

BİZİM TOPTAN

2021 ANNUAL REPORT



Contents



Sustainability

56
Sustainability Principles
Statement of Compliance

About Bizim Toptan

6
Corporate Profile
8
Milestones
12
Capital and Partnership
Structure
14
Main Financial Indicators



Corporate Governance

72
Investor Relations
74
Report of Compliance to
Corporate Governance
Principles
88
Statement of
Independence

From the Management

18
Message from the CEO
21
Board of Directors
26
Senior Management



Financial Reports

91
Bizim Toptan Satış Mağazaları A.Ş.
Financial Statements and
Independent Auditor Report for the
Period 1 January - 31 December 2021

2021 Activities

34
Organized Wholesale Industry
and Bizim Toptan
36
2021 Activities
38
The Profitable Partner SEÇ Market
42
PROSAF, the New Power of Sales
44
Bizim Toptan's Internal Strength:
Exclusive Products
46
Investments and Investment Policy
48
Digital Sales Platform
50
Human Resources
52
Social Responsibility





TURKEY'S MOST WIDESPREAD COMMERCE PLATFORM WITH **173** STORES IN **70** PROVINCES



In 2021, Bizim Toptan continued its widespread store network by opening 2 new stores and moving 5 stores to more modern locations.

It determined its locations for opening new stores throughout the year taking into account the current and potential demand conditions and made store relocation decisions taking into account commercial, social and financial decisions.

2,3 Million

Breaking its own record by reaching 2 million individual customers during the year with its strong CRM infrastructure and artificial intelligence supported marketing activities, Bizim Toptan served 2.3 million singular customers in total.

IT RESPONDS TO ALL CUSTOMER NEEDS WITH 8,000 PRODUCT VARIETIES AND AN AVERAGE OF 3,500 STOCK ITEMS PER STORE.

ABOUT BIZIM TOPTAN

Corporate Profile

While Bizim Toptan maintains its position as the most innovative commerce platform in Turkey with its multi-channel widespread sales model, it continues its contribution to traditional channel retailers and to the country's economy with its business partnership goods supply system, SEÇ Market, which it acquired in July 2014.

Bizim Toptan carries out the wholesale and retail trade of brands that are well-known among consumers, of national and international companies operating in Turkey in the main product categories such as food, soft drinks, tobacco products, cleaning, personal care and paper products. Having completed its foundation works in **2001** and commenced its activities with **14** stores in **2002**, Bizim Toptan is the largest company in the Cash&Carry (Organized Wholesale Trade) industry in terms of number of stores and the most widely accessible company, operating with **173** stores in **70** provinces as of the end of **2021**.

The company sells to both commercial taxpayers and individual customers. Grocery stores, markets, specialized retailers, wholesalers, hotels, restaurants, cafes, fuel station stores, school canteens, SEÇ Market business partners and individual customers constitute the Company's overall customer portfolio. While Bizim Toptan maintains its position as the most innovative commerce platform in Turkey with its multi-channel widespread sales model, it continues its contribution to traditional channel retailers and to the country's economy with its business partnership goods supply system, SEÇ Market, which it acquired in July **2014**. With the SEÇ Market system, Bizim Toptan became

the supplier of member dealer stores and became the leading and strongest company in the industry with a business partnership goods supply system.

Bizim Toptan responds to all the needs of customers with approximately **8,000** product varieties across the country and an average of **3,500** stock items per store. It is possible to group the Company's product portfolio as branded products and private label products. Approximately **95%** of SKUs offered for sale consist of branded products and **5%** consist of private label products. Having a strong partnership structure with the contributions of Yıldız Holding, Bizim Toptan went public in **2011** and its shares began to be traded in Istanbul Stock Exchange. Pursuing a cash-generating growth strategy and continuously increasing its presence across the country with its stores and its innovative multi-channel sales model, Bizim Toptan continued its operational development despite the ongoing pandemic conditions in **2021**. The company continued to increase its customer diversity and number of customers with the contributions of CRM applications supported by digitalization and artificial intelligence, and achieved an increase in turnover per store. It has expanded the scope of its digital sales platform, including the evolving branches of its multi-channel sales model, namely PROSAF (Professional

Sales Force) and Click & Pick Up. It also increased the number of its dealers in the SEÇ Market channel, which is its business partnership goods supply model, from **1,209** to **1,726** with a win-win approach.

Bizim Toptan also fulfilled its obligations to its shareholders as it continued to distribute dividends. It distributed dividends of gross TL **14,150,000** from its **2011** profit; gross TL **12,480,000** from its **2012** profit; gross TL **12,692,000** from its **2013** profit; gross TL **2,070,000** from its **2014** profit and gross TL **3,950,000** from its **2015** profit. Due to the company's growth policy, no dividend was distributed from **2016** profit. On the other hand, Bizim Toptan increased its issued capital by TL **20,000,000 (50%)** to TL **60,000,000** in **2017** to be covered entirely from its previous year's profits.

After distributing a gross cash dividend of TL **10,300,000** from its **2018** profit, the Company distributed a dividend of gross TL **8,268,884** from its **2019** net profit, corresponding to **25** percent of its **2019** net profit in accordance with the Provisional Article **13** of the Turkish Commercial Code No. **6102**. It distributed gross cash dividend of TL **19,242,527** from the net profit of **2020** to the shareholders in 2021. 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".



Milestones

Having started its operations with 14 stores in 2001, Bizim Toptan has become the leading company in the sector with its strong partners and effective management.

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.

2002



2001

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.



2006

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



2009

Having improved its extended sales network with 7 new stores, Bizim Toptan appeared as the 55th Largest Company of Turkey 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 crisis.



2010

Continuing to serve its customers with 12 new stores, Bizim Toptan increased its number of active customers to over 194,000. According to the "Turkey Cash&Carry Market" survey conducted by Frost & Sullivan in 2010, Bizim Toptan became Turkey's largest organized wholesaler in terms of number of stores.

Having increased its number of stores to 124 with 15 new stores, Bizim Toptan increased the number of its active customers to 228,000. Bizim Toptan finalized its public offering process in January 2011 and the shares of the company began to be traded on Istanbul Stock Exchange on February 3, 2011. The company switched to new channel management in 2011 and focused on the HORECA segment in this regard. In the last months of 2011, "Bizim Professional Card" application was launched to provide advantages to its customers.

2011



2014

Reaching 153 stores in 65 provinces across Turkey, Bizim Toptan increased its number of customers from 445,000 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 Turkey to have a business partnership goods supply system for B2B.



2016

2017



2018



2019

2020



2021

Bizim Toptan focused on the multi-channel sales strategy in **2016**, increased its number of stores from **156** to **162** and increased its areas of activity across Turkey by **68**. 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%**.

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 reached its consumers with a range of high quality and affordable products 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** while improving its supply rate with its wide-ranging, affordable product portfolio offered to business partners.

In **2018**, Bizim Toptan began to reap the fruits of the steps taken in the previous year in terms of transformation, increased the number of active customers by **37.2%** compared to the previous year through strong CRM applications and 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 from **381** to **539**.

In **2019**, Bizim Toptan got solid results from the steps taken regarding transformation and developed its multi-channel business model in terms of both the customer and the sales channel. In addition to the sales network of **175** stores in the **69** provinces of Turkey, the company increased the number of "SEÇ Markets" in the business partner goods supply system from **539** to **801**. Professional Sales Force PROSAF, through which the company offers sales and logistics services to its customers, 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. With a multi-channel sale system supported by powerful CRM applications, it increased the number of active customers by **31.3%** compared to the previous year and offered services to about **1.92** million customers.

With the pandemic conditions of **2020**, 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 & Collect digital sales business model in a short time in all its stores in Turkey. In addition to the sales network of **173** stores in **70** provinces of Turkey, 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 for establishing a more effective and focused structure to ensure that the SEÇ Market business line is developed and managed more swiftly. 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 Turkey and strengthened its position as the solution partner for non-domestic consumption and corporate points of sale. With a multi-channel sale system supported by powerful CRM applications, it increased its number of active customers by **15%** compared to the previous year and reached **2.2 million** customers. Bizim Toptan will continue to offer its branded and high-quality private label products with price advantage and ease of payment as the best choice for all customer groups in **2021** and it aims to further improve its strong position and maintain its leading role in the sector with its growth in alternative channels and digitalization.

Despite the ongoing pandemic conditions and macroeconomic factors in **2021**, Bizim Toptan has had a successful year by improving the scope and service quality of its multi-channel sales model. It increased the number of "SEÇ Markets" in its business partnership goods supply system from **1,209** to **1,726**. It continued to offer sales and logistics services to non-domestic consumption customers from **105** stores in **70** provinces of Turkey with PROSAF, its Professional Sales Force. The PROSAF operation, which also concentrates on new sales channels during the pandemic process, has become a solution partner of gas station stores and has become a much stronger sales channel during the pandemic period. Having renewed its Bizim Toptan Market application, Bizim Toptan continued its works to improve its digital channel turnover and realized a system of delivery within **24** hours in Istanbul. Breaking its own record by reaching **2 million** individual customers during the year with its strong CRM infrastructure and artificial intelligence supported marketing activities, the Company served **2.3 million** singular customers in total. Bizim Toptan will continue its digitalization investments in **2022** and will continue to "stand by" all customer groups, be it B2B or B2C, with its advantageous prices, wide product portfolio and high quality private label products.

Capital and Partnership Structure

Bizim Toptan, the largest Cash & Carry company in Turkey 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. The shareholding status* of Bizim Toptan as of the end of 2021 is shown on the table below.

Partner's Title	December 2021 2021 Shares Amount	Percentage (%)
Yıldız Holding A.Ş.	33,111,291	55.19%
Public	28,888,709	44.81%
	60,000,000	100%

(*) Data from the Central Securities Depository dated 12/31/2021.

Subsidiary	31.12.2021 Bizim Toptan's Share in Capital (%)
SEÇ Marketçilik A.Ş.	90

(**) SEÇ Marketçilik A.Ş. with a capital of TL 50,000, in which Bizim Toptan Satış Mağazaları A.Ş has 90% of, was registered on August 19, 2020 and the establishment procedures were completed.



Main Financial Indicators

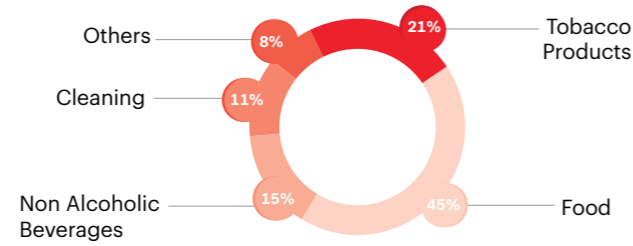
Employees



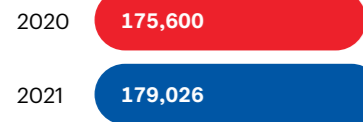
Average Daily Customers



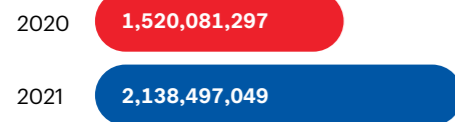
Sales Distribution by Category (2021)



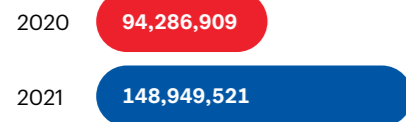
Total Net Sales Area (m²)



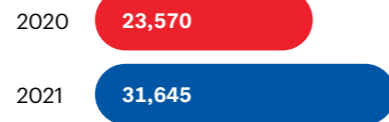
Total Assets(TL)



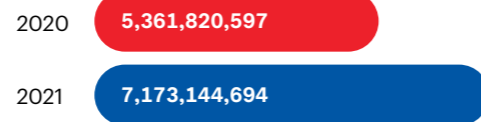
Operating Profit(TL)



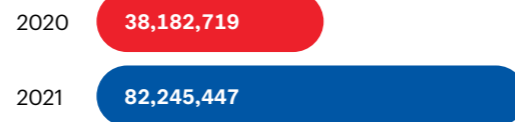
Sales per Sqaure Meter(m²)



Net Sale(TL)



Net Profit for the Year(TL)



(1) It refers to sales except cigarettes.

Condensed Balance Sheet(TL)	31.12.2020	31.12.2021
Current Assets	1,053,216,758	1,540,869,062
Fixed Assets	466,864,539	597,627,987
Total Assets	1,520,081,297	2,138,497,049
Current Liabilities	1,198,545,780	1,730,315,335
Non-Current Liabilities	168,842,754	192,086,824
Shareholder's Equity	152,692,763	216,094,890
Total Liabilities	1,520,081,297	2,138,497,049

Condensed Balance Sheet(TL)	31.12.2020	31.12.2021
Net Sales	5,361,820,597	7,173,144,694
Gross Profit	581,639,994	882,824,508
Operating Profit	94,286,909	148,949,521
Net Profit for the Year	38,182,719	82,245,447

Financial Ratios	31.12.2020	31.12.2021
Current Ratio	0.88	0.89
Current Liabilities/Total Assets	0.79	0.81
Equity/Total Assets	0.10	0.10
Gross Profit Margin (%)	10.8%	12.3%
Gross Profit Margin (%)	4.7%	5.6%
Net Profit Margin(%)	0.7%	1.1%
Net Profit Per Share (TL)	0.649	1.398

The distribution of sales of Bizim Toptan as of the years 2012-2021 is shown on the table below.

(Thousand TL)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Main Categories ⁽¹⁾	1.469.930	1.697.308	1.742.849	1.877.791	2.017.353	2.037.870	2.729.711	3.393.795	4.138.941	5.665.280
Other Categories	503.924	549.534	536.548	685.986	775.807	858.498	995.633	1.16.878	1.222.880	1.507.865
Total	1.973.854	2.246.842	2.279.397	2.563.777	2.793.160	2.896.368	3.725.344	4.520.673	5.361.821	7.173.145

(1) It refers to sales except cigarettes.



STRONG FINANCIAL PERFORMANCE, GROWTH ABOVE TARGET



**TL 7.2BILLION
SALES
INCOME**

IN ADDITION TO ITS OPERATIONAL RESULTS, BIZIM TOPTAN ALSO IMPROVED ITS FINANCIAL PERFORMANCE IN 2021. WITH A GROWTH EXCEEDING ITS TARGETS, IT INCREASED ITS TOTAL SALES BY 33.8% AND REACHED TL 7.2 BILLION TURNOVER.

**TL 82.2 MILLION
NET PROFIT**

Bizim Toptan increased its net profit which amounted TL 38.2 million in 2020 to TL 82.2 million as of the end of 2021.

**EBITDA MARGIN
OF 5.6%**

Bizim Toptan EBITDA margin, which was 4.7% in 2020, reached 5.6% at the end of 2021.

FROM THE MANAGEMENT

Chief Executive Officer's Message



Dear Stakeholders,

As Bizim Toptan, I am happy and proud to communicate this assessment to you after a year of accomplishing our goals that we successfully completed. As you know, 2021 has been a year of struggle in terms of global and local macroeconomic factors, as well as due to the ongoing pandemic that has affected the whole world. Constantly changing market conditions require agility and adaptation to change in all sectors. For our sector, in addition to this competence to adapt quickly, planning, strategy, maintaining financial capacity and human-oriented philosophy have been indispensable.

In a sense, the first half of the year was a period in which pandemic measures affected both our sector and the sectors in which our stakeholders and customers operate, and compliance with these conditions was important like it was the continuation of 2020. In this process, as Bizim Toptan management, as in the previous year, our priority was to continue to offer our services to people at the best prices without interruption and maintain the required sensibility in our operations while protecting the health of our employees and customers. Combining our human-oriented and service-oriented philosophy with well-planned strategic steps, we completed this period by providing healthy, uninterrupted service to our customers and maintaining our operational and financial goals.

The second half of 2021 brought about controlled normalization in the pandemic conditions pursuant to high vaccination rates. As our customers in the non-domestic consumption sector began to open their businesses and kids began to go to school, our canteen and corporate customers began to turn back to their activities. As the planned steps we have taken over a long time as the single commerce platform in our field combined with the new channels we focused on during the pandemic and the transformation we maintained in the digital sense, the second half of 2021 made our operational development much more visible.

We've been focusing on digitalization for some time now. In fact, we began to work on transforming our Enterprise Resource Planning (ERP) as the most important step for digitalization. In 2021, we accelerated these works and completed all the work necessary to realize this transformation in 2022. In the meantime, we enriched our strong CRM infrastructure, one of our strongest muscles, with artificial intelligence applications. Thanks to artificial intelligence algorithms, we now comprehensively analyze the product purchase trends of our customers as well as their needs and preferences and create special activity recommendations for each of our customers. Another step we took in the direction of digitalization was to realize our mobile app and to develop our website www.bizimtoptan.com.tr, where we digitalize our customers' brick and mortar store experience. As Bizim Toptan, we adapt to the pace of change in technology and consumption areas accelerated by the pandemic, and we are working to improve customer experience in this area day by day. Our Click & Pick Up application, where we offer contactless shopping experience to our customers, and our website, where we digitalize the store experience, have been channels that contributed positively to our customer base in 2021. As a matter of fact, in 2021, we broke our own customer record and reached a total of 2.3 million singular customers and more than 2 million individual singular customers with an increase of 6.2% compared to the previous year.



Combining our human-oriented and service-oriented philosophy with well-planned strategic steps, we completed this period by providing healthy, uninterrupted service to our customers and maintaining our operational and financial goals.



In 2021, as Bizim Toptan, we continued to grow with our alternative sales channels in addition to our merchandising capabilities. Our SEÇ business partnership model, which is the leading procurement business partnership model in its field in Turkey, continued to increase both the number of small retailers benefiting from the system and its geographical prevalence with its win-win philosophy. The number of SEÇ Market business partners, which was 1,209 at the beginning of 2021, increased to 1,726. "Standing by merchants", our SEÇ Procurement Cooperation Platform continued to offer the best service to its customers as "The Market of Our Neighborhood" while continuing to contribute to both the country's economy and the traditional retail channel. Within our sales, the share of sales we made within the framework of SEÇ Procurement cooperation accounted for 15% in 2020, while it reached 20% of our total sales by the end of 2021. We have full faith in the SEÇ Procurement collaboration model and

development where we support the existence and development of the traditional channel and our small retail merchants.

PROSAF, which is another strong point of our company, reinforced its unrivalled position in the B2B area as it continued its development despite the pandemic conditions. Having improved its existing customer portfolio with gas station grocery stores and ship store business, PROSAF reached the point where it operated in 105 stores in 70 provinces in 2021. In 2022, we aim for PROSAF to improve for both non-domestic consumption customers and corporate customers and continue to differentiate from its competitors.

Dear Stakeholders,

The above-mentioned operational developments are also reflected in our financial results. In 2021, our total sales revenues increased by 33.8% compared to the previous year and reached TL 7.2 billion. Sales excluding cigarettes and sugar, which is an important operational and financial indicator, grew by 36.3% on an annual basis and exceeded our goals. Our gross profit grew by 51.8% year-on-year, while our gross profit margin increased from 10.8% in 2020 to 12.3%. Thus, we achieved significant improvements in both EBITDA and net profit. While our EBITDA margin increased from 4.7% to 5.6%, our net profit increased from TL 38.2 million to TL 82.2 million. If the effect of deferred tax income arising from the revaluation of tangible fixed assets effective in this year is excluded, our net profit of TL 52.2 million is again above target.

