to-end digital order management application with analytical and machine learning. With the Obase based "Super Project" study, purpose is to correctly estimate the demand propensity in the future that may be affected by



many areas such as economic conditions, pandemic, seasonality, new trends to timely meet customer expectations. The Super Project received the most successful project of the year award for ensuring "Cost Advantage" at Starts of the Year competition organized annually by the Yıldız Holding A.Ş. and participated by the group companies, while it was also awarded in The Best Corporate Solution Category in the 16th RETA – Retail Europe Technology Awards and proved its success in the international arena.



Bizim Toptan also received 4 different awards by from different institutions in 2022 with the CRM (customer relationship management) applications it developed using artificial intelligence. Such awards are "Best Private Cloud Projects" award given by Future of Cloud Awards; "The Most Effective Use of Artificial Intelligence in Messaging Channels" award in Lift Awards 2022 organized by Insider; "Gold" award in Türkiye Customers Experience Awards (CXA) 22 in "Customer Centric Culture" category. Additionally, Marketing Directorate that developed activities with artificial intelligence applications received "Gold" award in The Hammers Awards 2022 in "The Best Data Centered Marketing Team" category.



## OUR story

15:00 We are the brand  
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•Rekabet avantajı sağlamak  
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**Winning partnership:  
SEÇ MARKET**

# Winning Partnership Seç Market

The number of stores of Seç Market, which brings the traditional merchant culture with the modern grocery store understanding to support the neighborhood merchants, all around Türkiye reached 2,409 as of the end of 2022.

Bringing the traditional merchant culture with the modern grocery store understanding to support the neighborhood merchants, Seç Market business partnership model succeeded in including all merchants in Seç Market business partnership; including all merchants across the country to Seç Market business partnership with physical growth target to be a brand that made a name for itself in the market and to sustain many merchants under challenging market conditions by including all the merchants that could be reached across the country in the SEÇ Market business partnership with its goal of physical growth. It crowned its 2021 performance with 2,409 stores in 81 provinces.

In order for our merchants, who assume the role of the capillary of the economy, to have a solid structure against “discount markets” with a competitive advantage, the idea of a business model built with strong corporate identity, professional techniques and equipment, support and opportunities that will enable them to leave their competitors behind has been the correct step to achieve this mission. In addition, this model also includes the friendly, sincere and warm service understanding of our merchants.

#### BROAD PRODUCT RANGE AND PRICE ADVANTAGE

Seç Market business partner merchants continue to be the owners of their own business while also empowering its standing in the industry with profound

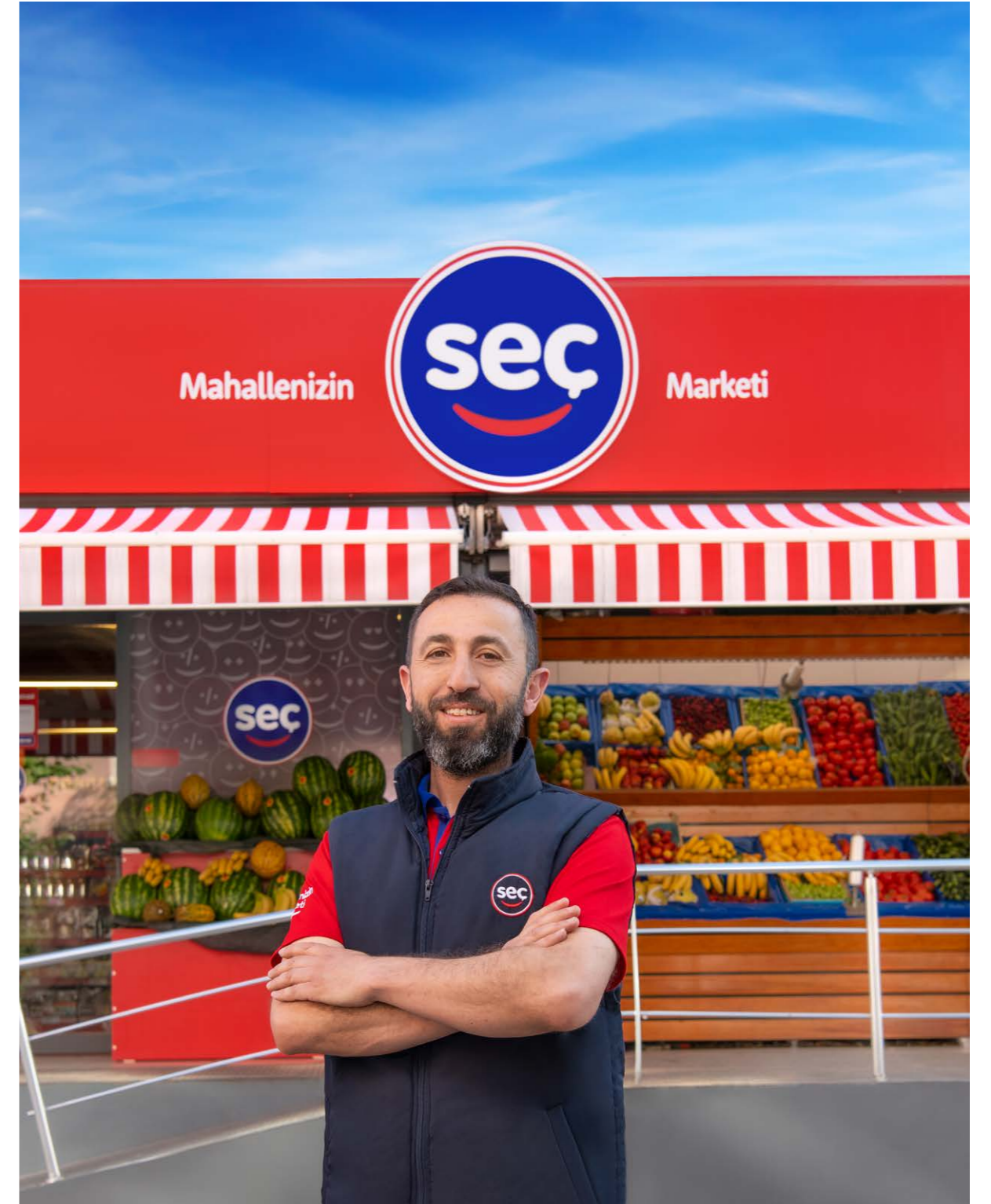
competition with broad product range and affordable price advantages presented by Seç Market, increasing their revenue and customer satisfaction. Seç Market supports its business partners in many areas from shelf arrangement to product supply, digital infrastructure to social media communication, marketing to procurement.

#### APPROACH THAT SUPPORTS TRADE OF MERCHANTS

Seç Market franchises benefit from price advantage from mass procurement in supply. Dealers also receive support from corporate power of Seç Market regarding in-store product placement, sales and marketing activities. Seç Market can also present to its customers thousands of product types that are sold at Yıldız Holding companies active in the retail industry. In addition to technical and operational support and consultancy, Seç Market provides its business partners financial advantages on areas such as agreements with banks, credit, and insurance policy, supporting trade and business capital management of merchants as a whole.

#### OUR KEYSTONES

An organization or operation, even the actions of individuals in their personal lives, can be successful as a result of correct determination of principles. SEÇ Market, which is aware of this, has determined four main principles for itself on the way to achieve its goals.



You can reach Seç Market YouTube channel by scanning the QR code to hear the advantages of being a Seç Market from the merchants.

SEÇ Market, whose franchisees entirely consist of merchants who retain their own business and culture, melted its professional approach and principled stance in the same pot with the merchant culture. Every strategic step to be taken in 2023 has also been shaped in the light of these principles.

#### PRINCIPLES OF SEÇ MARKET

##### CORPORATE IDENTITY & STANDARDIZATION:



Considering the importance of creating a strong corporate identity in the market and in the eyes of the customer, it is important to standardize SEÇ Market franchises in certain areas and to make the customer experience similar in terms of the criteria that are crucial for corporate identity.

##### DIGITAL MARKET



Being a part of the digital world, which is a requirement of the age and which provides efficiency and comfort to its business partners in the labor-production process and to its customers in the shopping experience, has been an important principle for SEÇ Market.

In 2022, improvements on the SEÇ Portal system are completed. Support provided to SEÇ franchises to manage flow of orders, control stocks, promotions, and managing general communication continued. In addition, the digital project titled "Choose from the Market" enabling sending orders on WhatsApp without recourse to downloading any additional applications was realized in 2022 with pilot dealers.

##### BRAND POSITIONING



SEÇ Market, which was launched nationally in 2022, announced the image of a sincere merchant, a modern retailer, increased its brand awareness, and took important steps to become "Your Neighborhood's Grocery Store" and even the heart of the neighborhood in the minds of consumers. It is aware that it is a large ecosystem with its business partners, customers and stakeholders.

##### CREATING A HAPPY CUSTOMER



All other principles of SEÇ Market actually aim to implement this principle. SEÇ Market places the value of a smiling face at the center of the business process. It has constantly renewed itself to create both happy customers and happy business partners and took significant steps to support this such as the Solution Center.

#### DOORS OPEN TO ANY WILLING MERCHANTS

There are no fees paid to take place under SEÇ Market roof. Any groceries and with a sales area of a minimum of 50 square meters can be SEÇ Market business partners if they can meet the identified conditions. Any highly motivated merchants that would like to make more efficient business with win-win relationship, with no registry obstacles to conduct business are assessed.

#### YOUR NEIGHBORHOOD'S GROCERY STORE

##### HOW DID IT BEGIN?

Buying 196 business partnership goods supply contracts including fixed assets and all the rights arising from these contracts on July 16, 2014, Bizim Toptan took the first step of the SEÇ Market business partnership model.

By September 2016, SEÇ Market brand had begun to appear on the signs of Bizim Toptan's 310 franchises.

With the number of franchises rising a year later, SEÇ Market began to signal that it would become a common retail network.

In August 2020, SEÇ Market A.Ş. was established with a 90% Bizim Toptan and 10% Yıldız Holding partnership, boldly underlining the company's determined stance on the way to the objective.

##### HOW DID IT CONTINUE?

In 2022 SEÇ Market story added the first TV commercial and being a recognized brand next to numeral achievements. The increase in the number of stores, the increase in dealer turnover, and the progress made in the field of infrastructure and technology have also increased the share of SEÇ Market in Bizim Toptan business volume.

Considering the digitalizing and developing structure of Bizim Toptan, the roadmap drawn for SEÇ Market as a digital, merchant-friendly ecosystem continued to be successfully applied.

With 683 new franchises opening, the total number of franchises reached 2,409.

The share in Bizim Toptan's turnover exceeded 20% in 2022 and a revenue of 2.9 billion Turkish liras was generated.

Thanks to the win-win business model, many merchants maintained their position in the competition and gained a sustainable operation.

Above all, it left a warm smile on the faces of many people living in this geography.



# OUR story

15:30 We are solution partners of non-domestic consumption industry...

PROSAF New Force of Sale

# PROSAF (Professional Sale Force) Professional Solutions for Your Business

**PROSAF achieved 157% growth in 2022 to move one step closer to its target of expanding to the entire Türkiye.**



Progressing towards being a solution partner with special supply planning system for customer needs, its proficient sales team, and broad logistics service, PROSAF achieved 157% growth and a total of 1.8 billion TL sales revenue in 2022 with its 117 stores and 308 employees in 70 provinces and moved one step closer to its target of expanding to the entire Türkiye.

PROSAF is the name of the professional solution partner at Bizim Toptan to access non-domestic consumption (NDC) and corporate sales points. The PROSAF operation separated itself from its competitors and became the most extensive NDC solution partner and is capable of catering to 85% of Türkiye's population.

Besides fuel stations and canteen customers and NDC points in the traditional channel, PROSAF also meets the needs of its customers with marina service in regions where tourism season is busy. In 2022, it continued to offer phone support to its customers through Tele-Sale in addition to its face-to-face services.

It supplies all products needed by canteens, fuel station markets, corporate customers, hotels, restaurants, fast-food spots, cafes and pastries, catering companies, business kitchens, industrial organizations and public organizations, which operate in its target customer group.

PROSAF offers different order platforms, alternative payment methods, customer-specific activities and campaigns to its customers. It provides on-site delivery next day -depending on the day of placing the order- to customers for fresh food, frozen products and non-food products needed by its customers with special micro-distribution vehicles capable of transporting goods at +4 and -18 degrees.

## **MORE THAN 7 THOUSAND BRAND AND PRIVATE BRAND PRODUCT PORTFOLIO**

PROSAF ensures customers can supply all products they need from a single supplier with a total of over 7,000 branded and private brand (own brand) product portfolio over store product portfolio of Bizim Toptan from more than 450 suppliers.

PROSAF team that aims to be a solution partner with special supply planning system for customer needs, its proficient sales team, and broad logistics service, started its activities in 2017 in 12 provinces, 15 stores, and with 60 employees. In 2019 it achieved a total of 310 million TL sales revenue in 65 provinces, 90 stores, and with 220 employees and increased this to a total of 400 million TL sales revenue in 2020 in 70 provinces, 102 stores, and with 303 employees. PROSAF operation that reached 706 million TL sales growth in 2021 in 70 provinces, 105 stores, and with 300 employees, achieved a total of 1.8 billion TL sales revenue in 2022 in 70 provinces, 117 stores and with 308 employees, achieving 158% growth compared to the previous year.

## **SERVICES PROVIDED TO 44,350 CUSTOMERS**

Parallel to expansion and growth of PROSAF, the number of customers it reaches also increases. The operation that reached 15,000 customers in 2019 expanded by reaching 23,000 customers in 2020, and 25,500 in 2021. Deepening its existing operations, PROSAF continued its expansion in 2022 by servicing to 44,350 customers.

## **CONTINUED GROWTH AT FUEL STATIONS**

PROSAF provides professional solution partnership to all the needs of fuel stations and works with national and international fuel stations with a central agreement working model. Developing its existence in this channel in 2020, PROSAF operation ensured cooperation at the level of general management to carry forward the 2,800 customer and 64 million TL sales revenue success it achieved at that time, concluded station agreements. With this exploit, especially during the pandemic it started to penetrate to products outside its existing portfolio and demonstrated an accelerated and continuous growth. Thus, it increased the number of fuel station customers it serves to 3,200 in 2021, creating a sales revenue of approximately 126 million TL from this customer group. In 2022 with growth exceeding 70%, it started to serve 5,485 different delivery locations and increased its revenue from this channel to 236 million TL.

## **INCREASING ACCELERATION IN CORPORATE CUSTOMER GROUP**

With its large product network including branded and private label branded products, competitive prices, and wide access network, PROSAF delivers all office and provisions needs of its corporate and chain customers to all its branches in all around Türkiye with high service quality. The customers it serves in this scope are Türkiye's forthcoming corporations in ISO 500, Capital, and Fortune 500. The specially designated employees due to different management style and expectations of corporate customers group increased revenues in this channel 2.5 times in 2022 to approximately 490 million TL.

In sum, as in every year, in 2022 PROSAF continued its strategy centered on high growth compared to the previous year. Continuing to micro-focus on both corporate and NDC customers, PROSAF targets focusing on digitalization in 2023 to reach more customers with [www.prosaf.com.tr](http://www.prosaf.com.tr)

# OUR story

17:00 We are digital  
equivalent of physical  
store experience...

Digital Sales Platform



# Digital Sales Platform

**Uninterrupted digital experience 100% integrated with stores is presented to customers in all sales channels.**

Changing shopping habits and its acceleration in the pandemic period, consumers continue to be directed to alternative and digital sales channels. Bizim Toptan targets progress by developing digital transformation in all sales channels and processes, continuing to be the leader in its own sector with various applications, and digitalizing both its business processes and the services it presents to its customers. The company took the first steps towards this aim in 2020 by renewing its digital trade address [www.bizimtoptan.com.tr](http://www.bizimtoptan.com.tr), uniting digital sales functions in its multi-channel structure at a single platform, and integrating "click & pick up" application with all stores in Türkiye and the digital platform.

## SAP INTEGRATION IS COMPLETE

The Company that presents multi-channel "digital" retailing to its customers in all its stores in its existing structure; ensuring product types, price, and promotions are specialized according to the store customers choose and customer type to present complete physical store experience in digital, realized an important project in 2022 to achieve its targets: the SAP transformation.

In the first quarter of the year the old resource management system that the Company had been using since its foundation was changed and integrated with

SAP. Thus, the most major step towards digitalization of Bizim Toptan customers and stores was completed.

While developments continued during the year with innovations in the digital sales address, digitalization of PROSAF channel that grows its space in traditional and corporate channels prominently with non-domestic consumption is completed. In order to increase shopping experience and operational efficiency of PROSAF sales channel customers, [www.prosaf.com.tr](http://www.prosaf.com.tr) got live, thus the new 100% integrated digital sales platform of all Bizim Toptan stores and PROSAF customers got live.

## BİZİM TOPTAN MARKET MOBILE APPLICATION GOT LIVE

Again in 2022 in order to ensure faster and easier shopping experience to all customers on digital sales channels, the Company created "Bizim Toptan Market" mobile application and got live. Thanks to its providing has and reliable shopping opportunity even in its first year and improving the shopping experience, the number of downloads of the application reached 500,000 at the end of the year.

In a period when the customer habit to use e-trade is increasing every day, thanks to its fast, user-friendly, easily manageable, constantly developing

and improving new website and mobile application, Bizim Toptan promises its customers a better digital customer experience.

In 2023, in the digitalization process of e-trade and other sales channels, digitalization activities of Bizim Toptan will continue towards creating constantly developing digital platforms with new and unique digital transformation projects in its sector and providing higher customer satisfaction to its customers targets.

**Approximately 7,000 types of products are sold at its fast and user friendly digital sales platform.**

**4 Kolay Adımda Tıkla Gel Al**

- DAHA HIZLI
- DAHA GÜVENLİ
- DAHA PRATİK

1. İnternet sitemize gir, Tıkla Gel Al'ı seç, mağazanı belirle.
2. Avantajlı fiyatlarla sepetini doldür.
3. Teslimat saatini belirle, ödemeni yap.
4. Seçtiğin mağazadan, belirlediğin saatte ürünlerini teslim al.

**Tıkla Gel Al**

**prosaf.com.tr**

**Siparişin Tek Tıkla Adresinde**

- Anlık sipariş takibi
- Fatura görüntüleme
- Alışveriş çek kullanımı
- Fiyat alarmları
- Alternatif ödeme metotları
- Farklı teslimat seçenekleri
- Teslimat günü görüntüleme
- Bağlı şubelerin siparişlerini yönetme

**İŞLETMENİN PROFESYONEL ÇÖZÜMLERİ**

**PROSAF**

**PROFESSIONAL SALES FORCE**

[prosaf.com.tr](http://prosaf.com.tr)

# Internal Strength of Bizim Toptan: Private Label Products

**Private Label/Own Brand products of Bizim Toptan that are composed of 22 brands, 41 categories, and 435 products increased their business volume 1.7 billion TL on the basis of turnout in 2022 to achieve a growth exceeding 120% to reach 3.1 billion TL growth.**

In the Turkish market sale of private label products continue to grow with an increasing trend. Financial effects of the pandemic and increasing prices of food products increase shopper's search for "value". With increasing awareness of prices, 51% of shoppers compare prices of supermarket brands and prominent brands in the market. Share of private label brand sales in Türkiye in FMCG sales increased from 25% to 27%.

With such trends in place in Türkiye, Bizim Toptan has a very strong Private Labels/Own Brand line of work. In addition to its own private label brands, Bizim Toptan also manages under its private labels roof very strong, well-known brands of Yıldız Holding A.Ş. that has not been subject of marketing communication for a long time. The company contributes to the economy by determining marketing communication strategies of these valuable brands without distancing to their brand values and designing with an innovative outlook and changes that place them forward in competition and

introducing them to Bizim Toptan customers all around Türkiye.

Bizim Toptan focuses on customer-based portfolio management, meets customer needs on channel basis, produces in line with quality procedures and health standards and supports its products with strong launch plans.

It communicates at all marketing and commercial channels to create awareness and brand recognition in customer, increasing customer loyalty.

Private Label/Own Brand products of Bizim Toptan that are composed of 22 brands, 41 categories, and 435 products increased their business volume 1.7 billion TL on the basis of turnout in 2022 to achieve a growth exceeding 120% to reach 3.1 billion TL growth. With this growth share of Bizim Toptan in sales revenues excluding cigarette, sugar increased by 1.7



points compared to the same period of the previous year to approximately 28%. The number of individual customers the private label products increased by 9.2% compared to the same period of the previous year to 1.8 million customers.

New launches made with quality-focused structure in addition to the ongoing strong improvement has a major impact on performances of private label products in 2022. The launches made during the year on private label products are presented below:

- Ülker Bizim Topraklardan pulses and rice series
- Aytaç tahini halva
- Aytaç Piknik Tahini Molasses

- Komili Lemon Cologne series
- Besler vinegar, pomegranate syrup sauce series
- Süzz degreaser
- Ömür low fat cheese, yoghurt products
- Aytaç and Ömür branded cheddar cheeses
- Aytaç tomato paste

Managing its private label product portfolio with collective responsibility of special brands team, quality assurance team, trade teams, all sales and field teams, and supply planning team, Bizim Toptan will continue with its customer centered brand management with strong new brands and product groups.

## PRIVATE LABEL PRODUCTS SERVED WITH A SUSTAINABILITY OUTLOOK

Sustainability and locality are now very important for the consumer and consumers mind future and health of the world in their product preferences. Where environmental factors affect product preferences of consumers, interest shoppers pay for environment sensitive products increase. Moving from this awareness, with our sustainable future principle, with labor of our farmers on our country's land, 100% domestic product, Ülker Bizim Topraklardan pulses and rice series with high taste profile and cooking performance is presented to sale.

At the beginning of 2022, market leader and equivalent products were analyzed with 100% domestic and high quality product target. Focusing on achieving the best product, tests were conducted for smell, look, taste, thickness, cooking performance parameters to prepare domestic product specifications.

Valuable and high-quality domestic seeds grown on our lands were used in production. National agriculture and farming were contributed to by observing sustainable agriculture principle and in the face of the global food crisis, sustainable agriculture was supported.

With positive environmental impact approach, domestic seeds used in Anatolia and domestic production were ensured to be produced in a sustainable way, with less transportation from production to the shelf, reaching the customer with a lower environmental impact. Thus, the sale of 18 new products, in 1 kg, 2.5 kg and 25 kg packages, all produced in Türkiye and with local seeds, under the Ülker Bizim Topraklardan pulses and rice series was initiated

Towards sustainable food target, use of domestic seeds and domestic production were communicated starting from the packaging. With QR codes on packages history and stories of products were shared. Thus, aim was to increase awareness of customers regarding sustainable food.

In order to increase visibility of product group, with in-store applications unused stands were turned into redesigned recycling centered stands. Receipt videos used in digital communication were produced to prevent waste in 'Sustainable Receipts' theme. Bizim Toptan will continue to support its customers and the economy with sustainability outlook.



Scan the QR Code to watch our Ülker Bizim Topraklardan Movie.

# Investments and Investment Policy

**Bizim Toptan, as the leader trade platform in its field, developed in 2022 in the number of stores, multi-channel sales methods, and its digital structure.**

Bizim Toptan finances almost all of its new store investments using its own equity (leasing) while also using long-term financing (leasing) presented by the market from time to time.

Having the most extensive wholesale network in Türkiye not just with its physical stores, but also with its multi-channel sales methods, Bizim Toptan spent approximately 293 TL in investment in 2022 to increase its number of stores, develop multi-channel sales methods and digital structure.

The company opened 7 new stores in 2022, relocated 2 stores and completed the year by reaching 180 stores in 72 provinces. In addition, in order to present more efficient services to its broadening multi-channel structure the company added one more to its existing main warehouses in Gebze, Erzurum, and Adana and opened a new warehouse in Denizli at the end of the year. Bizim Toptan has 7 cold warehouses where distribution of cold products take place next to its main warehouses.

The goods supply business model in the company's investment expenditures, SEÇ continued its strong growth with its highly efficient structure in 2022 and increased its number of stores from 1,726 to 2,409. The development in number of SEÇ business partners positively affects the number of business partners per store and efficiency.

Bizim Toptan's micro distribution channel in non-domestic consumption sector, Professional Sales Force PROSAF, increased the number and variety of customers in 2022, while increasing the number of stores where it runs its operations to broaden its geographical expansion. As one of digitalization-focused activities of Bizim Toptan, at the end of 2022 PROSAF was also digitalized and www.prosaf.com.tr got live. With support of artificial intelligence, improving shopping experiences of customers in the digital setting and increasing operational effectiveness was targeted.

Following the renewed internet site, the company also got "Bizim Toptan Market" mobile application live during the year and took a major step to provide a faster and easier shopping experience to its customers.

Developing its multi-channel sales structure with digital experience and artificial intelligence applications, the company completed in the first quarter of 2022 the ERP transition process it continued since 2020 and got live. The company updated the corporate resource planning system it used since its establishment with new and modern SAP structure and accessed the infrastructure required for acceleration of digitalization and artificial intelligence supported projects.

## DIGITALIZATION FOCUSED ACTIVITIES WILL CONTINUE

Forming information security, governance, infrastructure, and operation in addition to business practices, ERP and digital trade focused units with its broad team at Information Technologies Directorate, Bizim Toptan will continue to improve customer experience and store efficiencies in 2023 with digitalization centered multi-channel sales model, with digitalization and development of alternative sales channels.

**Completed ERP transition Project in the first quarter of 2022 and got live.**



# OUR story

18:00 We are sensitive to our resources and considerate of our future...

## Sustainability

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# Human Resources

**Providing direct job opportunities for 2,853 employees and contributing to regional employment with its extensive store network, Bizim Toptan prioritizes vocational and personal training processes.**

Bizim Toptan stands by its employees with its human rights policy enriched with training activities for personal and vocational development.

Acting with the awareness that it is people that make the difference in a competitive environment, Bizim Toptan designs and develops human resources policies accordingly. Providing direct job opportunities for 2,853 employees and contributing to regional employment with its extensive store network, Bizim Toptan prioritizes vocational and personal training processes. It develops its strategy in the field of human resources, develops the commitment of the employees to the Company and their cooperation among themselves and drives the company's competitiveness.

Bizim Toptan has become one of the rare companies of Türkiye with its rapid rise since 2002 and employees who are specialized in their field, focused on the goals and outputting qualified work made great contribution to this success.

Bizim Toptan Human Resources Policy;

- Conduct environmental opportunity and areas of improvement analyses and contribute to our organization's strategies,
- Analyze the present and future needs of the organization in order to achieve the strategic

objectives of the organization; to design the organization that is most suitable for these needs and to build systems to develop human resources,

- To structure company strategies to ensure sustainable quality, reputation and sectoral leadership with a customer satisfaction approach that will raise the standards in the field in which it operates (retailing / wholesale) and to be one of the companies in Türkiye where people want to work the most,
- To increase the level of satisfaction and motivation of the employees by acting with the awareness that it is people that makes the difference in a competitive environment, to continuously improve commitment to the company and cooperation between employees and to move competitiveness forward,
- To improve our human resources and our business with constant training,
- It is based on maintaining our "Happy Employees, Happy Customers" approach.

As of December 31, 2022, the company provides direct job opportunities for 2,853 employees and contributes to regional employment with its extensive store network. The majority of the employees are full-time employees.

## BIZIM TOPTAN EMPHASIZES TRAINING ITS WORKFORCE

Bizim Toptan diversified the B-Raise Store Manager Training program launched in 2017 and continues to emphasize training its own workforce with training programs in various areas under the roof of B-Raise in various areas such as B-Raise Store (Store Manager), B-Raise Customer Services (Customer Representative) and B-Raise Sales (Sales Representative).

The company continues to offer young talents both internship and job opportunities and supports them in the course of their experience. In this regard, it recruited 4 new graduates in 2022 during the JOB recruitment process conducted by Yıldız Holding.

The company adopts policies that are fair (internal wage balance) and competitive in the market (external wage balance) as well as remuneration and benefits policies that support high performance.