In addition to our financial and operational achievements, we continued our work in the field of sustainability. With the energy efficiency investments we made in 2021, we recorded a 3% reduction in Kwh in total electricity consumed. In order to continue this success in 2022, we aimed to achieve an improvement of 2.5% year-over-year in total electricity consumption and total mains water consumption. In addition, with our new generation work model, we aimed to reduce greenhouse gas emissions from personnel transportation by 60%.

It should be noted that we, as each and every member of Bizim Toptan family, work with a sense of responsibility to be better for all our customers, stakeholders, the society and future generations. We aim to do better every day than the previous day and to continue to be the best alternative for all customer groups in all circumstances. I would like to thank to all my valuable colleagues we worked together on this path in 2021, and I would like to promise a much stronger and more successful Bizim Toptan to all our stakeholders in 2022, with my kind regards.

Hüseyin Balcı
Chief Executive Officer

Board of Directors

Name, Last Name	Position	Date of Appointment	Term of Duty
Cengiz Solakoğlu	Chairman of Board of Directors	July 13, 2020	3 Years
Mehmet Tütüncü	Deputy Chairman of Board of Directors	July 13, 2020	3 Years
Ali Ülker	Member of Board of Directors	July 13, 2020	3 Years
Fahrettin Günalp Ertik*	Member of Board of Directors	March 17, 2021	2,5 Years
Erman Kalkandelen	Member of Board of Directors	July 13, 2020	3 Years
Fatma Füsün Akkal Bozok	Independant Member of Board of Directors	July 13, 2020	3 Years
Ahmet Bal	Independant Member of Board of Directors	July 13, 2020	3 Years
Ömer Faruk Sevgili	Independant Member of Board of Directors	July 13, 2020	3 Years

* He was elected to the board of directors vacant on February 19, 2021, with the decision of the Board of Directors dated March 17, 2021, to complete the remaining term and to be approved at the first general assembly meeting. Board of directors approved the election at the general assembly meeting on April 20, 2021.

CENGİZ SOLAKOĞLU
Chairperson Of
Board Of Directors/
Independent Member

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 Chief Executive Officer of the Company in **1977**. He held this position until **1983**, when he became the Chief Executive Officer 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 **2003**.

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 Chief Executive Officer 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 Chief Executive Officer 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 Turkey, 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 Chief Executive Officer of Atlas Gıda Pazarlama A.Ş. in **1998** and Vice President of the Retail Group in **2000**, whereupon he also assumed the role of Chief Executive Officer 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.

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 Chief Executive Officer 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 FÜSUNAKKAL 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, Akış 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 Turkey 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, Chief Executive Officer 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 Turkey 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



Hüseyin Balcı
Chief Executive Officer

Having completed his undergraduate education at Anadolu University, Department of Finance, Hüseyin Balcı started his career at Yıldız Holding A.Ş. He started as a Chain Store Sales Representative at Atlas Gıda Pazarlama A.Ş. Afterwards, Rekor Gıda A.Ş. Sales Operations Manager and Sales Manager, Merkez Gıda A.Ş. Sales Operations and Planning Group Manager, Assistant Chief Executive Manager, Chief Executive Manager, Atlas Gıda A.Ş. Chief Executive Manager, Ülker Bisküvi A.Ş. He served as the Chief Executive Manager of Trade. Balcı, who took office as Assistant Chief Executive Manager of Sales at Avea İletişim Hizmetleri A.Ş., one of the Türk Telekom Group Companies, at the beginning of 2013, most recently served as Assistant Chief Executive Manager responsible for Retail Sales of Türk Telekom Group. Hüseyin Balcı joined Bizim Toptan as the Chief Executive Manager at the beginning of 2017, realizing the transformation process of the company, updating and strengthening the multi-channel sales model in line with the dynamics of the industry and the digital age.



Altan Sekmen
Seç Marketçilik A.Ş.
Chief Executive Officer

Altan Sekmen was born in 1968 in Aalen/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 business career in 1995 at Hillside Beach Club, a subsidiary of Alarko Holding, as the Chief of Public Relations and Customer Relations. He worked 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 Supermarkets between 1999-2008, he worked as the Turkey and Hungary General Manager of HAVI Logistics between 2008-2014. He joined Yıldız Holding in 2014 as the General Manager of Tek Özel Gıda. After Tek Özel, G2M Dağıtım Pazarlama ve Tic. Inc. After working as the General Manager, 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 working as the Chief Executive Officer of Seç Marketçilik A.Ş. since September 2020.



Tarık Duvan
Seç Marketçilik A.Ş.
Deputy Chief Executive Officer

Tarık Duvan, who completed his undergraduate education at Anadolu University Department of Business Administration and his master's degree at Bahçeşehir University MBA department, started his career in 2001 at Ülker / Merkez Gıda Paz. San. & Tic. A.Ş. as a Sales Inspector. Afterwards, he worked as Sales Chief, Regional Sales Manager and Turkey Sales Group Manager at Yıldız Holding A.Ş. Tarık DUVAN, who worked as the Sales Director at Avea İletişim Hizmetleri A.Ş., one of the Türk Telekom Group companies, at the beginning of 2013, most recently served as the Sales Director at Türk Telekom A.Ş. Duvan joined Bizim Toptan team as sales director in 2017 and played an active role in the development and incorporation of Seç channel as the director responsible for Private Sales Channels. Tarık Duvan has been working as Seç Marketçilik A.Ş. Serves as Deputy Chief Executive Manager.



Furkan Akiner
NDC & Corporate Sales
Director

Furkan Akiner, who completed his undergraduate education in Samsun 19 Mayıs University Environmental Engineering Department and his master's degree in Sakarya University MBA department, started his career in 2008 as a Sales Inspector at Ülker Atlas Gıda. Afterwards, he worked in different cities of the company and worked as Sales Manager and Supply Chain Manager within Yıldız Holding. In 2013, he worked at AVEA in the positions of Commercial Activities Manager and Regional Sales Manager, Sales Group Manager and Audit Group Manager under Türk Telekom. Akiner, who joined Bizim Toptan in 2017, works as EDT & Corporate Sales Director in the structuring and end-to-end management of Out of Home Consumption and Corporate organization under the PROSAF.



Serhat Altıncılıç
Director of Commerce

Serhat Altıncılıç, who completed his undergraduate education in Mining Engineering at İnönü University and his master's degree in MBA from İstanbul Şehir University, started his career in 2008 as a Sales Manager at Ülker Merkez Gıda. He worked as a Commercial Marketing Manager and Commercial Marketing Manager in Yıldız Holding, respectively. In 2013, he worked as Regional Sales Manager and Commercial Marketing Group Manager under Türk Telekom. Altıncılıç, who joined Bizim Toptan in 2017, was the Senior Sales Manager of Seç Markets at Bizim Toptan before being appointed as the Director of Commerce in 2021.



Önder Arıkan
Chief Financial Officer

Önder Arıkan, who completed his undergraduate education at Boğaziçi University, Department of Business Administration and his master's degree at Bahçeşehir University, MBA, started his career in 2006 as a budget reporting specialist at Metro Cash and Carry. Afterwards, he worked in the finance departments of Joker Bebek, an Actera Group company, and Markafoni, a Naspers Group company, respectively. Önder Arıkan, who joined Bizim Toptan in 2017, was the Budget Reporting and Profit Planning Senior Manager at Bizim Toptan before being appointed as the Financial Affairs Director in 2019.



Serkan Çakıcıoğlu
Director of Strategy,
Growth and Data
Governance

Serkan Çakıcıoğlu, who completed his high school education at Cağaloğlu Anatolian High School and his undergraduate education at Boğaziçi University Guidance and Psychological Counseling Department, started his business life in **1998** while continuing his undergraduate education, working part-time in European Electronics and Tar.Ürn. Singing. Trade Ltd. Şti. as a Sales and Marketing Specialist. Joining the first employees of Aria (İş-TİM Telekomünikasyon Hizmetleri A.Ş.), which obtained Turkey's 3rd GSM operator license at the beginning of **2001**, he served as Customer Services Specialist, Sales Specialist and Corporate Sales Reporting and Analysis Specialist, respectively. Çakıcıoğlu, who completed his military service as the Guidance and Counseling Center Supervisor in the Rescue and Underwater Command in **2005-2006**, started to work as a Sales Budget & Control Specialist at Avea İletişim Hizmetleri A.Ş. Çakıcıoğlu, who stepped into the management position as Sales Budget & Control Manager in **2007**, assumed the position of Sales Planning and Reporting Manager in **2008** and Sales Strategies and Performance Management Senior Manager in the following years. Çakıcıoğlu, who worked 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, who joined Bizim Toptan as Budget & Profit Planning and Reporting Manager in **2019**, was appointed as the Strategy, Growth and Data Governance Director 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.



Raşit Çebi
Marketing and
Customer Relations
Director

Raşit Çebi, who completed his undergraduate education in the Department of Economics at Boğaziçi University, started his career in Product Management at Yıldız Holding in **2006** and worked as the Brand Manager and Brand Manager of Hero Baby, Kekstra, Dankek brands, and as the agency head & general manager in 9th Sanad since **2013**. He focused on creative strategies, digital projects and PR. Çebi, who joined Bizim Toptan in **2017**, leads Marketing and CRM management as a CMO. As a volunteer mentor within the scope of Cube Incubation, he provides support to startups in the start-up ecosystem on marketing communication & technologies, CRM, artificial intelligence and data analytics. Raşit Çebi won an award in **2021** by being one of the **50** CMOs Directing the Fast Company Digital World.



Hamide Güven Şen
Human Resources
Director

Hamide Güven Şen, who completed her undergraduate education in Kocaeli University Labor Economics and Industrial Relations department and her master's degree in Bahçeşehir University MBA department, started her career at General Kimya Ltd. She started as a Human Resources Manager in the company she. Afterwards, she worked as a Human Resources Manager at Yıldız Holding A.Ş. and as a Human Resources Manager at Medyasoft A.Ş. Hamide Güven Şen, who worked as the Human Resources Manager at Avea İletişim Hizmetleri A.Ş., one of the Türk Telekom Group companies, at the beginning of **2011**, most recently served as the Human Resources Group Manager at Türk Telekom A.Ş. At the **2019** Stevie Awards, with the distance education platform Oncampus application, Hamide Güven Şen managed the projects that were selected among **9** international companies in the "Best Mobile Site and Application in the Field of Education" categories and "Bronze" in the "Best Education Applications of the Year" category. was awarded a Silver award by Brandon Hall Group at the Technology Excellence Awards for its work on the Near-Miss Gamification project. Hamide Güven Şen currently works as the human resources director responsible for Bizim Toptan and Seç Marketcilik.



Selman Karadağ
Information
Technologies Director

Bizim Toptan Satış Mağazaları A.Ş. Selman Karadağ, Director of Information Technologies, graduated from Marmara University, Department of Industrial Engineering in **2002**. He started his career at Yıldız Holding as Assistant Project Manager in the Business Development Department, then worked as Project Manager, Sales Force Automation Manager, and Information Technologies Group Manager respectively. Prior to joining Bizim Toptan, Karadağ, who worked as the Information Technologies Group Manager responsible for IT processes in Pladis Turkey, the Middle East and North Africa, Global Sales Automation Solutions and Retail Group IT Processes, joined Bizim Toptan in **2019**.



Özer Şimdi
Sales Operations
Director

He completed his undergraduate education at Anadolu University, Department of Business Administration. Subsequently, he received vocational training at Sabancı University and Boğaziçi University continuous learning centers. He started his **20**-year retail career in Metro Turkey as a store employee. Afterwards, he worked as Department Manager, Assistant Store Manager, Sales and Operations Manager and Operations Manager at the Headquarters, and Distribution Center Operations Manager at Metro Turkey, respectively, in the same company. He has led many national and international projects within the company in his career. Some of these projects are international goods management system project, project to increase efficiency in stores, low-cost store opening project in Anatolia and efficiency project in in-store supply - logistics systems. Özer joined Bizim Toptan in **2021**.



M. Murat Yanık
Supply Chain Director

Murat Yanık, who completed his undergraduate education in Anadolu University International Relations Department and master's degree in Istanbul University Supply Chain Management, started his career in **2002** as Sales Development Officer at Bizim Toptan Satış Mağazaları. Afterwards, he worked as a Store Manager, Regional Manager, and Regional Manager in the company's stores in different cities. He then worked as the Sales Operations Manager at the general directorate. Continuing his duty as the Supply Chain Senior Manager since the beginning of **2018**, Murat Yanık was most recently appointed as the Supply Chain and Channel Development Director in August **2020**. In addition to the duties of the Supply Chain, he also carries out the investment, construction, environment, quality and OHS processes with his teammates.



Işıl Bük
Investor Relations
and Budget Reporting
Senior Manager

Bizim Toptan Satış Mağazaları A.Ş. Işıl Bük, who is the Investor Relations and Budget Reporting Senior Manager, completed her undergraduate education in **2004** and her master's degree in **2007** at Marmara University, Department of Economics in English. She started her career at IKEA in **2006** as an Internal Audit and Financial Reporting Specialist. In **2007-2012**, Halk Investment Menkul Değerler A.Ş. She worked in Corporate Finance and Research units, worked as an economist/strategist, and took an active role in **16** public offering projects. Bük, who started to work as Investor Relations Manager at Yıldız Holding in **2012**, became the head of Bizim Toptan's Investor Relations Department at the end of **2013**. In **2020**, she carried out the Corporate Risk Management of the company, and in **2021**, she took over the management of the Budget, Reporting and Profit Planning Department as well as the Investor Relations Department. She has also been a member of Bizim Toptan's Corporate Governance Committee since **2014**. Işıl Bük, who has Capital Market Activities Level III License and Corporate Governance Rating Specialist license certificates, has been on the Boards of the Investment Professionals Association (CFA Society of Istanbul), Financial Literacy and Access Association (Foder) and Turkish Investor Relations Association (TÜYİD) for many years. Has received. She still continues her duty in the Board of Directors of Foder and TÜYİD. She also has the ACC professional coaching title given by the International Coaching Federation (ICF).



Taner Subaşı
Senior Project Manager

Having completed his undergraduate education at Istanbul Technical University Civil Engineering Department and his master's degree at Maltepe University Business Administration Department, Taner Subaşı started his career in **2001** at Avea Finance Department. Subaşı continued to work in the departments of finance, corporate sales development, sales process, and system development, respectively, until **2015**, and started working at Türk Telekom in **2015** as Sales Analysis, System and Process Development Director. In **2017**, he was appointed as the Director of Channel Operations, Channel Operations and Digital Channel Management at Türk Telekom, and continued to work in this position until June **2020**. Taner Subaşı is currently Project Senior Manager at Bizim Toptan.



İbrahim Ceylan
Digital Sales Channel
Manager

İbrahim Ceylan, who 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 as an Assistant Category Specialist in DSM Group (Trendyol) in **2012**. Then, he worked as Category Specialist and E-commerce Category Manager in Boyner Büyük Mağazacılık, respectively. İbrahim Ceylan started to work as the Digital Sales Channels Manager in the digital transformation process of Bizim Toptan in **2018** and continues his duty as the Digital Sales Channels Manager. Ceylan has ensured the integration of all channels and customer segments of Bizim Toptan into digital platforms and created a constantly evolving digital sales platform.



Tacettin Engin
Technical Purchasing
Manager

Tacettin Engin, who completed his associate degree in İTÜ construction and undergraduate education in Anadolu University Public Administration, started his career in the freelance project and construction sector in **1994**. After the **1999** earthquake, he worked on damage assessment and project design for **2** years, and then worked as a Construction Works Supervisor in Bizim Toptan in **2003**. and continued his career as Equipment and Maintenance Repair Manager. Tacettin Engin has been working as a technical purchasing manager since **2014**.

Name, Last Name	Position	Term of Duty at the Company	Total Work Experience
Hüseyin Balcı	Chief Executive Officer	5 years	23 years
Altan Sekmen	SEÇ Marketçilik A.Ş. Chief Executive Officer	2 years	27 years
Tarık Duvan	SEÇ Marketçilik A.Ş. Deputy Chief Executive Officer	5 years	21 years
Furkan Akıner	NDC & Corporate Sales Director	5 years	14 years
Serhat Altınkılıç	Director of Commerce	5 years	14 years
Önder Arıkan	Chief Financial Officer	5 years	16 years
Serkan Çakırcıoğlu	Director of Strategy, Growth and Data Governance	2,5 years	23 years
Raşit Çebi	Marketing and Customer Relations Director	5 years	16 years
Hamide Güven Şen	Human Resources Director	5 years	19 years
Selman Karadağ	Information Technologies Director	3 years	19 years
Özer Şimdi	Sales Operations Director	6 month	20 years
M. Murat Yanık	Supply Chain Director	20 years	20 years
Işıl Bük	Investor Relations and Budget Reporting Senior Manager	8 years	16 years
Taner Subaşı	Senior Project Manager	2 years	21 years
İbrahim Ceylan	Digital Sales Channel Manager	3 years	10 years
Tacettin Engin	Technical Purchasing Manager	18 years	27 years



WE CONTINUED TO STAND BY OUR CUSTOMERS USING EVERY CHANNEL



SEÇ

SEÇ continued its strong development in 2021 and increased its number of stores from 1,209 to 1,726 in 79 provinces.

Bizim Toptan played a key role with its stores in the supply of goods to SEÇ stores, and continued the number and development of SEÇ business partners per store.

PROSAF

Professional Sales Force PROSAF reached 105 stores in 70 provinces in 2021 and increased its sales revenues by 78%.

CLICK & PICK UP

The "Click & Pick Up" application, which was implemented in 2020, was developed in 2021, and its infrastructure transformation was achieved, whereby multi-channel "digital" retailing was implemented in all stores of Bizim Toptan.

Organized Wholesale Industry and Bizim Toptan

Bizim Toptan continues to be the best alternative for all customer groups with its 173 stores in 70 provinces, extensive and diversified multi-channel sale network, advantages for its customers and its accessibility.

Bizim Toptan continues to be the best alternative for all customer groups with its **173** stores in **70** provinces, extensive and diversified multi-channel sale network, advantages for its customers and its accessibility.

COVID-19 Pandemic conditions, which continue to affect the entire world, have had an impact on life and consumption behaviors especially in the first half of **2021**. During the first half of the year, curfews, distance education and limited service of non-domestic consumption points continued within the scope of the fight against the pandemic. This negatively affected the activities of NDC customers in particular. With rapid vaccination becoming widespread in the second half of the year, pandemic restrictions were eased, face-to-face education began and NDC points were put back into service.

However, the losses in the value of the Turkish Lira against foreign currencies combined with the price increases in the agriculture and supply industry, a trend of increase began to be observed in prices overall. Compared to the previous year, the Consumer Prices Index (CPI) increased by **36.08%** and the domestic producer price Index (PPI) increased by **79.89%**. This situation brought about mobility in demand conditions especially in the last quarter of the year.