All business processes used throughout the company were documented by TSE with ISO 9001:2015 Quality Management System as well as ISO 14001:2015 Environmental Management System in 2019 and the documents are shared with regard to authority/responsibility areas through "QDMS (Quality Document Management System)", which is accessible to all employees.

Focusing on innovation and change, Bizim Toptan Family publishes "BİZDEN", an internal communication bulletin to keep its entire team informed of developments, success stories and rewards in the company on a quarterly basis. Bizim Toptan also supports the development of commitment to the industry among employees, celebrating December 12 Merchandising Day with all employees.



Scan the QR code to watch our 2022 Merchandising Day Video.



# Social Responsibility

**Bizim Toptan, Türkiye's leading organization in its field, creates company policies with social responsibility consciousness and acts in the framework of respect to environment, education and public health and leads the community in these areas.**

Leading the sector where it operates, Bizim Toptan runs its operations and manages its stores in line with environmental, health and safety laws. Based on the company policy, business strategy is applied in the framework of ethics and social responsibility principles. Thus, the social and environmental impacts of any activities of the Company are taken into consideration. Company management is of the opinion that the activities, transactions and operation of the stores are carried out in accordance with all environmental, health and safety laws.

As a group company of Yıldız Holding A.Ş., Bizim Toptan further supports social responsibility works participated by its main partner. To this end, it celebrated the "Make Happy, Be Happy" day in 2022 as it did every year since 2014. Gifts special to "Make Happy, Be Happy" day were distributed to employees. In this process, while making customers happy with small treats, it donated to LÖSEV to support provision of all needs of children with leukemia and thalassemic children starting from health and education needs on behalf of all employees.

## A BEAUTIFUL MOVEMENT TEAM CONTINUED NICE WORKS

Bizim Toptan continued in 2022 to do good works which it commenced in 2018 with the "A Beautiful Movement" team, the social responsibility group formed by female employees under the leadership of Human Resources.

With the aid campaign launched during the Ramadan period, aid parcels were delivered to families in need with the contributions of Bizim Toptan General Directorate employees. Again in this period, toys were given to children aged 0-6 who had to stay with their mothers in Gebze Closed Women's Prison.

During the Libraries week, a book donation was made to the library of a primary school in Şanlıurfa.

Food aid was provided to a kindergarten in Istanbul affiliated with the Ministry of National Education.

Food aid was provided to the students of the Cookery Department of Kadıköy Moda High School for the meals they would prepare for the students in need.

On December 12, Merchandising Day, the winter clothing needs of students attending a primary school in Ağrı were met.

Bizim Toptan also fulfills its responsibility of socialization and motivation for its employees. The seminars it initiated in 2018 it carried to digital platform in 2020 due to the pandemic. After this date it continues with its seminars on digital platforms in line with digitalizing and developing work conditions. The company introduced an expert professional to its employees every month during 2022. The employees were given information on various topics from safe driving to motivation, healthy diet to professional standing in professional life from experts.

**"A Beautiful Movement" team, the social responsibility group formed by female employees under the leadership of Human Resources continued to do good works in 2022.**



# Sustainability Approach and Strategy

**Bizim Toptan embraces an approach that aims to contribute more to protection of the world, development of the society and the humanity by following all these good practices and developments in the sector and develop the business with sustainability.**

Among the most important global risks defined in 2022 Global Risks Report of the World Economic Forum there are climate crisis and environmental problems while social risks are also among short-term risks. Global trends such as digitalization and fast urbanization increase their impact on the world while climate problem and global developments are effective in food and supply chain processes. All change processes and consequent differentiation of individual preferences and expectations brings with itself transformation in business world without discrimination of sectors.

Being a company active in food and retail sector, Bizim Toptan is aware of the fact that it can protect its competitive advantage by closely monitoring these trends and developments and taking the required actions and continues to fulfil its share in the sustainability transformation started by Yıldız Holding with "This World is Ours" approach and manage environmental, social, and economic impacts of its activities to that aim.

Yıldız Holding Sustainability Guidance Committee that was established in 2021 by Yıldız Holding that is the main partner of Bizim Toptan and one of the prominent groups of Türkiye is responsible for guiding strategy and targets in the structure of the Holding sponsored

by Yıldız Holding Chairman of the Board of Directors Ali Ülker and chaired by Yıldız Holding Deputy Chairman of the Board of Directors and CEO Mehmet Tütüncü.

It conducts consolidation, coordination of the critical sustainability projects, follow up of possible cooperations, target and strategies. Yıldız Holding Sustainability Platform that Bizim Toptan CEO Hüseyin Balcı is also a member of executes its activities sponsored by Yıldız Holding Chairman of the Board of Directors Ali Ülker and under leadership of Sustainability Guidance Committee. The platform ensures high level representation of the companies and active flow of information among companies on sustainability. Thus, good practices are shared among platform companies and learning from each other is encouraged.

Bizim Toptan follows up all these good practices and developments in its sector and adopts an approach that targets contributing to protection of the world, development of the society and humanity, and develop business in a sustainable way. Thus it targets taking its place among leader global companies in sustainability, and includes environmental, social, and governance (ESG) risks to its investment decisions. It realizes sustainability-related activities in the broader company

through its Sustainability Committee and the Sub-Commission (working group) established in 2019 to conduct activities under the Sustainability Committee and shares information with all its stakeholders through its annual sustainability reports.

**Bizim Toptan includes environmental, social, and governance (ESG) risks to its investment decisions.**



# Sustainability Principles Statement of Compliance

## GENERAL PRINCIPLES

In Bizim Toptan, environmental, social and corporate governance (ESG) matters are handled by the Sustainability Committee created with the approval of the Board of Directors and chaired by the General Manager under the sponsorship of the Deputy Chairperson of the Board of Directors. The Committee Chairperson (General Manager) reports directly to the Chairperson of the Board of Directors.

The Committee follows the adaptation of the strategies, policies and objectives required to generate long-term value in line with the vision the Company aims to achieve and to manage the risks that may arise from economic, environmental and social factors to the Company's decisions, management and processes together with the corporate governance principles. The Sustainability Committee, which meets at least twice a year and plans its works, has responsibilities such as conducting works and developing projects to integrate sustainability into the structure of the Company; following national and international developments in sustainability; creating sustainability strategy, goals, roadmaps and policies; proactively managing risks in social, environmental and corporate governance matters and directing the Company's sustainability strategy and policy; following the developments in the Company's sustainability roadmaps and practices, setting goals, determining performance metrics in this regard, supervising performance in line with the goals and ensuring the active participation of all relevant units of the Company in the process.

Managers from important divisions of the Company such as General Manager, Senior Manager of Investor

Relations, Marketing and Customer Relations Director, Human Resources Director, Supply Chain and Channel Development Director, Marketing and Customer Relations Manager, Brand Manager, Environmental Management Representative, Quality Specialist and Project Manager assume active roles in the Sustainability Committee. In addition, a sub-commission (Working Group) was established, which comprises the Special Channels Sale Specialist, Maintenance Repair Manager, Demand Planning and Supply Chain Manager, Human Resources Manager, Assistant Quality Specialist, Software Specialist, Sales Operations Manager, Project Manager and a representative from the Finance Directorate.

The activities carried out within the scope of ESG are reported to the General Manager and the company management team in any case and within the maximum periods set for the public disclosure of annual reports, and the sustainability performance is included in the sustainability report issued every year. Decisions made in Bizim Toptan Sustainability Committee are reported to the Board of Directors through the Chairperson of the Committee.

Bizim Toptan works continuously on innovation activities to improve sustainability performance for business processes or products and services and takes successful actions to apply these works to its operational activities and improvements are made in existing and new projects within the scope of business processes every year.

Sustainability performance has been announced to the public every year since 2017 within the scope of

the sustainability report and in the annual report. In addition, information on the location, performance and development of the partnership is presented to stakeholders through the interim and annual report as well as the presentations on the company's corporate website.

Through sustainability reports, the Company provides information about which of the United Nations (UN) 2030 Sustainable Development Goals its activities are related to and reports the developments on priority issues in explanations and reports within the scope of a balanced approach, paying utmost attention to transparency and reliability.

The Company makes maximum efforts to comply with the Corporate Governance principles that have to be complied with under the scope of the Capital Markets Board Corporate Governance Communiqué II-17.1 as well as all Corporate Governance principles. It considers the issue of sustainability, the environmental impact of its activities and the principles in this regard when determining its corporate governance strategy. Bizim Toptan also works on raising awareness about sustainability and its importance through social responsibility projects, awareness activities and training. The company has anti-bribery and anti-corruption policies and policies regarding the principle of fiscal integrity, which are disclosed to the public.

The Company does not have a lawsuit filed against it in environmental, social and corporate governance matters.

Bizim Toptan complies with a majority of the principles issued under the scope of CMB's "Sustainability Principles Compliance Framework" through the Sustainability Reports it has released to the public since 2017 within the scope of its voluntary principle.

Bizim Toptan carries out works on the following matters within the scope of the "Sustainability Principles Compliance Framework", which have not been implemented yet;

- identifying short and long-term goals and making them public,
  - Identifying ESG Key Performance Indicators (KPIs) and explaining and comparing them over the years, presenting KPIs together with local and international sector comparisons,
  - Preventing the potential negative impact of the products and/or services offered or explaining the minimization program or procedures,
  - actions to reduce third-party greenhouse gas emissions,
  - whether operations or activities are included in any carbon pricing system, accumulated or released carbon credit,
  - carbon pricing,
  - increasing the use of renewable energy, conducting works on the transition to zero or low carbon electricity,
  - explaining the measures taken throughout the value chain to ensure the rights of minorities and segments that are vulnerable to certain economic, environmental and social factors as well as equal opportunity are observed,
  - being a member of international organizations and a signatory of international principles;
- and implementation is planned to be made after the completion of administrative, legal and technical infrastructure works to contribute to the effective management of the company.

Thus, the company started to work on "increasing the use of renewable energy and transitioning to zero or low-carbon electricity" in 2022, on which it had not taken action before. Therefore, the company installed a 1,288 square meter solar energy system on the roof of its Gebze store. With the system with an installed power capacity of 264 kwp, the construction of which was completed at the end of 2022, 107% of the electricity needed by the Gebze store will be produced by utilizing solar energy.

Bizim Toptan has been included in the BIST Sustainability Index as of December 1, 2020.

### ENVIRONMENTAL PRINCIPLES

Due to the increasing impact of climate change and the consequent extreme weather events, floods and droughts, arable land is shrinking. According to World Resources Institute (WRI) by 2040, 40% of the agricultural areas in the world will face water stress. Bizim Toptan is aware of its responsibilities in the face of this situation, which poses a risk for the sustainability of agricultural activities, as a company that is dependent on soil and that provides more than half of its turnover from food. Thus, the company aims at developing projects to reduce carbon emissions sourcing from company activities and increasing energy efficiency and works to reduce environmental impact of its activities. It targets developing good practices within the scope of water and waste management to make its operations sustainable.

By adhering to its affiliate Yıldız Holding's discourse of World-Improvement, which focuses on improving environmental conditions, Bizim Toptan determines the impact of its activities on the environment and aims to improve its performance in terms of energy, water and waste day by day. In addition to being aware of its responsibility for the environment and the world, the Company also complies with legal obligations and regulations.

The main focus areas determined by the company in order to reduce its environmental impact are;

- To ensure the development of environmental awareness and protection of the environment in line with the business objectives with the support and participation of employees and all relevant stakeholders,
- Reducing wastes at source, re-utilizing them and using natural resources efficiently,
- Reducing the carbon footprint by using energy efficiently,
- Ensuring that the products it offers to its customers are sustainable on the basis of life cycle,
- Fulfilling all environmental compliance obligations.

Logistic-induced carbon emissions, packaging wastes

and energy consumption at warehouses and grocery stores constitute the majority of the environmental impact of Bizim Toptan as a company operating in the retail sector. ISO 14001:2015 Environmental Management System Certificate covering all Bizim Toptan stores and headquarters was obtained in 2019 to manage this impact systematically. Document inspections are carried out annually by TSI and the document validity continues as a result of the inspections carried out. As a result of inspections conducted by the TSI for the last time in August 2022, no errors were found and the certificate in question was renewed. Documents are shared through the Quality System Document Management System, which is an intranet system accessible to all employees, and all the works related to the requirements of the ISO 14001 Standard are continuously reported to the relevant unit managers and once a year to the senior management.

The company did not receive any environmental penalty in 2022 as a result of its diligent work. Environmental risks defined by the Company to prevent the impact of adverse environmental conditions on its business due to its activities are grouped as follows;

- Risks affecting the company's policy, vision and mission,
- Risks arising from internal and external environmental analysis affecting relevant parties and the company,
- Common risks affecting the overall Environmental Management System,
- Risks arising from the effects of the company on the environment.

The Company increases its efforts to minimize these risks. In 2022, the focus continued to be on energy efficiency, infrastructure improvement and waste reduction to improve environmental performance. The Basic Principles Regarding Environmental Management System and the Environmental Policy of Bizim Toptan can be found [here](#).

The limitations regarding the environmental report, reporting period, reporting date, data collection process and reporting conditions in the Sustainability Report prepared within the scope of the Sustainability

Principles are explained. At the same time, the duties and responsibilities of the Sustainability Board, where the issue of Sustainability is examined, as well as information about the senior managers taking part in the relevant committees are also explained in the Company's annual report and sustainability report. The sustainability reports published by the company in the last five years (reports for 2017-2021 years) are put on the investor relations website under the sustainability tab.

Bizim Toptan aims to contribute to the resolution of both social and environmental issues by acting with social sensibility and develops projects to act with corporate social responsibility on these issues. For this purpose, TS EN ISO 14001:2015 Basic Environment and Internal Auditor training was given to the team comprising the stock count team, general directorate employees and regional managers to understand the scope of the Environmental Management System, for the employees to adopt the system and to realize environmental management on a systematic basis. In addition, in order to improve the environmental awareness of all employees, the training content in question was uploaded to the Intranet system Oncampus in the compulsory training category.

Adopting Yıldız Holding's "This World is Ours" sustainability strategy in the fight against the climate crisis, Bizim Toptan manages the works related to energy management, packaging and waste management, which are environmental problems, as well as water use in accordance with its business model and sets targets and develops strategies on this matter.

With an aim to encourage sustainable agriculture and environment sensitive products, Bizim Toptan sells LED lightbulbs ensuring power saving, environment sensitive various organic products in their stores and targets increasing such product varieties. Also, in 2022 the company launched Bizim Topraklardan Pulses and Rice Series product group that are completely grown on Türkiye soils, using valuable and high-quality domestic seeds, and produced with the low environmental impact principle in the entire process

from production to shelf. With the Bizim Topraklardan Pulses and Rice Series the company included in its private label product portfolio, the company aimed at contributing to the national agriculture and farming in global food crisis setting, considering sustainable agriculture principle.

### ENERGY MANAGEMENT

The company focuses on its major sources of environmental impact in the retail sector in which it operates, works to reduce greenhouse gas emissions arising from logistics and operations and to ensure energy efficiency in its operations. Within the scope of energy efficiency, the company improved the infrastructure in air conditioning and lighting systems and conducted route optimization works. In order to control energy consumption, it completed the infrastructure integration works for the cooling, air conditioning and lighting systems. Bizim Toptan, which carries out the rehabilitation in accordance with the energy management system via remote monitoring system in all its stores, can monitor the hourly, daily and monthly electricity consumption of all stores by category as of 2021. As a result of these energy efficiency investments, the total electrical energy consumed by the company in 2021 decreased by 3% compared to the year before and in return for 7 stores and an additional warehouse added in 2022 the company had a limited increase in power consumption on the basis of kwh.

The impact of climate change, the reduction of natural resources and the decrease in productivity in agricultural activities due to the damage on ecosystems require the business world to take responsibility for the protection of the natural capital. Bizim Toptan attaches importance to energy management for efficient resource management and for reducing its footprint by managing its environmental impact. Practices to reduce environmental impact play an important role in strengthening corporate perception and in providing a competitive edge. The company works with the goal of a better world for all stakeholders with effective environmental management, which is part of its corporate citizenship approach.

Bizim Toptan's data on energy consumption and greenhouse gas emissions are given in the table below.

Energy Consumption (MWh)*	2020	2021	2022
<b>Buildings, Fuel and Electricity</b>	<b>36,078</b>	<b>35,205</b>	<b>35,734</b>
Purchased Electricity*	33,491	32,572	32,995
Natural Gas & Fuel Oil & LPG**	2,255	2,295	2,387
Generator (Diesel)**	332	338	352
<b>Vehicle Fuel</b>	<b>8,536</b>	<b>8,686</b>	<b>9,037</b>
Diesel**	8,536	8,686	9,037
Petroleum	0	0	0
<b>Sustainable Energy</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sold Energy</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Net Energy Consumption</b>	<b>44,614</b>	<b>43,891</b>	<b>44,771</b>

\* Energy consumption is provided in TL except for purchased electricity, and is calculated taking into account the annual average unit prices (sources such as EMRA and natural gas distribution companies). The lower values and conversion coefficients of energy sources were taken from the "Regulation on Increasing Efficiency in the Use of Energy Sources and Energy" published in the official gazette dated October 27, 2011 and numbered 287097, Annex-2 Lower Thermal Values of Energy Sources and Coefficients for Conversion to Oil Equivalents tables.

\*\* 2021 Natural gas and diesel consumption was calculated using the iteration method from 2020 values with a coefficient of 1,0176 according to the number of new stores opened (173/170 = 1,0176). 2022 Natural gas and diesel consumption was calculated using the iteration method from 2021 values with a coefficient of 1,0404 according to the number of new stores opened (180/173 = 1,0404).

Greenhouse Gas Emissions (ton CO <sub>2</sub> equivalent)*	2020	2021	2022
<b>Scope 1</b>	<b>2,934,2</b>	<b>2,985,8</b>	<b>3,106,5</b>
Vehicles	2,312,3	2,353,0	2,448,1
Fuels used in plant	532,7	542,1	563,9
Generators(diesel)	89,2	90,8	94,4
<b>Scope 2</b>	<b>15,973,0</b>	<b>15,493,8</b>	<b>16,119,8</b>
Electricity Consumption	15,973,0	15,493,8	16,119,8
<b>Total</b>	<b>18,907,2</b>	<b>18,479,7</b>	<b>19,226,3</b>

\* Greenhouse gas emissions (ton CO<sub>2</sub> equivalent) data are provided in TL and are calculated as an average value. Greenhouse gas emissions were calculated according to GHG protocol. The Global Warming Potential (GWP) coefficients are obtained from the 6<sup>th</sup> Evaluation Report of the International Panel on Climate Change (IPCC). 2021 Greenhouse gas emissions were calculated using the iteration method from 2020 values with a coefficient of 1,0176 according to the number of new stores opened (173/170 = 1,0176). 2022 Greenhouse gas emissions were calculated using the iteration method from 2021 values with a coefficient of 1,0404 according to the number of new stores opened (180/173 = 1,0404).

Works on increasing the use of renewable energy and transition to zero or low carbon electricity are ongoing. Therefore, the company installed a 1,288 square meter solar energy system on the roof of its Gebze store. With the system with an installed power capacity of 264 kwp, the construction of which was completed at the end of 2022, 107% of the electricity needed by the Gebze store will be produced by utilizing solar energy.

Increasing the number of similar activities to expand using renewable energy is also targeted.

The Company is not included in any carbon pricing system in operational activities, there is no carbon credit accumulated or purchased during the reporting period and no carbon pricing is applied.

## PACKAGING AND WASTE MANAGEMENT

Wastes, which are one of the important effects of Bizim Toptan due to its operational activities, are one of the main issues it focuses on within the scope of environmental management. Packaging wastes constitute the majority of the resulting wastes. Therefore, the waste management approach is based on the recycling of packaging wastes. The company classifies and separates wastes at source and ensures their recycling through licensed companies. Packaging wastes in the store are collected through municipalities and organizations contracted by municipalities.

Zero Waste application ([www.sifiratik.gov.tr](http://www.sifiratik.gov.tr)) was initiated by the Ministry of Environment and Urban Planning in order to prevent waste in Türkiye, to use natural resources efficiently, to reduce waste generation and to improve the separation of wastes at source. In this regard, with the "Basic Level Zero Waste Certificate" certification for stores, works were carried out for the management, separation and recovery of wastes and the certification processes specific to each store were carried out for the "Zero Waste" certificate through the system. Within the scope of the zero-waste project process, the waste amount details of each store is recorded and reported through the Integrated Environmental Information System.

Bizim Toptan data on packaging wastes and the raw materials used in packaging are given in the tables below.

Raw materials used in packaging (ton)	2020	2021	2022
Plastic (bag)	49.55	44.24	44.35
Plastic concentrated composite (Stretch)	-	126.80	109.00
Parcel Carton*	-	90.00	**

\* The parcel carton is approximately calculated from the total packaging data.

\*\* Given to contracted recycling companies within the scope of the Zero Waste project.

Packaging wastes	2020	2021	2022
Plastic (bag)	4,955,497	4,423,595	4,434,792
Packaging wastes	2020	2021	2022
Total waste	213,11	216,80	***
Recycled waste**	176,94	180,00	706,4

\*\*\* Data could not be obtained due to SAP transition in 2022.

In addition to its own recycling practices, Bizim Toptan also carries out communication activities to raise awareness among its customers visiting its stores about recycling.

- It collects paper, plastic, metal, glass, electronic and battery wastes in offices, kitchens and warehouses in designated bins in common areas and sends them for recycling.
- Waste battery bins were placed in all stores within the scope of sending the batteries collected in the stores and brought by the customers to the Portable Battery Manufacturers and Importers Association authorized by the Ministry of Environment and Urban Planning of the Republic of Türkiye.
- Within the scope of cooperation with AGED (Waste Paper and Recyclists Association), the company collects its private label products from the market and sends them to recycling.
- Used and worn cardboard boxes in the e-commerce stores are processed in packaging processing machinery and are transformed into new packaging material of high quality. With this method, which is only used to prevent damage to the products sent by cargo, the use of second packaging is prevented. At the same time, waste

generation is reduced beyond financial savings by recycling packaging wastes.

- Furthermore, Bizim Toptan, Deha Biodizel and Deniz Temiz Association TURMEPA collaboration began the project as well. The project of collecting vegetable waste oils in plastic bottles and transferring to waste oil drums in Bizim Toptan Stores, whereupon Deha Biodizel company makes donation to Turmepa for every liter of vegetable waste oil collected in drums in the Bizim Toptan stores is ongoing at select stores.
- Also, the company recycled 8 tons of products in the relevant channels in cooperation with HGD in the process of animal feed operation and prevented 26.8 tons of CO2 emission with energy sufficient to charge 3.1 million smart phones.

#### WATER MANAGEMENT

Although there is no water use arising from Bizim Toptan operations, practices for efficient water use are implemented in stores and head offices. With these practices aimed at monitoring water use and reducing it through systemic improvements, the Company focuses on reducing its water-based environmental impact. For this purpose, there are warnings, information and guidance aimed at increasing the awareness of employees and preventing unnecessary water consumption in all stores and head office.

Bizim Toptan's figures for water use are given in the table below. The company does not have any other freshwater use. Mains water data is also freshwater data.

Water use (m³)*	2020	2021	2022
Mains water**	33,729	34,578	34,067

\*\* Water data are provided in TL and are calculated as an average value considering ISKI workplace rates.

\*\*\* The company has no other use of fresh water. Mains water data is also fresh water data.

Works on greenhouse gas emissions, which are environmental indicators, energy management, water and packaging raw material use and packaging waste management are ongoing and information about their environmental impact is reported on an annual basis with the sustainability report, where it is possible to compare them to the previous years. The standards, protocols, methodologies and base year details used for the calculations and the data collected in the reporting made within the scope of the sustainability works are also explained in the sustainability report for the relevant period.

Works are ongoing on short and long-term goals to reduce environmental impact and Bizim Toptan aims to save 2.5% year-over-year in total electricity

consumption, 2.5% year-over-year in total mains water consumption, and, with the introduction of a hybrid work system, 60% reduction in greenhouse gas emissions from personnel transportation through systemic improvements within the framework of the newly implemented OKR performance management methodology. Apart from these goals, no other environmental goal has been announced yet.

Works to reduce third-party greenhouse gas emissions are ongoing.

#### SOCIAL PRINCIPLES

##### Human Rights and Employee Rights

Bizim Toptan acts with a human-centric approach that aims to create value for its employees in the long term. It is well-aware of the impact of its employees on the long-term success of the company and the satisfaction of its customers. It aims to get stronger with happy, qualified and expert employees for sustainable growth and customer satisfaction and to maintain its strategies in a sustainable way. Therefore, it offers career and development opportunities to its employees, aims to continuously increase employee satisfaction and commitment, and puts healthy and safe work environment at the focal center.

It prioritizes being fair and observing equal opportunity in all human resources practices from job application and recruitment processes to promotion and remuneration, and from career development and training to performance management. (making no discrimination on women, men, religious beliefs, language, race, ethnicity, age, disability, refugees, etc.)

The company created its Ethical Principles in 2018 in this scope and included said principles on the sustainability report published every year as well as on the sustainability page of its investor relations website.

It also adopted Yıldız Holding's Ethical Principles and Working Principles as a subsidiary of Yıldız Holding. It has not yet established the Corporate Human Rights and Employee Rights Policy in which full compliance with the Universal Declaration of Human Rights, ILO Conventions approved by Türkiye and the legal framework and legislation regulating human rights and working life in Türkiye is undertaken.

Bizim Toptan rejects discrimination, inequality, human rights violations, forced labor and child labor in accordance with its Ethical Principles as well as the Ethical Principles of Yıldız Holding.

Bizim Toptan believes that making a difference is

closely related to the happiness of employees in the retail sector where being customer-oriented comes to the forefront and competition is intense. Bizim Toptan considers diversity important for the happiness and satisfaction of its human resources. It offers vocational and personal development and training opportunities where they can improve themselves with the competencies required by the sector and pays attention to the wage balance of its employees with its benefits and premium systems.

Bizim Toptan continuously reviews and develops human resources practices to manage its team, which grows more and more every year, in the most effective way. In addition to continuously contributing to employment in the country, the company also contributes to the country's economy with the added value it creates. Bizim Toptan continues to improve day by day with its 180 stores in 72 provinces of Türkiye and, as of the end of 2022, 2,853 employees.

##### Performance and Career Management

Digitalization, changing customer expectations, increased competition and global trends continue to shape the Cash & Carry sector. In order to manage the impact of these trends on the sector and to adapt to change, it prioritizes investment in human resources, whose capabilities are managed in the most appropriate way, maximizing their contribution to the company.

Bizim Toptan enables its employees to discover career opportunities and provides training for personal and professional development.

It attaches importance to measuring and improving the current and potential performance of employees. For this purpose, a performance evaluation system is implemented that is based on the employees' competencies and progress in business objectives. It creates the most effective approaches to evaluation for white-collar employees at the head office and blue-collar employees in the field.

As of 2022, the Company aims to carry out the performance management of its white-collar employees through the OKR (Objectives and Key Results) system. In the OKR system, the company's goals and the employee's goals converge and a common and clear focus is achieved in the long term in a transparent manner.

Bizim Toptan measures basic performance indicators such as sales growth, profitability, customer

satisfaction, stock management and audit with regard to the performance of its blue-collar employees in quarterly periods. Premium performance indicators are used in the field performance evaluation process performed twice a year, which includes duty and competence evaluation. Evaluation results are also used in Human Resources Planning made once a year. The performance system is used to determine year-end premiums.

	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of White Collar Employees	65	149	79	65	95	190
Number Blue Collar Employees	193	2,044	247	193	315	2,253
<b>Total Number of Employees</b>	<b>258</b>	<b>2,193</b>	<b>326</b>	<b>258</b>	<b>410</b>	<b>2,443</b>

	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Total number of works subjected to regular performance and career development evaluation	65	149	79	156	95	190

### Employee Development

For Bizim Toptan, employee development is of great importance to increase the competence of its employees and customer satisfaction. As employee training moved to the digital environment, online training increased and it provides efficiency in terms of duration and content while ensuring that training courses reach more employees. All new recruits are also provided with orientation training to learn the business processes and to adapt more easily. In addition, Bizim Toptan tries to support young talents during their experience by offering them both internship and job opportunities afterwards. Bizim Toptan offers young people the opportunity to do internship during the JOB Internship Program conducted by Yıldız Holding as well. It prioritizes its

own employees in the newly opened positions, and development plans are created in line with the needs of the company and of the employees, considering the employees' potential.

The human resources approach, which includes matters such as rules of doing business, equal opportunity, discrimination and employee rights, is also shared in detail in Bizim Toptan Ethical Principles and Yıldız Holding Ethical Principles and Working Principles.

Bizim Toptan provides training to its employees on matters such as development of managerial personality traits, store management and development of sale competencies, and constantly improves their training processes with the help of digitalization.

Head office employees can participate in foreign language training and training on different subjects comprising personal development, leadership, technical and vocational training from Yıldız Holding's training catalogue.

Human Resources department organizes seminars on different subjects at the head office every month. Seminars covering various topics from safe driving to motivation, from healthy nutrition to technology are held at these gatherings attended by expert professionals. In line with the needs throughout the year, training programs are carried out for both headquarters and field workers.

Bizim Toptan also attaches importance to sustainability and ESG issues. In this regard, it informs its employees about ESG policies and plans for its employees to participate in training courses in this area. In cooperation with its main partner Yıldız Holding, it is ensured that employees participate in Sustainability training, and quality, food safety and occupational safety training courses are offered as well.

In addition to all seminars and training courses of Bizim Toptan, there are human resources programs for various needs. These include:

- B-Raise Manager Training Program: It is a program aimed at raising qualified store managers who have different perspectives and who will carry Bizim Toptan to the future.

- Customer Representative Training Program: It is a program implemented to train customer representatives who will take an active role in the new customer acquisition process in the stores and to expand the talent pool.
- PROSAF Sales School: The Sales School was founded for compliance to the professional sales team PROSAF established in 2018 to deliver all brands in Bizim Toptan stores to traditional and non-domestic consumption points on site. The school covers in-class training comprising technical training for the newly recruited field sales teams, and field training.
- Goods Acceptance School: The Goods Acceptance School, which began to be implemented in 2021, was created to back up the goods acceptance personnel, which is a critical position for Bizim Toptan stores. Training on goods acceptance was offered by internal trainers to the employees working in different positions at the stores.
- B-Raise Campus: The program that was initiated in 2022 includes trainings given by internal and external trainers to employees that would start working at different departments at the head office.

Trainings	2020	2021	2022
Total hours of training given to employees (Excluding OHS training)	25,647	46,580	26,938
Average annual training hours per employee	10.52	17.3	9.2

### Employee Commitment and Satisfaction

Believing that keeping its employees qualified, happy and motivated is indispensable for making a difference and being competitive in the sector, Bizim Toptan cares about the satisfaction and commitment of its employees and takes actions in this regard. Employee Satisfaction Survey and Employee Climate Surveys are conducted periodically and in turn development areas are identified and action taken.

### Employee Volunteering

Bizim Toptan believes that volunteering activities increase employee loyalty and have social benefits. For this purpose, it participates in social responsibility works with its employees and shares them with the public through annual reports.

### Works Regarding the Law on the Protection of Personal Data

Bizim Toptan attaches utmost importance to the protection of personal data and data security. For this purpose, it formed a policy and took actions.

### OCCUPATIONAL HEALTH AND SAFETY

Ensuring that employees work in a healthy and safe work environment is one of the biggest responsibilities of Bizim Toptan. It observes occupational health and safety (OHS) rules in the head office and stores within the framework of laws and regulations. It also makes improvements every year in line with the Zero Work Accidents target. Investment was made in digitalization in processes such as systematic and central supervision and reporting of occupational health and safety activities in 180 stores in 72 provinces. It was ensured that all store camera systems are centrally monitored and the functioning of health and safety rules is monitored throughout the year. Risk assessments are carried out throughout the year and processes and practices for the elimination of OHS risks are followed.

Bizim Toptan Occupational Health and Safety Policy was created and the Occupational Health and Safety Board of 16 persons comprising senior managers at the Headquarters was created, which will report directly to the General Manager. Action is taken on occupational health and safety in stores with subcommittees reporting to the Board.

As a result of the Occupational Health and Safety inspection conducted in 2022 by the main partner Yıldız Holding A.Ş. , the company received a score of 993 out of 1000. In 2022 under awareness study, 1977 GOYA (field surveillance) was conducted under 62 different topics. Periodic checks of all work equipment (electrical, grounding installation, load lifting equipment, fire system, etc.) throughout Türkiye have been performed and reliable operation of the systems have been ensured. Battery charging areas were constructed in 10 stores and charging area safety has been established. 155 certified backup first-aid employees were assigned at 180 stores in the entire Türkiye. 42 different sub-contractor/supplier were created Occupational Health and Safety license system and 15 companies that achieved success over 80% were awarded.

Interview was conducted and recorded with the company CEO Hüseyin Balcı on the occasion of 2022 April Occupational Health and Safety Week which was shared with all field employees. Emergency chart of 168 stores were renewed and sent to the field. In 2002 a 22% was achieved in occupational accidents compared to 2001. TSE ISO 4500 1 Occupational Health and Safety Management System certificate was received. In addition, emergency drills were conducted and reported simultaneously across all stores.

Bizim Toptan's Occupational Health and Safety (OHS) data are summarized in the table below:

No	Title	2020	2021	2022
1	OHS Policy	Available	Available	Available
2	OHS Teams	Available	Available	Available
3	Number of Work Accidents (Total)	57	67	52
4	Subcontractor Accidents	12	7	7
5	Company (Employee) Number of Work Accidents	45	60	45
6	Fatal Accident	0	0	0
7	Subcontractor Fatal Accident	0	0	0
8	Lost Business Days	406	239	127
9	Loss of Working Days	369	227	101
10	Subcontractor Loss of Business Days	36	12	0
11	Occupational Disease	0	0	0
12	Injury with Loss of Time (Total)	24	28	18
13	Subcontractor Injury with Loss of Time	4	3	0
14	Company Injury with Loss of Time	20	25	18
15	Supply Chain OHS Training	Available	Available	Available
16	Supply Chain Policy	Available	Available	Available
18	OHS Training Per Employee	12.1	9.9	6.11
19	OHS Training	Available	Available	Available
20	Accident Frequency Ratio	2.3	2.43	1.33
21	Accident Weight Ratio	15.98	8.03	3.67
22	Total OHS Training Hours for Employees	28,654	24,049	17,395
23	Training Hours Provided to Subcontractors	556	1120	900

## C2. Stakeholders, International Standards and Initiatives

Bizim Toptan conducts its communication with all its stakeholders in a continuous and transparent manner. The Company also conducts its activities in the field of sustainability taking into account the needs and priorities of all stakeholders (employees, customers, suppliers and service providers, public institutions, shareholders, society and non-governmental organizations, etc.). The works conducted with Stakeholder Groups are summarized in the table below.

Stakeholder Group	Communication Method	Duration
Employees	Internal notification e-mails, internal communication bulletins, meetings, satisfaction surveys, website, social media, OnCampus (Corporate social communication platform)	Continually
Customers	Website, social media, information e-mails, text messages, surveys, mobile applications, MiM	Continually
Suppliers	B2B meetings, email, meetings, site visits	Continually
Business Partners	Audits, B2B meetings, email	Continually
NGOs	Joint Projects	At least twice a year
Investors and Analysts	Investor conferences, roadshows, quarterly financial results webcasts following the announcement, investor relations documents shared via the website and the Public Statements made on the Lighting Platform (KAP)  In addition, other publiclytraded companies of our main partner Yıldız Holding through the analyst's day meeting held once a year.	Continually

The Company publishes the GRI (Global Reporting Initiative) content in the Sustainability Report, prepares its financial statements according to IFRS (international financial reporting standards) and publishes its financial statements and annual reports in quarterly periods.

The Company does not yet have an international organization or principles to which it is a signatory or member within the scope of sustainability issues. On the other hand, the company has been publishing a Sustainability Report on a voluntary basis since 2017 and has been included in Borsa Istanbul Sustainability Index upon successfully meeting the evaluation criteria as of December 1, 2020.

## CORPORATE GOVERNANCE PRINCIPLES

Certain Corporate Governance Principles were made mandatory by the Capital Markets Board (CMB) for companies traded on Borsa Istanbul (BIST) based on Article 17 of the Capital Markets Law of 06/12/2012 no 6362 and the II-17.1 Corporate Governance Communiqué of 3.1.2014. Accordingly, the company agreed to comply with the provisions mandated by CMB, and necessary efforts are being made to comply with the other principles in the Communiqués.

Although full compliance with the non-mandatory Corporate Governance Principles is also intended, full compliance has not yet been achieved due to difficulties in implementation of some of the principles and the fact that some principles do not fully overlap with the current structure of the market and the Company.

Although the principles that have not yet been implemented have not led to any conflict of interest among the stakeholders, work is ongoing and implementation is planned to be made after the completion of administrative, legal and technical infrastructure works to contribute to the effective management of the Company.

The Company considers the issue of sustainability, the environmental impact of its activities and the principles in this regard when determining its corporate governance strategy.

The Company takes the necessary measures to comply with the principles regarding stakeholders and to strengthen communication with stakeholders as stated in the Corporate Governance Principles. It appeals to the views of internal stakeholders in determining measures and strategies with regard to sustainability, and has also held workshops with committee members and the consultancy company in this regard.

While largely adapting to international standards in terms of sustainability, it continues to work to become a member to initiatives and to contribute to works.

Thanks to the ethical principles it set out, Bizim Toptan carries out its anti-bribery and anti-corruption activities and works in line with its principle of fiscal integrity. It has completed the necessary works to prevent violations in this regard, to detect possible violations and to apply sanctions.

Bizim Toptan's ethical principles are presented to the public under the sustainability tab on the investor relations website, in the corporate governance documents.

1933'ten  
Bugüne

# EFSANE GERİ DÖNDÜ

**OUR**  
*story*

**19:00** We are Transparent  
and Inclusive...

## Corporate Governance

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Declaration of Independence

# Investor Relations

**Bizim Toptan stocks are traded on Borsa İstanbul Yıldız Pazar and are included in BIST Sustainability Index.**

Bizim Toptan Satış Mağazaları A.Ş. is Türkiye's geographically most widespread organized wholesale company with 55.2% shares are owned by Yıldız Holding A.Ş., which is one of the leading holdings in Türkiye, and the remaining 44.8% of its shares are publicly traded in the stock market. Listed on Borsa İstanbul A.Ş. Yıldız Market, Bizim Toptan, maintains its position in the BIST Sustainability Index, which it started to take place on December 1, 2020.

Targeting to establish long-term relations with its stakeholders by presenting them investor relations applications in international standard, Bizim Toptan Investor Relations Department aims to increase its shareholder value by establishing true, transparent, and timely communication with domestic and international investors. Thus, investor relations conducted meetings with 49 corporate investors in 2022 and participated twice in conferences organized physical again in parallel to normalization in pandemic conditions by investment bank Wood&Co.

As conducted regularly since public offering of the company, 4 investor meetings (webcast) were organized in 2022 following disclosure of financial results, where CEO and CFO participated in assessment of financial results. The meetings in question were conducted online, open to participation

of all stakeholders and voice records were published on investor relations internet site.

With participation of analysts and corporate investors in Türkiye, on November 23, 2022 it organized an "analysts day" meeting with all publicly traded companies of its main partner Yıldız Holding A.Ş. and the presentation made in this meeting was added to investor relations internet site.

Investor relations department also updated the investor relations internet site, presentations of online meetings where financial results are assessed (webcast presentation), all other descriptive notes and information and regularly presented to access of investors.

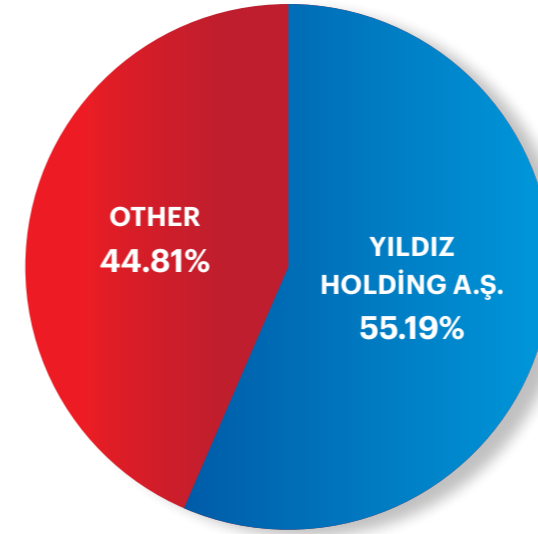
Investor relations department of the company also monitors and reports of the company's sustainability activities and conveys that to stakeholders.

## CONTACT

### İŞİL BÜK

Senior Manager of Investor Relations and Budget Reporting  
Phone: +90 216 559 1060  
E-mail: ir@bizimtoptan.com.tr  
www.biziminvestorrelations.com

## STRONG PARTNERSHIP STRUCTURE



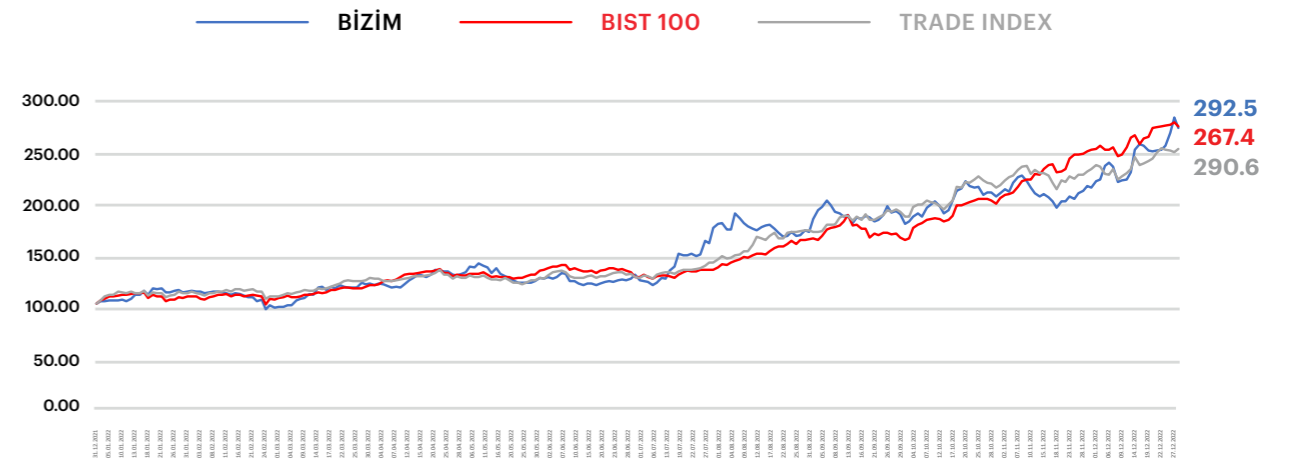
## KEY INFORMATION:

Date of Public Offering:	February 3, 2011
Stock Exchange Code:	BİZİM
Bloomberg Code:	BİZİM. TI Equity
Paid-In Capital:	TL 60,000,000
Upper Limit of Registered Capital:	TL 200,000,000

## KEY DATA AS OF 31.12.2022

Closing Price:	TL 35.56
Market Value:	2,133,600,000
Relevant Indices:	BİST HİZMETLER / BİST TÜM-100 / BİST TİCARET / BİST SÜRDÜRÜLEBİLİRLİK / BİST TÜM / BİST YILDIZ

## DAILY ACTION ACCORDING TO CLOSING VALUES OF BİZİM TOPTAN, BİST 100 AND TRADE INDICES: DECEMBER 31, 2021=100



# Report of Compliance to Corporate Governance Principles

## PART I STATEMENT OF COMPLIANCE TO CORPORATE GOVERNANCE PRINCIPLES

Aware of the importance of adopting and actively implementing the Corporate Governance Principles determined by the Capital Markets Board ever since our its incorporation, our company continues its efforts in this direction. Certain Corporate Governance Principles were made mandatory by the Capital Markets Board (CMB) for companies traded on Borsa Istanbul (BIST) with the "Corporate Governance Communiqué" based on Article 17 of the Capital Markets Law of 12/6/2012 no 6362 and the II-17.1 Corporate Governance Communiqué of 1/3/2016.

Accordingly, it was accepted that provisions whose implementation is deemed mandatory by CMB are to be observed. Works were carried out to ensure compliance with other non-mandatory articles.

To date, in order to comply with Corporate Governance Principles, our Company;

- Created the "Investor Relations Senior Management Office",
- Formed the Board of Directors by identifying the independent board member candidates according to the number specified in the Communiqué on Corporate Governance Principles, announcing them to the public and sharing their background,
- Created the Corporate Governance, Inspection and Early Risk Detection Committees to serve under Board of Directors,
- Published the working principles of the Committee on the Public Disclosure Platform and its website,
- Elected the chairmanship functions of committee members from among the independent members of the Board of Directors and ensured that the independent members have a majority in the committees,
- The senior investor relations manager was included in the corporate governance committee to render committee members compliant with the Corporate Governance Communiqué,
- 3 weeks before the General Assembly, it submitted the information document, meeting agenda, activity report, resumes of the Board of Directors member candidates and other information were disclosed to the investors and shareholders,
- The Board of Directors were informed of the related party procedures and it was decided to proceed with the procedures following approval of the independent board members,
- Preparations were made for E-General Assembly, internal guideline was created and E-General Assembly began to be held starting from 2012,
- Common and perpetual procedures report was prepared and published on the PDP with the decision of Board of Directors,
- Made the necessary arrangements regarding the trade of information obtained internally,
- Elected a female member of the Board of Directors (1/8 of the Board of Directors members)
- Arranged the website as outlined in the principles,
- Made the necessary arrangements for the articles of association to comply with the Corporate Governance Principles.
- Although full compliance with the non-mandatory Corporate Governance Principles is also intended, full compliance has not yet been achieved due to difficulties in implementation of some of the principles and the fact that some principles do not fully overlap with the current structure of the market and the company. Although the principles that have not yet been implemented have not led to any conflict of interest among the stakeholders, work is ongoing and implementation is planned to be made after the completion of administrative,

legal and technical infrastructure works to contribute to the effective management of our company.

The Grounds for Not Implementing Certain Corporate Governance Principles:

- A model or mechanism for the participation of stakeholders in the management has not yet been established. However, independent members of Board of Directors enable the Company and the shareholders as well as all stakeholders to be represented in the management. The Company takes into account the opinions and suggestions of employees, suppliers, various non-governmental organizations and all other stakeholders.
- There is currently no written compensation policy for the employees that needs to be created according to article 3.1.2 of the Corporate Governance Principles and works are ongoing.
- Some of the Members of Board of Directors take part in several committees.
- In accordance with Article 4.6.5 of the "Corporate Governance Principles", fees and all other benefits provided to board members and executives are disclosed to the public in the annual report. However, the statement made is not on per person basis.
- There is no provision in the Articles of Association that the shareholders may request special inspection from the general assembly as an individual right. TCC and CMB regulations regarding the appointment of special auditors are considered to be sufficient. Within the framework of the regulations introduced by the Turkish Commercial Code No. 6102, which entered into force on 7/1/2012, the right of each shareholder to request a special audit is observed.

The following is information about Corporate Governance Works of our Company.

Corporate Governance Compliance Reporting No. II-17.1 will be carried out using the Corporate Compliance

Report (URF) and Corporate Governance Information Form (CGIF) templates through the PDP platform in accordance with the Capital Markets Board decision of 1/10/2019 no 2/49. The reports can be accessed at this address which is linked [here](#) to the page of our Company via PDP platform.

## PART II SHAREHOLDERS

### 2.1. Investor Relations Department

The Investor Relations Department is conducted within the organization of Investor Relations Senior Management Office working under Önder Arıkan, CFO of the Company. This unit is managed by Işıl Bük, which has both Capital Market Activities Level 3 and Corporate Governance Licenses. This unit responds to written, verbal or online applications made by our current and potential stakeholders. It also participates regularly in investor conferences held in Türkiye and abroad and conducts interviews with domestic and foreign corporate investors. Our Investor Relations Senior Management Office took part in 2 conferences and conducted a total of 49 interviews with current and potential shareholders in 2022.

Contact details of our Investor Relations Senior Management Office are as follows:

**Önder Arıkan**  
(Chief Financial Officer - CFO)

**Işıl Bük**  
(Senior Manager of Investor Relations and Member of the Corporate Governance Committee)

**Emre Cem Koçmar**  
(Investor Relations Specialist)

Phone: 0216 559 10 60

Email Address: ir@bizimtoptan.com.tr

Statements for Istanbul Stock Exchange, CMB and CRA for informing stakeholders as well as communications made with these organizations are managed by this unit.

In addition to ordinary and extraordinary general meetings, various meetings are held with our stakeholders on a project basis or on demand.

### 2.2. Use of the Right of Shareholders to Obtain Information

Written or verbal requests for information received from our shareholders in the course of the period have been met, except for information that are trade secrets or not disclosed to the public.

All the information necessary for the healthy exercise of shareholding rights is made available to our shareholders on our quarterly and annual financial statements, annual reports, our special case statements and through individual requests.

At the same time, the required information has been made available to shareholders electronically at [www.bizimtoptan.com.tr](http://www.bizimtoptan.com.tr) and [www.biziminvestorrelations.com](http://www.biziminvestorrelations.com). Information about the procedures and principles regarding Company audit was shared in Article 13 of the Articles of Association of our Company and there was no request for the appointment of a special auditor during this period.

### 2.3. General Assembly Meetings

Article 1527 of the Turkish Commercial Code (TCC) of 1/13/2011 no 6102 stipulates that attendance, making suggestions, giving opinions and voting in the general assembly meetings of joint stock companies in the electronic environment have all the legal implications of physical attendance and voting, and that the system for attending and voting in general assembly meetings in the electronic environment is mandatory for companies listed in the stock exchange, and therefore the e-General Assembly meeting is held on the same date and in parallel with the physical General Assembly meeting.

Ordinary General Assembly meeting for 2021 was held on 5/13/2022 at Kuşbakışı Cad. No:19 Altunizade, Üsküdar/İstanbul with the attendance of

shareholders representing about 55.8% of the paid capital amounting TL 60,000,000. 33.111.290,76 shares corresponding to the capital amounting TL 33.111.290,76 were represented in the meeting by proxy in physical environment, 406.005 shares corresponding to the capital amounting TL 406.005 were represented principally in physical environment, 394,382 shares corresponding to the capital amounting TL 394,382 were represented by proxy in the electronic environment and a total of 33.506.078,765 shares were represented. There was no media attendance at the meeting. As stipulated in the Law and in the articles of association, the invitation for the meeting was made in due term by announcing the same on the issue of the Turkish Trade Registration Gazette of 4/12/2022 no 10557, on the issue of 4/13/2022 page 18 of the daily published Dünya Gazette, at [www.bizimtoptan.com.tr](http://www.bizimtoptan.com.tr), the official website of the Company and on the Public Disclosure Platform, in such way to include the agenda, as well as by notifying the date and agenda of the meeting.

Financial statements and reports including the annual report, profit distribution proposal, information document prepared in relation to the needed agenda items of the General Assembly meeting as well as other documents forming the basis of the agenda items have been kept available to be examined by our shareholders at the headquarters and branches of our company starting from the date of announcement made for the invitation to the General Assembly meeting. Moreover, agenda items, power of attorney sample, information document, balance sheet, profit and loss statements, independent audit report and footnotes, decision of the board of directors on profit distribution, annual report and related party transactions report were prepared prior to the general assembly meeting and were published on [www.biziminvestorrelations.com](http://www.biziminvestorrelations.com) before the meeting date in due term.

At the General Assembly meeting, the issues on the agenda were conveyed in an impartial and

detailed manner in a clear and understandable way; shareholders were given the opportunity to express their opinions and ask questions under equal conditions and a healthy discussion environment was created.

The shareholders who spoke at the 2021 General Assembly wished a successful year in 2022 and no suggestions were submitted other than the agenda items. Minutes and agenda items of the General Assembly meeting were published on [www.biziminvestorrelations.com](http://www.biziminvestorrelations.com).

### INFORMATION ABOUT THE 2021 GENERAL ASSEMBLY MEETING

- It was unanimously decided that the 2021 annual report shall be deemed to have been read.
- SELAK KİRAZ read the Independent Auditor's Report, containing the activity results regarding the financial statements issued by PWC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. according to the Communiqué on Principles of Financial Reporting in the Capital Market Serie: II. No. 14.1 issued by the Republic of Türkiye Prime Ministry Capital Markets Board for the accounting period of 2021, it was brought to debate, nobody took the word. Information was given.
- It was unanimously decided that the balance sheet and profit/loss statement for the accounting period of 2021, accurately reflected in accordance with the accounting principles and standards set out in the Communiqué on the Principles of Financial Reporting in the Capital Markets Serie: II. No. 14.1 issued by the Republic of Türkiye Prime Ministry Capital Markets Board should be deemed to have been read. Balance sheet and profit/loss statement for the 2021 accounting period were read in summary by Mr. Önder ARIKAN and discussed. No one made comment. As a result of the voting, the balance sheet and profit / loss statements for 2021 accounting year were unanimously accepted.
- Each member of the Board of Directors did not exercise the voting rights arising from their respective shares in their acquittal due to the 2021 accounting period activities and procedures and was acquitted by unanimity of the attendants.
- Within the framework of the motion given by the shareholder Yıldız Holding A.Ş. and as a result of the voting, it was accepted by a majority of votes -a total of 394.382 electronic negative votes against 33.111.696.765 positive votes- that monthly net TL 7,250 should be paid to the independent board members Mr. Ahmet BAL, Mr. Ömer Faruk SEVGİLİ, and Mrs. Fatma Füsün AKKAL BOZOK and also a monthly net TL 7,250 fee should be paid to the Chairperson of the Board of Directors Cengiz SOLAKOĞLU and no fee should be paid to the other board members.
- Pursuant to the decision of the Board of Directors on 07/04/2022, the written proposal "Proposing to the General Assembly not to distribute profits for 2021 in order to strengthen the financial structure of our company" was read. Since there were no other suggestions and proposals, this proposal was accepted unanimously by the attendees.
- As a result of the discussions regarding the use of the profit of the year 2020, the written motion of the shareholder Yıldız Holding A.Ş. titled "Distribution of gross TL 19,242,526 to the shareholders of our company on October 8, 2021 to be covered entirely from the profit of the year 2020" was read, and it was unanimously accepted by the attendants since there was no other suggestion or proposal.
- The proposal submitted by Önder ARIKAN regarding the amendment of Article 6 titled "Capital" of our company's articles of association, which was approved in accordance with the permission letter of the Ministry of Commerce, General Directorate of Domestic Trade, dated 14.03.2022 and numbered E-50035491-431.02-00072817535 and affirmative opinion of the Capital Markets Board dated 07.03.2022 and numbered E-29833736-11004.04-18250, and

announced on the Public Disclosure Platform and on the E-General Assembly System of the Central Registry Agency was read. The proposal was put to the vote and the amendment of Article 6 of the Articles of Association titled "Capital" in the new form in the appendix to the minutes and the written motion of the Board of Directors were accepted by majority of votes with 33,111,696,765 affirmative votes against 394,382 negative votes.

- A written motion was read regarding the voting of the election decision of PWC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., which had been elected to carry out the independent external audit of the accounts and transactions of our company for the 2022 accounting year in accordance with the decision of the Board of Directors, and this motion was unanimously accepted by the attendants since there was no other suggestion or proposal.
- The proposal to set the donation limit for the accounting period of 01.01.2022 - 31.12.2022 as 0.2% (two-thousandth) of the net sales was read. The proposal was accepted with the majority of votes with 33,111,696,765 affirmative votes against 394,382 negative votes.
- Within the framework of the regulations of the Capital Markets Board, the general assembly was informed about the guarantees, pledges and mortgages provided by the Company in 2022.
- Granting permission to members of the Board of Directors pursuant to provisions of Articles 395 and 396 of the Turkish Commercial Code on the procedures they will perform regarding the company was unanimously accepted by the attendants.
- Our shareholders who spoke in the good wishes section wished for a successful year in 2022, whereupon the meeting ended.