The wholesale and retail market for Fast Moving Consumer Goods (FMCG) continued to grow in Turkey as in the whole world and underwent a much faster transformation with the impact of the Pandemic. Despite the non-organized wholesalers and distributors estimated to be comprising the vast majority of the wholesale market, the development of the organized wholesale market including Bizim Toptan gained more importance in this period.

In Turkey, **4** corporate company chains, including Bizim Toptan, operate within said organized wholesale market, while many grocery stores operating regionally and known as single cash&carry companies (gross markets) are also considered to be within the organized cash&carry market. Despite the scattered structure and competitive conditions in the market where it operates, Bizim Toptan has maintained its position as the most extensive cash&carry company and trading platform on a geographical basis in Turkey since **2007**.

Taking into account the developments in retail and wholesale industries over the years as well as the growth dynamics in supplier and demand conditions, Bizim Toptan continues to transform its wholesale concept and effectively meet the demands of suppliers to reach a wider store network and a broader customer base. It also analyzes market dynamics and positions



its wholesale stores in a way that can serve the multi-channel sales strategy on the way to sustainable growth, diversifies its sales channels and turns into a trading platform to respond to the demands of all customer groups. While ensuring the rapid development of the business partnership dealership model formed in the market channel supply process as a pioneer in **B2B** in Turkey, it continues to enrich its business models.

The Company offers micro-distribution services to its target customer channels through PROSAF, its Professional Sales Force commissioned in the strategic transformation process. Continuing in **2021** to develop the "tele-sales" model which was launched in **2020**, PROSAF focused especially on fuel station store customers during this period as well. In addition to PROSAF, which has become the solution partner for the

NDC sector, the digital sales channel of Bizim Toptan also follows the trends. With www.bizimtoptan.com.tr digital sales address, whose infrastructure has been renewed, and Click & Pick Up service, which is active in stores all over Turkey, Bizim Toptan has moved its physical store experience to digital.

Adding value to the industry with its innovative applications, Bizim Toptan enables meeting all needs at "the closest point to its customer" and at once from a single location. Based on the principles of flexibility and scalability in its activities, Bizim Toptan is a pioneer of many innovations, digitalization and best practices in the sector.

2021 Activities

Despite the effect of the pandemic on the non-domestic consumption sector and canteens, Bizim Toptan broke its own record in the number of active customers in 2021 compared to 2020 and had 2 million 300 thousand customers with an increase of 6.2%.

Having made a strong start in 2021 with multi-channel sales strategy, wide customer network and artificial intelligence supported Customer Relations Management (CRM) applications, Bizim Toptan continued to develop customer diversity, number of customers and operational indicators throughout the year by turning to alternative customer groups during periods when pandemic measures were intense. Rapidly adapting to the changing market structure and customer habits, and developing its multi-channel sales strategy, the company broke its own record by increasing its total number of customers by about 6.2% in 2021 compared to the previous year and reached 2.3 million customers.

Continuing its digitalization activities with the works on changing the enterprise resource planning (ERP) and the infrastructure developments of Bizim Toptan internet sales channel, the company has also commissioned artificial intelligence supported CRM applications during the year. With the AI Insight project, it created a special activity for each customer in the multi-channel sales model by analyzing the product purchase trends of its customers as well as their needs and preferences, thereby increasing its average basket and total turnover.

The SEÇ system, which is the company's business partnership goods supply model that has seen an increase every year in terms of both the number of

stores and sales revenue since 2017, has continued to grow as Turkey's first procurement cooperation platform that supports traditional small-scale retailers in addition to Bizim Toptan's alternative sales methods that enrich the company's retailing operation and customer experience. The number of dealers in the system, which was 1,209 by the end of 2020, increased to 1,726 by the end of 2021. Having become an important supplier in the grocery store channel with its "win-win" approach, Bizim Toptan established its SEÇ Market network to 79 provinces with its motto "grocery store of our neighborhood". In addition to supporting entrepreneurs in the sector, SEÇ Market also contributes to the country's economy, and continues to grow and improve day by day.

Another important sales channel of Bizim Toptan, which strengthens its position in the sector with innovative sales channels, is PROSAF, the Professional Sales Force, which provides micro-distribution services to non-domestic consumption (NDC) and corporate sales points. Despite the negative impact of the pandemic restrictions especially on NDC customers and canteen customers, PROSAF expanded its scope of operations to 105 stores in 70 provinces. Serving its customers with its face-to-face and tele-sale channel, PROSAF differs from its competitors and maintains its leading position in its market.

Improving store efficiency with the development of alternative sales channels, the company opened 2 new stores, relocated 5 stores and closed 2 stores this year. At the end of 2021, it continues its operations with 173 stores in 70 provinces. In addition to its sale channels, Bizim Toptan continues to diversify its product portfolio as well. In line with its policy of "the best price" and "the best quality service", it also developed its private label products and increased its number of SKUs from 318 to 412. Thanks to the favor shown by the customers for the development in the portfolio of private-label products that offer quality at an affordable price, the share of these products in sales excluding cigarettes increased from 22% in the previous year to 25%. The number of customers reached by private label products exceeded 1.6 million customers with an increase of 9.1%.

In addition to its operational results, the company also improved its financial performance in 2021. With a growth exceeding its targets, it increased its total sales by 33.8% and reached TL 7.2 billion turnover. Sales revenues of the company excluding cigarettes (Main Category) increased by 36.9% and sales revenues excluding cigarettes and sugar increased by 36.3%.

While the gross profit margin increased from 10.8% in the previous year to 12.3% this year, the EBITDA margin increased from 4.7% to 5.6%. The Company increased its net profit from TL 38.2 million in 2020 to TL 82.2 million. The net profit amount in question includes an impact of approximately TL 25 million deferred tax income arising from an increase in value due to tangible fixed asset valuation, and when said amount is excluded, the resulting profit amounting TL 57.2 million indicates a significant improvement as well.

While the Company works for uninterrupted service to all customer groups in any circumstances and maintains its principle of being the best alternative in the market for all customers in 2022, it plans to complete its ERP transformation and turn into a fully digital commerce platform.





SEÇ Market The Winners Smile with the Business Partnership Model!



SEÇ Market Provinces



SEÇ MARKET WRITES THE PROLOGUE TO ITS STORY WITH THE MISSION OF CONTRIBUTING TO ITS STAKEHOLDERS, BUSINESS PARTNERS AND THE COUNTRY'S ECONOMY AND CREATING SIGNIFICANT ADDED VALUE ON THE WAY TO PROGRESS AND DEVELOPMENT.



SEÇ Market business partnership model managed to become 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 1,726 stores in 79 provinces.

BOTH A LARGE GROCERY STORE AND A SHOPKEEPER! INTRODUCING "YOUR NEIGHBORHOOD'S GROCERY STORE"

SEÇ Market business partnership model enables all dealers in the system to benefit from the wide product portfolio, supply chain, technical capabilities, equipment, experience and brand prestige of Bizim Toptan. Thus, dealers stay strong and gain an advantage against their competitors.

The dealers are able to offer the high-quality products they procure from Bizim Toptan at competitive prices in accordance with the win-win principle. Together with the other supports they receive, they come under a single roof and meet all the requirements of a corporate structure.

SEÇ Market business partnership model, which brings together all the positive features that customers expect from the players in the retail sector, is the first in its field in Turkey.



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.

SEÇ Market, whose dealers 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 2022 has also been shaped in the light of these principles.

Here are the 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 dealers in certain areas and to make the customer experience similar in terms of the criteria that are crucial for corporate identity.

Digital Brand:

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 2021, improvements were made on the SEÇ Portal system and effective follow-up of the dealers' supply process and financial structures was made possible for SEÇ dealers. The customer leg of the digital brand was not forgotten, and preparations regarding the infrastructure for ordering on WhatsApp and ordering by phone started in 2021.

Brand Positioning:

Intending to draw a sincere merchant and professional grocery store image, SEÇ Market positions itself in the mind of the consumer with the motto "Your Neighborhood's Grocery Store". It is aware that there is a large ecosystem within the boundaries of geography with 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.

“**THAT'S THE WHOLE STORY BEHIND OUR SMILING FACE.**”

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** dealers.

With the number of dealers 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 **2021**, expressions of success were written in gold letters in the story of SEÇ Market. 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. The evaluation, planning, targeting, focus and positioning process was set out and the road map to be drawn for SEÇ Market in the future was established.

- With **765** new dealers opening, the total number of dealers reached **1,726**.
- Approximately **20%** share in Bizim Toptan's turnover was reached in **2021** and a revenue of **1.4 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.

PROSAF (Professional Sale Force) Professional Solutions for Your Business

Moving on to become a solution partner with a special supply planning system, expert sale team and wide logistics service for the needs of its customers, PROSAF has come one step closer to its goal of expansion across Turkey with a total turnover of 706 million TL and 78% growth with 300 employees in 70 provinces and 105 stores in 2021.



PROSAF is the name of the professional solution partner at Bizim Toptan to reach Non-Domestic Consumption and Corporate points of sale. With its sales and logistics teams positioned at 105 stores in the 70 provinces of Turkey, the PROSAF operation separated itself from its competitors and became the most extensive Non-Domestic Consumption (NDC) solution partner and is capable of catering to 85% of Turkey'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 2021, 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.

PROSAF allows customers to get all the products they need from a single supplier with its product portfolio of over a total of 7,000 branded and private label products from over 450 suppliers, which is even above the store product portfolio of Bizim Toptan.

ROADMAP

Moving on to become a solution partner with a special supply planning system, expert sale team and wide logistics service for the needs of its customers, the PROSAF team began its activities with 12 provinces, 15 stores and 60 employees in 2017. It moved from a total turnover of 310 million TL with 90 stores and 220 employees in 65 provinces in 2019 to a total turnover of 400 million TL with 102 stores and 303 employees in 70 provinces in 2020, achieving 28% growth. In 2021, it achieved 78% growth with a turnover of 706 million TL with 105 stores and 300 employees in 70 provinces. It achieved this growth and expansion by increasing the number of customers it reached from 15,000 in 2019 to 23,000 in 2020 and to 25,500 in 2021 and by deepening in its existing customer base in 2021.

To build on its success in 2020 where it grew by 29% with a turnover of 64 million TL and 2,800 customers, PROSAF provided professional solution partnership to all the needs of fuel stations and offered collaborations at the Headquarters level with a central agreement working model at national and international fuel stations and signed station agreements. An accelerated and sustained growth compared to previous years was achieved among station customers whose development was increased by the company by starting to penetrate products outside the current

portfolio especially with the pandemic. Thus, while it increased the number of customers comprising gas station grocery stores to 3,200, it generated a sales revenue of about 126 million TL from this customer group.

PROSAF delivers all the office and food needs of its corporate and chain customers to its branches at any point in Turkey with high service quality and a wide product portfolio consisting of branded and private label products, competitive prices and extended access network.

The customers it serves in this regard are Turkey's leading corporate firms listed in ISO 500, Capital and Fortune 500. It achieved accelerated growth in 2021 compared to previous years with dedicated personnel in the field teams due to the different management style and expectations of the corporate customers group. Having realized a turnover of 54 million TL in 2019 and 95 million TL in 2020 in the corporate customer group, PROSAF achieved a turnover of 169 million TL with 78% growth and 39% in the number of customers in 2021.

In 2021, having conducted works for ship supply customers and having improved its performance in this customer group compared to 2020 PROSAF also increased its turnover growth in this segment by 88%.

In short, despite the negative impact of COVID-19 on the sector, which affected the whole world in 2021, it focused on fuel stations, bakery products, business kitchens and production companies that were active during this period and enabled them to grow effectively compared to 2020. The most important effect on this growth is that it effectively met customer expectations by anticipating the need for the changing product portfolio brought by the period. PROSAF shaped both 2021 and future plans with the necessary digital investments to minimize the impact of COVID-19.

Bizim Toptan's Internal Strength: Private Label / Own Brand Products

In 2021, Bizim Toptan increased the number of brands in its private label product portfolio from 16 to 22 brands and reached a wide product portfolio of 412 products in 40 categories in total.



Sales of private label products in the Turkish market continue to grow with a rising trend. The financial impact of the pandemic and the rise in food prices have increased the shopper's search for "value". With increasing price awareness, one in every 5 shoppers began to buy more private label products compared to the previous year. As a result of this development, the share of private label product sales in the fast moving consumer goods sales in Turkey went beyond the last 10 years' trend and rose to 22%* with an increase of 0.6 points.

With the trends in Turkey changing this way, Bizim Toptan boasts a robust Private Label / Own Brand business line. In addition to its private labels, Bizim Toptan also manages the brands of Yıldız Holding A.Ş. which are strong and recognized but whose marketing communication has not been made for a long time, under the umbrella of private labels.

It determines the marketing communication strategies for these valuable brands without moving away from their brand value, designs them with changes that separate them from the rest of the competition with an innovative perspective and offers them to Bizim Toptan customers across Turkey, contributing to the country's and individuals' economy.

Source: Nielsen IQ Retail Panel Ytd September 2021
Focusing on customer-based portfolio management, meeting the customers' needs with a focus on channels, making products that comply with quality assurance procedures and health standards, Bizim Toptan supports its products with powerful launch plans. Communicating in all marketing and commercial media, it creates awareness and instills brand recognition in the consumer and increases customer loyalty.

In 2021, Bizim Toptan increased the number of brands in its private label / own brand product portfolio from 16 to 22 brands and reached a wide product portfolio of 412 products in 40 categories in total. In 2021, the business volume of Private Label / Own Brand products rose by 51.9% to 1.4 billion TL in turnover.

With this growth, the share of Private Label / Own Brand products in the sale revenues of Bizim Toptan excluding cigarettes and sugar increased from 24% in the previous year to over 26% and in sale revenues excluding cigarettes increased from 22% to 25%. Bizim Toptan increased the number of customers it reached with its private label products to 1,637,756 with an increase of 9.1% compared to the previous year.

In 2021;

- 515,487 customers reached with a total of 75 Aytaç branded products offered for sale, comprising breakfast products under Aytaç A Quality Breakfast placement and supporting A Quality Cooking products,

- 62,919 customers reached with Ülker Bizim branded high protein Cake, Pastry & Baklava, Pastry 25 kg and 5 kg special purpose flour, featuring dough consistency, flavor, leavening, homogeneous pore, high water absorption and easy-to-roll characteristics offered to 'Pastry Enthusiasts';
- 263,299 customers who were reached with La Luxe Paris, Yuvam, Rox, Atlas brands, which are positioned for dish-washing sponge, cloth, garbage bag, refrigerator bag, disposable cup product groups in the non-food categories, and
- 178,867 customers provided by the product portfolio that was expanded with Ömür branded ayran, yoghurt and solid pasteurized products contributed to the rise in the number of customers of Bizim Toptan.

Managing the portfolio of private label products with collective responsibilities of private labels team, quality assurance team, trade teams, all sales and field teams and procurement planning team, Bizim Toptan will continue its customer-oriented brand management with strong new brands and product groups in the years to come.



Investments and Investment Policy

While Bizim Toptan plans to increase its geographical prevalence in 2022, it will improve customer experience with the digitalization and development of alternative sale channels in the digital-focused multi-channel sale model and will keep improving store efficiency.

Bizim Toptan finances its new store investments using long-term financing (leasing) management in addition to its own equity. Having the most extensive wholesale network across Turkey, Bizim Toptan opened **2** new stores, relocated 5 stores and closed **2** stores in **2021**. Reaching **173** stores in **70** provinces of Turkey by the end of **2021**, Bizim Toptan determined its locations for opening new stores throughout the year taking into account the current and potential demand conditions and made store relocation decisions taking into account commercial, social and financial decisions.

Strategic positioning, price leadership, low cost structure and shaping their operations according to future market dynamics and digitalization are among the factors that increase the efficiency of Bizim Toptan investments.

SEÇ, which is the goods supply business partnership model, continued its strong development in **2021** and increased its number of stores from **1,209** to **1,726**. Serving as a commercial bridge, Bizim Toptan stores played a key role in the supply of goods to SEÇ stores in the procurement collaboration platform, and maintained the number and development of SEÇ business partners per store.

Despite the non-domestic consumption sector affected by the pandemic, the Professional Sales Force PROSAF, which is the micro distribution channel of Bizim Toptan, increased geographical presence and the number and diversity of customers. PROSAF has become a special and unrivaled sales channel in its area in Turkey with its micro-management perspective and digital-oriented works.

The "digital sales platform", which is the developing sales branch of Bizim Toptan that follows the trends, was designed in **2021** to serve all channels and customer segments. The "Click & Pick Up" application, which was implemented in **2020** with a rapid adaptation to changing customer needs, was enhanced in **2021** and its infrastructure was transformed, whereby multi-channel "digital" retailing was implemented in all stores of Bizim Toptan.

Digital experience is being developed not only in the working modules of sales channels, but also for artificial intelligence applications implemented in customer relationship management. The artificial intelligence algorithms commissioned with the AI Insight project, which was implemented in **2021**, comprehensively analyze the product purchase trends of customers as well as their needs and preferences.

Thus, 'special activity recommendations' began to be created for each customer in the multi-channel sales model. Artificial intelligence supported CRM application has not only contributed positively to customer satisfaction with the best product and campaign offers customized to each customer, but also increased the average basket sum and turnover. **2021** has been a year in which the ERP transition project, where Bizim Toptan's total digitalization began, also gained momentum. Following the implementation of the ERP transition project -which aims for the transformation of all stores, sales

channels, procurement, management and reporting infrastructures- in **2022**, the goal is that digitalization and artificial intelligence supported projects gain momentum, and that SEÇ, PROSAF and digital sales platform are further improved within the multi-channel sales model with enhanced store efficiency.

In **2022**, the Company will continue its channel-based management in line with its sustainable, profitable and multi-channel growth model and will continue its investments focusing on contributing to its customers, employees, digitalization and the country's economy.



Digital Sales Platform

With bizimtoptan.com.tr, whose infrastructure change was completed in 2021, the company's digital transformation was completed in all of our stores, whereby the company moved its physical store experience to digital.

A pioneer in its industry with its many practices, Bizim Toptan continues to digitalize both its work processes and the services it offers to its customers as the customer shopping habits shift towards digital commerce day by day, which is further accelerated by the pandemic.

By the end of 2020, www.bizimtoptan.com.tr, the digital trade address of Bizim Toptan had been renewed and its operational efficiency had been improved, while the digital sales functions of Bizim Toptan Stores within the multi-channel structure had been combined in a single platform.

In 2021, the platform was made available to all channels and customer segments, ensuring the customer experience at the stores can be experienced at www.bizimtoptan.com.tr.

ABOUT 5,000 VARIETIES OF PRODUCTS ARE SOLD IN THE FAST AND USER-FRIENDLY DIGITAL SALES PLATFORM.

CLICK, COME & PICK UP SERVICE WAS ACTIVATED ACROSS TURKEY BY JULY 2020.

With the Click & Pick Up service, which has minimized the time spent and contact made in stores especially during the pandemic period, products that are not suitable for cargo have also begun to be sold on the digital sale platform, and multi-channel "digital" retailing has been implemented in all stores with the infrastructure transformation of 2021. With the digital retailing transformation that took place, the product range, product prices and promotions offered to customers are customized according to the store selected by customers as well as the customer type, and the physical store experience was fully transferred to digital.

At a time when e-commerce customer usage habits are increasing day by day and are becoming much more important with the COVID-19 pandemic, Bizim Toptan promises its customers a better digital customer experience thanks to its fast, user-friendly and easy-to-manage new website and application, whose infrastructure has been renewed.

After the integration of the resource management system with SAP in 2022, the biggest development towards the digitalization of Bizim Toptan customers and stores will be complete. The goal with SAP is that new digital projects and channels are included in www.bizimtoptan.com.tr and that constant development and progress are achieved.

4 Kolay Adımda Tıkla Gel Al

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

TıklaGelAl
BiTıkla #Yanında

4 ADIMDA KOLAY ALIŞVERİŞ

1. bizimtoptan.com.tr'ye tıkla, mağazanı seç
2. Sepetini doldur
3. Sen gelene kadar siparişin hazırlansın
4. Teslim al, arabana yükle

Siparişlerini bizimtoptan.com.tr den verebilir, senin için hazırladığımız siparişlerini dilediğin mağazadan gelip teslim alabilirsin.

bizimtoptan.com.tr

Human Resources

Bizim Toptan “stands by career” with its human resources policy enriched with training activities for both personal and professional development of its employees.

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 **2,597** 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 Turkey 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 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 Turkey 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 Friday, December **31, 2021**, the company provides direct job opportunities for **2,597** employees and contributes to regional employment with its broad and extensive store network. The majority of employees consist of full-time employees.

ATTACHES GREAT SIGNIFICANCE TO TRAINING ITS OWN WORKFORCE

Diversifying the B-Raise Store Manager Training program launched in **2017**, it attaches great significance to training its own workforce with training programs under the roof of B-Raise in various areas



such as Store (Store Manager Training Program), B-Raise Customer Services (Customer Representative Training Program) and B-Raise Sales (Sales Representative Training Program).

Bizim Toptan also creates opportunities for young talents, and considers it important to be a company that offers young people both internship and job opportunities thereafter and supports them over the course of their experience. In this regard, **7** new graduates were recruited in **2021** 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 an intranet system 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.

Social Responsibility

With a social responsibility approach, Bizim Toptan creates its company policies within a framework that respects the 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. The social and environmental impacts of any activities of the Company are taken into consideration. With a social responsibility approach, Bizim Toptan, Turkey's leading organization in its field, creates its company policies within a framework that respects the environment, education and public health and leads the community in these areas.

As per company policy, business strategy is implemented according to principles of ethical and social responsibility. For this purpose, the social and environmental impacts of the works in the context of daily business 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 2021 as it did every year since 2014. For this purpose, a celebration was made for the employees while observing the pandemic measures, and gifts for the

"Make Happy, Be Happy" day were distributed to the employees. While making customers happy with small treats for this special day, a donation was made on behalf of all employees to the Darüşşafaka Society for equal opportunity in education.

THE CAMPAIGN FOR RECYCLING VEGETABLE WASTE OIL HAS BEGUN

Bizim Toptan Market has launched a recycling campaign in cooperation with DenizTemiz Foundation/ TURMEPA and Deha Biodizel to support zero waste and prevent environmental pollution, working hand in hand with its customers. For the campaign implemented with the slogan "Let's keep our seas clean together", herbal waste oil collection points were placed in selected Bizim Toptan stores.

Waste oils collected with the campaign covering 50 stores of Bizim Toptan -with an additional goal of spreading this practice across all stores in the future- will be delivered to the Deha Biodizel plant authorized by the Ministry of Environment and Urban Planning. Plastic bottles where the oils are collected will also be sent to the recycling plant. The income from recycling waste oils will be donated to DenizTemiz Foundation/ TURMEPA on behalf of Bizim Toptan, contributing to the cleaning of our seas.

A BEAUTIFUL MOVEMENT TEAM CONTINUED ITS WORKS

Bizim Toptan continued in 2021 the good works 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 initiated during the Ramadan period, aid parcels were delivered to 44 families in need thanks to the contributions of Bizim Toptan Headquarters employees. Again during this period, festive clothes were procured and sent during Eid al-Fitr for the students of a kindergarten located in the Eastern Anatolia Region.

Again in 2021, the winter clothing needs of students studying in two schools in the Eastern Anatolia Region were covered with the income obtained from selling the catered food and handicraft products made by the employees of the company's cafeteria.

Bizim Toptan also fulfills its responsibility of socialization and motivation for its employees. Bizim Toptan initiated its application in 2019 and moved it to the digital platform in 2020 due to the pandemic, and brought an expert professional together with employees every month in 2021 as well. From safe driving to motivation, from healthy nutrition to professional posture in business life, the employees were provided with information on many different topics from experts. Employees who, in addition to their professional competencies, had different hobbies and training were enabled to take part in this platform as experts and an intimate sharing environment was created where they could share their knowledge with the entire company.





WE ARE A HUGE FAMILY OF 2,597 PEOPLE ACROSS TURKEY

BIZIM TOPTAN DEFINES ITS EMPLOYEES AS ITS MOST VALUABLE ASSET AND ACTS WITH A HUMAN-CENTRIC APPROACH THAT AIMS TO CREATE VALUE FOR ITS EMPLOYEES IN THE LONG TERM.

IT PROVIDES DIRECT JOB OPPORTUNITIES FOR 2,597 EMPLOYEES AND CONTRIBUTES TO REGIONAL EMPLOYMENT WITH ITS BROAD AND EXTENSIVE STORE NETWORK.



3%

As a result of energy efficiency investments, Bizim Toptan reduced its total electricity energy consumed in 2021 by 3% compared to the previous year.

Bizim Toptan is aware of its responsibilities as a company that is dependent on soil and that provides approximately half of its turnover from food. In its activities, it focuses on reducing sourced carbon emissions and on energy efficiency and works to reduce its environmental impact through good practices within the scope of water and waste management.

SUSTAINABILITY

Sustainability Principles Statement of Compliance

A. 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 under the sponsorship of the Deputy Chairperson of the Board of Directors and chaired by the Chief Executive Officer. The Committee Chairperson (Chief Executive Officer) reports directly to the Chair Person 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 Chief Executive Officer, Senior Manager of Investor Relations, Marketing 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, and a representative from the Project Management and Finance Directorate.

The activities carried out within the scope of ESG are reported to the Chief Executive Officer 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 Chair Person 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.

The calculations for 2020 in the Sustainability Report issued to the public in 2021 are verified by Vigeo Eiris independent third parties within the scope of S360 and BIST Sustainability Index evaluations, and sustainability performance measurements are announced to the public with the Sustainability Report. Bizim Toptan has been included in the BIST Sustainability Index as of December 1, 2020.

B. ENVIRONMENTAL PRINCIPLES

Due to the increasing impact of climate change and the consequent extreme weather events, floods and droughts, arable land is shrinking. 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 about half of its turnover from food.

In its activities, the company focuses on reducing sourced carbon emissions and on energy efficiency and works to reduce its environmental impact through good practices within the scope of water and waste management.

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,
- To reduce 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 compliance obligations related to the environment.

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. 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 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 2021 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 operations are 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 **2021**, the focus was 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 four 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.

In order to promote sustainable agriculture and environmentally friendly products, Bizim Toptan sells energy-efficient LED bulbs and a variety of environmentally friendly organic products in its stores and aims to increase these product varieties.

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.

TOTAL ELECTRIC ENERGY CONSUMED* IN 2021: 3%

**As a result of energy efficiency investments, it reduced its total electric energy consumed in 2021 compared to the previous year.*

Performing rehabilitation in accordance with the energy management system via remote monitoring system in all its stores, Bizim Toptan monitored the hourly, daily and monthly electricity consumption of all stores by category in **2021**. As a result of energy efficiency investments, it reduced its total electric energy consumed in **2021** by **3%** compared to the previous year.

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.

Works on increasing the use of renewable energy and transition to zero or low carbon electricity are ongoing.

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.

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

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

Energy Consumption (MWh)*	2019	2020	2021
Buildings, Fuel and Electricity	28.886	36.078	35.205
Purchased Electricity	27.870	33.491	32.572
Natural Gas & Fuel Oil & LPG	954	2.255	2.295
Generator(Diesel)	62	332	338
Vehicle Fuel	4.871	8.536	8.686
Diesel**	4.871	8.536	8.686
Petroleum	0	0	0
Sustainable Energy	0	0	0
Sold Energy	0	0	0
Total Net Energy Consumption	33.757	44.614	43.891

* 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.

** The purchased electricity data provided in the Sustainability Report 2020 has been updated.

*** 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). It is taken from the tables given in the "Regulation on Increasing Efficiency in Usage" ANNEX-2 Lower Thermal Values of Energy Sources and Coefficients for Conversion to Oil Equivalents.

Greenhouse Gas Emissions (ton CO ₂ equivalent)*	2019	2020	2021**
Scope 1	1570	2934,2	2985,8
Vehicles	1319,2	2312,3	2353,0
Fuels used in plant	234,1	532,7	542,1
Generators(diesel)	16,7	89,2	90,8
Scope 2	14.317,6	15.973,0	15.493,8
Electricity Consumption	14.317,6	15.973,0	15.493,8
Total	15.997,7	18.907,20	18,479,7

* Greenhouse gas emissions (ton CO₂ 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 6th 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).

*** Since the 2020 electricity consumption data has been revised, the greenhouse gas has been recalculated according to the current MWh value.

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) was initiated by the Republic of Turkey Ministry of Environment and Urban Planning in order to prevent waste in Turkey, 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 are carried out for the management, separation and recovery of wastes and the waste amount information for each store is recorded and reported through the Integrated Environmental Information System for the "Zero Waste" certificate through the system.

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 to 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 Turkey.

- Within the scope of cooperation with AGED (Waste Paper and Recyclers 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 conducts the project in collaboration with Deha Biodizel and Deniz Temiz Association TURMEPA. 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.
- In addition, the Company has prevented **268 tons** of CO₂ emissions that would have such an energy that could charge **31 million** smartphones by utilizing **79 tons** of products in the animal feed operation process in collaboration with Fazla Gıda in the relevant channels.

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)	2019	2020	2021
Plastic (bag)	-	49,55	44,24
Plastic concentrated composite (Stretch)	98,34	-	126,80
Parcel Carton	-	-	90,00

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

Packaging wastes	2019	2020	2021
Plastic (bag)	3.269.732	4.955.497	4.423.595

Packaging wastes	2019	2020	2021
Total waste	-	-	216,80
Recycled waste**	-	-	180,00

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

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 has no other use of fresh water. Mains water data is also fresh water data.

Water use (m3)**	2019	2020*	2021
Mains water***	11.092	33.729	34.578

* 2020 data was recalculated and revised.

** 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.

C. SOCIAL PRINCIPLES

C1. Human Rights and Employee Rights

Bizim Toptan defines its employees as its most valuable asset and 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. For this purpose, it created its Ethical Principles in **2018** with regard to ensuring equal opportunity in recruitment processes, fair workforce observing the supply and value chain impact, improvement of working standards, women's employment and inclusiveness (making no discrimination on women, men, religious

beliefs, language, race, ethnicity, age, disability, refugees, etc.) 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 Turkey and the legal framework and legislation regulating human rights and working life in Turkey 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, which principles it accepts as an affiliate of Yıldız Holding.

Believing 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 creates an equal, fair and healthy business environment that considers diversity important for the happiness and satisfaction of its human resources, 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 **173** stores in **70** provinces of Turkey and, as of the end of **2021**, **2,597** employees.

Performance and Career Management

Global trends such as digitalization, changing customer expectations, increased competition and the disappearance of mediation 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 enables progress in business objectives and 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.

A Goal Setting Workshop was held in 2021 as it did every year in January with the balanced goal card methodology for all white-collar employees in the

head office. With this methodology, the Company has been evaluating employee performance once a year with a three-stage performance evaluation system in terms of financial, customers, business processes and human aspects. By combining the evaluation results consisting of target setting, interim evaluation and final evaluation stages with the annual financial success of the company, the result of the performance evaluation has been reached. 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.

	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Number of White Collar Employees	46	126	65	149	79	156
Number Blue Collar Employees	146	1.895	193	2.044	247	2.115
Total Number of Employees	192	2.021	258	2.193	326	2.271

	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Total number of works subjected to regular performance and career development evaluation	45	126	65	149	79	156

The performance system is used to determine year-end premiums. A remuneration system based on position workload is implemented, and premium systems based on objective measurements where all employees move towards the same goal are used.

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 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 work 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.
- Store Manager Development Program: Employees continue to receive training in the Store Manager Development Program, which is designed as three modules to ensure that Bizim Toptan attains its future goals and to support the whole team to move towards the same goal by taking action today. Positive Attitude and Relationship Management in Merchandising, Team Management in Merchandising, Being a Store Manager and Strategic Retail Management, Managing Goals and Finances at the Store, Sales and Customer Management, Store Area Management and Sales Boosting Activities are important topics of the program.
- 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.

Employee Commitment and Satisfaction

Trainings	2019	2020	2021
Total hours of training given to employees (Excluding OHS training)	39.823	25.647	46.580
Average annual training hours per employee	18	10,52	17,3

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 is conducted periodically.

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.

WORK SAFETY AND HEALTH

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 **173** stores in **70** 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 Chief Executive Officer. Action is taken on occupational health and safety in stores with subcommittees reporting to the Board.

2,610 Occupational Health and Safety banners were made on **18** different topics under the scope of awareness works in **2021** and these were shared with **173** stores across Turkey. Periodic checks of all work equipment (electrical, grounding installation, load lifting equipment, fire system, etc.) throughout Turkey have been performed and reliable operation

of the systems have been ensured. Battery charging areas were constructed in **33** stores and charging area safety has been established. Certified first aid employment has been made in all stores across Turkey by **96%**. The non-structural elements of **173** stores were analyzed. With the revision of the 'Regulation on Emergencies at Workplaces', 'Emergency Plans' were revised in Bizim Toptan stores. A total of **2,312** GOYAs were performed in **173** stores, whereby compliance with health and safety conditions are supervised. 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:

Number	Title	2019	2020	2021
1	OHS Policy	Available	Available	Available
2	OHS Teams	Available	Available	Available
3	Number of Work Accidents (Total)	46	57	67
4	Subcontractor Accidents	4	12	7
5	Company (Employee) Number of Work Accidents	42	45	60
6	Fatal Accident	0	0	0
7	Subcontractor Fatal Accident	0	0	0
8	Lost Business Days	63	406	239
9	Loss of Working Days	63	369	227
10	Subcontractor Loss of Business Days	0	36	12
11	Occupational Disease	0	0	0
12	Injury with Loss of Time (Total)	14	24	28
13	Subcontractor Injury with Loss of Time	0	4	3
14	Company Injury with Loss of Time	14	20	25
15	Supply Chain OHS Training	Available	Available	Available
16	Supply Chain Policy	Available	Available	Available
18	OHS Training Per Employee	4,3	12,1	9,9
19	OHS Training	Available	Available	Available
20	Accident Frequency Ratio	1,84	2,3	2,43
21	Accident Weight Ratio	1,87	15,98	8,03
22	Total OHS Training Hours for Employees	4.308	28.654	24.049
23	Training Hours Provided to Subcontractors	160	556	1120

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.

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.

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
NGO	Joint Projects	At least twice a year
Investors	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)	Continually
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 publicly traded companies of our main partner Yıldız Holding through the analyst's day meeting held once a year.	Continually

D. 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.



WE CONTINUE TO PIONEER WITH INNOVATIVE AND CUSTOMER-ORIENTED DEVELOPMENT

PRIVATE LABEL PRODUCTS

22

In 2021, Bizim Toptan increased the number of brands in its private label product portfolio from 16 to 22 brands and reached a wide product portfolio of 412 products in 40 categories in total.

The number of customers reached by private label products exceeded 1.6 million customers with an increase of 9.1%.

AI Applications

The artificial intelligence algorithms commissioned with the AI Insight project, which was implemented in 2021, comprehensively analyze the product purchase trends of customers as well as their needs and preferences. Thus, 'special activity recommendations' began to be created for each customer in the multi-channel sales model.

ERP TRANSFORMATION

Bizim Toptan plans to complete its ERP transformation in 2022 and turn into a fully digital commerce platform.

CORPORATE GOVERNANCE

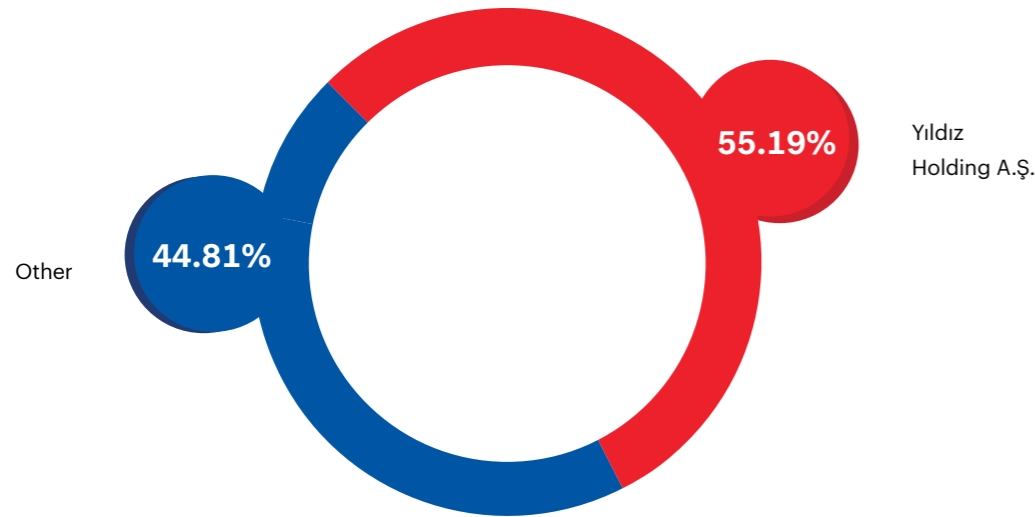
Investor Relations

Bizim Toptan Investor Relations held one-on-one meetings with over 54 corporate investors and it participated in the conferences of the investment bank Wood&Co twice, which took place in the virtual environment due to the pandemic and organized 2 virtual roadshow where it met with the directors of domestic portfolio management companies. Following the announcement of financial results during the year, the evaluation

of the results was shared with the stakeholders with the attendance of CEOs and CFOs. To this end, webcasts / teleconferences were held four times.

Borsa İstanbul A.Ş. Bizim Toptan is traded on Yıldız Pazar and has been included in the BIST Sustainability Index as of December 1, 2020. And included in the BIST Temettü Index as of February 1, 2022.