#### 2.4 Voting Rights and Minority Rights

Pursuant to our articles of association, each share has one vote. Right holders who have the right to attend general assembly meetings of the Company may also attend these meetings in the electronic environment in accordance with Article 1527 of the

Turkish Commercial Code. In accordance with the provisions of the Regulation on General Assembly Meetings to be Held in the Electronic Environment for Incorporated Companies, the Company may establish an electronic general assembly system that will allow right holders to attend general assembly meetings, express opinions, make suggestions and vote in the electronic environment, or it may purchase services from the systems created for this purpose. In all general assembly meetings to be held, in accordance with this provision of the articles of association, it is ensured that the right holders and their representatives can exercise their rights specified in the provisions of said Regulation through the established system.

Our articles of association has no provisions preventing non-shareholders from voting by proxy as representatives. Our company has a subsidiary called SEÇ Marketçilik A.Ş., where our company owns 90% of the capital and whose shares are closed to the public. There are no concessions on share groups and shares in our company's capital. Accumulated voting method is not used in our company.

#### 2.5 Right to Dividends

At the meeting of the Board of Directors dated 11.03.2011, the dividend policy of our Company was determined with the decision taken regarding profit distribution. There are no concessions in our articles of association regarding participation in the company's profit. Our company's "Profit Distribution Policy" has been made public through its annual reports and website. Said policy of our company is as follows:

"Our company may distribute the dividend in the amount determined by the Board of Directors and submitted to the approval of the General Assembly based on CMB communiqués and regulations, taking into account the investment, financing plans and profitability pursuant to the company's long-term growth strategies, by way of giving cash or free shares or by giving a certain amount of cash and a certain amount of free shares. Distribution of 50% of the distributable net profit as cash dividend to

shareholders as long as our respective legislation and investment needs allow has been identified as our Company's dividend policy and it has been unanimously decided that this policy is to be presented by the Board of Directors to the approval of the General Assembly. The public will be further informed in the event of any changes in this policy in the future."

As a result of the discussions held regarding the use of the profit of the year 2020 at the Ordinary General Assembly Meeting of the Year 2021, the written motion of Yıldız Holding A.Ş. to "not make dividend payments for the year 2021 in order to reinforce the financial structure of our company" was read and unanimously accepted by the attendants of the meeting and no dividend payments were made for the year 2021 during the year.

#### 2.6 Transfer of Shares

The transfer of shares is covered in Article 6 of our articles of association. Accordingly, the transfer of the Company's shares is free provided that the provisions of the Turkish Commercial Code, Capital Market legislation and the articles of association are reserved.

### PART III PUBLIC DISCLOSURE AND TRANSPARENCY

#### 3.1. Corporate Website and Its Content

Our company's website is [www.bizimtoptan.com.tr](http://www.bizimtoptan.com.tr) in Turkish and English. The following information is available on our company's website and in the investor relations section under the scope of informing the shareholders;

- Information about Bizim Toptan,
- Investor relations
- Campaigns
- Products
- Links to customer applications
- Company's vision and mission
- Our line of business
- Our contribution to Türkiye's economy
- Articles of Association of the Company
- Financial reports

- Financial calendar
- Special case statements
- General Assembly meeting minutes
- Prospectus and public offering circulars
- Investor presentations
- Analyst information
- Partnership structure
- Information and Profit Distribution Policies
- Senior Management Staff Information
- Information Society Services
- Information Regarding Protection of Personal Data
- Distance Sales Agreement, membership agreement, information including legal documents
- Sustainability Principles and Works

In accordance with CMB Communiqué on Corporate Governance Principles, the address of our Company's website is on Company letterhead.

#### 3.2. Annual Report

The Company's annual report is prepared in accordance with Serial: II-17.1 "Corporate Governance Communiqué" Corporate Governance Principles and the matters specified in the legislation in detail to ensure that shareholders and the public have full and accurate information about the Company's activities.

All necessary precautions have been taken to prevent the use of insider information, and information about directors who are in a position where they can have access to information that may affect the value of our Company's capital market instruments and other persons/organizations they procure services from is notified to respective organizations in accordance with the legislation in force.

### PART IV STAKEHOLDERS

#### 4.1. Informing Stakeholders

Our company's "Information Policy" is conducted within the framework of the rules determined by legal regulations, CMB legislation and issued communiqués. The Company prepared a written document on

public disclosure and information and the document in question was approved by the Board of Directors and published on the Public Disclosure Platform on 06.02.2019 and announced to the shareholders and the public and published on the Company's website. The Board of Directors is authorized with regard to creation of the information policy of our Company and regarding any changes in the policy. Changes to the policy and the information policy are published on the company's website following the approval of the Board of Directors. Investor Relations Management Office is responsible for conducting the information policy. Moreover, it has been adopted as a fundamental principle that any information disclosed to the public should be communicated to the person concerned as soon as possible upon demand. Written or verbal notification is made if there is a request for information from shareholders. In case of significant developments to be announced to the public during the year, the necessary special case statements are also made in timely manner. Our annual report is prepared in such detail to ensure that the public has access to any information about the Company's activities.

#### SPECIAL CASE STATEMENTS

Our Company issued 21 special case statements in January-December 2022 pursuant to CMB regulations. The aforementioned Special Case Statements can also be accessed via PDP (Public Disclosure Platform) and our Company's website. There is no special case statement that has not been made by our company in due time.

No additional statement request has been received from the Capital Markets Board for the Special Case Statements made by our company. In cases where the rights of the stakeholders are not regulated by legislation or contract, the interests of the stakeholders are protected within the framework of goodwill rules and to the extent the company can afford, taking into account the reputation of the Company.

Moreover, company employees are provided with access to circulars and announcements through

the internal internet portal, and some important announcements are instantly communicated to all employees by e-mail.

There are no practices that make it difficult for stakeholders to communicate with the Corporate Governance Committee or the Committee in Charge of Audit regarding any procedures of the Company that are against the legislation or ethically inappropriate. All stakeholders can reach these committees by any method of communication of their choice.

Moreover, the Ethics Notification Line (0216 524 34 24) and e-mail address etik.bildirim@yildizholding.com.tr where our stakeholders can report any breaches of ethics can be found on the Investor Relations website. Also, all feedback on both general and ethical matters can be shared through Yıldız Holding Customer Relations Center by calling 0212 576 33 00 or sending an e-mail to mim@yildizholding.com.tr.

#### 4.2. Stakeholders' Participation in Management

According to our articles of association, the Board of Directors consists of at least 5 members and these members are elected by the General Assembly with the proposal of various shareholders in accordance with the provisions of the articles of association. The Board of Directors consists of 8 members, 3 of whom are independent members. There are no works on the participation of stakeholders in the management.

#### 4.3. Human Resources Policy

The basic policy of human resources is to build a team with high performance through improvement and development efforts to human resources based on what has been done so far. The human resources policy adopted by our company generally comprises the policies adopted by Yıldız Holding and these policies are available at www.bizimtoptan.com.tr and the investor relations section. Relations between our company and its employees are conducted through Human Resources Management Directorate. To date, there have been no complaints about discrimination against the human resources policy implemented by

our company. The Company believes that the value given to education and maintaining high quality is important for long-term success. For this purpose, continuous improvement of employees is among the main principles of the company.

Our company announces its job descriptions and distribution, performance and reward criteria to its employees through Human Resources Management Directorate.

Our policy as Human Resources;

- Conduct environmental opportunity and areas of improvement analyses and contribute to our organization's strategies,
- Analyze the present and future needs of the organization in order to achieve the strategic objectives of the organization; to design the organization that is most suitable for these needs and to build systems to develop human resources,
- To structure Bizim Toptan Satış Mağazaları A.Ş. strategies to ensure sustainable quality, reputation and sectoral leadership with a customer satisfaction approach that will raise the standards in the field in which it operates (retailing / Cash and Carry) and to be one of the companies in Türkiye where people want to work the most,
- To increase the level of satisfaction and motivation of the employees by acting with the awareness that it is People that makes the difference in a competitive environment, to continuously improve commitment to the company and cooperation between employees and to move competitiveness forward,
- To improve our Human resources and our business with constant training,
- It is based on maintaining our "Happy Employees, Happy Customers" approach.

#### 4.4. Ethical Rules and Social Responsibility

The ethical rules adopted by our company are available on our website. As Bizim Toptan, we have been a company, ever since our foundation, that respects its employees, the rights of its partners, shareholders,

suppliers and customers, is committed to the law, attaches importance to community values, assumes social responsibility, adopts and strives to develop principles of management that are based on utmost love and respect, cooperation, high work performance, honesty, consistency, trust and responsibility among directors - employees - suppliers - customers. Furthermore, our Company pays utmost attention to implementing policies that respect and support the environment, sports, education and public health.

#### PART V BOARD OF DIRECTORS

##### 5.1. Structure and Formation of the Board of Directors

Our Board of Directors consists of 8 members, 3 of them independent. There are members of the Board of Directors who are in charge of execution and those who are not. The majority of board members consist of non-executive directors. Among the non-executive board members, there are independent members who meet all the criteria determined by the regulations of the Capital Markets Board and who are capable of performing their duties without being under any influence, who can follow through the operation of the company activities and allocate time to the extent that they can fully fulfill the requirements of the duties they undertake in the company affairs. Chairman of Board of Directors and General Manager are not the same person. The General Manager of the Company is Hüseyin BALCI. Ms. Fatma Füsün AKKAL BOZOK, Mr. Ahmet BAL and Mr. Ömer Faruk SEVGİLİ serve at the Board of Directors in the capacity of independent member. As of 31/12/2022, information about our members of board of directors is as follows.

#### BACKGROUND OF BOARD OF DIRECTORS

##### Cengiz Solakoğlu

##### Chairperson of Board of Directors

Cengiz Solakoğlu graduated from Istanbul Academy of Economic and Commercial Sciences in 1964. He began to work as a salesman at Beko Ticaret A.Ş. in 1967 and became the General Manager of the Company in 1977. He held this position until 1983, when he became

the General Manager of Atılım Company, which also belonged to Koç Group. During this 8-year office, he led the works on “Restructuring and strengthening Arçelik Authorized Dealer System”. He was appointed Vice President of Koç Holding Consumption Group in 1991 and Chairman of Consumption Group in 1994. Solakoğlu, who also served as a Member of the Group Executive Board between 1996 and 1998, was appointed as the Chairman of Koç Holding Consumer Durables Group in 2002 and retired from Koç Group in 2004 due to 60 years of age principle. He had worked in Koç Group for 38 years without interruption. In addition to Bizim Toptan, Solakoğlu is a member of the Board of Directors and serves as Chairman of the Board of Directors in Şok Marketler A.Ş., one of Yıldız Holding’s retail sector companies. Cengiz Solakoğlu is one of the founders of 1907 Fenerbahçeliler Association and Education Volunteers Foundation, and served as Chairman and Member of the Board of Directors. He was chosen the Leader of Civil Society by Economist journal in 2004.

#### **Mehmet Tütüncü**

##### **Deputy Chairman Of Board Of Directors**

Mehmet Tütüncü completed his undergraduate studies in the Department of Mechanical Engineering at Gazi University and his master’s degree in the Department of Industry and Organizational Psychology at Maltepe University. He also attended 6 months of Production, Quality Control and Maintenance Applications in Italy with IRI scholarship, Strategic Marketing at Harvard Business School, and took various training courses in IMD/Switzerland and Insead/Singapore. Starting his work life as an engineer in the Department of Structural Works at the Ministry of National Education in 1981, Mehmet Tütüncü worked as the Production Manager, Business Manager and General Manager of Best Rothmans Entegre Sigara ve Tütün Sanayi A.Ş. respectively between 1987-1996. He started his first job at Yıldız Holding in 1996 as the Operations Coordinator at Ülker Gıda A.Ş. He served as the General Manager of Ülker Biscuit and Chocolate factories, Vice President of Ülker Group, President of Food and Beverage Group, President of Food Group and President of Ülker

International Group. He was appointed as Regional CEO in charge of Türkiye, Middle East, North Africa and Middle Asia in the pladis organization, which was founded within the organization of Yıldız Holding in 2016. In 2017, he also took responsibility of the South Asia and Latin America regions and pladis Global Information Systems and Business Models Transformation and continued to serve as Deputy CEO. Starting from October 2018, he assumed the roles of Vice Chairman of Board of Directors of Yıldız Holding and CEO of Yıldız Holding. Tütüncü, a member of TÜGİS Board of Directors, is also a member of many Turkish and foreign sectoral organizations. He is also on the Board of Directors of FoodDrinkEurope and the Liaison Committee of FoodDrinkEurope.

#### **Ali Ülker**

##### **Member Of Board Of Directors**

Born in 1969, Ali Ülker studied in Istanbul Male High School and then completed his university education in Boğaziçi University, Faculty of Economics and Administrative Sciences, Department of Economics and Business Administration. He attended various educational programs at IMD, INSEAD, Wharton and Harvard. He participated in the Internal Kaizen Study (1992) with De Boccard & Yorke Consultancy Company and the IESC Sales System Development and Internal Organization Project (1997). Ali Ülker started his work life as an intern in Ülker Gıda A.Ş. Quality Control Department in 1985, whereupon he worked in chocolate production plants and at Atlas Gıda Pazarlama A.Ş. in Intern, Sales Manager, Sales Coordinator, Product Group Coordinator and Product Group Manager positions between 1986 and 1998. Ali Ülker was appointed as General Manager of Atlas Gıda Pazarlama A.Ş. in 1998 and Vice President of the Retail Group in 2000, whereupon he also assumed the role of General Manager of Merkez Gıda Pazarlama A.Ş. in 2001. He was appointed Vice President of Food Group in 2002 and President of Ülker Group in 2005. Ali Ülker had been the Acting Chairman of Board of Directors of Yıldız Holding since 2011, whereupon he became the Chairman of Board of Directors of Yıldız Holding on January 29, 2020.

Ülker has deep knowledge and experience in marketing and sales, has a special interest in innovation and supports the teams working on it within the Group. Ülker enjoys mentoring young people. He likes the outdoors, being in nature and doing sports. Ali Ülker speaks English and German, is married and has 3 children.

#### **Fahrettin Günalp Ertik**

##### **Member Of Board Of Directors**

After graduating from Bilkent University, Department of Business Administration, Fahrettin Günalp Ertik started his business life as a Financial Controller at Finansbank. He worked as Internal Auditor, Kellogg Finance Manager, Ülker Financial Affairs Coordinator, Food Group Financial Affairs Coordinator, Food & Beverage and Retail Group CFO, Besler General Manager and Önem Gıda Vice President respectively in Yıldız Holding between 2002-2019. Having assumed responsibilities in important projects throughout his career at Yıldız Holding, Ertik completed the INSEAD Leadership program in 2011. He then studied finance, sales, marketing and leadership at Wharton Business School and Kellogg School of Management. Having served as Chairman of Financial Affairs and Member of Board of Directors at Azersun Holding since 2019, Ertik has been appointed as Chairman of Financial Affairs in Yıldız Holding as of August 2020.

#### **Erman Kalkandelen**

##### **Member Of Board Of Directors**

Erman Kalkandelen is the CEO and Chairman of the Board of Franklin Templeton Türkiye. Since joining Franklin Templeton, Kalkandelen has focused on investing in companies in emerging markets and the Central and Eastern Europe (CEE) regions. He managed the Templeton Emerging Market Smaller Companies fund for close to ten years. He has been investing in venture capital and technology in the last five years. He is also a board member at Hepsiburada, Netlog Lojistik, Fibabanka, Gözde Girişim, Gözde Tech Ventures, Şok Marketler, Bizim Toptan, Polinas, and Penta. He completed his Master’s degree in Business Administration at Sabancı University. He received

strategic management training at the University of Florida, Warrington School of Business during his MBA and graduated with honors from Ankara University, Faculty of Political Sciences, Department of Labor Economics.

#### **Fatma Füsün Akkal Bozok**

##### **Independent Member Of Board Of Directors**

Fatma Füsün Akkal Bozok completed her academic education with a master’s degree from Boğaziçi University, Faculty of Administrative Sciences and a doctorate degree from Istanbul University, Faculty of Business Administration. After graduation, she started working at Arthur Andersen Audit Company in 1980. She joined Koç Group in 1983 and worked as Audit Expert and Assistant Coordinator in Audit and Financial Group department within the organization of the Holding. She was appointed as Audit and Financial Group Coordinator in 1992 and held office for 11 years. Having worked as Director of Financing Group between 2003-2006, Akkal served as a Member of Board of Directors of Yapı Kredi Bank between 2004-2019. She is currently an independent member of board of directors of Ford-Otosan, Tat Gıda, Akiş GYO, and Gözde companies. Akkal taught Auditing and International Accounting courses as lecturer at Sabancı University in 2008-2020, and is member to TKYD, TİDE, Expert Accountants’ Association of Türkiye and Boğaziçi Alumni Association.

#### **Ahmet Bal**

##### **Independent Member Of Board Of Directors**

Born in Tokat in 1957, Ahmet Bal graduated from Ankara University Faculty of Political Sciences, Department of Economics and Finance and joined the Board of Accounting Experts of the Ministry of Finance. Ahmet Bal received the title of Chief Accounting Expert and Certified Public Accountant in 1991, did his master’s degree (MBA) in Business Administration at Nottingham University in England in 1992 and began to work as Assistant Financial Affairs Coordinator at Anadolu Endüstri Holding in 1994. He worked as Finance Director of Efes Sınai Yatırım Ticaret A.Ş. in charge of Anadolu Group Overseas Coca-Cola operations

between 1995 and 1998, General Manager of Efes Sınai Yatırım Holding A.Ş. between 1998 and 1999, and as Financial Affairs Coordinator in charge of Automotive, Finance and Stationery Companies at Anadolu Endüstri Holding Department of Financial Affairs between 1999 and 2006. Between 2006 and 2012, he served as Audit Coordinator in charge of Group Companies at Anadolu Endüstri Holding. Ahmet Bal served as Head of Audit Responsible for the Audit of Anadolu Group Companies between 2013 and 2018, and is married and has two children. Apart from Bizim Toptan, Ahmet Bal serves as an Independent Member of Board of Directors of Şok Marketler A.Ş. and as an Independent Member of Board of Directors and Chairman of Board of Directors of Ülker Bisküvi Sanayi A.Ş.

#### Ömer Faruk Sevgili

##### Independent Member Of Board Of Directors

Ömer Faruk Sevgili was born in Siirt in 1968, received his high school education in Siirt High School, and he graduated from Istanbul University, Faculty of Law. (1991) He began to work as a freelance lawyer under the Istanbul Bar Association. (1994) Subsequently, after working as Bakırköy Municipality Legal Advisor, İzmir Çiğli Air Base Disciplinary Officer, and as a lawyer and legal advisor at Türkiye Ship Industry Joint Stock Company respectively, he continues to work as a freelance lawyer under Ankara Bar Association. He assumed roles such as KÖY-TEKS Holding Board Membership, TÜPRAŞ Supervisory Board Membership, Bicycle Federation Disciplinary Board membership, TÜKÇEV board of trustees and board of directors membership. He began his profession as a lawyer in 1994 and he currently continues that profession under Mizan Hukuk ve Danışmanlık. He is married and has two children. He speaks Arabic.

#### 5.2. Operating Principles of the Board of Directors

Our Board of Directors met 5 times in January-December 2022 period and passed 21 resolutions. Attention is paid to determine the meeting dates of the Board of Directors in a way that will allow the participation of all our members. The average attendance rate of Board Members in meetings is

100%. According to the Articles of Association of the Company, the Board of Directors meets when required for the activities of the Company. All members must be notified in writing at least 3 calendar days before the planned meeting date and the meeting agenda must be specified in this notification. Any member of the Board of Directors may request the Chairman of the Board of Directors or the Deputy Chairman of the Board of Directors to call the Board of Directors to a meeting, in which case the Chairman of the Board of Directors is required to call the Board of Directors to meeting. Pursuant to Article 390/4 of the Turkish Commercial Code, decisions of the Board of Directors may also be made with one more than half the total number of members without holding a meeting, provided that the proposal made in writing by one of the members is submitted to each Board member and no member requests a meeting for this proposal. Board meetings can be held at the head office of the company or in an appropriate place of the city where the head office is located, or in another city with the decision of the Board of Directors. Members of the Board of Directors determine whether they will make an assignment of duties with a decision to be made among themselves. It is essential that the members of the Board of Directors attend the meeting in person. Opinions of the member who did not attend the meeting but stated their views in writing are presented to the other members.

Meetings and decisions of the Board of Directors have to be recorded in the minutes of the meeting to be attached to the decision book and signed by the attendants of the meeting. Members who cast negative votes must state their reasons and sign the minutes.

The Board of Directors meets with the attendance of at least one more than half of its members and makes its decisions with a majority of votes of participating members. In case of equality of votes, the matter subject to vote is placed on the agenda of the next meeting, and if a majority of votes cannot be obtained at this meeting either, the proposal is deemed rejected. Each member of the Board of Directors

shall have one vote, regardless of his or her position and duties. The powers and responsibilities of the members and managers of the Board of Directors are explicitly mentioned in the Articles of Association of the Company at [www.bizimtoptan.com.tr](http://www.bizimtoptan.com.tr) and on the Public Disclosure Platform. Our Board of Directors uses its powers in a prudent manner and within the framework of goodwill rules, with all the information needed to ensure that it can fulfill its duties. In the meetings held during the activity period of 2022, no different opinion was expressed against the decisions made by the members of the Board of Directors. Important decisions on matters that need to be shared with the public were made public immediately after the meeting.

#### Number, Structure and Independence of the Committees Established in the Board of Directors

At its meeting on 28/07/2020, our Board of Directors made the following decisions:

- In accordance with the Corporate Governance Communiqué Serial: II - 17.1 of the Capital Markets Board, it was decided that Fatma Füsün Akkal BOZOK shall be elected the Chairperson of the Audit Committee and Ahmet BAL shall be elected the Committee Member.
- It was decided that Fatma Füsün Akkal BOZOK shall be elected the Chairperson of the Corporate Governance Committee and Cengiz SOLAKOĞLU and Işıl BÜK shall be elected Committee Members.
- It was decided that Ömer Faruk SEVGİLİ shall be elected the Chairman of the Early Risk Detection Committee and Cengiz SOLAKOĞLU shall be elected the Committee Member.
- In accordance with the structure of the Board of Directors, it was decided not to establish a separate Nomination Committee and Fee Committee, and instead the Corporate Governance Committee to fulfill these committees' duties and to make these decisions public.

#### Audit Committee

The Audit Committee is responsible for taking all necessary measures to carry out all kinds of

internal and independent audits in an adequate and transparent manner and is in particular responsible for the following matters:

- Conducting research for choosing an independent audit company, submitting it to the Board of Directors after pre-approval,
- Auditing and approving the compliance of the financial statements and notes to be made public with the legislation and international accounting standards,
- Supervision of the operation and effectiveness of the company accounting system, disclosure of financial information to the public, independent audit and the internal control system of the company,
- Examination and finalization of complaints related to company accounting, internal control system and independent audit.

The Audit Committee holds meetings at the invitation of the chairperson of the committee at least quarterly. It may invite the managers, internal and independent auditors whom it deems necessary to meetings and obtain information. The chairperson and members of the audit committee are elected from among the members of the independent Board of Directors.

Due to the structure of the Board of Directors and the number of independent members, some members of the Board of Directors take part in more than one committee.

The Audit Committee held 4 meetings in 2022.

Members of the Audit Committee as of 31.12.2022 are shown in the table below.

Name, Last Name	Position	Qualification
Fatma Füsün Akkal Bozok	Chairwoman of Audit Committee	Independent Member of Board of Directors, Non Executive
Ahmet Bal	Member of Audit Committee	Independent Member of Board of Directors, Non Executive

### CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee is responsible for monitoring the Company's compliance with corporate governance principles and is especially responsible for investigating the extent to which corporate governance principles are implemented in the Company, and if they are not implemented, identifying why, and identifying the problems that occur due to lack of full implementation and suggesting remedial measures. It also supports the Board of Directors by conducting works on fee, reward and performance evaluation, career planning, investor relations and public disclosure.

The Corporate Governance Committee consists of at least two (2) members. When necessary, persons who are not members of Board of Directors and who are experts in their field can also be appointed as members of the Corporate Governance Committee. At least one member of the Corporate Governance Committee is elected from among the independent members of the Board of Directors who are not in charge of execution. The Committee holds meetings at least every 3 months.

The Corporate Governance Committee held 4 meetings in 2022. Members of the Corporate Governance Committee as of 31.12.2022 are shown in the table below.

Name, Last Name	Position	Qualification
<b>Fatma Füsün Akkal Bozok</b>	Chairwoman of Corporate Governance Committee	Independant Member of Board of Directors, Non Executive
<b>Cengiz Solakoğlu</b>	Member of Corporate Governance Committee	Chairman of Board of Directors, Non Executive
<b>İşıl Bük</b>	Member of Corporate Governance Committee	Investor Relations and Budget Reporting Senior Manager

With the decision of the Board of Directors dated July 28, 2020, it was decided that the Corporate Governance Committee should also fulfill the duties of

the Nomination and Fee Committees.

Due to the structure of the Board of Directors and the number of independent members, some members of the Board of Directors take part in more than one committee.

### EARLY RISK DETECTION COMMITTEE

The early risk detection committee is responsible for early detection of risks that may jeopardize the existence, development and continuation of the company, taking the necessary measures regarding the identified risks and conducting works to manage the risk, and reviews the risk management systems at least once a year. The Early Risk Detection Committee held 6 meetings in 2022.

Members of the Early Risk Detection Committee as of 31.12.2022 are shown in the table below.

Name, Last Name	Position	Qualification
<b>Ömer Faruk Sevgili</b>	Chairman of Early Risk Detection Committee	Independant Member of Board of Directors, Non Executive
<b>Cengiz Solakoğlu</b>	Member of Early Risk Detection Committee	Chairman of Board of Directors, Non Executive

Due to the structure of the Board of Directors and the number of independent members, some members of the Board of Directors take part in more than one committee.

### 5.3. Risk Management and Internal Control Mechanism

The risk management activities of our company are carried out by the Early Risk Detection Committee. In addition, an Internal Audit and Loss Prevention Directorate has been established to work within our company. Our company is regularly audited by the auditing units of its main partner Yıldız Holding A.Ş. and the independent auditing organization. Findings obtained from these audits are reported to other board members together with the committee members responsible for the audit. Our company's workflows, procedures, powers and responsibilities of our

employees have been taken under control within the framework of risk management and have been subject to continuous audit. In addition, there is no case filed against our Company that can significantly affect the financial status and activities of our Company and especially the operation of our Company in its main line of business.

### 5.4. Strategic Goals of the Company

Our company and all companies affiliated with Yıldız Holding were established with the belief that "every person has the right to have a good childhood, no matter which country they live in".

Bizim Toptan's vision is "to be the number one wholesaler of Türkiye with its widespread, modern and reliable concept in the fast-moving consumer goods industry". Our mission is "to be a strategic business partner that reduces the costs and risks of customers and suppliers and provides them with a competitive advantage".

The publicly announced vision and mission of Yıldız Holding and our Company can be viewed at [www.yildizholding.com.tr](http://www.yildizholding.com.tr) and [www.bizimtoptan.com.tr](http://www.bizimtoptan.com.tr) / [www.biziminvestorrelations.com](http://www.biziminvestorrelations.com).

The Board of Directors of the Company convened as often as necessary in 2022 and closely monitored the Company's performance and will continue to do so.

### 5.5. Tangible Rights

The fees of the members of the Board of Directors are determined separately for each of them by the General Assembly according to the financial status of the Company. The fees paid to Independent Members of the Board of Directors were set at the Ordinary General Assembly Meeting of our Company on April 13, 2022. No fee is paid to members of the board of directors other than independent members and the Chairperson of the Board of Directors of the Company.

In 2022, the total amount of benefits provided to members of the Board of Directors and senior management staff was TL 19,501,254. No director or

member of Board of Directors was given any loan during the year, no credit was granted directly or through a third person under the name of personal loan, and no guarantees such as bail were given in their favor. The Remuneration Policy, setting out the remuneration principles of the Board of Directors and executives as presented to the shareholders at the Ordinary General Assembly Meeting on May 29, 2012, is as follows. The policy was published on the Company's website and on the Public Disclosure Platform (PDP).

"The remuneration principles regarding the members of the Board of Directors and executives aim to manage and execute the rights to be provided to members of the Board of Directors and executives taking into account the long-term objectives and performance of the Company in accordance with the Capital Market Board and the Turkish Commercial Code legislation. The fees of members of the Board of Directors are determined as monthly gross fees taking into account the opinions of the relevant committee and are presented to the approval of the General Assembly. It is essential that the salaries of the independent members of the Board of Directors are at a level that will maintain their independence. Stock options or payment plans based on Company performance are not used in the remuneration of independent members of the Board of Directors. The salaries of executives and the benefits to be provided to them are determined in accordance with the strategies and policies of the company in accordance with the equivalent business conditions, taking into account their duties, responsibilities, experience and performance indicators in the Company. All fees paid and all other benefits provided are disclosed to the public through the annual report. In addition to the fixed monthly fees set within the scope of these principles for the executives and members of the Board of Directors, it is also possible to provide benefits and performance-based premiums to serve the long-term performance of the Company. The policy regarding the remuneration principles for the members of the Board of Directors and executives and the amendments made in said policy are first approved by the Board of Directors and then are submitted to the General Assembly and are made public on the Company's website".

# Statement of Independence

I was elected "independent member" to the Board of Directors of Bizim Toptan Satış Mağazaları Anonim Şirketi (the "Company") in the Ordinary General Assembly Meeting of July 13, 2020 within the scope of the criteria set out in the Corporate Governance Principles set forth in the Corporate Governance Communiqué (II-17.1) of the Capital Markets Board issued and enacted in the Official Gazette dated January 3, 2014 and numbered 28871, the legislation and the articles of association. In this regard, I declare to the knowledge of the Board of Directors, the General Assembly, our shareholders and all stakeholders that;

There has been no employment relationship between the company, partnerships where the company has control or significant influence, partners who control the company and have significant influence on the company, the legal entities controlled by said partners, and me, my spouse, my blood or marriage relatives up to second degree, in the executive position to undertake important duties and responsibilities in the last five years, that neither I nor said persons jointly or individually own more than 5% of the capital or voting rights or privileged shares and that no commercial relationship of significant nature has been established,

In the last five years, I have not worked as a partner (5% or more) or as a director undertaking important duties and responsibilities or as a member of board of directors in the companies from whom or to whom the Company purchases or sells services or products to a significant extent within the framework of the agreements made, notably the companies that audit, grade or advise the company, during the periods when said services or products were procured or sold,

I have the vocational training, knowledge and experience to fulfill the duties I will undertake as an independent member of board of directors, that I will not work full-time in public institutions and organizations, and that I am deemed to be resident in Türkiye according to the Income Tax Law dated 12/31/1960 and numbered 193, I have strong ethical standards, professional reputation and experience, whereby I can make positive contributions to the activities of the company, maintain my impartiality in conflicts of interest between the company and shareholders, and make free decisions considering the rights of the stakeholders,

I can devote time to Company affairs to the extent that I can monitor the operation of the company activities and fulfill the requirements of the duties that I undertake,

I have not been a member of the board of directors of the company for more than six years in the last ten years,

I do not serve as an independent member of the board of directors in more than three of the companies controlled by the company or by partners who control the company and in more than five of the companies traded on the stock exchange in total,

I have not been registered and announced under the name of the legal entity elected as Member of Board of Directors.

**Fatma Füsün Akkal Bozok**

I was elected "independent member" to the Board of Directors of Bizim Toptan Satış Mağazaları Anonim Şirketi (the "Company") in the Ordinary General Assembly Meeting of July 13, 2020 within the scope of the criteria set out in the Corporate Governance Principles set forth in the Corporate Governance Communiqué (II-17.1) of the Capital Markets Board issued and enacted in the Official Gazette dated January 3, 2014 and numbered 28871, the legislation and the articles of association. In this regard, I declare to the knowledge of the Board of Directors, the General Assembly, our shareholders and all stakeholders that;

There has been no employment relationship between the company, partnerships where the company has control or significant influence, partners who control the company and have significant influence on the company, the legal entities controlled by said partners, and me, my spouse, my blood or marriage relatives up to second degree, in the executive position to undertake important duties and responsibilities in the last five years, that neither I nor said persons jointly or individually own more than 5% of the capital or voting rights or privileged shares and that no commercial relationship of significant nature has been established,

In the last five years, I have not worked as a partner (5% or more) or as a director undertaking important duties and responsibilities or as a member of board of directors in the companies from whom or to whom the Company purchases or sells services or products to a significant extent within the framework of the agreements made, notably the companies that audit, grade or advise the company, during the periods when said services or products were procured or sold,

I have the vocational training, knowledge and experience to fulfill the duties I will undertake as an independent member of board of directors, that I will not work full-time in public institutions and organizations, and that I am deemed to be resident in Türkiye according to the Income Tax Law dated 12/31/1960 and numbered 193, I have strong ethical standards, professional reputation and experience, whereby I can make positive contributions to the activities of the company, maintain my impartiality in conflicts of interest between the company and shareholders, and make free decisions considering the rights of the stakeholders,

I can devote time to Company affairs to the extent that I can monitor the operation of the company activities and fulfill the requirements of the duties that I undertake,

I have not been a member of the board of directors of the company for more than six years in the last ten years,

I do not serve as an independent member of the board of directors in more than three of the companies controlled by the company or by partners who control the company and in more than five of the companies traded on the stock exchange in total,

I have not been registered and announced under the name of the legal entity elected as Member of Board of Directors.

**Ahmet Bal**

I was elected "independent member" to the Board of Directors of Bizim Toptan Satış Mağazaları Anonim Şirketi (the "Company") in the Ordinary General Assembly Meeting of July 13, 2020 within the scope of the criteria set out in the Corporate Governance Principles set forth in the Corporate Governance Communiqué (II-17.1) of the Capital Markets Board issued and enacted in the Official Gazette dated January 3, 2014 and numbered 28871, the legislation and the articles of association. In this regard, I declare to the knowledge of the Board of Directors, the General Assembly, our shareholders and all stakeholders that;

There has been no employment relationship between the company, partnerships where the company has control or significant influence, partners who control the company and have significant influence on the company, the legal entities controlled by said partners, and me, my spouse, my blood or marriage relatives up to second degree, in the executive position to undertake important duties and responsibilities in the last five years, that neither I nor said persons jointly or individually own more than 5% of the capital or voting rights or privileged shares and that no commercial relationship of significant nature has been established,

In the last five years, I have not worked as a partner (5% or more) or as a director undertaking important duties and responsibilities or as a member of board of directors in the companies from whom or to whom the Company purchases or sells services or products to a significant extent within the framework of the agreements made, notably the companies that audit, grade or advise the company, during the periods when said services or products were procured or sold,

I have the vocational training, knowledge and experience to fulfill the duties I will undertake as an independent member of board of directors, that I will not work full-time in public institutions and organizations, and that I am deemed to be resident in Türkiye according to the Income Tax Law dated 12/31/1960 and numbered 193, I have strong ethical standards, professional reputation and experience, whereby I can make positive contributions to the activities of the company, maintain my impartiality in conflicts of interest between the company and shareholders, and make free decisions considering the rights of the stakeholders,

I can devote time to Company affairs to the extent that I can monitor the operation of the company activities and fulfill the requirements of the duties that I undertake,

I have not been a member of the board of directors of the company for more than six years in the last ten years,

I do not serve as an independent member of the board of directors in more than three of the companies controlled by the company or by partners who control the company and in more than five of the companies traded on the stock exchange in total,

I have not been registered and announced under the name of the legal entity elected as Member of Board of Directors.

**Ömer Faruk Sevgili**

# OUR story

21:00

We are the address of plentiful shopping that saves while buying...

## Financial Report

**112** Consolidated Financial Statement and Independent Audit Report of Bizim Toptan Stores for January 1 – December 31, 2022 Accounting Period

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**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.**  
**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2022 AND 2021**  
 (Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Notes	Current Period	Prior Period
		31 December 2022	31 December 2021
<b>ASSETS</b>			
<b>Current Assets</b>		<b>2,967,063,613</b>	<b>1,540,869,062</b>
Cash and Cash Equivalents	3	634,587,187	585,389,621
Trade Receivables		452,432,292	173,585,414
<i>Due from Related Parties</i>	5, 23	25,460,057	6,872,024
<i>Due from Non-Related Parties</i>	5	426,972,235	166,713,390
Other Receivables		2,677,726	1,505,217
<i>Other Receivables from-Related Parties</i>	6, 23	-	1,426,957
<i>Other Receivables from Non-Related Parties</i>	6	2,677,726	78,260
Inventories	7	1,665,106,201	733,557,865
Prepaid Expenses	8	87,046,528	42,870,580
Current Income Tax Assets	21	37,641,204	-
Other Current Asset	13	87,572,475	3,960,365
<b>Non-Current Assets</b>		<b>1,045,317,822</b>	<b>597,627,987</b>
Other Receivables		12,602,882	4,487,429
<i>Other Receivables from Non-Related Parties</i>	6	12,602,882	4,487,429
Tangible Assets	9	530,997,668	299,449,463
Right of Use Assets	9	285,083,277	197,184,132
Intangible Assets	10	46,142,834	58,900,435
Prepaid Expenses	8	-	165,219
Deferred Tax Assets	21	170,491,161	37,441,309
<b>TOTAL ASSETS</b>		<b>4,012,381,435</b>	<b>2,138,497,049</b>

The accompanying notes are an integral part of these consolidated financial statements

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 AND 31 DECEMBER 2021

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Notes	Current Period 31 December 2022	Prior Period 31 December 2021
<b>LIABILITIES</b>			
<b>Current Liabilities</b>		<b>3,205,897,115</b>	<b>1,730,315,335</b>
Short-term Borrowings		108,780,874	77,947,066
- Financial Lease Obligations	4	1,079,277	904,083
- Lease Liabilities due to Related Parties	4	300,757	251,248
- Lease Liabilities due to Non-Related Parties	4	107,400,840	76,791,735
Trade Payables		2,827,913,071	1,540,384,205
- Due to Related Parties	5,23	452,124,888	244,734,390
- Due to Non-Related Parties	5	2,375,788,183	1,295,649,815
Liabilities for Employee Benefits	12	68,368,163	19,589,604
Deferred Income	8	59,949,037	10,182,487
Current Income Tax Liabilities	21	-	21,505,163
Short-term Provisions		126,867,952	54,698,101
- Provision for Employee Benefits	12	61,323,310	27,703,064
- Other Short-term Provisions	11	65,544,642	26,995,037
Other Current Liabilities		14,018,018	6,008,709
- Other Current Liabilities to Related Parties	13	-	22,365
- Other Current Liabilities to Non-related Parties	13	14,018,018	5,986,344
<b>Non-Current Liabilities</b>		<b>316,053,617</b>	<b>192,086,824</b>
Long-term Borrowings		203,368,922	143,913,801
- Financial Lease Obligations	4	-	1,133,526
- Lease Liabilities due to Related Parties	4	755,028	686,906
- Lease Liabilities due to Non-Related Parties	4	202,613,894	142,093,369
Long-term Provisions		106,999,667	42,240,820
- Provision for Employee Benefits	12	106,999,667	42,240,820
Deferred Income	8	5,685,028	5,932,203
<b>EQUITY</b>		<b>490,430,703</b>	<b>216,094,890</b>
<b>Shareholders' Equity</b>		<b>490,460,992</b>	<b>216,118,005</b>
Share Capital	14	60,000,000	60,000,000
Treasury shares		(13,533,492)	(13,533,492)
Other Comprehensive Expense not to be Reclassified to Profit or Loss		(25,600,417)	(21,566,572)
- Defined benefit plans remeasurement losses	14	(25,600,417)	(21,566,572)
Restricted Reserves Appropriated from Profits	14	14,330,810	14,330,810
Retained Earnings	14	176,887,259	94,619,369
Net Profit for the Year		278,376,832	82,267,890
Non-Controlling Interests		(30,289)	(23,115)
<b>TOTAL LIABILITIES</b>		<b>4,012,381,435</b>	<b>2,138,497,049</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 AND 31 DECEMBER 2021

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Notes	Current Period 1 January 31 December 2022	Prior Period 1 January 31 December 2021
<b>PROFIT OR LOSS</b>			
Revenue	15	14,038,833,943	7,173,144,694
Cost of Sales (-)	15	(12,024,322,474)	(6,290,320,186)
<b>GROSS PROFIT</b>		<b>2,014,511,469</b>	<b>882,824,508</b>
Marketing Expenses (-)	16, 17	(1,111,066,237)	(482,370,865)
General Administrative Expenses (-)	16, 17	(246,516,400)	(94,593,907)
Other Income from Operating Activities	18	106,178,671	57,438,718
Other Expenses from Operating Activities (-)	18	(458,310,502)	(214,348,933)
<b>OPERATING PROFIT</b>		<b>304,797,001</b>	<b>148,949,521</b>
Income from Investing Activities	19	82,190,395	59,525,805
Expense from Investing Activities (-)	19	(596,560)	(10,603,163)
<b>PROFIT BEFORE FINANCIAL EXPENSES</b>		<b>386,390,836</b>	<b>197,872,163</b>
Financial Expenses (-)	20	(220,486,459)	(123,789,317)
<b>Profit Before Tax from Continued Operations</b>		<b>165,904,377</b>	<b>74,082,846</b>
<b>Tax Income From Continued Operations</b>		<b>112,465,281</b>	<b>8,162,601</b>
Current Tax Expense	21	(19,576,110)	(25,639,136)
Deferred Tax Income	21	132,041,391	33,801,737
<b>NET PROFIT FOR THE YEAR</b>		<b>278,369,658</b>	<b>82,245,447</b>
<b>Net profit attributable to</b>			
Non-controlling interest		(7,174)	(22,443)
Equity holders of parent		278,376,832	82,267,890
Earnings per share (TRY)	22	4,639	1,371
<b>OTHER COMPREHENSIVE EXPENSE</b>			
Items not to be reclassified to profit or loss		(4,033,845)	399,206
Defined benefit plans re-measurement (gains)/losses	14	(5,042,306)	499,007
Deferred Tax Expense/(Income) Related to Items not to be Reclassified to Profit or Loss	21	1,008,461	(99,801)
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>274,335,813</b>	<b>82,644,653</b>
<b>HDistribution of total other comprehensive income</b>			
Non-controlling interest		(7,174)	(22,443)
Equity holders of parent		274,342,987	82,667,096

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.  
CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE PERIODS  
1 JANUARY - 31 DECEMBER 2022 AND 2021  
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Notes	Share Capital	Treasury Shares	Other Comprehensive Income/Expense not to be reclassified to Profit or Loss			Retained Earning			Non-controlling interest	Total Equity
				Actuarial Loss of Provision of Termination Indemnity	Restricted Reserves Separated from Profit	Net Profit for Period	Shareholder's equity	Shareholder's equity			
<b>Balances at 1 January 2021</b>		60,000,000	(13,533,492)	(21,965,778)	12,706,557	77,297,757	38,188,391	152,693,435	(672)	152,692,763	
Transfers	14	-	-	-	1,624,253	36,564,138	(38,188,391)	-	-	-	
Dividends paid (*)	14	-	-	-	-	(19,242,526)	-	(19,242,526)	-	(19,242,526)	
Total comprehensive income	14	-	-	399,206	-	-	82,267,890	82,667,096	(22,443)	82,644,653	
<b>Balances at 31 December 2021</b>		60,000,000	(13,533,492)	(21,566,572)	14,330,810	94,619,369	82,267,890	216,118,005	(23,115)	216,094,890	
<b>Balances at 1 January 2022</b>		60,000,000	(13,533,492)	(21,566,572)	14,330,810	94,619,369	82,267,890	216,118,005	115	216,094,890	
Transfers	14	-	-	-	-	82,267,890	(82,267,890)	-	-	-	
Total comprehensive income	14	-	-	(4,033,845)	-	-	278,376,832	274,342,987	(7,174)	274,335,813	
<b>Balances at 31 December 2022</b>		60,000,000	(13,533,492)	(25,600,417)	14,330,810	176,887,259	278,376,832	490,460,992	(30,289)	490,430,703	

(\*) The Board of Directors decided to distribute dividend for the year ended 2020 and was approved by the General Assembly held on 20 April 2021 to be paid on 8 October 2021. Profit distribution payment has been made.

The accompanying notes. are an integral part of these consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.  
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2022 AND 2021  
(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Dipnot Referansları	Current Period	Prior Period
		1 January - 31 December 2022	1 January - 31 December 2021
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>537,931,293</b>	<b>365,121,966</b>
<b>Net Profit for the period</b>		<b>278,369,658</b>	<b>82,245,447</b>
<b>Adjustments to reconcile net profit to net cash</b>			
Adjustments for depreciation and amortisation expense	9,10	131,824,301	95,132,453
Adjustments related to provisions	11,12	117,622,625	55,125,772
Provision for impairment of trade receivable allowance	5	1,794,666	3,307,762
Provision for impairment of inventories	7	29,500,000	26,337,537
Gain/(loss) on sale of fixed assets, net	19	596,560	10,603,163
Adjustment for profit/(loss) reconciliation		(33,677,180)	14,625,722
Adjustments related to interest (income)/expense	19,20	73,547,537	64,952,307
Adjustment for income tax expense	21	(112,465,281)	(8,162,601)
<b>Changes in working capital</b>		<b>171,058,745</b>	<b>55,949,336</b>
Changes in trade receivables		(282,291,017)	(104,999,610)
Changes in inventories		(961,048,336)	(322,399,163)
(Increase)/decrease in other receivables related to operations		(89,953,584)	(5,105,268)
Increase in prepaid expenses		(44,010,729)	(23,963,864)
Changes in trade payables		1,326,818,421	501,134,039
(Increase)/decrease in other payables related to operations		221,543,990	11,283,202
<b>Cash generated from operating activities</b>		<b>658,171,631</b>	<b>400,116,898</b>
Taxes returns /(paid)		(78,722,477)	(10,769,133)
Employee benefits paid	12	(41,517,861)	(24,225,799)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(217,944,667)</b>	<b>(96,120,000)</b>
Proceeds from sale of tangible assets		243,755	(2,712,978)
Cash outflows of purchases of tangible and intangible assets		(293,715,412)	(152,244,032)
Interest received	19	75,526,990	58,837,010
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(270,789,060)</b>	<b>(184,400,823)</b>
Cash outflows/inflows from borrowings		(2,946,488)	(1,426,957)
Cash outflows from payments of borrowings due from leasing agreements	4	(1,186,357)	(4,437,693)
Cash outflows from payments of borrowings due from lease liabilities		(118,112,612)	(83,026,457)
Interest paid	20	(148,543,603)	(76,267,190)
Dividends paid		-	(19,242,526)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>3</b>	<b>49,197,566</b>	<b>84,601,143</b>
<b>D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>3</b>	<b>585,389,621</b>	<b>500,788,478</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (A+B+C+D)</b>	<b>3</b>	<b>634,587,187</b>	<b>585,389,621</b>

The accompanying notes. are an integral part of these consolidated financial statements.

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**1. ORGANIZATION AND OPERATIONS OF THE GROUP**

Bizim Toptan Satış Mağazaları A.Ş. (the "Company"), was established in 2001 and registered in Istanbul in accordance with Turkish Commercial Code. The head office of the Company is located in Kuşbakiş Cad. No.19 Altunizade-Üsküdar/İstanbul.

The main field of activity of the Company and its subsidiaries ("Group") is wholesale and retail sale of fast moving consumer goods to retail outlets such as grocery stores, markets, buffets, catering businesses, corporate customers, individual customers, commercial taxpayer real and legal persons.

As of 31 December 2022, the Company has 180 stores in 72 provinces (31 December 2021: 173 in 70 provinces). As of 31 December 2022, the number of personnel employed within the Group is 2,853 (31 December 2021: 2,597). As of 31 December 2022, the number of business partner markets included in the Group's goods supply business partnership system is 2,409 (31 December 2021: 1,726).

Yıldız Holding A.Ş. is the main shareholder of the Group and the party holding the main control. Yıldız Holding A.Ş. is controlled by the Ülker family. Group shares have been traded on Borsa Istanbul since February 3, 2011.

As of 31 December 2022, the names and percentages of the shareholders of the Group's share capital are as follows:

Name of the Shareholders (*)	(%)	31 December 2022	(%)	31 December 2021
Yıldız Holding A.Ş.	55.19	33,111,291	55.19	33,111,291
Public Quotation	44.81	26,888,709	44.81	26,888,709
	<b>100</b>	<b>60,000,000</b>	<b>100</b>	<b>60,000,000</b>

(\*) Organized according to partnership structure and Central Registry Agency data published in KAP

Subsidiary company	Partnership share 31 December 2022	Partnership share 31 December 2021
SEÇ Marketçilik A.Ş. (*)	90.00	90.00

(\*) SEÇ Marketçilik A.Ş. in which Bizim Toptan Satış Mağazaları A.Ş. owns 90% of the capital and has a capital of TRY50,000 was registered on 19 August 2020 and its establishment procedures were completed.

The company and its subsidiary will be referred to as the Group.

**Approval of Financial Statements:**

The consolidated financial statements have been presented for the approval of the Board of Directors and given authority to publish as of 13 March 2023. General Assembly has the right to change these consolidated financial statements.

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS****2.1 Basis of the presentation**

The consolidated financial statements are prepared on the historical cost basis, except for accounts specifically stated to be carried at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under prevailing market conditions, regardless of whether the price is directly observable or fair value is estimated using another valuation method. In other words, it is the exit price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level one information is the market prices (unadjusted) that an entity obtains at the measurement date and is used for similar assets and liabilities in an active market.
- Second-level information is information that can be observed directly or indirectly for an asset or liability, excluding the stock price specified in the first level.
- Third-level information is information that is not based on market observable data used to determine the fair value of an asset or liability.

**Statement of Compliance**

The consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards ("TFRS") published by Public Oversight Accounting and Auditing Standards Authority ("POA") as set out in the Communiqué numbered II-14.1 "Communiqué on Principles of Financial Reporting in Capital Markets" published in the Official Gazette numbered 28676 on 13 June 2013. TFRSs consist of standards and interpretations which are published as Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, interpretations of TAS and interpretations of TFRS. The consolidated financial statements are presented in accordance with the TFRS Taxonomy developed based on the Illustrative Financial Statements and User Guide published in the Official Gazette numbered 30794 on 7 June 2019.

On January 20, 2022, the Public Oversight Authority ("POA") made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards, Financial Reporting Standard for Large and Medium Sized Enterprises. Accordingly, it has been stated that businesses applying TFRS do not need to make any adjustments in their financial statements for 2021 within the scope of TAS 29 Financial Reporting in High Inflation Economies. As of the preparation date of these consolidated financial statements, no further announcement has been made by POA on this subject. Consequently, TAS 29 has not been taken into account and no inflation adjustments were made for the year ended and as of 31 December 2022.

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.1 Basis of the presentation (Continued)**

Turkish Financial Reporting Standards differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2022 and for the year then ended. Therefore these consolidated financial statements are not intended to present fairly the consolidated financial position of the Group as of 31 December 2022 and the consolidated results of its operations and consolidated cashflows for the year then ended in accordance with IFRS.

**Determination of Functional Currency**

Financial statements of the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of the entity is expressed in TRY which is the functional and presentation currency of the Group.

**Offsetting:**

Financial assets and liabilities are shown with their net values in the balance sheet if there is a legal right to set off and they are expected to be paid and/or collected on a net basis, or when the asset will be realized, and the obligation will be settled at the same time

**Principles Regarding Consolidation****(a) Subsidiaries**

Subsidiaries are companies over which the Group has control. Group's control: exposure to variable returns in these companies is provided by the power to be entitled to and direct these returns. Subsidiaries are consolidated using the full consolidation method from the date on which the control passes to the Group. They are excluded from the scope of consolidation as of the date of loss of control.

Balances arising from intragroup transactions and unrealized gains and losses arising from transactions with intragroup companies are eliminated.

**(b) Changes in the capital share of the Group's current subsidiary**

Changes in the Group's shareholding in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The book values of the Group's interest and non-controlling interests are adjusted to reflect changes in subsidiary interests. The difference between the adjustment for non-controlling interests and the fair value of the consideration received or paid is accounted for directly in equity as the Group's share.

**(c) Loss of Subsidiary Control**

If the Group loses control of a subsidiary, the post-sale profit/loss is as calculated as the difference between i) the sum of the sales price received and the fair value of the remaining interest and ii) the previous book values of the subsidiary's assets (including goodwill) and liabilities and non-controlling interests. The amounts previously accounted for in other comprehensive income related to the subsidiary and collected in equity are recorded according to the accounting method to be used on the assumption that the Group has sold the relevant assets

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.1 Basis of the presentation (Continued)**

(For example, in accordance with the relevant TFRS standards, transfer to profit / loss or directly transfer to retained earnings.). The fair value at the date of loss of control of the investment remaining after the sale of the subsidiary is determined as fair value at the initial recognition under TFRS 9 Financial Instruments: Recognition and Measurement or, where applicable, at the initial recognition of an investment in an associate or jointly controlled entity, considered as cost

**2.2 Changes in the Accounting Policies**

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated. The Group has not made any significant changes in its accounting policies in the current period.

**2.3 Changes and Errors in Accounting Estimates**

Changes in accounting estimates are applied prospectively in the current period when the change is made, if the change is related to future periods, both in the period in which the change is made and in future periods. There has been no significant change in the accounting estimates of the Group in the current year. Identified significant accounting errors are applied retrospectively and prior period financial statements are restated

**2.4 Application of New and Revised International Financial Reporting Standards (TFRSs)****a. Standards, amendments, and interpretations applicable as of 31 December 2022:**

- **Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions Extension of the practical expedient (effective 1 April 2021);** As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to IFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the IASB published an additional amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs. These amendments have no material impact on the Group's consolidated financial statements..
- **A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16;** effective from annual periods beginning on or after 1 January 2022
  - **Amendments to IFRS 3, Business combinations'** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.4 Application of New and Revised International Financial Reporting Standards (TFRSs) (Continued)**

- **Amendments to IAS 16**, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss..
- **Amendments to IAS 37** Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.
- Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial Instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.

**b. Standards, amendments, and interpretations that are issued but not effective as of 31 December 2022:**

- **Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8;** effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. These amendments have no material impact on the Group's consolidated financial statements.
- **Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. These amendments have no material impact on the Group's consolidated financial statements.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** 1 effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. These amendments have no material impact on the Group's consolidated financial statements
- **Amendment to IAS 1 – Non current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. These amendments have no material impact on the Group's consolidated financial statements.

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.4 Application of New and Revised International Financial Reporting Standards (TFRSs) (Continued)****Inventories**

Inventories are stated at the lower of cost and net realizable value as of balance sheet date. Cost is calculated as the average cost over the month. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs to make the sale. When the net realizable value of the inventories falls below its cost, the inventories are reduced to their net realizable value and are charged to the profit or statement in the year in which the impairment occurred. In cases where it is proven that the conditions that previously caused the inventories to be reduced to net realizable value no longer apply or an increase in net realizable value due to changing economic conditions, the reserve for impairment is reversed. The cancelled amount is limited to the previously allocated impairment amount.

Revenues from vendors, turnover premiums and discounts received from vendors are accounted for on an accrual basis during the period in which the vendors benefit from the services and are deducted from the cost of goods sold.