STRONG PARTNERSHIP STRUCTURE



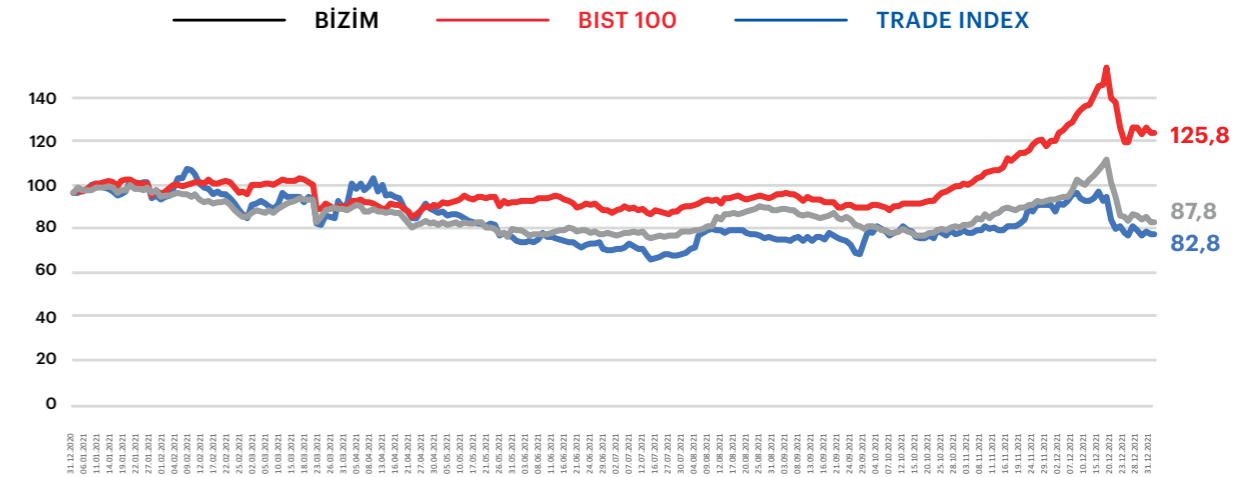
KEY INFORMATION

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

KEY DATA AS OF 12/31/2021

Closing Price: TL 12.39
Market Value: TL 734,400,000
Relevant Indexes: BIST STARS, BIST ALL SHARES, BIST 100, BIST SERVICES, BIST TİCARET, BIST SUSTAINABILITY, BIST 100-30, BIST TEMETTÜ

DAILY ACTION ACCORDING TO CLOSING VALUES OF BİZİM TOPTAN, BIST 100 AND TRADE INDICES: 12/31/2020=100



CONTACT

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

Corporate Governance Principles Compliance Report

PART I CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

Aware of the importance of adopting and actively implementing the Corporate Governance Principles determined by the Capital Markets Board ever since our company's incorporation, our company has intensified its efforts in this direction in recent years. Certain Corporate Governance Principles were made mandatory by the Capital Markets Board (CMB) for companies traded in Istanbul Stock Exchange (BIST) with the "Corporate Governance Communiqué" based on Article 17 of the Capital Markets Law of 06/12/2012 no 6362 and the II-17.1 Corporate Governance Communiqué of 3.1.2016.

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 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 to be 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 on 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 01.07.2012, 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 10.01.2019 no 2/49. The reports can be accessed at <https://www.kap.org.tr/tr/cgif/4028e4a1416e696301416ec4471d280d>, 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 Turkey and abroad and conducts interviews with domestic and foreign corporate investors. Our Investor Relations Senior Management Office took part in 2 conferences, organized 2 domestic roadshows and conducted a total of 54 interviews with current and potential shareholders in 2021.

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 Budget Reporting and Member of the Corporate Governance Committee)

Emre Cem Koçmar
(Investor Relations Assistant 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 and 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 13.01.2011 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 2020 was held on 20.04.2021 at Kuşbakışı Cad. No:19 Altunizade, Üsküdar/İstanbul with the attendance of shareholders representing about 55% 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, 50.01 shares corresponding to the capital amounting TL 50.01 were represented principally in physical environment, 107,301 shares corresponding to the capital amounting TL 107,301 were represented by proxy in the electronic environment and a total of 33,218,641.77 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 22.03.2021 no 10292, on the 8th page of the issue of 26.03.2021 of the daily published Dünya Gazette, at 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 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 2020 General Assembly wished a successful year in 2021 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.

INFORMATION ABOUT THE 2020 GENERAL ASSEMBLY MEETING

- It was unanimously decided that the 2020 annual report shall be deemed to have been read.
- Mert TÜTEN provided information about 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 No. 14.1 issued by the TR Prime Ministry Capital Markets Board for the accounting period of 2020.
- It was unanimously decided that the balance sheet and profit/loss statement for the accounting period of 2020, 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 No. II-14.1 issued by the Republic of Turkey Prime Ministry Capital Markets Board should be deemed to have been read. The Company's Financial Affairs Director Önder ARIKAN provided information about the balance sheet and profit/loss statement for the 2020 accounting period and the statements were discussed. No one made comment. As a result of the voting, the balance sheet and profit / loss accounts were unanimously confirmed.

- Each member of the Board of Directors did not exercise the voting rights arising from their respective shares in their acquittal due to the 2020 accounting period activities and procedures and was acquitted by unanimity of the attendants.
- It was unanimously accepted by the attendants that Fahrettin Günalp ERTİK shall take office pursuant to the provision of Article 363 of the Turkish Commercial Code as Member of the Board of Directors after Bendevi PALANDÖKEN declared that he was leaving his office on 19.02.2021 and that the current members should serve for the duration of their office.
- 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 107,301 electronic negative votes against 33,111,340.77 electronic and physical positive votes- that monthly net TL 5,175 should be paid to the independent board members Ahmet BAL, Ömer Faruk SEVGİLİ and Fatma Füsün AKKAL BOZOK and also a monthly net TL 5,175 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.
- 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.
- 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 2021 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 General Assembly was informed with regard to donations made by the Company in **2020**, that a donation of TL **302,335** was made. It was unanimously accepted by the attendants that the proposal of the Board of Directors to set the donation limit for the accounting period of **01.01.2021 - 31.12.2021** as one-thousandth of the net sales, which was read out loud, should be discussed and decided on.
- 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 **2020**.
- 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 accepted by a majority of votes with **33,171,786.77** electronic and physical positive votes against **46,855** electronic negative votes.
- Our shareholders who spoke in the good wishes section wished for a successful year in **2021**, 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 2020, the written motion of Yıldız Holding A.Ş. to distribute the gross TL 19,242,527 on October 8, 2021 to be covered entirely from the profit of the year 2020 was read and unanimously accepted by the attendants of the meeting. On said date, the dividend amount was transferred to the shareholders' accounts by the MKK.

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 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
- Customer applications
- Company's vision and mission
- Our line of business
- Our contribution to Turkey'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

- Top Management Staff Information
- Information Society Services
- Information Regarding Protection of Personal Data
- 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 and is published on the company's website.

SECTION 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 16 special case statements in January-December 2021 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 Turkey 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 Chief Executive Officer are not the same person. The Chief Executive Officer 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 31/12/2021, information about our members of board of directors is as follows.

BACKGROUND OF BOARD OF DIRECTORS

CENGİZ 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 Chief Executive Officer of the Company in 1977. He held this position until 1983, when he became the Chief Executive Officer 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 2003.

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 Chief Executive Officer 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 Chief Executive Officer 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 Turkey, 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 Chief Executive Officer of Atlas Gıda Pazarlama A.Ş. in 1998 and Vice President of the Retail Group in 2000, whereupon he also assumed the role of Chief Executive Officer 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.

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 Chief Executive Officer 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 Turkey 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, Chief Executive Officer 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 Turkey 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 the year of January-December 2021 and passed 28 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 97%. 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 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 2021, 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.

5.3. 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 every three months. 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 2021.

Members of the Audit Committee as of 31.12.2021 are shown in the table below.

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

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 2021. Members of the Corporate Governance Committee as of 31.12.2021 are shown in the table below.

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

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 2021. Members of the Early Risk Detection Committee as of 31.12.2021 are shown in the table below.

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

5.4. 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.

5.5. 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 Turkey 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 and www.bizimtoptan.com.tr / www.biziminvestorrelations.com.

The Board of Directors of the Company convened as often as necessary in 2021 and closely monitored the Company's performance and will continue to do so.

5.6. 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 20, 2021. 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 2021, the total amount of benefits provided to members of the Board of Directors and senior management staff was TL 11,156,612. 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 Turkey 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 Turkey 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 Turkey 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, and that I have not been registered and announced under the name of the legal entity elected as Member of Board of Directors.

Ömer Faruk Sevgili

Convenience Translation Into English of Consolidated Financial Statements Originally Issued In Turkish

**Bizim Toptan Satış Mağazaları A.Ş.
and its Subsidiaries**

**Consolidated Financial Statements
For The Period
1 January - 31 December 2021
And Independent Auditor’s Report**

Contents

	PAGE
INDEX	93
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	95
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	96
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	97
CONSOLIDATED STATEMENT OF CASH FLOWS	98
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	98
NOT 1 ORGANIZATION AND OPERATIONS OF THE GROUP	98
NOT 2 BASES OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	99
NOT 3 CASH AND CASH EQUIVALENTS	116
NOT 4 FINANCIAL LIABILITIES	117
NOT 5 TRADE RECEIVABLES AND PAYABLES	118
NOT 6 OTHER RECEIVABLES AND PAYABLES	119
NOT 7 INVENTORIES	120
NOT 8 PREPAID EXPENSES AND DEFERRED INCOMES	120
NOT 9 TANGIBLE ASSETS AND RIGHT OF USE ASSETS	121
NOT 10 INTANGIBLE ASSETS	124
NOT 11 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS	126
NOT 12 SHORT AND LONG-TERM EMPLOYEE BENEFITS	127
NOT 13 OTHER ASSETS AND LIABILITIES	129
NOT 14 SHAREHOLDERS' EQUITY	130
NOT 15 REVENUE AND COST OF SALES	131
NOT 16 GENERAL ADMINISTRATIVE EXPENSES MARKETING, SALES AND DISTRIBUTION EXPENSES	132
NOT 17 EXPENSES BY NATURE	132
NOT 18 OTHER OPERATING INCOME/EXPENSES	133
NOT 19 INCOME/EXPENSE RELATED TO INVESTING ACTIVITIES	133
NOT 20 FINANCE EXPENSES	134
NOT 21 INCOME TAXES (DEFERRED TAX ASSETS AND LIABILITIES)	134
NOT 22 EARNINGS PER SHARE	137
NOT 23 BALANCES AND TRANSACTIONS WITH RELATED PARTIES	138
NOT 24 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS	143
NOT 25 EVENTS AFTER REPORTING DATE	149
APPENDIX-1 SUPPLEMENTARY OTHER INFORMATION	150

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021 AND 31 DECEMBER 2020
(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

Assets	Notes	Current Period	Prior Period
		31 December 2021	31 December 2020
Current Assets		1,540,869,062	1,053,216,758
Cash and Cash Equivalents	3	585,389,621	500,788,478
Trade Receivables		173,585,414	95,999,699
Due from Related Parties	5, 23	6,872,024	2,751,396
Due from Non-Related Parties	5	166,713,390	93,248,303
Other Receivables		1,505,217	239,758
Other Receivables from-Related Parties	6, 23	1,426,957	-
Other Receivables from Non-Related Parties	6	78,260	239,758
Inventories	7	733,557,865	437,496,239
Prepaid Expenses	8	42,870,580	18,688,379
Other Current Assets		3,960,365	4,205
Non-Current Assets		597,627,987	466,864,539
Other Receivables		4,487,429	3,176,823
Other Receivables from Non-Related Parties	6	4,487,429	3,176,823
Tangible Assets	9	299,449,463	240,562,609
Right of Use Assets	9	197,184,132	184,142,650
Intangible Assets	10	58,900,435	34,859,528
Prepaid Expenses	8	165,219	383,556
Deferred Tax Assets	21	37,441,309	3,739,373
TOTAL ASSETS		2,138,497,049	1,520,081,297

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021 AND 31 DECEMBER 2020

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

	Notes	Current Period 31 December 2021	Prior Period 31 December 2020
Liabilities			
Current Liabilities		1,730,315,335	1,198,545,780
Short-term Borrowings		77,947,066	70,982,812
- Financial Lease Obligations	4	904,083	3,777,061
- Lease Liabilities due to Related Parties	4	251,248	223,969
- Lease Liabilities due to Non-Related Parties	4	76,791,735	66,981,782
Trade Payables		1,540,384,205	1,055,609,416
- Due to Related Parties	5.23	244,734,390	229,915,919
- Due to Non-Related Parties	5	1,295,649,815	825,693,497
Liabilities for Employee Benefits	12	19,589,604	14,492,875
Deferred Income	8	10,182,487	6,822,996
Current Income Tax Liabilities	21	21,505,163	6,635,160
Short-term Provisions		54,698,101	32,767,388
- Provision for Employee Benefits	12	27,703,064	13,914,751
- Other Short-term Provisions	11	26,995,037	18,852,637
Other Current Liabilities		6,008,709	11,235,133
- Other Current Liabilities to Related Parties	13	22,365	24,500
- Other Current Liabilities to Non-related Parties	13	5,986,344	11,210,633
Non-Current Liabilities		192,086,824	168,842,754
Long-term Borrowings		143,913,801	137,193,390
- Financial Lease Obligations	4	1,133,526	1,978,022
- Lease Liabilities due to Related Parties	4	686,906	651,319
- Lease Liabilities due to Non-Related Parties	4	142,093,369	134,564,049
Long-term Provisions		42,240,820	31,207,744
- Provision for Employee Benefits	12	42,240,820	31,207,744
Deferred Income	8	5,932,203	441,620
Equity		216,094,890	152,692,763
Shareholders' Equity		216,118,005	152,693,435
Share Capital	14	60,000,000	60,000,000
Treasury shares		(13,533,492)	(13,533,492)
Other Comprehensive Expense not to be		(21,566,572)	(21,965,778)
Reclassified to Profit or Loss		(21,566,572)	(21,965,778)
- Defined benefit plans remeasurement losses	14	(21,566,572)	(21,965,778)
Restricted Reserves Appropriated from Profits	14	14,330,810	12,706,557
Retained Earnings	14	94,619,369	77,297,757
Net Profit for the Year		82,267,890	38,188,391
Non-Controlling Interests		(23,115)	(672)
Total Liabilities		2,138,497,049	1,520,081,297

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2021 AND 2020

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

	Notes	Current Period 1 January - 31 December 2021	Prior Period 1 January - 31 December 2020
PROFIT OR LOSS			
Revenue	15	5,361,820,597	5,361,820,597
Cost of Sales (-)	15	(4,780,180,603)	(4,780,180,603)
GROSS PROFIT		882,824,508	581,639,994
Marketing, Selling and Distribution Expenses (-)	16.17	(482,370,865)	(342,210,630)
General Administrative Expenses (-)	16.17	(94,593,907)	(63,365,580)
Other Income from Operating Activities	18	57,438,718	15,915,693
Other Expenses from Operating Activities (-)	18	(214,348,933)	(97,692,568)
OPERATING PROFIT		148,949,521	94,286,909
Income from Investing Activities	19	47,328,621	47,328,621
Expense from Investing Activities (-)	19	(2,236,573)	(2,236,573)
PROFIT BEFORE FINANCIAL EXPENSES		197,872,163	139,378,957
Financial Expenses (-)	20	(123,789,317)	(90,817,753)
PROFIT BEFORE TAX FROM CONTINUED OPERATIONS		74,082,846	48,561,204
Tax Income From Continued Operations		8,162,601	(10,378,485)
Current Tax Expense	21	(25,639,136)	(12,747,281)
Deferred Tax Income	21	33,801,737	2,368,796
NET PROFIT FOR THE YEAR		82,245,447	38,182,719
Net profit attributable to			
Non-controlling interest		(22,443)	(5,672)
Equity holders of parent		82,267,890	38,188,391
Earnings per share (TRY)	22	1.398	0.649
OTHER COMPREHENSIVE EXPENSE			
Items not to be reclassified to profit or loss		399,206	(4,931,130)
Defined benefit plans re-measurement (gains)/losses	14	499,007	(6,163,912)
Deferred Tax Expense/(Income) Related to Items not to be Reclassified to Profit or Loss	21	(99,801)	1,232,782
TOTAL COMPREHENSIVE INCOME		82,644,653	33,251,589
Distribution of total comprehensive income			
Non-controlling interest		(22,443)	(5,672)
Equity holders of parent		82,667,096	33,257,261

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

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE PERIODS
1 JANUARY - 31 DECEMBER 2021 AND 2020**

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

	Notes	Share Capital	Restricted Reserves Appropriated from Profits	Treasury Shares	Advance of Capital	Other Comprehensive Income/Expense not to be Reclassified to Profit or Loss	Retained Earnings	Shareholder's equity	Non-controlling interest	Total Equity
Balances at 1 January 2020		60,000,000	12,179,669	(13,533,492)	13,570,500	(17,034,648)	53,017,994	141,275,558	-	141,275,558
Transfers	14	-	526,888	-	-	-	32,548,647	-	-	-
Acquisition of subsidiary	14	-	-	-	-	-	-	-	5,000	5,000
Dividends paid (*)		-	-	-	-	-	(8,268,884)	(8,268,884)	-	(8,268,884)
Other		-	-	(13,570,500)	-	-	-	(13,570,500)	-	(13,570,500)
Total	14	-	-	-	-	(4,931,130)	38,188,391	33,257,261	(5,672)	33,251,589
Balances at 31 December 2020		60,000,000	12,706,557	(13,533,492)	-	(21,965,778)	77,297,757	152,693,435	(672)	152,692,763
Balances at 1 January 2021		60,000,000	12,706,557	(13,533,492)	-	(21,965,778)	77,297,757	152,693,435	(672)	152,692,763
Transfers	14	-	1,624,253	-	-	-	36,564,138	-	-	-
Dividends paid (*)		-	-	-	-	-	(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
Balances at 31 December 2021		60,000,000	14,330,810	(13,533,492)	-	(21,566,572)	94,619,369	216,118,005	(23,115)	216,094,890

(*) 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.

FINANCIAL REPORTS

FINANCIAL REPORTS

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Notes	Current Period 1 January - 31 December 2021	Prior Period 1 January - 31 December 2020
A. CASH FLOWS FROM OPERATING ACTIVITIES		365,121,966	258,899,040
Net Profit for the period		82,245,447	38,182,719
Adjustments to reconcile net profit to net cash			
Adjustments for depreciation and amortisation expense	9.10	95,132,453	76,039,609
Adjustments related to provisions	11.12	55,125,772	36,830,388
Provision for impairment of trade receivable allowance	5	3,307,762	390,805
Provision for impairment of inventories	7	26,337,537	5,369,171
Gain/(loss) on sale of fixed assets, net	19	10,603,163	2,236,573
Adjustment for profit/(loss) reconciliation		14,625,722	(10,629,014)
Adjustments related to interest (income)/expense	19.20	64,952,307	46,499,329
Adjustment for income tax expense	21	(8,162,601)	10,378,485
Changes in working capital		55,949,336	83,711,391
Changes in trade receivables		(104,999,610)	(33,924,181)
Changes in inventories		(322,399,163)	(146,436,856)
(Increase)/decrease in other receivables related to operations		(5,105,268)	(1,004,381)
Increase in prepaid expenses		(23,963,864)	(12,463,905)
Changes in trade payables		501,134,039	274,835,984
(Increase)/decrease in other payables related to operations		11,283,202	2,704,730
Cash generated from operating activities		400,116,898	289,009,456
Taxes refunds/(paid)		(10,769,133)	(6,697,821)
Employee benefits paid	12	(24,225,799)	(23,412,595)
B. CASH FLOWS FROM INVESTING ACTIVITIES		(96,120,000)	(18,512,164)
Cash inflows from acquired subsidiary with non-controlling interest		-	5,000
Proceeds from sale of tangible assets		(2,712,978)	384,017
Cash outflows of purchases of tangible and intangible assets		(152,244,032)	(63,219,605)
Interest received	19	58,837,010	44,318,424
C. CASH FLOWS FROM FINANCING ACTIVITIES		(184,400,823)	(142,348,834)
Cash outflows/inflows from borrowings		(1,426,957)	(13,570,500)
Cash outflows from payments of borrowings due from leasing agreements	4	(4,437,693)	(8,124,024)
Cash inflows for financial lease agreements	4	-	1,407,676
Cash outflows from payments of borrowings due from lease liabilities		(83,026,457)	(65,728,597)
Interest paid	20	(76,267,190)	(48,064,505)
Dividends paid		(19,242,526)	(8,268,884)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	3	84,601,143	98,038,042
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3	500,788,478	402,750,436
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (A+B+C+D)	3	585,389,621	500,788,478

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

(Amount 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 Kuşbakişı 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 2021, the Company has 173 stores in 70 provinces (31 December 2020: 173 in 70 provinces). As of 31 December 2021, the number of personnel employed within the Group is 2,597 (31 December 2020: 2,451). As of 31 December 2021, the number of business partner markets included in the Group's goods supply business partnership system is 1,726 (31 December 2020: 1,209).

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 2020, the names and percentages of the shareholders of the Group's share capital are as follows;

Name of the Shareholders (*)	(%)	31 December 2021	(%)	31 December 2020
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
	100	60,000,000	100	60,000,000

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

Subsidiary company	31 December 2021	31 December 2020
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. 2021 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 11 March 2022. General Assembly has the right to change these consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**2.1 Basis of the presentation****Basis of the Preparation of the Financial Statements and Accounting Policies**

The Company and its subsidiaries keep and prepare their legal books and statutory financial statements in accordance with the accounting principles determined by the Turkish Commercial Code ("TCC") and tax legislation.

The accompanying consolidated financial statements have been prepared by the Capital Markets Board ("CMB") as of 13 June 2013 and it has been prepared in accordance with the provisions of the "Communiqué on the Principles of Financial Reporting in the Capital Markets" ("Communiqué") Serial II, No. 14.1, published in the Official Gazette No. 28676 based on the Turkish Accounting Standards ("TAS") and their annexes and comments.

The consolidated financial statements have been presented in accordance with the formats specified in the "Announcement on TMS Taxonomy" published by POA on April 15, 2019 and the Financial Statement Examples and User Guide published by the CMB.

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.

Preparation of Financial Statements in Hyperinflationary Periods

In accordance with the CMB's decision dated March 17, 2005 and numbered 11/367, the application of inflation accounting was terminated, effective as of January 1, 2005, for companies operating in Turkey and preparing financial statements in accordance with Turkish Accounting Standards. Accordingly, from 1 January 2005 Standard No. 29 "Financial Reporting in Hyperinflationary Economies" ("TAS 29") has not been applied.

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of the presentation (Continued)

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 (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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

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 (IFRSs)

The Group has implemented the new standards effective as of 31 December 2021, and the changes and interpretations made to existing previous standards that are related to its field of activity.

a. Standards, amendments and interpretations applicable as at 31 December 2021:

- **Amendment to TFRS 16. 'Leases' – Covid-19 related rent concessions Extension of the Practical expedient;** as of March 2021, this amendment extended till June 2022 and effective from 1 April 2021. As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. On 28 May 2020, the TASB published an amendment to TFRS 16 that provides an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. 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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount 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 (IFRSs) (Continued)

b. Standards, amendments and interpretations that are issued but not effective as at 31 December 2021:

- **Amendment to TFRS 16. 'Leases' – Covid-19 related rent concessions Extension of the Practical expedient;** as of March 2021, this amendment extended till June 2022 and effective from 1 April 2021. As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. On 28 May 2020, the TASB published an amendment to TFRS 16 that provides an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. 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.
- **Amendments to TAS 1. Presentation of financial statements' on classification of liabilities;** effective from 1 January 2024. These narrow-scope amendments to TAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what TAS 1 means when it refers to the 'settlement' of a liability. These amendments have no impact on the Group's consolidated financial statements and performance.
- **A number of narrow-scope amendments to TFRS 3, TAS 16, TAS 37 and some annual improvements on TFRS 1, TFRS 9, TAS 41 and TFRS 16;** effective from Annual periods beginning on or after 1 January 2022.
 - **Amendments to TFRS 3.** 'Business combinations' update a reference in TFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
 - **Amendments to TAS 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 TAS 37.** 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount 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 (IFRSs) (Continued)

b. Standards, amendments and interpretations that are issued but not effective as at 31 December 2021: (Continued)

Annual improvements make minor amendments to TFRS 1, 'First-time Adoption of TFRS', TFRS 9, 'Financial instruments', TAS 41, 'Agriculture' and the Illustrative Examples accompanying TFRS 16, 'Leases'.

- **Narrow scope amendments to TAS 1, Practice statement 2 and TAS 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
- **Amendment to TAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** 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 impact on the Group's consolidated financial statements and performance.

2.5 Summary of Significant Accounting Policies

Inventories:

Inventories are valued at the lower of cost or net realizable value. Inventories are valued according to the first-in-first-out method. 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 canceled 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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

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

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

Property, plant and equipment are reflected at cost adjusted for the effects of inflation as of December 31, 2004 for items purchased before 1 January 2005, less accumulated depreciation and impairment losses for items purchased in and after 2005 from their acquisition cost values.

Cost amounts of property, plant and equipment, excluding land and ongoing investments, 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 proceeds and the carrying value of the asset and is included in the profit or loss statement.

Special Costs

Private costs consist of permanent improvements to the stores that the Group expects to benefit from in the future. The Group recognizes the cost of acquisition by deducting the accumulated depreciation and any impairment if any.

Leasing Transactions:*The Group as lessor:*

Rental income from operating leases is recognized on a straight-line basis over the period of the relevant lease. Direct initial costs incurred in the realization of the lease and negotiation are included in the cost of the leased asset and amortized on a straight-line basis over the lease term

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:

- The contract contains an identified asset:- this may be specified explicitly or implicitly
- 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.
- 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
- 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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

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

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

- 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
- 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:

- The amount of the initial measurement of lease liability.
- Any lease payments made at or before the commencement date, less any lease incentives received.
- Any initial direct costs incurred by the lessee, and

To apply a cost model, the Group measure the right-of-use asset at cost:

- Less any accumulated depreciation and any accumulated impairment losses, and
- Adjusted for any remeasurement of the lease liability.

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of Significant Accounting Policies (Continued)

Leasing Transactions (Continued)

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:

- Fixed payments, less any lease incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- 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:

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

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of Significant Accounting Policies (Continued)

Leasing Transactions (Continued)

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.

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of Significant Accounting Policies (Continued)

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.

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. FİNANSAL TABLOLARIN SUNUMUNA İLİŞKİN ESASLAR (DEVAMI)

2.5 Önemli Muhasebe Politikalarının Özeti (Devamı)

Revenue (Continued)

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

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

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.

During the preparation of the Group's financial statements, transactions in foreign currencies (currencies other than TL) 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 TL 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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

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

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

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

- 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,
- 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).

Related Parties:

Related parties are the person or entity associated with the entity that is preparing the financial statements (the reporting entity).

a) A person or a member of his or her close family shall be considered to be associated with the reporting entity if:

- In case of control or joint control over the reporting entity.
- Has a significant impact on the reporting entity.
- Is a member of the key management personnel of the reporting entity or a parent of the reporting entity.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of Significant Accounting Policies (Continued)

Related Parties (Continued)

Revenue from the sale of goods is recognized when all of the following conditions are fulfilled:

- b) If any of the following conditions exist, the entity is considered to be associated with the reporting entity:
- If the entity and the reporting entity are members of the same group (i.e., each parent company, subsidiary and other subsidiary are associated with others)
 - The entity is an associate or joint venture of the other entity (or a member of a group of which the other entity is a member)
 - Both entities are joint ventures of the same third party.
 - If one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - In the event that the entity has a post-employment benefit plan for the employees of the reporting entity or of an entity related to the reporting entity. If the reporting entity itself has such a plan, the sponsoring employers are also associated with the reporting entity.
 - If the entity is controlled or jointly controlled by a person identified in (a)
 - That a person identified in point (i) of the Article has significant influence on the entity or is a member of the key management personnel of that entity (or the parent company of that entity)

The transaction with the related party is the transfer of resources, services or obligations between the reporting entity and the related party, regardless of whether a price is charged 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.

Deferred Tax: Deferred tax assets and liabilities are determined by calculating the temporary differences between the amounts shown in the financial statements and the amounts considered in the statutory tax base in accordance with the balance sheet method. Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.5 Summary of Significant Accounting Policies (Continued)

Taxes on Corporate Income (Continued)

Deferred Tax (Continued)

Deferred tax liabilities are calculated for all taxable temporary differences related to the investments in subsidiaries and associates and shares in joint ventures, except in cases where the Group is able to control the discontinuation of temporary differences and in the near future it is unlikely that such difference will be eliminated. Deferred tax assets resulting from taxable temporary differences related to such investments and shares are calculated on the condition that it is highly probable that future taxable profit will be available and that it is probable that future differences will be eliminated.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset

Deferred tax assets and liabilities are calculated over the tax rates that are expected to be valid in the period when the assets are realized, or the liabilities are fulfilled and legalized or substantially legalized as of the balance sheet date (tax regulations). During the calculation of deferred tax assets and liabilities, the tax consequences of the methods that the Group expects to recover or settle the carrying amount of the assets as of the balance sheet date are taken into consideration

Current and deferred tax for the period: Deferred tax, income or expense in the statement of deferred tax, profit or loss for the period other than those directly attributable to debt or liability in equity (in which case deferred tax is also recognized directly in equity) or resulting from initial recognition of business combinations is accounted for. In business combinations, the tax effect is taken into consideration in the calculation of goodwill or in determining the part of the purchaser that exceeds the acquisition cost of the share of the acquiree's identifiable assets, liabilities and contingent liabilities in the fair value.

Inflation Adjustment: On January 20, 2022, the Public Oversight Authority 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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

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 retirement benefit obligation recognized in the balance sheet is calculated based on the net present value of the liability amounts expected to arise in the future due to the retirement of all employees and reflected in the financial statements. All actuarial gains and losses are recognized in other comprehensive income.

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2.6 SIGNIFICANT ACCOUNTING REVIEWS, ESTIMATES AND ASSUMPTIONS

Estimates and assumptions carried out by the Group when applying accounting policies

In the process of applying the accounting policies specified in Note 2.5, management made the following comments which had a significant impact on the amounts recognized in the financial statements:

Significant Accounting Estimates

Lifetimes foreseen in the calculation of right of use

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

Impairment of franchise rights

Within the framework of its growth strategies, in order to increase its penetration in the market channel, the franchising agreements of 196 franchising stores operating under Şok Marketler Ticaret A.Ş., along with the rights and laws arising from these agreements, were purchased on 16 July 2014. Fixed assets belonging to Şok Marketler Ticaret A.Ş. in the franchising stores have also been purchased and for all these purchases.

He paid a total of TRY30.000.000 +VAT, of which TRY27,000,000 is goodwill and TRY3,000,000 is fixed assets. The net cash flows that are likely to be provided to the Group by the franchise rights with an indefinite useful life cannot be calculated because it cannot be predicted how long they can be used as a result of the analyzes that can be made. Therefore, these assets are not depreciated, but are tested for impairment annually.

The discounted cash flow method was used in the determination of the impairment of indefinite-life franchise rights. In the discounted cash flow study, the 5-year business plan was prepared by the related Group managements as followed by the Group management during the management, and a discount rate of 30% for 5 years and a growth rate of 15% were used in the valuation. In addition, sensitivity analyzes are given below.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2.6 SIGNIFICANT ACCOUNTING REVIEWS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Sensitivity analysis of the variables used in the valuation study of franchise rights is as follows:

	31 December 2021			
	Discount rate	Discount rate 1% Change +/- (TRY000)	Discount rate 1%	Final growth rate 1% Change +/- (TRY000)
Franchise Rights	30,0%	(11,455)/13,092	15,0%	(12,949)/14,799

	31 December 2020			
	Discount rate	Discount rate 1% Change +/- (TRY000)	Discount rate 1%	Final growth rate 1% Change +/- (TRY000)
Franchise Rights	21,5%	(15,140)/17,806	9,0%	(9,979)/11,709

3. CASH AND CASH EQUIVALENTS

	31 December 2021	31 December 2020
Cash on hand	8,949,944	11,909,319
Time deposits (*)	460,875,058	292,139,627
Demand deposits	34,039,042	23,173,926
Credit card receivables	81,525,577	173,565,606
Cash and cash equivalents	585,389,621	500,788,478

(*) The majority of time deposits have overnight maturities. The average interest rate in 2020 is 20%.

The maturity details of credit card receivables as of 31 December 2021 and 2020 are as follows:

	31 December 2021	31 December 2020
To be paid within 1 month	71,639,708	111,919,473
To be paid within 2 - 3 months	9,885,869	61,646,133
Total	81,525,577	173,565,606

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

4. FINANCIAL LIABILITIES

	31 December 2021	31 December 2020
Financial leasing borrowings		
To be paid within 1 year	1,186,357	4,437,694
To be paid within 2 - 4 years	1,259,410	2,369,245
Present value of finance charges	(408,158)	(1,051,856)
Present value of finance lease obligations	2,037,609	5,755,083

Amounts due to settlement within 12 months	904,083	3,777,061
Amounts due for settlement after 12 months	1,133,526	1,978,022

	31 December 2021	31 December 2020
Lease Liabilities		
To be paid within 1 year	77,042,983	67,205,751
Longer than one year	142,780,275	135,215,368
Present value of lease liabilities	219,823,258	202,421,119

	31 December 2021	31 December 2020
Obligations to related parties arising from leasing transactions		
To be paid within 1 year	251,248	223,969
Longer than one year	686,906	651,319
Present value of lease obligation to related parties	938,154	875,288

	31 December 2021	31 December 2020
Financial lease movements		
Balance at beginning of the year	5,755,083	9,133,315
New borrowings obtained	-	3,338,116
Accrued interest	720,219	1,407,676
Paid	(4,437,693)	(8,124,024)
Closing balance	2,037,609	5,755,083

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

4. FINANCIAL LIABILITIES (CONTINUED)

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

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

Currency	31 December 2020		
	Discount range (%)	Short-term (%)	Long-term (%)
TRY	11-16.4	11-12	12-16.4
EUR	4-6	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 TRY16,359,935 (31 December 2020: TRY19,355,878).

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 2020: %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 2021	31 December 2020
Current trade receivables		
Trade receivables	185,021,036	108,325,027
Trade receivables from related parties (Note 23)	6,872,024	2,751,396
Notes receivable	31,747	4,971
Allowance for doubtful receivables (-)	(18,339,393)	(15,081,695)
Total current trade receivables	173,585,414	95,999,699

As of 31 December 2021, the average period for the sale of goods is 6.5 days (31 December 2020: 5.5 days).

Trade receivables are carried at amortized cost and are calculated over discount rate of 17.8% (31 December 2020: 10.8%).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount 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 2021 and 31 December 2020 are as follows:

	31 December 2021	31 December 2020
Movement of allowance for doubtful receivables		
Balance at beginning of the year	(15,081,695)	(16,057,259)
Current period charge	(3,307,762)	(390,805)
Amounts recovered during the year	50,064	1,366,369
Closing balance	(18,339,393)	(15,081,695)

	31 December 2021	31 December 2020
Current trade payables		
Trade payables	1,295,649,815	825,693,497
Trade payables to related parties (Note 23)	244,734,390	229,915,919
Total current trade payables	1,540,384,205	1,055,609,416

Average payment period for trade payables varies depending on the sector and suppliers. As of 31 December 2021, the average payment period although varies as per the product categories is 71.7 days (31 December 2020: 69 days).

Trade payables are carried at amortized cost and are calculated over discount rate of 17.8% (31 December 2020: 10.8%).

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

6. OTHER RECEIVABLES AND PAYABLES

	31 December 2021	31 December 2020
Short-term other receivables		
Non-trade receivables from related parties (Note 23)	1,426,957	-
Receivables from personnel	78,260	239,758
	1,505,217	239,758
Long-term other receivables		
Deposits and guarantees given	4,487,429	3,176,823
	4,487,429	3,176,823

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

7. INVENTORIES

	31 December 2021	31 December 2020
Trade goods	767,029,237	443,823,322
Other inventory	801,459	1,608,211
Provisions for inventories	(34,272,831)	(7,935,294)
	733,557,865	437,496,239
Inventory provision movement	31 December 2021	31 December 2020
Balance at beginning of the year	(7,935,294)	(2,566,123)
Period income/expense	(34,272,831)	(7,935,294)
Provision reversal	7,935,294	2,566,123
	(34,272,831)	(7,935,294)

8. PREPAID EXPENSES AND DEFERRED INCOMES

a) Prepaid Expenses

	31 December 2021	31 December 2020
Short-Term Prepaid Expenses		
Advances given for inventories	37,653,768	15,407,090
Prepaid expenses for insurance	3,372,473	1,013,133
Prepaid expenses for rent	353,597	2,169,136
Other prepaid expenses	1,490,742	99,020
	42,870,580	18,688,379
Long-Term Prepaid Expenses	31 December 2021	31 December 2020
Future expenses	165,219	383,556
	165,219	383,556

b) Deferred Revenue

	31 December 2021	31 December 2020
Short-term deferred revenue		
Advances received	7,463,560	6,822,996
Other deferred revenue	2,718,927	-
	10,182,487	6,822,996
Long-term deferred revenue	31 December 2021	31 December 2020
Other deferred revenue	5,932,203	441,620
	5,932,203	441,620

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS

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

Cost Value	Furniture and Fixture	Other Tangible Fixed Assets	Leasehold Improvements	Total
Opening balance as of 1 January 2021	187,195,019	80,893,797	178,423,836	446,512,652
Additions	46,200,594	53,786,739	21,494,081	121,481,414
Disposals	(588,498)	(10,319,488)	(2,872,990)	(13,780,976)
Transfers (Tangible assets)	15,261,827	(41,372,978)	26,111,151	-
Transfers (Intangible assets) (*)	-	(14,423,614)	-	(14,423,614)
Closing balance as of 31 December 2021	248,068,942	68,564,456	223,156,078	539,789,476

Accumulated Depreciation

Opening balance as of 1 January 2021	(115,141,286)	(16,303,842)	(74,504,915)	(205,950,043)
Additions	(18,448,909)	(5,292,713)	(16,539,139)	(40,280,761)
Disposals	492,432	3,759,485	1,638,874	5,890,791
Closing balance as of 31 December 2021	(133,097,763)	(17,837,070)	(89,405,180)	(240,340,013)
Net book value as of 31 December 2021	114,971,179	50,727,386	133,750,898	299,449,463

(*) Investments in progress that are ready for use are transferred to intangible assets.