**Tangible Assets:**

Property, plant and equipment are carried at cost less accumulated depreciation and permanent value losses.

Except for the investments in progress, the cost amounts of tangible fixed assets are depreciated over their expected useful lives using the straight-line method. Fixed assets acquired through finance leases are depreciated using the straight-line method, whichever is longer than their expected useful lives or the lease term specified in the contract.

The gain or loss resulting from the disposal of tangible fixed assets or the retirement of a tangible asset is determined as the difference between the sales revenue and the carrying value of the asset and is included in the profit or loss statement.

**Special Costs**

Leasehold improvements consist of permanent improvements to the leased stores that the Group expects to benefit from in the future. The Group accounts for leasehold improvements from the acquisition cost at the date of improvement, less accumulated depreciation and impairment, if any

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(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies****Leasing Transactions:***The Group as lessor:*

Rental income from operating leases is accounted for using the straight-line method over the relevant lease period. The direct initial costs incurred in realizing and negotiating the lease are included in the cost of the leased asset and are amortized over the lease term on a straight-line basis.

*The Group as lessee:*

At the inception of a contract, the Group assesses whether the contract is or contains a lease. If the contract transfers the right to control the use of the identified asset for a specified period of time, the contract is or includes a lease.

The group considers the following conditions when assessing whether a contract transfers the right to control the use of an identified asset for a specified period of time:

- a) The contract contains an identified asset:- this may be specified explicitly or implicitly
- b) The asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right the asset is not identified.
- c) The Group has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use and
- d) The Group has the right to direct use of the asset. The Group concludes to have the right of use, when it is predetermined how and for what purpose the Group will use the asset. The Group has the right to direct use of asset if either
  - i. The Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions; or
  - ii. The customer designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

At the commencement date, the Group recognize a right-of-use asset and a lease liability in interim consolidated financial statements.

**Right of use asset**

The cost of the right-of-use asset shall comprise:

- a) The amount of the initial measurement of lease liability.
- b) Any lease payments made at or before the commencement date, less any lease incentives received.
- c) Any initial direct costs incurred by the lessee, and To apply a cost model, the Group measure the right-of-use asset at cost:
  - a) Less any accumulated depreciation and any accumulated impairment losses, and
  - b) Adjusted for any remeasurement of the lease liability.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)**

The Group apply the depreciation requirements in TAS 16. "Property, Plant and Equipment" in depreciating the right-of-use asset, subject to the requirements. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the Group depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, The Group depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group apply TAS 36. "Impairment of Assets" to determine whether the right-of-use asset is impaired and to account for any impairment loss identified

**Lease liability**

At the commencement date, the Group measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group use the lessee's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) Fixed payments, less any lease incentives receivable.
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- c) The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- d) Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, the Group measure the lease liability by:

- a) Increasing the carrying amount to reflect interest on the lease liability.
- b) Reducing the carrying amount to reflect the lease payments made; and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)**

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined. After the commencement date, The Group remeasure the lease liability to reflect changes to the lease payments,

The Group shall remeasure the lease liability by discounting the revised lease payments using a revised discount rate, if either:

- There is a change in the lease term. The Group determine the revised lease payments on the basis of the revised lease term; or,
- There is a change in the assessment of an option to purchase the underlying asset. The Group determine the revised lease payments to reflect the change in amounts payable under the purchase option..

The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined.

The Group remeasure the lease liability by discounting the revised lease payments, if either:

- There is a change in the amounts expected to be payable under a residual value guarantee. The Group determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
- There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments

The Group determines its revised lease payments related to the remaining leasing period considering its payments related to the revised agreement. Under these circumstances, the Group uses an unadjusted discount rate.

The Group recognises the restructuring of the lease as a separate leasing if both of the following are met:

- The restructuring extends the scope of the leasing by including the right of use of one or more underlying assets, and
- The lease payment amount increases as much as the appropriate adjustments to the price mentioned individually so that the increase in scope reflects the individual price and the terms of the relevant agreement.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)**

The Group determines its revised lease payments related to the remaining leasing period considering its payments related to the revised agreement. Under these circumstances, the Group uses an unadjusted interest rate

**Intangible Assets:**

Intangible assets are carried at amortized cost and are amortized on a straight-line basis at 31 December 2004 for items purchased before 1 January 2005, less any amortization costs and permanent impairment losses for items acquired during and after 2005. The estimated useful life and amortization method are reviewed at the end of each annual reporting period and the changes in the estimates are accounted for on a prospective basis.

*Franchise Rights and Trademarks*

Net cash flows of intangible assets with indefinite useful life, including brands, that are likely to be provided to the Group cannot be calculated since it is not possible to predict how long they will be used as a result of the analyzes that can be made. Therefore, these assets are not depreciated, but are tested for impairment annually.

**Impairment of Assets:**

Assets with an indefinite life are not amortized. Each year, an impairment test is applied for these assets. For assets that are subject to amortization, an impairment test is applied in case of situations or events where it is not possible to recover the book value. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. The recoverable amount is the higher of fair value less costs to sell or value in use. For assessment of impairment, assets are grouped at the lowest level with separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that are subject to impairment are reviewed for possible reversal of impairment at each reporting date.

**Borrowing Costs:**

In the case of assets (qualified assets) that take significant time to get ready for use and sale, borrowing costs directly attributable to their acquisition, construction or production are included in the cost of the asset until it is ready for use or sale.

Borrowing costs are recorded in the profit or loss statement in the period they are incurred. Within the scope of TAS 23 (Revised), "Borrowing costs", the Group does not have any borrowing costs that should be capitalized.

**Revenue**

In line with TFRS 15 "Revenue from Contracts with Customers", which entered into force as of January 1, 2018, the Group recognizes revenue in its financial statements within the scope of the following five-stage model.

- Identification of contracts with customers,
- Identification of performance obligations in contracts,
- Determining the transaction price in the contracts,
- Distribution of the transaction price to the performance obligations,
- Revenue recognition.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)****Revenue (Continued)**

The Group evaluates the goods or services committed in each contract with customers and determines each separable commitment to transfer the said goods or services as a separate performance obligation. For each performance obligation, whether the performance obligation will be fulfilled over time or at a specific moment is determined at the beginning of the contract. If the Group transfers control of a good or service over time and thus fulfills its performance obligations regarding related sales over time, it measures the progress towards the full fulfillment of the performance obligations and recognizes the revenue over time. When the Group fulfills or fulfills its performance obligation by transferring a promised good or service to its customer, the transaction price corresponding to this performance obligation is recorded in its financial statements as revenue. A good or service is transferred when (or after) control of the goods or services is in the hands of the customers. When the Group evaluates the transfer of control of the goods or services sold to the customer, a) the Group's right to collect the goods or services, b) the customer's legal ownership of the goods or services, c) the transfer of the possession of the goods or services, d) the customer's ownership of the goods or services. It takes into account the ownership of the significant risks and rewards arising from owning, e) the conditions of acceptance of the goods or services by the customer. If the Group, at the beginning of the contract, predicts that the period between the transfer date of the promised good or service to the customer and the date the customer pays for such good or service will be one year or less, it does not adjust the promised price for the effect of a significant financing component. On the other hand, if there is an important financing element in the revenue, the revenue value is determined by discounting the future collections with the interest rate included in the financing element. The difference is recognized in the relevant periods as other operating income on an accrual basis.

**Financial assets**

*Classification and measurement:* The Group accounts its financial assets in three classes as financial assets accounted for at amortized cost, fair value through profit or loss, and fair value reflected in other comprehensive income. The classification is made on the basis of the business model and expected cash flows determined according to the purpose of benefiting from financial assets. Management classifies financial assets on the date of purchase.

Financial assets that are not quoted in an active market and are not derivative instruments that have fixed or fixed payments, in which management has adopted the contractual cash flow collection business model and the terms of the contract include only the principal and interest payments arising from the principal balance on certain dates, are classified as assets accounted for at amortized cost. If their maturities are shorter than 12 months from the balance sheet date, they are classified as current assets, and if they are longer than 12 months, they are classified as non-current assets. Assets accounted for at amortized cost include "trade receivables" and "cash and cash equivalents" items in the statement of financial position.

*Impairment:* Since the trade receivables accounted for at amortized cost in the financial statements do not contain a significant financing component, the Group chooses the simplified application for impairment calculations and uses the provision matrix. With this application, the Group measures the expected credit loss allowance at an amount equal to the lifetime expected credit losses, unless the trade receivables are impaired for certain reasons. In the calculation of expected credit losses, the Group's forecasts for the future are also taken into account, together with the past experience of credit losses.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)****Cash and cash equivalents:**

Cash and cash equivalents are cash, demand deposits and other highly liquid short-term investments with maturities of 3 months or less from the date of purchase, immediately convertible into cash, and without significant risk of change in value.

**Financial Liabilities:**

Financial liabilities are recorded at the date they are received, after deducting the transaction expenses from the financial debt amount received. Financial liabilities are followed in the financial statements with their discounted values calculated with the effective interest rate on the following dates. The difference between the amount of the financial debt received (excluding transaction expenses) and the repayment value is recognized in the consolidated statement of profit or loss on an accrual basis over the financial liability period. Financial liabilities are classified as current liabilities, unless the Group has an unconditional right to defer repayment of the obligation for 12 months from the balance sheet date.

**Trade Receivables**

Trade receivables resulting from the provision of a product or service to a buyer by the Group are shown net of deferred finance income. Short-term receivables with no specified interest rate are shown at their original invoice values unless the effect of accruing interest is significant.

The Group allocates provision for doubtful receivables for the related trade receivables, if there is objective evidence that collection is not possible. Objective evidence is when the claim is pending or in preparation for litigation or enforcement, the buyer is in significant financial difficulty, the buyer is in default, or it is probable that a significant and unpredictable delay will occur. The amount of this provision is the difference between the book value of the receivable and the recoverable amount. The recoverable amount is the discounted value of all cash flows, including the amounts that can be collected from guarantees and guarantees, based on the original effective interest rate of the trade receivable. In addition, the Group uses the provision matrix by choosing the simplified application for impairment calculations, since trade receivables accounted for at amortized cost in the financial statements do not contain an important financing component. With this application, the Group measures the expected credit loss allowance at an amount equal to the lifetime expected credit losses, unless the trade receivables are impaired for certain reasons. In the calculation of expected credit losses, the Group's forecasts for the future are also taken into account, together with the past experience of credit losses.

**Effects of Exchange Rate Change:**

The Group's financial statements are presented in the currency of the main economic environment in which they operate (the functional currency). The financial position and operating results of the business are expressed in Turkish Lira ("TL"), which is the functional currency of the Group and the presentation unit for the financial statements.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)**

During the preparation of the Group's financial statements, transactions in foreign currencies (currencies other than TRY) are recorded based on the exchange rates on the date of the transaction. Monetary assets and liabilities indexed to foreign currency in the balance sheet are translated into Turkish Lira using the exchange rates prevailing on the balance sheet date. Among the non-monetary items that are followed at fair value, those recorded in foreign currency are translated into TRY based on the exchange rates at the date of determination of the fair value. Foreign currency non-monetary items measured at historical cost are not reconverted.

Exchange differences are recognized in profit or loss in the period in which they occur, except as follows:

- i. Exchange differences related to assets under construction for future use and included in the cost of such assets, treated as an adjustment to interest costs on foreign currency denominated liabilities,
- ii. Exchange differences arising from transactions carried out to provide financial hedging against foreign currency risks.

**Basic earnings per share:**

It is calculated by adjusting for the dividend elements in ordinary shares issued during the year and dividing from equity by the weighted average number of ordinary shares outstanding during the financial year, excluding the entity's own repurchased shares. At the same time, the amount of capital increased with internal resources affects the re-display of the previous year's calculation..

**Events After the Reporting Period:**

Events after the reporting period; It covers all events between the balance sheet date and the date the balance sheet is authorized for issue, even if they occur after any announcement regarding profit for the period or other selected financial information has been made public. In case of occurrence of events requiring adjustment after the balance sheet date, the Group adjusts the amounts recognized in the financial statements in accordance with this new situation.

**Provisions Contingent Assets and Liabilities:****Provisions**

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle this obligation, and the amount to be paid can be reliably estimated (Note 11).

**Contingent assets and liabilities**

Liabilities and assets that can be confirmed by the realization of one or more uncertain future events arising from past events, the existence of which is not fully under the control of the enterprise, are not included in the financial statements and are considered as contingent liabilities and assets (Note 11).

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)****Related Parties:**

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this standard referred to as the 'reporting entity')

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) Has control or joint control over the reporting entity;
- (ii) Has significant influence over the reporting entity; or
- (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity) Transactions with the related parties: Relationships between a parent and its subsidiaries shall be disclosed irrespective of whether there have been transactions between them.

The transactions of resources, services or obligations between reporting entity and related party are transfers whether there is consideration of price or not.

**Taxes on Corporate Income:***Current tax*

Current year tax liability is calculated over the taxable portion of the profit for the period. Taxable profit differs from profit reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and items that are not taxable or deductible. The current tax liability of the Group is calculated using the tax rate that has been enacted or substantially enacted as of the balance sheet date.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)***Deferred tax*

Deferred tax liability or assets are determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of legal tax base, according to the balance sheet method, taking into account the enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future.

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except when the Group is able to control the temporary differences and it is unlikely that the temporary differences will disappear in the near future. Deferred tax assets arising from taxable temporary differences associated with such investments and interests are calculated on the condition that it is highly probable that these differences will be utilized by earning sufficient taxable profit in the near future and it is probable that these differences will disappear in the future.

Carrying amount of deferred tax asset is reviewed as of each balance sheet date. Carrying value of deferred tax asset is reduced to the extent that it is not highly probable that a taxable profit will be obtained to allow some or all of the deferred tax asset to be benefited.

Deferred tax assets and liabilities are calculated over tax rates (tax regulations) that are enacted or substantially enacted as of the balance sheet date, which are expected to be valid in the period when the assets are realized or the liabilities are fulfilled. During the calculation of deferred tax assets and liabilities, the tax results of the methods estimated by the Group to recover the book value of its assets or fulfill its liabilities as of the balance sheet date are taken into account.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.5 Summary of Significant Accounting Policies (Continued)****Employee Benefits:***Severance compensation:*

Severance pays according to the current laws and collective bargaining agreements in Turkey, is paid in case of retirement or dismissal. Such payments are considered as being part of defined retirement benefit plan in accordance with TAS 19 as Employee Benefits (TAS 19).

The provision for severance pay recognized in the balance sheet is calculated according to the net balance sheet date value of the expected future liabilities due to the retirement of the employees and reflected in the consolidated financial statements. All calculated actuarial gains and losses are accounted for under other comprehensive income (Note 12).

**Cash Flow Statement:**

In the statement of cash flows, cash flows are classified according to operating, investment and financing activities.

Cash flows from operating activities reflect cash flows from wholesale operations of the Group.

Cash flows related to investment activities indicate the cash flows that the Group uses and acquires in its investment activities (fixed investments and financial investments).

Cash flows from financing activities represent the resources used by the Group in financing activities and the repayments of these resources.

Cash and cash equivalents and other short-term investments with maturities of less than 3 months or less than 3 months from the date of purchase and which are immediately convertible to cash and do not carry a significant risk of change in value.

**Capital and Dividends:**

Ordinary shares are classified as equity. Dividends on ordinary shares are recognized as dividends payable by deducting from retained earnings in the period in which they are decided to distribute dividends.

**Retrieved shares:**

The amount of the Group's share of undiscounted shares is deducted from retained earnings and presented under a separate line in the statement of financial position under equity.

The Group may have the right to resell such shares in accordance with the legal regulations to which the Group is affiliated.

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**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)****2.6 Significant Accounting Reviews, Estimates and Assumptions:**

In the process of applying the accounting policies stated in Note 2.5, the management has made the following evaluations, estimates and assumptions that have a significant effect on the amounts recognized in the consolidated financial statements:

**Lifetimes foreseen in the calculation of right of use**

The lease obligation is determined by taking into account the extension and termination options in the contracts. The majority of the extension options in the contracts consist of options that can be jointly exercised by the Group and the lessor. The early termination option is in the hands of the Group. Due to these evaluations, the Group has evaluated the lease term extension and early termination options and used it without adding or subtracting the terms of the contracts. Relevant contract periods are evaluated by the Group management at the end of each year.

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**3. CASH AND CASH EQUIVALENTS**

	<b>31 December 2022</b>	<b>31 December 2021</b>
Cash on hand	21,549,226	8,949,944
Demand deposit	1,329,735	34,039,042
Time deposits (*)	477,814,527	460,875,058
Credit card receivables	133,893,699	81,525,577
<b>Cash and cash equivalents</b>	<b>634,587,187</b>	<b>585,389,621</b>

(\*) The majority of time deposits have overnight maturities. The average interest rate in 2022 is 20.6%.

The maturity details of credit card receivables as of 31 December 2022 and 2021 are as follows:

	<b>31 December 2022</b>	<b>31 December 2021</b>
To be paid within 1 month	93,414,288	71,639,708
To be paid within 2 - 3 months	40,479,411	9,885,869
<b>Total</b>	<b>133,893,699</b>	<b>81,525,577</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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## 4. FINANCIAL LIABILITIES

	31 December 2022	31 December 2021
<b>Financial leasing borrowings</b>		
To be paid within 1 year	1,186,819	1,186,357
To be paid within 2 - 4 years	-	1,259,410
Future value of finance charges	(107,542)	(408,158)
<b>Present value of finance lease obligation</b>	<b>1,079,277</b>	<b>2,037,609</b>
Amounts due to settlement within 12 months	1,079,277	904,083
Amounts due for settlement after 12 months	-	1,133,526
<b>Lease Liabilities</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
To be paid within 1 year	107,701,597	77,042,983
Longer than one year	203,368,922	142,780,275
<b>Present value of lease liabilities</b>	<b>311,070,519</b>	<b>219,823,258</b>
<b>Obligations to related parties arising from leasing transactions</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
To be paid within 1 year	300,757	251,248
Longer than one year	755,028	686,906
<b>Present value of lease obligation to related parties</b>	<b>1,055,785</b>	<b>938,154</b>
<b>Financial lease movements</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
Balance at beginning of the year	2,037,609	5,755,083
Accrued interest	228,025	720,219
Paid	(1,186,357)	(4,437,693)
<b>Closing balance</b>	<b>1,079,277</b>	<b>2,037,609</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 4. FINANCIAL LIABILITIES (CONTINUED)

The discount ranges used for leases under TFRS 16 are as follows:

Currency	31 December 2022		
	Discount range (%)	Short-term (%)	Long-term (%)
TRY	12.21-53.49	12.21-33.90	16.38-53.49
Currency	31 December 2021		
	Discount range (%)	Short-term (%)	Long-term (%)
TRY	11-28.6	11-12	12-28.6
EUR	4-6.2	4-5.5	5.8-6.2
USD	5-7.6	5-6.8	7-7.6

Financial leasing is related to the machine and equipment with the lease term of 4 years. The Group has the option of purchase on the machine and the equipment with lease period of 4 years. The liabilities of the Group are assured with the property right of the lessee on leased asset.

As of balance sheet date, net book value of the assets subjecting to the financial leasing is TRY14,871,815 (31 December 2021: TRY16,359,935).

As of contract dates, interest rates of financial leasing transactions are fixed for the entire leasing period. Average effective rate of contracts is 13.90% per annum (31 December 2021: 13.90%).

The amount of liability arising from leasing transactions is calculated over the future rents within the scope of the contract for the stores, warehouses and vehicles within the scope of the right to use and control within the scope of the new TFRS 16.

## 5. TRADE RECEIVABLES AND PAYABLES

	31 December 2022	31 December 2021
<b>Current trade receivables</b>		
Customer current accounts	444,580,493	185,021,036
Trade receivables from related parties (Note 23)	25,460,057	6,872,024
Notes receivable	387,834	31,747
Allowance for doubtful receivables (-)	(17,996,092)	(18,339,393)
<b>Total current trade receivables</b>	<b>452,432,292</b>	<b>173,585,414</b>

As of 31 December 2022, the average period for the sale of goods is 6.8 days (31 December 2021: 6.5 days).

Trade receivables are carried at amortized cost and are calculated over discount rate of 11.19% (31 December 2021: 17.8%).

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 5. TRADE RECEIVABLES AND PAYABLES (CONTINUED)

The movement of the allowance for doubtful receivables as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
<b>Movement of allowance for doubtful receivables</b>		
Balance at beginning of the year	(18,339,393)	(15,081,695)
Current period charge	(1,794,666)	(3,307,762)
Amounts recovered during the year	2,137,967	50,064
<b>Closing balance</b>	<b>(17,996,092)</b>	<b>(18,339,393)</b>
<b>Current trade payable</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
Trade payables	2,375,788,183	1,295,649,815
Trade payables to related parties (Note 23)	452,124,888	244,734,390
<b>Total current trade payables</b>	<b>2,827,913,071</b>	<b>1,540,384,205</b>

Average payment period for trade payables varies depending on the sector and suppliers. As of 31 December 2022, the average payment period although varies as per the product categories is 63.5 days (31 December 2021: 71.7 days).

Trade payables are carried at amortized cost and are calculated over discount rate of 11.19% (31 December 2021: 17.8%).

Qualification and level of risks on trade receivables and trade payables explained in Note 24.

## 6. OTHER RECEIVABLES AND PAYABLES

	31 December 2022	31 December 2021
<b>Short-term other receivables</b>		
Non-trade receivables from related parties (Note 23)	-	1,426,957
Receivables from personnel	2,677,726	78,260
	<b>2,677,726</b>	<b>1,505,217</b>
<b>Long-term other receivables</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
Deposits and guarantees given	12,602,882	4,487,429
	<b>12,602,882</b>	<b>4,487,429</b>

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 7. INVENTORIES

	31 December 2022	31 December 2021
Trade goods	1,724,650,737	767,029,237
Other inventory	4,228,295	801,459
Provisions for inventories	(63,772,831)	(34,272,831)
	<b>1,665,106,201</b>	<b>733,557,865</b>

## Inventory Provision Movement

	31 December 2022	31 December 2021
Balance at beginning of the year	(34,272.831)	(7,935.294)
Period income/expense	(63,772.831)	(34,272.831)
Provision reversal	34,272.831	7,935.294
	<b>(63,772.831)</b>	<b>(34,272.831)</b>

## 8. PREPAID EXPENSES AND DEFERRED INCOMES

## a) Prepaid Expenses

	31 December 2022	31 December 2021
<b>Short-Term Prepaid Expenses</b>		
Advances given for inventories	65,357,837	37,653,768
Prepaid expenses for rent	10,735,443	353,597
Prepaid expenses for insurance	6,738,123	3,372,473
Other prepaid expenses	4,215,125	1,490,742
	<b>87,046,528</b>	<b>42,870,580</b>

## Long-Term Prepaid Expenses

	31 Decembe 2022	31 Decembe 2021
Future expenses	-	165,219
	<b>-</b>	<b>165,219</b>

## b) Deferred Revenue

	31 December 2022	31 December 2021
<b>Short-term deferred revenue</b>		
Advances received	59,949,037	7,463,560
Other deferred revenue	-	2,718,927
	<b>59,949,037</b>	<b>10,182,487</b>

## Long-term deferred revenue

	31 December 2022	31 December 2021
Other deferred revenue	5,685,028	5,932,203
	<b>5,685,028</b>	<b>5,932,203</b>

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS

a) Movements of tangible assets between 1 January 2022 and 31 December 2022 are as follows:

<u>Cost Value</u>	<u>Furniture and Fixture</u>	<u>Other Tangible Fixed Assets</u>	<u>Leasehold Improvements</u>	<u>Total</u>
Opening balance as of 1 January 2022	248,068,942	68,564,456	223,156,078	<b>539,789,476</b>
Additions	96,339,754	91,929,594	101,030,982	<b>289,300,330</b>
Disposals	(231,174)	(6,774)	(6,523)	<b>(244,471)</b>
Transfers	5,267,714	(28,431,168)	23,163,454	-
<b>Closing balance as of 31 December 2022</b>	<b>349,445,236</b>	<b>132,056,108</b>	<b>347,343,991</b>	<b>828,845,335</b>
<b>Accumulated Depreciation</b>				
Opening balance as of 1 January 2022	(133,097,763)	(17,837,070)	(89,405,180)	<b>(240,340,013)</b>
Additions	(30,355,156)	(5,687,030)	(21,466,184)	<b>(57,508,370)</b>
Disposals	-	716	-	<b>716</b>
<b>Closing balance as of 31 December 2022</b>	<b>(23,523,384)</b>	<b>(297,847,667)</b>	<b>(110,871,364)</b>	<b>(297,847,667)</b>
<b>Net book value as of 31 December 2022</b>	<b>185,992,317</b>	<b>108,532,724</b>	<b>236,472,627</b>	<b>530,997,668</b>

(\*) The amount of investments in progress for the accounting period of 1 January - 31 December 2022 is TRY 52,250,00. (31 December 2021: TRY 23,163,454).

As of 31 December 2022 depreciation expense of TRY 54,143,289 has been charged in marketing sales and distribution expenses and TRY 19,941,206 in general administrative expenses.

In the period of 1 January 2022 - 31 December 2022 there are no purchases of tangible fixed assets through financial leasing. There are no pledges or any other restrictions over tangible assets

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS (CONTINUED)

a) Movements of tangible assets between 1 January 2021 and 31 December 2021 are as follows:

<u>Cost Value</u>	<u>Furniture and Fixture</u>	<u>Other Tangible Fixed Assets</u>	<u>Leasehold Improvements</u>	<u>Total</u>
Opening balance as of 1 January 2021	187,195,019	80,893,797	178,423,836	<b>446,512,652</b>
Additions	46,200,594	53,786,739	21,494,081	<b>121,481,414</b>
Disposals	(588,498)	(10,319,488)	(2,872,990)	<b>(13,780,976)</b>
Transfers (Tangible assets)	15,261,827	(41,372,978)	26,111,151	-
Transfers (Intangible assets) (*)	-	(14,423,614)	-	<b>(14,423,614)</b>
<b>Closing balance as of 31 December 2021</b>	<b>248,068,942</b>	<b>68,564,456</b>	<b>223,156,078</b>	<b>539,789,476</b>
<b>Accumulated Depreciation</b>				
Opening balance as of 1 January 2021	(115,141,286)	(16,303,842)	(74,504,915)	<b>(205,950,043)</b>
Additions	(18,448,909)	(5,292,713)	(16,539,139)	<b>(40,280,761)</b>
Disposals	492,432	3,759,485	1,638,874	<b>5,890,791</b>
<b>Closing balance as of 31 December 2021</b>	<b>(133,097,763)</b>	<b>(17,837,070)</b>	<b>(89,405,180)</b>	<b>(240,340,013)</b>
<b>Net book value as of 31 December 2021</b>	<b>114,971,179</b>	<b>50,727,386</b>	<b>133,750,898</b>	<b>299,449,463</b>

(\*) Intangible fixed asset investments that are not ready for use have been transferred to construction in progress.

As of 31 December 2021 depreciation expense of TRY35,901,529 has been charged in marketing sales and distribution expenses and TRY11,437,928 in general administrative expenses.

In the period of 1 January 2021 - 31 December 2021 there are no purchases of tangible fixed assets through financial leasing.

There are no pledges or any other restrictions over tangible assets.

The useful lives of tangible assets are as follows:

	<u>Useful Life</u>
Furniture and fixture	2 - 50 years
Other tangible fixed assets	2 - 7 years
Leasehold Improvements	2 - 20 years

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**9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS (Continued)**

b) Movements of right of use assets between 1 January 2022 and 31 December 2022 are as follows:

<b>Cost Value</b>	<b>Stores</b>	<b>Vehicles</b>	<b>Warehouses</b>	<b>Total</b>
Opening balance as of 1 January 2022	267,885,911	30,937,079	9,292,826	<b>308,115,816</b>
Additions	123,686,019	11,620,902	12,421,901	<b>147,728,822</b>
Disposals	-	(3,176,857)	-	<b>(3,176,857)</b>
<b>Closing balance as of 31 December 2022</b>	<b>391,571,930</b>	<b>39,381,124</b>	<b>21,714,727</b>	<b>452,667,781</b>
<b>Accumulated Depreciation</b>				
Opening balance as of 1 January 2022	(94,098,682)	(13,106,173)	(3,726,829)	<b>(110,931,684)</b>
Charge for the period	(43,744,430)	(10,722,419)	(3,272,957)	<b>(57,739,806)</b>
Disposals	-	1,086,986	-	<b>1,086,986</b>
<b>Closing balance as of 31 December 2022</b>	<b>(137,843,112)</b>	<b>(22,741,606)</b>	<b>(6,999,786)</b>	<b>(167,584,504)</b>
<b>Net book value as of 31 December 2022</b>	<b>253,728,818</b>	<b>16,639,518</b>	<b>14,714,941</b>	<b>285,083,277</b>

As of 1 January - 31 December 2022, Depreciation expense of TRY55,072,266 has been charged in marketing sales and distribution expenses and TRY2,667,540 in general administrative expenses.

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(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS (Continued)**

b) Movements of right of use assets between 1 January 2021 and 31 December 2021 are as follows:

<b>Cost Value</b>	<b>Stores</b>	<b>Vehicles</b>	<b>Warehouses</b>	<b>Total</b>
Opening balance as of 1 January 2021	220,770,583	23,765,681	5,412,874	<b>249,949,138</b>
Additions	50,155,504	10,419,099	3,879,952	<b>64,454,555</b>
Disposals	(3,040,176)	(3,247,701)	-	<b>(6,287,877)</b>
<b>Closing balance as of 31 December 2021</b>	<b>267,885,911</b>	<b>30,937,079</b>	<b>9,292,826</b>	<b>308,115,816</b>
<b>Accumulated Depreciation</b>				
Opening balance as of 1 January 2021	(57,959,176)	(5,523,951)	(2,323,361)	<b>(65,806,488)</b>
Charge for the period	(37,130,154)	(9,259,374)	(1,403,468)	<b>(47,792,996)</b>
Disposals	990,648	1,677,152	-	<b>2,667,800</b>
<b>Closing balance as of 31 December 2021</b>	<b>(94,098,682)</b>	<b>(13,106,173)</b>	<b>(3,726,829)</b>	<b>(110,931,684)</b>
<b>Net book value as of 31 December 2021</b>	<b>173,787,229</b>	<b>17,830,906</b>	<b>5,565,997</b>	<b>197,184,132</b>

As of 31 December 2021, Depreciation expense of TRY44,532,874 has been charged in marketing sales and distribution expenses and TRY3,260,122 in general administrative expenses.

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**10. INTANGIBLE ASSETS**

Movements of intangible assets between 1 January 2022- 31 December 2022 are as follows:

<b>Cost Value</b>	<b>Franchising Rights</b>	<b>Rights</b>	<b>Total</b>
Opening balance as of 1 January 2022	26,724,490	48,932,758	<b>75,657,248</b>
Additions	-	3,818,524	<b>3,818,524</b>
<b>Closing balance as of 31 December 2022</b>	<b>26,724,490</b>	<b>52,751,282</b>	<b>79,475,772</b>
<b>Accumulated Amortization</b>			
Opening balance as of 1 January 2022	-	(16,756,813)	<b>(16,756,813)</b>
Charge of the period	-	(16,576,125)	<b>(16,576,125)</b>
<b>Closing balance as of 31 December 2022</b>	<b>-</b>	<b>(33,332,938)</b>	<b>(33,332,938)</b>
<b>Net book value as of 31 December 2022</b>	<b>26,724,490</b>	<b>19,418,344</b>	<b>46,142,834</b>

For intangible assets which have indefinite useful time, including brands, probable net cash flows cannot be calculated hence it cannot be predicted economic life of the asset with the analysis. Therefore, these assets are not amortised but the assets are tested for impairment test annually.

Discounted cash flow method has been used for the impairment calculations on franchise rights with unlimited lifespans. In the discounted cash flow study,

a 5-year business plan has been prepared by the relevant management. 30% in 2023. 30% in 2024. 30% in 2025 30% in 2026 and 30% in 2027 discount rate and 15% growth rate were used.

As a result of the impairment analysis on franchise rights with the details listed above no impairments have been found as of 31 December 2022.

(31 December 2021: None).

All of the amortization expense has been charged in general administrative expenses.

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**10. INTANGIBLE ASSETS (CONTINUED)**

Movements of intangible assets between 1 January 2021 - 31 December 2021 are as follows:

<b>Cost Value</b>	<b>Franchising Rights</b>	<b>Rights</b>	<b>Total</b>
Opening balance as of 1 January 2021	26,724,490	17,833,155	<b>44,557,645</b>
Additions	-	16,675,989	<b>16,675,989</b>
Transfers (*)	-	14,423,614	<b>14,423,614</b>
<b>Closing balance as of 31 December 2021</b>	<b>26,724,490</b>	<b>48,932,758</b>	<b>75,657,248</b>
<b>Accumulated Amortization</b>			
Opening balance as of 1 January 2021	-	(9,698,117)	<b>(9,698,117)</b>
Charge of the period	-	(7,058,696)	<b>(7,058,696)</b>
<b>Closing balance as of 31 December 2021</b>	<b>-</b>	<b>(16,756,813)</b>	<b>(16,756,813)</b>
<b>Net book value as of 31 December 2021</b>	<b>26,724,490</b>	<b>32,175,945</b>	<b>58,900,435</b>

(\*) KIntangible fixed asset investments that are not ready for use have been transferred to construction in progress.

Intangible assets are depreciated straight line in accordance with useful life.

	<b>Useful Life</b>
Rights	3 - 5 years
Franchising rights	Unlimited

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(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**11. PROVISIONS. CONTINGENT ASSETS AND LIABILITIES. COMMITMENTS AND OBLIGATIONS**

	31 December 2022	31 December 2021
<b>Current provisions</b>		
Provision for lawsuits	35,652,055	18,829,646
Provision for sales activities (*)	15,263,803	5,073,447
Provision for risky store (**)	2,812,822	2,231,140
Other provisions	11,815,962	860,804
	<b>65,544,642</b>	<b>26,995,037</b>

(\*) Activity reserves consist of the monetary point campaign applications that the Group organized in order to support the sales in the current period.

(\*\*) Risky Store Provisions consist of the provisions set aside over store specific costs due to possible risks that may arise due to the Group's decision to close or move stores.

**a) Guarantees Given**

Guarantees, Pledges, Liens Given by The Group (GPL's)	31 December 2022			31 December 2021		
	TRY Equivalent	TRY	USD	TRY Equivalent	TRY	USD
A. Total guarantees pledges and liens ("GPL") given in the legal name of the Group	-	-	-	-	-	-
B. Total GPL given in the name of fully consolidated companies	-	-	-	-	-	-
C. Total GPL given to manage trading operations of entity in the name of 3rd parties	-	-	-	-	-	-
D. Total - Other GPL given						
i. Total GPL given in the name of the parent (*)	263,062,994	75,212,429	10,028,324	209,116,313	75,212,429	10,028,000
ii. Total GPL given in the name of other Group Companies not included in article B and C	-	-	-	-	-	-
iii. Total GPL given in the name of 3rd parties not included in article C	-	-	-	-	-	-
<b>Total GPL</b>	<b>263,062,994</b>	<b>75,212,429</b>	<b>10,028,324</b>	<b>209,116,313</b>	<b>75,212,429</b>	<b>10,028,000</b>

(\*) On 12 April 2018, Yıldız Holding and some of its group companies, including the Group, entered into a syndicated loan agreement with some of the lenders of Yıldız Holding and group companies. The syndication loan process was signed on 8 June 2018. The Group has no total cash loans covered by this scope and the non-cash loans are USD10,028,324 + TRY75,212,429. There was no increase in the Group's total debt burden due to the syndication loan; only non-cash risks Yıldız Holding A.Ş. At the same time, with respect to the Group itself, the non-cash loan transferred to Yıldız Holding A.Ş. has been a guarantor to Yıldız Holding A.Ş. No pledge or collateral has been established on the Group's assets (immovables, subsidiary shares, etc.). The syndication loan will result in the payment of guarantees during the term of the contract and will not result in any limitation or commitment that could negatively affect the Group's operations in the contract. Bizim Toptan Holding is a guarantor of commitments. The amount of the letter of guarantee given to the third parties by Yıldız Holding on the surety of Yıldız Holding is TRY263,062,994 (31 December 2021: TRY209,116,313).

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**11. PROVISIONS. CONTINGENT ASSETS AND LIABILITIES. COMMITMENTS AND OBLIGATIONS (CONTINUED)****b) Lawsuits Filed by and Against to the Group**

Lawsuits filed by the Group:

	31 December 2022	31 December 2021
Enforcement lawsuits	19,234,000	11,009,761
Compensation lawsuits	16,418,055	7,819,885
	<b>35,652,055</b>	<b>18,829,646</b>

**12. PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS**

Short-term provisions	31 December 2022	31 December 2021
Due to personnel	57,079,579	25,945,932
Unused vacation provision	4,243,731	1,756,224
Personnel aid provision	-	908
	<b>61,323,310</b>	<b>27,703,064</b>

Payables to employee benefits	31 December 2022	31 December 2021
Social security premiums payable	30,053,094	4,973,049
Due to personnel	24,937,922	11,538,800
Taxes and funds payable	13,377,147	3,077,755
	<b>68,368,163</b>	<b>19,589,604</b>

Long-term provisions	31 December 2022	31 December 2021
Provision for employment termination benefits	94,268,473	36,972,149
Provision for unused vacation	12,731,194	5,268,671
	<b>106,999,667</b>	<b>42,240,820</b>

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**12. PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS (CONTINUED)**

According to the Turkish Labor Law, the Group is obliged to pay severance pay to each employee who completes at least one year of service and retires after 25 years of working life (aged 58 for women, 60 for men), terminated, called for military service or passed away.

Severance pay to be paid as of 31 December 2022 is subject to a monthly ceiling of TRY15,371.40 (31 December 2021: TRY8,284.51).

Severance pay liability is not legally subject to any funding. The provision for employment termination benefits is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 Employee Benefits requires the Group's obligations to be developed using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

The main assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Provisions at the relevant balance sheet date have been calculated using the real discount rate of approximately 1.5%, based on the assumptions of annual inflation of 17.64% and interest rate of 19.40% (31 December 2021: 3.72%). The maximum amount of 19,982.83 TL ( 1 January 2022: 10,848.59 TL) effective from 1 January 2023 has been taken into account in calculating the provision for employment termination benefits of the Group. The probability of retirement is considered as 94.17% and 54.37% for white collar and blue collar personnel, respectively.

Movement of provision for employee termination benefits is as follows:

	<b>1 January - 31 December 2022</b>	<b>1 January - 31 December 2021</b>
Provision at 1 January	36,972,149	27,499,214
Service cost	59,465,834	14,750,619
Interest cost	530,924	977,431
Employment termination benefits paid	(7,742,740)	(5,756,108)
Actuarial loss	5,042,306	(499,007)
<b>Provision for employment termination benefits</b>	<b>94,268,473</b>	<b>36,972,149</b>

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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**12. PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS (CONTINUED)**

Movement of unused vacation provision is as follows:

	<b>1 January - 31 December 2022</b>	<b>1 January - 31 December 2021</b>
Provision at 1 January	7,024,895	4,944,707
Increase in the period	19,397,197	6,181,956
Used in the period	(9,447,167)	(4,101,768)
<b>Provision for unused vacation</b>	<b>16,974,925</b>	<b>7,024,895</b>

Movement of performance premium provision is as follows:

	<b>1 January - 31 December 2022</b>	<b>1 January - 31 December 2021</b>
Provision at 1 January	25,945,932	12,678,574
Increase in the period	64,908,768	31,737,049
Paid in period	(33,775,121)	(18,469,691)
<b>Provision for performance bonus</b>	<b>57,079,579</b>	<b>25,945,932</b>

**13. OTHER ASSETS AND LIABILITIES**

<b>Other Current Assets</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
Transferred VAT	83,065,584	-
Other	4,506,891	3,960,365
	<b>87,572,475</b>	<b>3,960,365</b>

<b>Other Current Liabilities</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
Taxes and funds payable	14,018,018	5,986,344
Other	-	22,365
	<b>14,018,018</b>	<b>6,008,709</b>

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**14. SHAREHOLDERS' EQUITY**

The Company is subject to the registered capital system with registered share capital of TRY200,000,000.

The Company's paid-in share capital as of 31 December 2022 and 31 December 2021 as follows:

Name of the Shareholders(*)	(%)	31 December 2022	(%)	31 December 2021
Yıldız Holding A.Ş.	55.19	33,111,291	55.19	33,111,291
Public quotation	44.81	26,888,709	44.81	26,888,709
	<b>100</b>	<b>60,000,000</b>	<b>100</b>	<b>60,000,000</b>

(\*) It is organized according to the shareholding structure published on PDP and Central Registry Agency data.

The total number of ordinary shares authorized is 60,000,000 shares (31 December 2021: 60,000,000 shares) with a par value of TRY1 per share.

Total of TRY16,000,000 Group shares at nominal value, consisting the Group's shareholders interests amounting to TRY14,000,000 at nominal value and additional sales rights, were offered to public and this transaction (no:6/62) has been registered in accordance with Article 4 of the Capital Market Board (the "CMB") on 21 January 2011. The Group's shares have been trading on the İstanbul Stock Exchange since 3 February 2011.

**Restricted Reserves**

	31 December 2022	31 December 2021
Legal reserves	14,330,810	14,330,810
	<b>14,330,810</b>	<b>14,330,810</b>

**Defined Benefit Plans Remeasurement Losses**

	31 December 2022	31 December 2021
Opening balance	(21,566,572)	(21,965,778)
Actuarial profit (loss)	(5,042,306)	499,007
Tax income related actuarial loss	1,008,461	(99,801)
<b>Closing balance</b>	<b>(25,600,417)</b>	<b>(21,566,572)</b>

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(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**14. SHAREHOLDERS' EQUITY (CONTINUED)**

Details of the retained earnings are as follows:

	31 December 2022	31 December 2021
Extraordinary reserves	113,956,032	113,956,032
Retained earnings / (losses)	62,931,227	(19,336,663)
	<b>176,887,259</b>	<b>94,619,369</b>

Pursuant to the decision taken by the Board of Directors on 7 April 2022, at the Ordinary General Assembly meeting on 13 May 2022, it was unanimously decided not to distribute profits for 2021 in order to strengthen the financial structure of the Group (year 2020: 19,242,526 TL profit distribution decision was taken, and done).

**15. REVENUE AND COST OF SALES****a) Revenue**

	1 January - 31 December 2022	1 January - 31 December 2021
Domestic sales	14,714,518,619	7,338,905,365
Tobacco	2,373,312,467	1,507,864,601
Non-Tobacco	12,341,206,152	5,831,040,764
Sales returns (-)	(138,911,735)	(26,879,672)
Sales discounts (-)	(536,772,941)	(138,880,999)
	<b>14,038,833,943</b>	<b>7,173,144,694</b>

**b) Cost of Sales**

	1 January - 31 December 2022	1 January - 31 December 2021
Tobacco	(2,287,552,771)	(1,473,806,296)
Non-Tobacco	(9,736,769,703)	(4,816,513,890)
	<b>(12,024,322,474)</b>	<b>(6,290,320,186)</b>

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**16. MARKETING, SELLING AND DISTRIBUTION AND GENERAL ADMINISTRATION EXPENSES**

	1 January - 31 December 2022	1 January - 31 December 2021
Marketing expenses (-)	(1,111,066,237)	(482,370,865)
General administrative expenses (-)	(246,516,400)	(94,593,907)
	<b>(1,357,582,637)</b>	<b>(576,964,772)</b>

**17. EXPENSES BY NATURE**

The details of marketing, selling and distribution expenses are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Personnel expenses	(602,172,710)	(249,778,115)
Utility expenses (electricity, natural gas, water etc.)	(116,565,815)	(36,024,570)
Amortization expenses (Note 9,10)	(109,215,555)	(80,434,403)
Logistics expenses	(72,640,758)	(23,578,189)
Advertising expenses	(53,814,206)	(19,391,939)
Outsourcing expenses	(42,394,358)	(16,691,398)
Maintenance expenses	(17,608,660)	(11,648,857)
Other marketing and sales expenses	(96,654,175)	(44,823,394)
	<b>(1,111,066,237)</b>	<b>(482,370,865)</b>

The details of general administrative expenses are as follows:

<b>The details of general administrative expenses</b>	1 January - 31 December 2022	1 January - 31 December 2021
IT and Accountant expense	(92,393,635)	(14,213,139)
Personnel expenses	(80,954,517)	(39,564,090)
Amortization and depreciation expenses (Note 9, 10)	(22,608,746)	(14,698,050)
Consultancy expenses	(29,591,653)	(14,890,287)
Outsourcing expenses	(10,079,415)	(2,732,416)
Travel expense	(2,142,630)	(1,758,128)
Other general administrative expenses	(8,745,804)	(6,737,797)
	<b>(246,516,400)</b>	<b>(94,593,907)</b>

**Fees for Services Obtained from Independent Auditor/Independent Audit Firm**

The explanation of the Group regarding the fees for the services rendered by the independent audit firms, which is prepared by the KGK pursuant to the Board Decision published in the Official Gazette on 30 March 2021, and the preparation principles of which are based on the letter of the KGK dated 19 August 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Independent audit fee for the reporting period	242,727	162,700
	<b>242,727</b>	<b>162,700</b>

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**18. OTHER OPERATING INCOME/EXPENSES**

a) The detail of other income related to operating activities is as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Finance income from credit sales	55,107,463	23,598,985
Rediscount income for trade receivables and payables	39,289,555	24,106,133
Foreign exchange gains	2,844,200	923,979
Other	8,937,453	8,809,621
	<b>106,178,671</b>	<b>57,438,718</b>

b) The detail of other expenses related to operating activities are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Finance expense from credit purchase	(416,222,847)	(193,431,644)
Provision for lawsuits expenses	(16,822,409)	(6,557,916)
Foreign exchange losses	(9,022,411)	(7,337,726)
Provision for doubtful receivable expenses (Note 5)	(1,794,666)	(3,307,762)
Rediscount expense for trade receivables and payables	(1,649,473)	(2,272,621)
Other expenses	(12,798,696)	(1,441,264)
	<b>(458,310,502)</b>	<b>(214,348,933)</b>

**19. INCOME AND EXPENSES FROM INVESTING ACTIVITIES**

a) The detail of income related to investing activities is as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Interest income	74,841,799	58,166,348
Allowance for prepaid expenses	685,191	670,662
Other income	6,663,405	688,795
	<b>82,190,395</b>	<b>59,525,805</b>

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**19. INCOME AND EXPENSES FROM INVESTING ACTIVITIES (CONTINUED)**

b) The detail of expenses related to investing activities are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Loss on sale of tangible assets	(596,560)	(10,603,163)
	<b>(596,560)</b>	<b>(10,603,163)</b>

**20. FINANCIAL EXPENSES**

	1 January - 31 December 2022	1 January - 31 December 2021
Interest expenses on bank	(148,543,603)	(74,708,195)
Leasing Operations Financial Expense	(66,214,045)	(46,801,908)
Guarantee letter commission and other expenses	(5,197,887)	(1,301,783)
Severance pay interest cost (Note 12)	(530,924)	(977,431)
	<b>(220,486,459)</b>	<b>(123,789,317)</b>

**21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)**

Turkish tax legislation does not allow the parent company to file a tax return on the consolidated financial statements of its subsidiaries and affiliates. Therefore, provisions for taxes reflected in these consolidated financial statements have been calculated separately for all companies included in the full consolidation.

The corporate tax rate to be accrued on taxable corporate income is calculated over the remaining tax base after adding the non-deductible expenses from the tax base that is written as an expense in the determination of the commercial profit and deducting the non-taxable incomes.

The effective tax rate applied in 2022 is 23% (2021: 25%).

In Turkey, provisional tax is calculated and accrued on a quarterly basis. At the stage of taxation of the corporate earnings for the 2022 accounting period as of the temporary tax periods, a temporary tax of 23% was calculated over the corporate earnings (2021: 25%). Losses can be carried forward for a maximum of 5 years, to be deducted from taxable profits in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

There is no definitive and definitive agreement procedure for tax assessment in Turkey. Companies prepare their tax returns between April 1 and April 30, the year following the closing period of the relevant year. These declarations and the accounting records based on them can be reviewed and changed by the Tax Office within 5 years.

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)****Deferred tax:**

The Company, accounts deferred tax assets and liabilities for temporary timing differences rooted from differences between legal financial statements and financial statements prepared in accordance with TFRS. Those differences in question are caused generally by the fact that some profit and loss accounts come up in different periods in legal financial statements and financial statements prepared in accordance with TFRS.

Subsidiaries with deferred tax assets are not netted off with subsidiaries with deferred tax liabilities and are shown separately, as businesses in Turkey cannot declare consolidated tax returns.

**Deferred tax (assets)/liabilities**

	1 January - 31 December 2022	1 January - 31 December 2021
Restatement and depreciation/ amortization differences of property, plant and equipment and other intangible assets	(112,027,982)	(1,272,767)
Discount on trade receivables and payables	13,957,107	10,123,515
Performance premiums and other social rights	(2,000,000)	(4,312,763)
Provision for unpaid vacation	(3,394,985)	(1,404,979)
Provision for doubtful receivable	(1,217,919)	(1,403,006)
Provision for lawsuit	(7,130,411)	(3,765,929)
Lease liabilities	(7,218,518)	(8,086,418)
Provision for employee termination benefits	(18,853,695)	(7,394,430)
Expense accruals	(17,941,349)	(17,065,332)
Other	(14,663,409)	(2,859,200)
	<b>(170,491,161)</b>	<b>(37,441,309)</b>

**Movement of deferred tax (assets)/liabilities:**

<b>Movement of deferred tax (assets)/liabilities</b>	1 January - 31 December 2022	1 January - 31 December 2021
Opening balance at 1 January	(37,441,309)	(3,739,373)
Charged to income statement	(132,041,391)	(33,801,737)
Charged to equity	(1,008,461)	99,801
<b>Closing balance</b>	<b>(170,491,161)</b>	<b>(37,441,309)</b>

Provision for taxation as of 31 December 2022 and 31 December 2021 are as follows:

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)

	31 December 2022	31 December 2021
Current period corporate tax provision	19,576,110	25,639,136
Prepaid taxes from the profit for the period	(57,217,314)	(4,133,973)
<b>Tax liability in the balance sheet</b>	<b>(37,641,204)</b>	<b>21,505,163</b>

Charge for taxation as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
Current tax charge	(19,576,110)	(25,639,136)
Deferred tax income	132,041,391	33,801,737
<b>Tax income/(expense)</b>	<b>112,465,281</b>	<b>8,162,601</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)

## Reconciliation of taxation:

	1 January - 31 December 2022	1 January - 31 December 2021
Tax charge rate	23%	25%
Calculated tax	(38,158,007)	(18,520,712)
Effect of different tax rates	2,847,934	2,782,357
The effect of the revaluation of tangible and intangible assets (*)	158,774,814	24,967,534
Non-deductible expenses	(10,999,460)	(1,066,578)
<b>Tax income/(expense)</b>	<b>112,465,281</b>	<b>8,162,601</b>

(\*) The Group revalued its tangible and intangible assets and their depreciation as of 31 December 2021, within the scope of the Tax Procedure Law General Communiqué (Sequence No: 530) published by the Ministry of Treasury and Finance. Due to IFRS, related assets are continued to be accounted under cost method. It has calculated the deferred tax asset/liability, which is currently calculated over the temporary difference between IFRS and TPL, over the current TPL values that will occur with the effect of revaluation, and the deferred tax income that will arise due to this application, to the extent that the recovery of the said tax advantage is deemed possible, is calculated as a single income tax accounted for in the table. As of 31 December 2022, the effect of deferred tax assets is TRY183,742,348 (31 December 2021: TRY24,967,534).

## 22. EARNINGS PER SHARE

A summary of the Group's weighted average number of shares outstanding for the years ended 31 December 2022 and 2021 and computation of earnings per share as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
<b>Basic earnings per share</b>		
Number of shares outstanding during the period	60,000,000	60,000,000
Net income for the period	278,369,658	82,245,447
<b>Earnings per share (TRY)</b>	<b>4.639</b>	<b>1.371</b>

## 23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) The detail of receivables from related parties is as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Trade receivables	25,460,057	6,872,024
Non-trade receivable	-	1,426,957
	<b>25,460,057</b>	<b>8,298,981</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

a) The detail of trade receivables is as follows:

	31 December 2022		31 December 2021	
	Trade	Trade	Non - Trade	
<b>Parent company</b>				
Yıldız Holding A.Ş.	-	494,398	1,426,957	
<b>Other related parties</b>				
Future Teknoloji Ticaret A.Ş.	15,840,733	22,813	-	
Aytaç Gıda Yatırım San. Tic. A.Ş.	6,510,264	-	-	
Donuk Fırın Ür. San. ve Tic. A.Ş.	1,640,388	636,419	-	
KV2K Perakende Müşteri Hizmetleri A.Ş.	993,301	989,400	-	
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	154,874	33,208	-	
Önem Gıda San. ve Tic. A.Ş.	77,122	-	-	
Continental Conficti	68,448	-	-	
Ülker Çikolata Sanayi A.Ş.	54,469	-	-	
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	38,751	44,326	-	
E Star Global E-Ticaret Satış ve Paz. A.Ş.	32,310	-	-	
Ülker Bisküvi San. A.Ş.	23,931	-	-	
Beta Marina Liman Yatırımları A.Ş.	12,434	-	-	
Makina Tarım Endüstrisi A.Ş.	7,680	105,596	-	
Azmüsebat Çelik Sanayi ve Tic. A.Ş.	5,052	-	-	
Northstar Innovation A.Ş.	300	-	-	
Ülker Family and Board Members	-	3,150,789	-	
Kerevitaş Gıda San. ve Tic. A.Ş.	-	16,852	-	
Most Bilgi Sistemleri Tic. A.Ş.	-	2,710	-	
Adapazarı Şeker Fabrikası A.Ş.	-	55,778	-	
Polinas Plastik San. Tic. A.Ş.	-	550	-	
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	-	388,680	-	
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	-	15,525	-	
CCC Gıda San. ve Tic. A.Ş.	-	58,542	-	
Dank Gıda San. ve Tic. A.Ş.	-	4,636	-	
Pendik Marina Yat ve Çekek İşletmesi A.Ş.	-	75,083	-	
Şok Marketler Ticaret A.Ş.	-	66,407	-	
Marsa Yağ San. ve Tic. A.Ş.	-	699,238	-	
Mevsim Taze Sebze Meyve Sanayi ve Tic. A.Ş.	-	4,575	-	
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	6,499	-	
	<b>25,460,057</b>	<b>6,872,024</b>	<b>1,426,957</b>	

Trade receivables from retailed parties is mainly composed of sales transactions and approximate maturity is 30 - 60 days. Non-trade receivables are loans given to related parties. and interest is received as quarterly based on effective market interest rate. The interest rate used in 2022 is 19 - 28% for TRY (31 December 2021: 17.3 - 22.5% for TRY).

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

b) The detail of payables to related parties is as follows:

	31 December 2022	31 December 2021
Trade Payables	452,124,888	244,734,390
	<b>452,124,888</b>	<b>244,734,390</b>

Payables to related parties are arised from purchases and approximately matured in between 30 and 60 days.