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount 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 2020 and 31 December 2020 are as follows

Cost Value	Furniture and Fixture	Other Tangible Fixed Assets	Leasehold Improvements	Total
Opening balance as of 1 January 2020	157,325,310	32,943,776	159,498,134	349,767,220
Additions	22,753,943	49,924,028	23,544,143	96,222,114
Disposals	(571,887)	-	(4,618,441)	(5,190,328)
Transfers (Tangible assets)	7,687,653	(7,687,653)	-	-
Transfers (Intangible assets) (*)	-	5,713,646	-	5,713,646
Closing balance as of 31 December 2020	187,195,019	80,893,797	178,423,836	446,512,652
Accumulated Depreciation				
Opening balance as of 1 January 2020	(99,599,158)	(13,003,556)	(62,753,850)	(175,356,564)
Additions	(15,979,755)	(3,300,286)	(13,883,176)	(33,163,217)
Disposals	437,627	-	2,132,111	2,569,738
Closing balance as of 31 December 2020	(115,141,286)	(16,303,842)	(74,504,915)	(205,950,043)
Net book value as of 31 December 2020	72,053,733	64,589,955	103,918,921	240,562,609

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

Depreciation expense of TRY29,316,560 has been charged in marketing sales and distribution expenses and TRY7,589,208 in general administrative expenses.

In the period of 1 January 2020 - 31 December 2020, there are purchases of tangible fixed assets amounting to TRY3,338,116 by financial leasing.

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

The useful lives of tangible assets are as follows:

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount 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:

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

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

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

a) Movements of right of use assets between 1 January 2020 and 31 December 2020 are as follows:

Cost Value	Stores	Vehicles	Warehouses	Total
Opening balance as of 1 January 2020	175,656,093	7,812,217	6,850,485	190,318,795
Additions	49,345,483	22,080,570	-	71,426,053
Disposals	(4,230,993)	(6,127,106)	(1,437,611)	(11,795,710)
Closing balance as of 31 December 2020	220,770,583	23,765,681	5,412,874	249,949,138
Accumulated Depreciation				
Opening balance as of 1 January 2020	(28,255,793)	(3,425,169)	(1,682,621)	(33,363,583)
Charge for the period	(31,359,222)	(7,774,619)	-	(39,133,841)
Disposals	1,655,839	5,675,837	(640,740)	6,690,936
Closing balance as of 31 December 2020	(57,959,176)	(5,523,951)	(2,323,361)	(65,806,488)
Net book value as of 31 December 2020	162,811,407	18,241,730	3,089,513	184,142,650

As of 31 December 2020, Depreciation expense of TRY36,944,886 has been charged in marketing sales and distribution expenses and TRY2,138,955 in general administrative expenses.

10. INTANGIBLE ASSETS

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

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

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

10. INTANGIBLE ASSETS (CONTINUED)

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 2022, 30% in 2023, 30% in 2024, 30% in 2025 and 30% in 2026 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 2021 (31 December 2020: None).

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

Movements of intangible assets between 1 January 2020 - 31 December 2020 are as follows:

Cost Value	Franchising Rights	Rights	Total
Opening balance as of 1 January 2020	26,724,490	17,554,430	44,278,920
Additions	-	5,992,371	5,992,371
Transfers (*)	-	(5,713,646)	(5,713,646)
Closing balance as of 31 December 2020	26,724,490	17,833,155	44,557,645
Accumulated Amortization			
Opening balance as of 1 January 2020	-	(5,955,566)	(5,955,566)
Charge of the period	-	(3,742,551)	(3,742,551)
Closing balance as of 31 December 2020	-	(9,698,117)	(9,698,117)
Carrying value as of 31 December 2020	26,724,490	8,135,038	34,859,528

(*) Intangible 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.

	Useful Life
Rights	3- 5 years
Franchising rights	Unlimited

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

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

Current provisions	31 December 2021	31 December 2020
Provision for lawsuits	18,829,646	12,271,730
Provision for sales activities (*)	5,073,447	3,407,004
Provision for risky shops (**)	2,231,140	2,073,252
Other provisions	860,804	1,100,651
	26,995,037	18,852,637

(*) 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 provisions that are set aside by the store special costs due to possible risks that may arise from the Group's store closing or moving decisions.

The movement of the legal case provision for the years ended 31 December 2021 and 31 December 2020 are as follows:

Movement of Lawsuit Provision	1 January - 31 December 2021	1 January - 31 December 2020
Balance at beginning of the period	12,271,730	10,127,587
Current period charge	6,557,916	2,144,143
Closing balance	18,829,646	12,271,730

a) Guarantees Given

Deposits and Guarantees given	31 December 2021			31 December 2020		
	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 (*)	209,116,313	75,212,429	10,028,000	148,822,963	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	-	-	-	-	-	-
Total GPL	209,116,313	75,212,429	10,028,000	148,822,963	75,212,429	10,028,000

(*) 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 USD10,028,000 + 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 TRY209,116,313 (31 December 2020: TRY148,822,963).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

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 2021	31 December 2020
Enforcement suits	11,009,761	6,384,819
Compensation suits	7,819,885	5,886,911
	18,829,646	12,271,730

12. SHORT AND LONG-TERM EMPLOYEE BENEFITS

Short-term provisions	31 December 2021	31 December 2020
Due to personnel	25,945,932	12,678,574
Unused vacation provision	1,756,224	1,236,177
Personnel aid provision	908	-
	27,703,064	13,914,751

Payables to employee benefits	31 December 2021	31 December 2020
Due to personnel	11,538,800	8,620,975
Social security premiums payable	4,973,049	3,654,527
Taxes and funds payable	3,077,755	2,217,373
	19,589,604	14,492,875

Long-term provisions	31 December 2021	31 December 2020
Provision for employment termination benefits	36,972,149	27,499,214
Provision for unused vacation	5,268,671	3,708,530
	42,240,820	31,207,744

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

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

12. SHORT AND LONG-TERM 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 2021 is subject to a monthly ceiling of TRY 8,284.51 (31 December 2020: TRY 7,117,17).

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. Therefore, as of 31 December 2021, provisions in the financial statements are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees.

Provisions at the relevant balance sheet dates are calculated using the real discount rate, which is approximately 3.72%, based on the assumptions of an annual inflation rate of 16.9% and an interest rate of 21.25% (31 December 2020: 3.85%). Voluntary dismissal rates are also taken into account as 7% for those who have worked for 0-15 years and who have received SSI entry after September 1999, but 0% for those who have entered SSK before September 1999, for those who have been employed for 16 years or more. The severance pay ceiling is revised semi-annually, and the maximum amount of TRY 10,848.59 effective from 1 January 2022 has been taken into account in the calculation of the severance pay provision (1 January 2021: TRY 7,638,96).

Movement of provision for employee termination benefits is as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Provision at 1 January	27,499,214	19,181,034
Service cost	14,750,619	3,476,029
Interest cost	977,431	701,579
Employment termination benefits paid	(5,756,108)	(2,023,340)
Actuarial loss	(499,007)	6,163,912
Provision for employment termination benefits	36,972,149	27,499,214

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

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

12. SHORT AND LONG-TERM EMPLOYEE BENEFITS (CONTINUED)

Movement of unused vacation provision is as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Provision at 1 January	4,944,707	4,548,340
Increase in the period	6,181,956	4,621,696
Used in the period	(4,101,768)	(4,225,329)
Provision for unused vacation	7,024,895	4,944,707

Movement of performance premium provision is as follows::

	1 January - 31 December 2021	1 January - 31 December 2020
Provision at 1 January	12,678,574	8,180,888
Increase in the period	31,737,049	25,886,941
Paid in period	(18,469,691)	(21,389,255)
Provision for performance bonus	25,945,932	12,678,574

13. OTHER ASSETS AND LIABILITIES

Other Current Liabilities	31 December 2021	31 December 2020
Taxes and funds payable	5,986,344	11,210,633
Other	22,365	24,500
	6,008,709	11,235,133

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

(Amount 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 2021 and 31 December 2020 as follows:

Name of the Shareholders (*)	(%)	31 December 2021	(%)	31 December 2020
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
	100	60,000,000	100	60,000,000

(*) 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 (2020: 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 2021	31 December 2020
Legal reserves	14,330,810	12,706,557
	14,330,810	12,706,557

Actuarial Loss Funds to Retirement Pay Provision

	31 December 2021	31 December 2020
Opening balance	(21,965,778)	(17,034,648)
Actuarial loss	499,007	(6,163,912)
Tax income related actuarial loss	(99,801)	1,232,782
Closing balance	(21,566,572)	(21,965,778)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

14. SHAREHOLDERS' EQUITY (CONTINUED)

Details of the retained earnings are as follows:

	31 December 2021	31 December 2020
Extraordinary reserves	113,956,032	86,261,608
Retained earnings	(19,336,663)	(8,963,851)
	94,619,369	77,297,757

The Board of Directors has decided to pay dividends for the year of 2020 at 9 March 2021 and TRY 19,242,526 dividend distribution was approved by the General Assembly on 20 April 2021 to be paid on 8 October 2021. Dividend distribution payment has been made (Year 2019: A profit distribution decision of TRY 8,268,884 has been taken and has been made).

15. REVENUE AND COST OF SALES

a) Revenue

	1 January - 31 December 2021	1 January - 31 December 2020
Domestic sales	7,338,905,365	5,460,517,430
Tobacco	1,507,864,601	1,222,879,633
Non-Tobacco	5,831,040,764	4,237,637,797
Sales returns (-)	(26,879,672)	(13,460,021)
Sales discounts (-)	(138,880,999)	(85,236,812)
	7,173,144,694	5,361,820,597

b) Cost of Sales

	1 January - 31 December 2021	1 January - 31 December 2020
Tobacco	(1,473,806,296)	(1,200,382,013)
Non-Tobacco	(4,816,513,890)	(3,579,798,590)
	(6,290,320,186)	(4,780,180,603)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

16. MARKETING, SELLING AND DISTRIBUTION AND GENERAL ADMINISTRATION EXPENSES

	1 January - 31 December 2021	1 January - 31 December 2020
Marketing, selling and distribution expenses (-)	(482,370,865)	(342,210,630)
General administrative expenses (-)	(94,593,907)	(63,365,580)
	(576,964,772)	(405,576,210)

17. EXPENSES BY NATURE

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

	1 January - 31 December 2021	1 January - 31 December 2020
Personnel expenses	(249,778,115)	(180,092,982)
Amortization expenses (Note 9. 10)	(80,434,403)	(66,311,446)
Utility expenses (electricity, natural gas, water etc.)	(36,024,570)	(24,125,970)
Logistics expenses	(23,578,189)	(16,809,297)
Advertising expenses	(19,391,939)	(11,567,727)
Outsourcing expenses	(16,691,398)	(10,759,211)
Maintenance expenses	(11,648,857)	(7,950,922)
Other marketing and sales expenses	(44,823,394)	(24,593,075)
	(482,370,865)	(342,210,630)

The details of general administrative expenses are as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Personnel expenses	(39,564,090)	(25,472,919)
Consultancy and service expenses	(14,890,287)	(12,475,108)
Amortization and depreciation expenses (Note 9. 10)	(14,698,050)	(9,728,163)
Supplementary expenses	(9,539,169)	(3,736,159)
Advisor expenses	(4,673,970)	(2,713,080)
Outsourcing expenses	(2,732,416)	(3,268,874)
Travel expense	(1,758,128)	(1,249,351)
Other general administrative expenses	(6,737,797)	(4,721,926)
	(94,593,907)	(63,365,580)

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 March 30, 2021, and the preparation principles of which are based on the letter of the KGK dated August 19, 2021 are as follows;

	1 January - 31 December 2021	1 January - 31 December 2020
Independent audit fee for the reporting period	162,700	124,190
	162,700	124,190

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

(Amount 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 2021	1 January - 31 December 2020
Finance income from credit sales	23,598,985	8,257,480
Rediscount income for trade receivables and payables	24,106,133	149,831
Foreign exchange gains	923,979	3,000,885
Provisions no longer required (Note 5)	50,064	1,366,369
Other income	8,759,557	3,141,128
	57,438,718	15,915,693

b) The detail of other expenses related to operating activities are as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Finance expense from credit purchase	(193,431,644)	(83,067,872)
Rediscount expense for trade receivables and payables	(2,272,621)	(6,577,997)
Provision for lawsuits expenses (Note 11)	(6,557,916)	(2,144,143)
Foreign exchange losses	(7,337,726)	(2,690,523)
Provision for doubtful receivable expenses (Note 5)	(3,307,762)	(390,805)
Other expenses	(1,441,264)	(2,821,228)
	(214,348,933)	(97,692,568)

19. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

a) The detail of income related to investing activities is as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Interest income	58,166,348	43,304,186
Allowance for prepaid expenses	670,662	1,014,238
Other incomes	688,795	3,010,197
	59,525,805	47,328,621

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount 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 2021	1 January - 31 December 2020
Loss on sale of tangible assets	(10,603,163)	(2,236,573)
	(10,603,163)	(2,236,573)

20. FINANCIAL EXPENSES

	1 January - 31 December 2021	1 January - 31 December 2020
Interest on bank overdrafts and loans	(74,708,195)	(45,866,410)
Leasing Operations Financial Expense	(46,801,908)	(42,753,248)
Interest expense for benefit obligations (Note 12)	(977,431)	(701,579)
Leasing interest expense	(654,917)	(420,650)
Guarantee letter commission and other expenses	(481,319)	(1,075,866)
Other interest expenses	(165,547)	-
	(123,789,317)	(90,817,753)

21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

The Group 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.

"Law No. 7316 Amending the Law on Collection Procedure of Public Claims and Some Laws" was published in the Official Gazette dated April 22, 2021 and numbered 31462. With the said Law, the corporate tax rate is 25% for 2021 corporate earnings. For 2022 corporate earnings, it has been redefined as 23%. within the scope of that law. Deferred tax assets and liabilities in the financial statements dated 30 September 2021. with a tax rate of 25% for the portion of temporary differences that will have a tax effect in 2020. It is calculated as 23% of temporary differences for 2022 and 20% for the part that will have a tax effect in the following periods (2020: 20-22%).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)

Deferred tax assets/(liabilities)

	1 January - 31 December 2021	1 January - 31 December 2020
Restatement and depreciation/ amortization differences. of property. plant and equipment and other intangible assets	(1,272,767)	14,124,185
Discount on trade receivables and payables	10,123,515	4,105,320
Performance premiums and other social rights	(4,312,763)	(459,388)
Provision for unpaid vacation	(1,404,979)	(988,941)
Provision for doubtful receivable	(1,403,006)	(767,054)
Provision for lawsuit	(3,765,929)	(2,454,346)
Lease liabilities	(8,086,418)	(5,367,407)
Provision for employee termination benefits	(7,394,430)	(5,499,843)
Expense accruals	(17,065,332)	(5,764,063)
Other	(2,859,200)	(667,836)
	(37,441,309)	(3,739,373)

Movement of deferred tax asset/(liabilities):

	1 January - 31 December 2021	1 January - 31 December 2020
Movement of deferred tax asset/(liabilities)		
Opening balance at 1 January	(3,739,373)	(137,795)
Charged to income statement	(33,801,737)	(2,368,796)
Charged to equity	99,801	(1,232,782)
Closing balance	(37,441,309)	(3,739,373)

The Group is subject to Turkish corporate taxes. Provision is made in the acGrouping financial statements for the estimated charge based on the Group's results for the year.

Corporate Tax

The Group is subject to Turkish corporate taxes. Provision is made in the acGrouping financial statements for the estimated charge based on the Group's results for the year.

Corporate tax is applied on taxable corporate income. which is calculated from the statutory accounting profit by adding back non-deductible expenses. and by deducting dividends received from resident companies. other exempt income and investment incentives utilized.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

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

21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate is 25% in 2021 (31 December 2020: 22%).

Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. However, losses occurred cannot be deducted from the profit occurred in the prior years retroactively.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1 - 25 April following the close of the accounting year to which they relate. The companies with special accounting periods. File their tax returns between 1st-25th of fourth month after fiscal year end. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

Income withholding tax

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for resident companies in Turkey which include this dividend income in their taxable profit for the related period and Turkish branches of foreign companies. The rate of income withholding tax was used 10% between 24 April 2003 - 22 July 2006. This rate was changed to 15% with the Cabinet Decision code numbered 2006/10731 commencing from 22 July 2006. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

As the Group did not use any investment incentives, the Group has used 25% corporate tax rate.

Provision for taxation as of 31 December 2021 and 31 December 2020 are as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Current period corporate tax provision	25,639,136	12,747,281
Less: prepaid taxes and funds	(4,133,973)	(6,112,121)
Tax liability in the balance sheet	21,505,163	6,635,160

Charge for taxation as of 31 December 2021 and 31 December 2020 are as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Current tax charge	(25,639,136)	(12,747,281)
Deferred tax income/(expense)	33,801,737	2,368,796
Tax charge	8,162,601	(10,378,485)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021**

(Amount 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 2021	1 January - 31 December 2020
Profit before tax	74,082,846	48,561,204
Tax charge rate	%25	%22
Calculated tax	(18,520,712)	(10,683,465)
Effect of different tax rates	2,782,357	267,056
The effect of the revaluation of tangible and intangible assets (*)	24,967,534	-
Non-deductible expenses	(1,066,578)	37,924
Tax charge	8,162,601	(10,378,485)

(*) 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 2021, the effect of deferred tax assets is 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 2021 and 2020 and computation of earnings per share as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Basic earnings per share		
Weighted average number of ordinary shares outstanding during the period (in full)	58,842,000	58,842,000
Net income for the period	82,245,447	38,182,719
Earnings per share (TRY)	1,398	0,649

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) The detail of receivables from related parties is as follows:

	31 December 2021	31 December 2020
Trade receivables	6,872,024	2,751,396
Non-trade receivables	1,426,957	-
	8,298,981	2,751,396

The detail of trade receivables is as follows:

	31 December 2021		31 December 2020
	Trade	Non-Trading	Trade
Balances with related parties			
Parent company			
Yıldız Holding A.Ş.	494,398	1,426,957	-
Other related parties			
Ülker Family and Board Members	3,150,789	-	126,136
KV2K Perakende Müşteri Hizmetleri A.Ş.	989,400	-	-
Marsa Yağ San. ve Tic. A.Ş.	699,238	-	30,305
Donuk Fırın. Ür. San. ve Tic. A.Ş.	636,419	-	-
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	388,680	-	65,645
Makina Takım Endüstrisi A.Ş.	105,596	-	10,433
Pendik Marina Yat ve Çekek İşletmesi A.Ş.	75,083	-	17,520
Şok Marketler Ticaret A.Ş.	66,407	-	169,517
CCC Gıda San. ve Tic. A.Ş.	58,542	-	7,876
Adapazarı Şeker Fabrikası A.Ş.	55,778	-	1,437
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	44,326	-	5,488
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	33,208	-	-
Future Teknoloji Ticaret A.Ş.	22,813	-	1,274,657
Kerevitaş Gıda San. ve Tic. A.Ş.	16,852	-	-
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	15,525	-	61,166
Sağlam İnşaat Taahhüt Tic. A.Ş.	6,499	-	-
Dank Gıda San. ve Tic. A.Ş.	4,636	-	-
Mevsim Taze Sebze Meyve Sanayi ve Tic. A.Ş.	4,575	-	49,060
Most Bilgi Sistemleri Tic. A.Ş.	2,710	-	-
Polinas Plastik San. Tic. A.Ş.	550	-	-
Azmüsebat Çelik Sanayi ve Tic. A.Ş.	-	-	465
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	-	-	3,732
Besler Gıda ve Kimya San. ve Tic. A.Ş.	-	-	58,749
E Star Global E-Ticaret Satış ve Paz. A.Ş.	-	-	707,623
Kümaş Manyezit Sanayi A.Ş.	-	-	24,478
Önem Gıda San. ve Tic. A.Ş.	-	-	72,746
Ülker Bisküvi San. A.Ş.	-	-	52,989
Ülker Çikolata Sanayi A.Ş.	-	-	11,374
	6,872,024	1,426,957	2,751,396

Trade receivables from related 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 2021 is 17,3- 22,5% for TRY (31 December 2020: 8,5 - 16% for TRY).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount 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 2021	31 December 2020
Trade Payables	244,734,390	229,915,919
	244,734,390	229,915,919

Payables to related parties are arised from purchases and approximately matured in between 30 and 60 days.