	31 December 2022		31 December 2021	
	Trade	Trade		
<b>Parent company</b>				
Yıldız Holding A.Ş.	6,401,557	3,722,766		
<b>Other related parties</b>				
Horizon Hızlı Tüketim Ürün.Paz.Satış ve Dağıtım A.Ş.	232,107,557	118,932,064		
Şok Marketler Ticaret A.Ş.	93,492,329	51,416,336		
Kerevitaş Gıda San. ve Tic. A.Ş.	28,783,477	7,706,725		
İzsal Gayrimenkul Geliştirme A.Ş.	25,439,328	299,131		
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	18,821,554	2,200,784		
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	16,400,804	3,569,328		
Polinas Plastik San. Tic. A.Ş.	13,508,919	8,566,844		
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	8,690,652	11,532,007		
Aytaç Gıda Yatırım San. Tic. A.Ş.	3,003,877	1,159,803		
Çayırovası İnşaat Taahhüt Tic. A.Ş.	2,358,847	500,290		
Kv2k Perakende Müşteri Hizmetleri A.Ş.	993,301	-		
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	580,030	161,911		
Sağlam İnşaat Taahhüt Tic. A.Ş.	560,922	197,314		
Marsa Yağ San. ve Tic. A.Ş.	409,643	808,818		
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	408,587	717,638		
Pendik Marina Yat ve Çekek İşletmeciliği A.Ş.	64,419	101,764		
Dank Gıda San. ve Tic. A.Ş.	52,120	-		
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	46,106	16,284		
Adapazarı Şeker Fabrikası A.Ş.	859	-		
Besler Gıda ve Kimya San. ve Tic. A.Ş.	-	18,263,087		
UCZ Mağazacılık Ticaret A.Ş.	-	3,909,366		
Ülker Family and Board Members	-	163,608		
E Star Global E-Ticaret Satış ve Paz. A.Ş.	-	1,361		
Azmüsebat Çelik Sanayi ve Tic. A.Ş.	-	2,244		
Donuk Fırın. Ür. San. ve Tic. A.Ş.	-	48		
Most Bilgi Sistemleri Tic. A.Ş.	-	10,784,869		
	<b>452,124,888</b>	<b>244,734,390</b>		

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

The Group purchases finished goods from the related parties. Sales to related parties include premium revenues, service expenses and sales of various goods.

c) The detail of purchases from and sales to related parties is as follows:

Balances with Related Parties	1 January - 31 December 2022		1 January - 31 December 2021	
	Purchases	Sales	Purchases	Sales
<b>Parent Company</b>				
Yıldız Holding A.Ş.	-	6,221	-	34,367
<b>Other Related Parties</b>				
Adapazarı Şeker Fabrikası A.Ş.	4,369,945	3,641	1,441,793	150,520
Aytaç Gıda Yatırım San. Tic. A.Ş.	5,080,137	1,293,999	7,470,019	178,707
Azmüsebat Çelik San. Tic. A.Ş.	-	8,607	-	3,385
Besler Gıda ve Kimya San. ve Tic. A.Ş.	150,549,436	135,682	96,483,373	729,294
Beta Marina Liman Yat ve Çekek İşletmesi A.Ş.	-	30,815	-	76,758
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	50,758,643	657,079	15,429,153	1,314,442
CCC Gıda San. ve Tic. A.Ş.	-	1,304,355	-	420,983
Dank Gıda San. ve Tic. A.Ş.	-	310,627	-	65,408
Donuk Fırıncılık Ürünleri Sanayi ve Ticaret A.Ş.	-	4,514,002	10,897	694,860
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	246,781	235,949	-	41,342
E Star Global E Ticaret Satış ve Pazarlama A.Ş.	-	1,511,559	-	1,718,083
Future Teknoloji Ticaret A.Ş.	-	21,242,934	-	4,114,466
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	58,732,680	2,561,900	11,130,457	5,590,608
Horizon Hızlı Tüketim Ürün.Paz.Satış ve Dağıtım A.Ş.	990,614,209	3,714,674	483,870,026	148,611
İstanbul Gıda Dış Tic. A.Ş. (Gruptan ayrıldı)	-	30,619	-	-
İzsal Gayrimenkul Geliştirme A.Ş.	-	8,694	-	309
Kerevitaş Gıda San. ve Tic. A.Ş.	43,211,988	90,024	19,494,523	491,912
Makina Takım Endüstrisi A.Ş.	-	93,750	-	146,194
Marsa Yağ San. ve Tic. A.Ş.	1,143,563	46,631	1,348,460	481,228
Mevsim Taze Sebze Meyve San. ve Tic. A.Ş.	-	-	-	63,492
Milhans Gıda Ürün. San. Tic. A.Ş.	51,841	24,000	-	-
Most Bilgi Sistemleri Tic. A.Ş.	-	-	6,768,882	10,480
Önem Gıda San. ve Tic. A.Ş.	-	92,900	-	375,379
Pasifik Tüketim Ürünleri Satış ve Ticaret A.Ş.	-	-	-	27,905
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	278,915	-	86,593
Penta Teknoloji Ürünleri Dağıtım Tic.A.Ş.	-	50,392	866,616	205,261
PNS Pendik Nişasta San. A.Ş. (Gruptan ayrıldı)	-	-	4,627,156	-
Polinas Plastik San. Tic. A.Ş.	60,817,776	57,625	20,053,165	116,611
Reform Gıda Paz. San. Tic. A.Ş.	-	812,592	-	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	66,669	-	7,942
Seç Marketçilik A.Ş.	-	-	-	-
Şok Marketler Ticaret A.Ş.	364,650,134	4,874	257,723,894	3,709,370
UCZ Mağazacılık Tic. A.Ş.	-	9,015	3,663,999	4,799
Ülker Ailesi ve Yönetim Kurulu Üyeleri	-	4,616,081	-	6,895,205
Ülker Bisküvi San. A.Ş.	-	826,249	-	5,675,489
Ülker Çikolata Sanayi A.Ş.	-	1,224,884	-	5,422,219
Yelken Yönetim Danışmanlık ve Servis Hizmetleri A.Ş.	-	1,319	-	1,879
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	99,974,199	3,956	67,082,307	278,619
	<b>1,830,201,332</b>	<b>45,871,233</b>	<b>997,464,720</b>	<b>39,282,720</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

d) The detail of income and expenses pertaining to interest, rent and services arising from transactions with related parties is as follows:

1 January - 31 December 2022	Interest income	Interest expense	Rent expense	Service expense	Other income	Other expense
<b>Parent company</b>						
Yıldız Holding A.Ş.	64,689,307	(3,872,477)	-	(32,476,396)	-	(325,279)
<b>Other related parties</b>						
Aytaç Gıda Yatırım San. Tic. A.Ş.	-	-	-	-	39,222	-
Beta Marina Liman Yat ve Çekek İşletmesi A.Ş.	-	-	(20,777)	-	-	-
Çayırovası İnş. Taah. Tic. A.Ş.	-	-	(2,317,002)	-	-	(1,016,166)
Dank Gıda San. ve Tic. A.Ş.	-	-	-	-	-	(163,263)
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	-	-	-	-	20,000	-
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	-	-	(6,352)	-	261,652	(2,136)
Horizon Hızlı Tüketim Ürün.Paz.Satış ve Dağıtım A.Ş.	-	-	-	-	3,714,593	-
İzsal Gayrimenkul Geliştirme A.Ş.	-	-	(374,479)	(95,855,337)	-	-
Kerevitaş Gıda San. ve Tic. A.Ş.	-	-	-	-	41,625	-
Marsa Yağ San. ve Tic. A.Ş.	-	-	(294,466)	-	-	(57,669)
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	-	(386,850)	-	-	(102,410)
Penta Teknoloji Ürünleri Dağıtım Tic.A.Ş.	-	-	-	-	-	(2,751,494)
Polinas Plastik San. Tic. A.Ş.	-	-	-	-	45,017	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	-	-	-	66,240	(3,473,125)
Seç Marketçilik A.Ş.	-	-	-	-	13,230	-
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	-	(922,529)	-	-	-
Şok Marketler Ticaret A.Ş.	-	-	(22,229)	-	-	-
	<b>64,689,307</b>	<b>(3,872,477)</b>	<b>(4,344,684)</b>	<b>(128,331,733)</b>	<b>4,201,579</b>	<b>(7,891,542)</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

1 January - 31 December 2021	Interest income	Interest expense	Rent expense	Service expense	Other income	Other expense
<b>Parent company</b>						
Yıldız Holding A.Ş.	40,110,113	(2,431,300)	-	(14,808,823)	783,904	(4,441,505)
<b>Other related parties</b>						
Aytaç Gıda Yatırım San. Tic. A.Ş.	-	-	-	-	208,766	(13,231)
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	-	-	(32,890)	-	-	-
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	-	-	-	-	742	-
Çayırovası İnş. Taah. Tic. A.Ş.	-	-	(848,789)	-	-	(287,252)
Dank Gıda San. ve Tic. A.Ş.	-	-	-	-	202	(43,470)
Donuk Fırın. Ür. San. ve Tic. A.Ş.	-	-	-	-	193	-
E-Star Global E Ticaret Satış ve Pazarlama A.Ş.	-	-	-	-	-	(56,789)
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	-	-	(99,811)	-	1,203,323	(168,492)
Horizon Hızlı Tüketim Ürünleri Paz. Sat. ve Dağ. A.Ş.	-	-	-	-	23,713,201	-
İzsal Gayrimenkul Geliştirme A.Ş.	-	-	(518,836)	-	2,177	(723,173)
Kerevitaş Gıda San. ve Tic. A.Ş.	-	-	-	-	68,057	(40,762)
Marsa Yağ San. ve Tic. A.Ş.	-	-	(211,561)	-	-	(257,463)
Most Bilgi Sistemleri Tic A.Ş.	-	-	-	-	255,790	(30,246,398)
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	-	(294,602)	-	-	(2,336)
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	-	-	-	-	-	(62,409)
Polinas Plastik San. Tic. A.Ş.	-	-	-	-	169,467	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	-	-	-	371,958	(1,628,304)
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	-	(455,118)	-	21,653	-
Şok Marketler Ticaret A.Ş.	-	-	(529,685)	-	227,833	-
Ülker Bisküvi San. A.Ş.	-	-	-	-	31,127	-
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	-	-	-	-	-	(139,033)
	<b>40,110,113</b>	<b>(2,431,300)</b>	<b>(2,991,292)</b>	<b>(14,808,823)</b>	<b>27,058,393</b>	<b>(38,110,617)</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

e) Benefits provided to board members and key management personnel:

	1 January-31 December 2022	1 January-31 December 2021
Salaries and other short-term benefits	19,501,254	11,156,612
	<b>19,501,254</b>	<b>11,156,612</b>

## 24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

## 1) Foreign currency risk management

Transactions in foreign currencies expose the Group to foreign currency risk.

This risk mainly arises from fluctuation of foreign currency used in conversion of foreign assets and liabilities into Turkish Lira. Foreign currency risk arises as a result of trading transactions in the future and the difference between the assets and liabilities recognized. In this regard, the Group manages this risk with a method of netting foreign currency denominated assets and liabilities. The management reviews the foreign currency open position and provide measures if required.

The Group is mainly exposed to foreign currency risk in USD and EUR.

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

## 1) Foreign currency risk management (Continued)

	1 December 2022			
	TRY Equivalents (Functional currency)	USD	EUR	GBP
1. Trade Receivables	12,379	-	62	-
2a. Monetary Financial Assets	2,051,389	44,772	59,134	1,574
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
<b>4. CURRENT ASSETS</b>	<b>2,063,768</b>	<b>44,772</b>	<b>59,755</b>	<b>1,574</b>
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	372,212	12,552	6,898	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
<b>8. NON-CURRENT ASSETS</b>	<b>372,212</b>	<b>12,552</b>	<b>6,898</b>	-
<b>9. TOTAL ASSETS</b>	<b>2,435,980</b>	<b>57,324</b>	<b>66,653</b>	<b>1,574</b>
10. Trade Payables	11,145,363	47,719	513,324	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
<b>13. CURRENT LIABILITIES</b>	<b>11,145,363</b>	<b>47,719</b>	<b>513,324</b>	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
<b>17. NON-CURRENT LIABILITIES</b>	-	-	-	-
<b>18. TOTAL LIABILITIES</b>	<b>11,145,363</b>	<b>47,719</b>	<b>513,324</b>	-
<b>19. Net foreign currency liability position (9-18)</b>	<b>(8,709,383)</b>	<b>9,605</b>	<b>(446,671)</b>	<b>1,574</b>
<b>20. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(8,709,383)</b>	<b>9,605</b>	<b>(446,671)</b>	<b>1,574</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

## 1) Foreign currency risk management (Continued)

	1 December 2021			
	TRY Equivalents (Functional currency)	USD	EUR	GBP
1. Trade Receivables	-	-	-	-
2a. Monetary Financial Assets	809,143	45,675	11,351	1,533
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
<b>4. CURRENT ASSETS</b>	<b>809,143</b>	<b>45,675</b>	<b>11,351</b>	<b>1,533</b>
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	163,701	7,629	4,091	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
<b>8. NON-CURRENT ASSETS</b>	<b>163,701</b>	<b>7,629</b>	<b>4,091</b>	-
<b>9. TOTAL ASSETS</b>	<b>972,844</b>	<b>53,304</b>	<b>15,442</b>	<b>1,533</b>
10. Trade Payables	15,710,584	266,000	806,344	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
<b>13. CURRENT LIABILITIES</b>	<b>15,710,584</b>	<b>266,000</b>	<b>806,344</b>	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
<b>17. NON-CURRENT LIABILITIES</b>	-	-	-	-
<b>18. TOTAL LIABILITIES</b>	<b>15,710,584</b>	<b>266,000</b>	<b>806,344</b>	-
<b>19. Net foreign currency liability (9-18)</b>	<b>(14,737,740)</b>	<b>(212,696)</b>	<b>(790,902)</b>	<b>1,533</b>
<b>20. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(14,737,740)</b>	<b>(212,696)</b>	<b>(790,902)</b>	<b>1,533</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

## 1) Foreign currency risk management (Continued)

## Interest rate sensitivity

The Group is exposed to foreign exchange risk arising primarily from USD and EUR currency exposures. In the table below, the foreign currency sensitivity of the Group arising from 20% change in US dollar and TRY rates. 20% is the rate used when reporting to senior management of the Group. This rate is the anticipated rate change of the Group's senior management. Sensitivity analysis includes only the monetary items in foreign currency at year end and shows the effect of 20% increase in US dollar and TRY foreign currency rates. Positive value implies the effect 20% increase in US dollar and TRY foreign currency.

	31 December 2022	
	Appreciation of foreign currency by 20%	Depreciation of foreign currency by 20%
1- US Dollar net asset/liability	35,919	(35,919)
2- Part of hedged from US Dollar risk (-)	-	-
<b>3- US Dollar net effect (1+2)</b>	<b>35,919</b>	<b>(35,919)</b>
4- Other net assets/liabilities	(1,776,959)	1,776,959
5- Part of hedged from other risk (-)	-	-
<b>6- Other net effect (4+5)</b>	<b>(1,776,959)</b>	<b>1,776,959</b>
	31 December 2021	
	Appreciation of foreign currency by 20%	Depreciation of foreign currency by 20%
1- US Dollar net asset/liability	(568,026)	568,026
2- Part of hedged from US Dollar risk (-)	-	-
<b>3- US Dollar net effect (1+2)</b>	<b>(568,026)</b>	<b>568,026</b>
4- Other net assets/liabilities	(2,385,214)	2,385,214
5- Part of hedged from other risk (-)	-	-
<b>6- Other net effect (4+5)</b>	<b>(2,385,214)</b>	<b>2,385,214</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## 24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

Financial liabilities based on fixed and floating interest rates expose the Group to interest rate risk. The related risk is controlled by interest rate swap agreements and floating interest rate agreements by balancing the fixed and floating interest rate borrowings. Risk strategies are reviewed periodically considering the interest rate expectations and predetermined interest risks; which aims to establish optimum interest risk management regarding the balance sheet position and the interest expenses.

31 December 2022	Financial Assets at amortized cost	Financial Liabilities at amortized cost	Carrying value	Note
<b>Financial assets</b>				
Cash and cash equivalents	634,587,187	-	634,587,187	3
Trade receivables	426,972,235	-	426,972,235	5
Due from related parties	25,460,057	-	25,460,057	23
Other financial assets	15,280,608	-	15,280,608	6
<b>Financial liabilities</b>				
Lease liabilities	-	1,079,277	1,079,277	4
Leasing Liabilities	-	311,070,519	311,070,519	4
Trade payables	-	2,375,788,183	2,375,788,183	5
Due to related parties	-	452,124,888	452,124,888	23
Other financial liabilities	-	82,386,181	82,386,181	12.13
31 December 2021	Financial Assets at amortized cost	Financial Liabilities at amortized cost	Carrying value	Note
<b>Financial assets</b>				
Cash and cash equivalents	585,389,621	-	585,389,621	3
Trade receivables	166,713,390	-	166,713,390	5
Due from related parties	6,872,024	-	6,872,024	23
Other financial assets	5,992,646	-	5,992,646	6
<b>Financial liabilities</b>				
Lease liabilities	-	2,037,609	2,037,609	4
Leasing Liabilities	-	219,823,258	219,823,258	4
Trade payables	-	1,295,649,815	1,295,649,815	5
Due to related parties	-	244,734,390	244,734,390	23
Other financial liabilities	-	25,598,313	25,598,313	12.13

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)**

As of 31 December 2022, and 2021 the gross payment plan of the lease liabilities which are not discounted is as follows:

<b>31 December 2022</b>	<b>Net book value</b>	<b>Total contractual cash outflow</b>	<b>Less than 3 months</b>	<b>3 - 12 months</b>	<b>1 - 5 years</b>	<b>5 years and overs</b>
Lease Liabilities	311,070,519	665,498,062	31,712,642	88,276,159	319,024,671	226,484,590
<b>Total</b>	<b>311,070,519</b>	<b>665,498,062</b>	<b>31,712,642</b>	<b>88,276,159</b>	<b>319,024,671</b>	<b>226,484,590</b>

<b>31 December 2022</b>	<b>Net book value</b>	<b>Total contractual cash outflow</b>	<b>Less than 3 months</b>	<b>3 - 12 months</b>	<b>1 - 5 years</b>	<b>5 years and overs</b>
Lease Liabilities	219,823,258	474,614,908	21,968,346	63,027,704	221,279,634	168,339,224
<b>Total</b>	<b>219,823,258</b>	<b>474,614,908</b>	<b>21,968,346</b>	<b>63,027,704</b>	<b>221,279,634</b>	<b>168,339,224</b>

**1) Capital risk management**

While trying to ensure the continuity of its activities in capital management, the Group also aims to increase its profits by using the debt and equity balance in the most efficient way.

The Group's capital structure consists of payables including finance leases explained in note 4, other payables to related parties and other receivables from related parties explained in note 23, cash and cash equivalents explained in note 3 and equity items including capital and reserves explained in note 14.

Top management reviews capital by leverage ratio, consistent with other firms in the industry. The said ratio is calculated by dividing the net debt by the total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (consisting of short and long-term borrowings excluding lease obligations, other receivables / payables with Group companies and non-Group financial liabilities). Total capital is calculated as equity plus net debt as shown in the consolidated statement of financial position.

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

**24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)****1) Capital risk management (Continued)**

	<b>31 December 2022</b>	<b>31 December 2021</b>
Total financial payables and non-trade payables to related parties (*)	1,079,277	904,083
Less: cash and cash equivalents	(634,587,187)	(585,389,621)
Net debt	(633,507,910)	(584,778,969)
Total equity (*)	519,304,773	240,354,145
Total capital	(114,203,137)	(344,424,824)
Net debt/equity rate	-%	-%

(\*) TFRS 16 impact is not included.

**25. EVENTS AFTER THE REPORTING PERIOD**

Due to the 6 February 2023 earthquake disaster, the epicenter of which was Kahramanmaraş, and which affected 10 provinces, 1 of our rented and insured stores became unusable, and 3 were significantly affected. Activities were stopped at the unusable warehouse and shifted to our other three warehouses. 273 of our 401 dealers in the region of our SEÇ marketing franchise platform are active and continue to serve their customers. 23 of our dealers have been demolished. Our evaluation of the remaining 105 dealers in terms of renovation, repair and relocation continues. Insurance appraisal studies have been initiated to determine compensation needed for the damage to all our stores affected by the earthquake.

Law No. 7438 amending the Social Insurance and General Health Insurance Law and Decree Law No. 375 came into force after being published in Official Gazette number 32121 dated 3 March 2023. Studies to measure the effects of this issue on the Company's/Group's operations, cash flows and financial position in 2023 are still ongoing as of the date of this report.

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## APPENDIX - SUPPLEMENTARY OTHER INFORMATIONS

As the supporting information note that is not required by TFRS, it has been evaluated as important for the presentation of its financial performance by the Group management and the calculation table of Profit Before Interest, Depreciation, Amortization and Taxes (EBITDA) and Earnings Before Interest, Depreciation, Amortization, Taxes and Rent Expenses (EBITDA) presented below. The Group calculated EBITDA by adding depreciation and amortization expenses to operating profit before other income and expenses from main operations. EBITDA amount is calculated by adding rental expenses to EBITDA. EBITDA is not a performance measure defined in TFRS and may not be comparable to other companies. In addition, in order to be comparable to the study, the figures before TFRS 16 are included.

	Current Period	Prior Period
	1 January - 31 December 2022	1 January - 31 December 2021
<b>NET PROFIT FOR THE YEAR (without TFRS 16)</b>	<b>282,984,472</b>	<b>87,474,806</b>
<b>NET PROFIT FOR THE YEAR</b>	<b>278,369,658</b>	<b>82,245,447</b>
<b>Tax Expense (without TFRS 16)</b>	<b>113,333,180</b>	<b>5,443,590</b>
<b>Tax Expense</b>	<b>112,465,281</b>	<b>8,162,601</b>
<b>PROFIT BEFORE TAX (without TFRS 16)</b>	<b>169,651,292</b>	<b>82,031,216</b>
<b>PROFIT BEFORE TAX</b>		
Financial Expenses (-) (without TFRS 16)	(154,276,867)	(76,987,409)
Financial Expenses (-)	(220,486,459)	(123,789,317)
Income (Expense) from Investing Activities	81,593,835	48,922,642
Amortization Expense (without TFRS 16)	(74,084,494)	(47,339,457)
Amortization Expense	(131,824,300)	(95,132,453)
Other Income/(Expense) from Operating Activities	(352,131,831)	(156,910,215)
<b>EBITDA (without TFRS 16)</b>	<b>668,550,649</b>	<b>314,345,655</b>
<b>EBITDA</b>	<b>788,753,132</b>	<b>400,992,189</b>
Warehouse. center and shop lease expense (without TFRS 16)	131,825,578	87,456,984
Warehouse. center and shop lease expense	-	-
<b>EBITDAL (without TFRS 16)</b>	<b>788,753,132</b>	<b>401,802,639</b>
<b>EBITDAL</b>	<b>788,753,132</b>	<b>401,803,341</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## APPENDIX - SUPPLEMENTARY OTHER INFORMATIONS (CONTINUED)

Financial statements of the group excluding TFRS 16 Leasing Standard is applied are presented comparatively below:

	Current Period	Prior Period
	31 December 2022	31 December 2021
<b>ASSETS</b>		
<b>Current Assets</b>	<b>2,974,830,787</b>	<b>1,548,823,898</b>
Cash and Cash Equivalents	634,587,187	585,389,621
Trade Receivables	452,432,292	173,585,414
Other Receivables	2,677,726	1,505,217
Inventories	1,665,106,201	733,557,865
Prepaid Expenses	94,813,702	50,825,416
Current Income Tax Assets	37,641,204	-
Other assets	87,572,475	3,960,365
<b>Non-Current Assets</b>	<b>755,354,199</b>	<b>402,657,580</b>
Other Receivables	12,602,882	4,487,429
Tangible Assets	530,997,668	299,449,463
Intangible Assets	46,142,834	58,900,435
Prepaid Expenses	2,338,172	2,378,944
Deferred Tax Assets	163,272,643	37,441,309
<b>Total assets</b>	<b>3,730,184,986</b>	<b>1,951,481,478</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## APPENDIX - SUPPLEMENTARY OTHER INFORMATIONS (CONTINUED)

	Current Period	Prior Period
	31 December 2022	31 December 2021
<b>LIABILITIES</b>		
<b>Current Liabilities</b>	<b>3,098,195,518</b>	<b>1,653,734,366</b>
Short-term Borrowings	1,079,277	904,083
Trade Payables	2,827,913,071	1,540,384,205
Liabilities for Employee Benefits	68,368,163	19,589,604
Deferred Revenue	59,949,037	10,182,487
Deferred Tax Liabilities	-	21,505,163
Short-term Provisions	126,867,952	55,160,115
Other Current Liabilities	14,018,018	6,008,709
<b>Non-Current Liabilities</b>	<b>112,684,695</b>	<b>57,392,967</b>
Long-term Borrowings	-	1,133,526
Long-term Provisions	106,999,667	42,240,820
Deferred Tax Liabilities	-	8,086,418
Deferred Revenue	5,685,028	5,932,203
<b>Equity</b>	<b>519,304,773</b>	<b>240,354,145</b>
<b>Shareholders' Equity</b>	<b>519,335,062</b>	<b>240,377,260</b>
Share Capital	60,000,000	60,000,000
Treasury Shares	(13,533,492)	(13,533,492)
Other Comprehensive/Expense not to be Reclassified Subsequently to Profit or Loss	(25,600,417)	(21,566,572)
Restricted Reserves Appropriated from Profits	14,330,810	14,330,810
Retained Earnings	201,146,515	113,649,265
Net Profit for the Year	282,991,646	87,497,249
Non-controlling Interest	(30,289)	(23,115)
<b>Total Liabilities</b>	<b>3,730,184,986</b>	<b>1,951,481,478</b>

## BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

## APPENDIX SUPPLEMENTARY OTHER INFORMATIONS (CONTINUED)

	Current Period	Prior Period
	1 January - 31 December 2022	1 January - 31 December 2021
<b>PROFIT OR LOSS</b>		
Revenue	14,038,833,943	7,173,144,694
Cost of Sales (-)	(12,024,322,474)	(6,290,320,186)
<b>GROSS PROFIT</b>	<b>2,014,511,469</b>	<b>882,824,508</b>
Marketing Expenses (-)	(1,171,040,440)	(519,470,322)
General Administrative Expenses (-)	(249,004,874)	(96,347,988)
Other Income from Operating Activities	106,178,671	57,438,718
Other Expenses from Operating Activities (-)	(458,310,502)	(214,348,933)
<b>OPERATING PROFIT</b>	<b>242,334,324</b>	<b>110,095,983</b>
Income from Investing Activities	82,190,395	59,525,805
Expense from Investing Activities (-)	(596,560)	(10,603,163)
<b>PROFIT BEFORE FINANCE EXPENSES</b>	<b>323,928,159</b>	<b>159,018,625</b>
Financial Expenses (-)	(154,276,867)	(76,987,409)
<b>Profit Before Tax</b>	<b>169,651,292</b>	<b>82,031,216</b>
<b>Tax Expense</b>	<b>113,333,180</b>	<b>5,443,590</b>
Current Tax Expense	(19,576,110)	(25,639,136)
Deferred Tax Income (expense)	132,909,290	31,082,726
<b>NET PROFIT FOR THE YEAR</b>	<b>282,984,472</b>	<b>87,474,806</b>
<b>DISTRIBUTION OF NET PROFIT FOR THE PERIOD</b>		
Non-controlling interest	(7,174)	(22,443)
Equity holders of the parent	282,991,646	87,497,249
Earnings per share (TRY)	4,716	1,458
<b>OTHER COMPREHENSIVE EXPENSE</b>		
Items not to be reclassified to profit or loss	(4,033,845)	399,206
Defined benefit plans re-measurement (gain)/losses	(5,042,306)	499,007
Items not to be reclassified to profit or (loss) other comprehensive expenses on taxes	1,008,461	(99,801)
<b>TOTAL OTHERCOMPREHENSIVE INCOME</b>	<b>278,950,627</b>	<b>87,874,012</b>
<b>Distribution of total other comprehensive income</b>		
Non-controlling interest	(7,174)	(22,443)
Equity holders of the parent	278,957,801	87,896,455

# Contact

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