	31 December 2021		31 December 2020
	Trade	Trade	Trade
Balances with related parties			
Parent company			
Yıldız Holding A.Ş.	3,722,766		2,952,018
Other related parties			
Horizon Hızlı Tüketim Ürünleri Paz. Sat. ve Dağ. A.Ş.	118,932,064		148,254,448
Şok Marketler Ticaret A.Ş.	51,416,336		36,143,638
Besler Gıda ve Kimya San. ve Tic. A.Ş.	18,263,087		6,810,728
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	11,532,007		3,977,961
Most Bilgi Sistemleri Tic. A.Ş.	10,784,869		4,508,636
Polinas Plastik San. Tic. A.Ş.	8,566,844		3,263,933
Kerevitaş Gıda San. ve Tic. A.Ş.	7,706,725		4,569,856
UCZ Mağazacılık Ticaret A.Ş.	3,909,366		-
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	3,569,328		3,681,269
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	2,200,784		178,447
Aytaç Gıda Yatırım San. Tic. A.Ş.	1,159,803		1,413,103
Marsa Yağ San. ve Tic. A.Ş.	808,818		-
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	717,638		8,409,581
Çayırovası İnşaat Taahhüt Tic. A.Ş.	500,290		296,332
İzsal Gayrimenkul Geliştirme A.Ş.	299,131		1,335,699
Sağlam İnşaat Taahhüt Tic. A.Ş.	197,314		237,923
Ülker Family and Board Members	163,608		143,039
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	161,911		104,505
Pendik Marina Yat ve Çekek İşletmesi A.Ş.	101,764		86,132
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	16,284		9,576
Azmüsebat Çelik Sanayi ve Tic. A.Ş.	2,244		69,719
E Star Global E-Ticaret Satış ve Paz. A.Ş.	1,361		136,684
Donuk Fırın. Ür. San. ve Tic. A.Ş.	48		7,353
Adapazarı Şeker Fabrikası A.Ş.	-		3,165,957
Dank Gıda San. ve Tic. A.Ş.	-		23,248
Future Teknoloji Ticaret A.Ş.	-		136,134
Ülker Çikolata Sanayi A.Ş.	-		21,678
	244,734,390		229,915,919

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

(Amount 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 2021		1 January - 31 December 2020	
	Purchases	Sales	Purchases	Sales
Parent company				
Yıldız Holding A.Ş.	-	34,367	7,746,892	18,449
Other related parties				
Adapazarı Şeker Fabrikası A.Ş.	1,441,793	150,520	2,080,499	186,600
Aytaç Gıda Yatırım San. Tic. A.Ş.	7,470,019	178,707	8,406,000	139,407
Atademir Gıda San. ve Tic. A.Ş. (Leave the group)	-	-	-	1,304
Azmüsebat Çelik San. Tic. A.Ş.	-	3,385	-	6,510
Besler Gıda ve Kimya San. ve Tic. A.Ş.	96,483,373	729,294	48,663,189	3,285,692
Beta Marina Liman Yat ve Çekek İşletmesi A.Ş.	-	76,758	-	34,577
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	15,429,153	1,314,442	8,204,219	1,117,386
CCC Gıda San. ve Tic. A.Ş.	-	420,983	-	168,728
Dank Gıda San. ve Tic. A.Ş.	-	65,408	-	46,011
Donuk Fırıncılık Ürünleri Sanayi ve Ticaret A.Ş.	10,897	694,860	42,113	-
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	-	41,342	-	-
E Star Global E Ticaret Satış ve Pazarlama A.Ş.	-	1,718,083	-	937,160
Future Teknoloji Ticaret A.Ş.	-	4,114,466	75,451	2,741,056
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	11,130,457	5,590,608	1,230,227	530,957
Gözde Girişim Sermayesi Yatırım Ortaklığı A.Ş.	-	-	-	271
Horizon Hızlı Tüketim Ürün.Paz. Satış ve Dağıtım A.Ş.	483,870,026	148,611	389,735,373	1,529
İstanbul Gıda Dış Tic. A.Ş. (Gruptan ayrıldı.)	-	-	-	2,800
İzsal Gayrimenkul Geliştirme A.Ş.	-	309	-	7,161
Kerevitaş Gıda San. ve Tic. A.Ş.	19,494,523	491,912	7,632,234	164,515
Kümaş Manyezit Sanayi A.Ş. (Gruptan ayrıldı)	-	-	-	190,415
Makina Takım Endüstrisi A.Ş.	-	146,194	-	87,063
Marsa Yağ San. ve Tic. A.Ş.	1,348,460	481,228	-	171,910
Mevsim Taze Sebze Meyve San. ve Tic. A.Ş.	-	63,492	-	148,788
Most Bilgi Sistemleri Tic. A.Ş.	6,768,882	10,480	5,401,144	2,566
Northstar Innovation A.Ş.	-	-	-	269
Önem Gıda San. ve Tic. A.Ş.	-	375,379	-	216,873
Özen Kişisel Bakım Ürünleri Üretim A.Ş. (Leave the group)	-	-	4,698,395	33,070
Pasifik Tüketim Ürünleri Satış ve Ticaret A.Ş.	-	27,905	3,249,012	-
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	86,593	-	57,803
Penta Teknoloji Ürünleri Dağıtım Tic.A.Ş.	866,616	205,261	1,602,291	222,992
Pervin Finansal Kiralama A.Ş.	-	-	-	274
PNS Pendik Nişasta San. A.Ş. (Leave the group)	4,627,156	-	4,341,517	52,148
Polinas Plastik San. Tic. A.Ş.	20,053,165	116,611	7,904,968	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	7,942	-	12,865
Şok Marketler Ticaret A.Ş.	257,723,894	3,709,370	181,829,600	3,712,186
UCZ Mağazacılık Tic. A.Ş.	3,663,999	4,799	-	-
Ülker Family and Board Members	-	6,895,205	63,873	2,303,276
Ülker Bisküvi San. A.Ş.	-	5,675,489	-	2,698,231
Ülker Çikolata Sanayi A.Ş.	-	5,422,219	-	2,959,695
Unmaş Unlu Mamuller San. ve Tic. A.Ş. (Leave the group)	-	-	926,626	39,315
Yelken Yönetim Danışmanlık ve Servis Hizmetleri A.Ş.	-	1,879	-	4,136
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	67,082,307	278,619	30,030,264	7,799
	997,464,720	39,282,720	713,863,887	22,311,787

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

(Amount 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 2021	Interest income	Interest expense	Rent expense	Service expense	Other income	Other expense
Parent company						
Yıldız Holding A.Ş.	40,110,113	(2,431,300)	-	(14,808,823)	783,904	(4,441,505)
Other related parties						
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)
	40,110,113	(2,431,300)	(2,991,292)	(14,808,823)	27,058,393	(38,110,617)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

1 January - 31 December 2020	Interest income	Interest expense	Rent expense	Service expense	Service income
Parent company					
Yıldız Holding A.Ş.	38,726,141	(4,084,273)	-	(5,097,368)	102,668
Other related parties					
Aytaç Gıda Yatırım San. Tic. A.Ş.	-	-	-	-	314,580
Azmüsebat Çelik San. Tic. A.Ş.	-	-	-	-	969
Besler Gıda ve Kimya San. ve Tic. A.Ş.	-	-	-	(694)	468
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	-	-	(22,070)	(5,417)	-
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	-	-	-	(28,250)	94,262
Çayırovası İnşaat Taahhüt Tic. A.Ş.	-	-	(320,251)	(342,239)	-
Dank Gıda San. ve Tic. A.Ş.	-	-	-	(16,053)	-
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	-	-	-	-	17,884
E Star Global E-Ticaret Satış ve Pazar. A.Ş.	-	-	(21,160)	-	-
Future Teknoloji Ticaret A.Ş.	-	-	-	(55,782)	397,462
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	-	-	(13,954)	(63,958)	877,509
Horizon Hızlı Tüketim Ürünleri Paz. Sat. ve Dağ. A.Ş.	-	-	(1,360)	(589)	19,088,848
İzsal Gayrimenkul Geliştirme A.Ş.	-	-	(259,119)	(589,059)	-
Kerevitaş Gıda San. ve Tic. A.Ş.	-	-	-	(9,099)	14,368
Marsa Yağ San. ve Tic. A.Ş.	-	-	(251,230)	(166,292)	-
Makina Takım Endüstrisi A.Ş.	-	-	(2,982)	-	-
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	(4,546,868)	-
Most Teknoloji Çözümleri A.Ş.	-	(303,727)	-	(2,914,398)	2,548,473
Pasifik Tük. Ür. Sat. ve Tic. A.Ş.	-	-	-	-	5,050
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	-	(439,243)	(1,971)	-
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	-	-	-	(1,212,406)	-
Polinas Plastik San. Tic. A.Ş.	-	-	-	-	406,197
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	-	-	(1,477,859)	322,833
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	-	(437,026)	-	-
Şok Marketler Ticaret A.Ş.	-	-	(584,612)	-	1,236,339
Unmaş Unlu Mamuller San. ve Tic. A.Ş. (Leave the group).	-	-	-	-	5,155
Ülker Çikolata Sanayi A.Ş.	38,726,141	-	(72,800)	(27,002)	-
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	-	-	-	(86,498)	11,953
	38,741,364	(4,388,000)	(2,425,807)	(16,641,802)	25,445,018

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

(Amount 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 2021	1 January - 31 December 2020
Salaries and other short-term benefits	11,156,612	8,095,801
	11,156,612	8,095,801

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.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
 CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
 (Amount 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)

The Group is mainly exposed to foreign currency risk in USD and EUR.

	31 December 2021			
	TRY Equivalent (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	-	-	-	-
4. CURRENT ASSETS	809,143	45,675	11,351	1,533
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	163,701	7,629	4,091	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS	163,701	7,629	4,091	-
9. TOTAL ASSETS	972,844	53,304	15,442	1,533
10. Trade Payables	15,710,584	266,000	806,344	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. CURRENT LIABILITIES	15,710,584	266,000	806,344	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES	-	-	-	-
18. TOTAL LIABILITIES	15,710,584	266,000	806,344	-
19. Net foreign currency liability position (9-18)	(14,737,740)	(212,696)	(790,902)	1,533
20. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(14,737,740)	(212,696)	(790,902)	1,533

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
 CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
 (Amount 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)

	31 December 2020			
	TRY Equivalent (Functional Currency)	USD	EUR	GBP
1. Trade Receivables	-	-	-	-
2a. Monetary Financial Assets	7,933,450	1,037,971	33,344	1,394
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. CURRENT ASSETS	7,933,450	1,037,971	33,344	1,394
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	163,700	13,877	6,864	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS	163,700	13,877	6,864	-
9. TOTAL ASSETS	8,097,150	1,051,848	40,208	1,394
10. Trade Payables	13,059,592	1,604,985	141,897	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. CURRENT LIABILITIES	13,059,592	1,604,985	141,897	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES	-	-	-	-
18. TOTAL LIABILITIES	13,059,592	1,604,985	141,897	-
19. Net foreign currency liability (9-18)	(4,962,442)	(553,137)	(101,689)	1,394
20. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(4,962,442)	(553,137)	(101,689)	1,394

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

(Amount 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 2021	
	Appreciation of Appreciation of foreign currency by 20%	Appreciation of Appreciation of foreign currency by 20%
1- US Dollar net asset/liability	(568,026)	568,026
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect (1+2)	(568,026)	568,026
4- Other net assets/liabilities	(2,385,214)	2,385,214
5- Part of hedged from other risk (-)	-	-
6- Other net effect (4+5)	(2,385,214)	2,385,214
	31 December 2020	
	Appreciation of Appreciation of foreign currency by 20%	Appreciation of Appreciation of foreign currency by 20%
1- US Dollar net asset/liability	(812,060)	812,060
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect (1+2)	(812,060)	812,060
4- Other net assets/liabilities	(180,428)	180,428
5- Part of hedged from other risk (-)	-	-
6- Other net effect (4+5)	(180,428)	180,428

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

2) Interest rate risk management

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.

	Financial Assets amortized cost	Financial Liabilities at amortized cost	Carrying value	Note
31 December 2021				
<u>Financial assets</u>				
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
<u>Financial liabilities</u>				
Lease liabilities	-	2,037,609	2,037,609	4
Leasing Liabilities	-	219,823,258	219,823,258	5
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
	Financial Assets amortized cost	Financial Liabilities at amortized cost	Carrying value	Note
31 December 2020				
<u>Financial assets</u>				
Cash and cash equivalents	500,788,478	-	500,788,478	3
Trade receivables	93,248,303	-	93,248,303	5
Due from related parties	2,751,396	-	2,751,396	23
Other financial assets	3,416,581	-	3,416,581	6
<u>Financial liabilities</u>				
Lease liabilities	-	5,755,083	5,755,083	4
Leasing Liabilities	-	202,421,119	202,421,119	4
Trade payables	-	825,693,497	825,693,497	5
Due to related parties	-	229,915,919	229,915,919	23
Other financial liabilities	-	25,728,008	25,728,008	12-13

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

2) Interest rate risk management (Continued)

As of 31 December 2021, and 2020 the gross payment plan of the lease liabilities which are not discounted is as follows:

31 December 2021	Net book value	Total contractual cash outflow (I+II+III+IV)	Less than 3 months (I)	3 - 12 month (II)	1 - 5 years (IV)	5 years and overs (V)
Lease Liabilities	219,823,258	474,614,908	21,968,346	63,027,704	221,279,634	168,339,224
Total	219,823,258	474,614,908	21,968,346	63,027,704	221,279,634	168,339,224

31 December 2020	Net book value	Total contractual cash outflow (I+II+III+IV)	Less than 3 months (I)	3 - 12 month (II)	1 - 5 years (IV)	5 years and overs (V)
Lease Liabilities	202,421,119	429,938,545	19,077,534	53,995,012	202,347,923	154,518,076
Total	202,421,119	429,938,545	19,077,534	53,995,012	202,347,923	154,518,076

3) 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. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

3) Capital risk management (Continued)

	31 December 2021	31 December 2020
Total financial payables and non-trade payables to related parties (*)	610,652	5,755,083
Negative: cash and cash equivalents	(585,389,621)	(500,788,478)
Net debt	(584,778,969)	(495,033,395)
Total equity (*)	240,354,145	171,722,659
Total capital	(344,424,824)	(323,310,736)
Net debt/equity rate (%)	-	-

(*) TFRS 16 impact is not included.

25. EVENTS AFTER THE REPORTING PERIOD

(i) The law on amending the Tax Procedure Law and the Corporate Tax Law was enacted on January 20, 2022. Law No. It has been enacted with the number 7352 and it has been decided that the financial statements will not be subject to inflation adjustment in the 2021 and 2022 accounting periods. including the temporary accounting periods. and in the provisional tax periods of the 2023 accounting period. regardless of whether the conditions for the inflation adjustment within the scope of the Repeated Article 298 are met. In line with the Law No. 7352. inflation adjustment will be applied to the financial statements dated 31 December 2023. and the profit/loss difference arising from the inflation adjustment will be shown in the previous years' profit/loss account and will not be taxed.

(ii) Our Board of Directors is within our Company's current registered capital ceiling of TRY 200,000,000, in accordance with the "Registered Capital Ceiling Communiqué" of the Capital Markets Board No. II-18.1. It has decided to obtain authorization for a new 5-year period for the years 2022-2026. In this context, it has been decided to amend Article 6 of our Company's Articles of Association, titled "Capital". Capital Markets Board and T.R. After obtaining the necessary permits from the Ministry of Customs and Trade, it was decided to submit the draft amendments to the articles of association for the approval of our General Assembly. An application was made to the Capital Markets Board on February 25, 2022, and the application was published on the Public Disclosure Platform on the same date.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

APPENDIX-1 SUPPLEMENTARY OTHER INFORMATION

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 2021	1 January - 31 December 2020
NET PROFIT FOR THE YEAR (without TFRS 16)	87,474,806	46.804.619
NET PROFIT FOR THE YEAR (without TFRS 16)	82,245,447	38.182.719
NET PROFIT FOR THE YEAR (without TFRS 16)	5,443,590	(12.810.303)
NET PROFIT FOR THE YEAR (without TFRS 16)	8,162,601	(10.378.485)
NET PROFIT FOR THE YEAR (without TFRS 16)	82,031,216	59.614.922
NET PROFIT FOR THE YEAR (without TFRS 16)	74,082,846	48.561.204
Financial Expenses (-) (without TFRS 16)	(76,987,409)	(48,064,505)
Financial Expenses (-)	(123,789,317)	(90,817,753)
Income (Expense) from Investing Activities	48,922,642	45,092,048
Amortization Expense (without TFRS 16)	(47,339,457)	(36,905,768)
Amortization Expense	(95,132,453)	(76,039,609)
Other Income/(Expense) from Operating Activities	(156,910,215)	(81,776,875)
EBITDA (without TFRS 16)	314,345,655	181,270,022
EBITDA	400,992,189	252,103,393
Warehouse. center and shop lease expense (without TFRS 16)	87,456,984	73,879,914
Warehouse. center and shop lease expense	811,152	3,046,543
EBITDAL (without TFRS 16)	401,802,639	255,149,936
EBITDAL	401,803,341	255,149,936

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021

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

APPENDIX-1 SUPPLEMENTARY OTHER INFORMATION (CONTINUED)

Financial statements of the group excluding TFRS 16 Leasing Standard is applied are presented comparatively below:

	Current Period	Prior Period
	31 December 2021	31 December 2020
Assets		
Current Assets	1,548,823,898	1,059,312,235
Cash and Cash Equivalents	585,389,621	500,788,478
Trade Receivables	173,585,414	95,999,699
Other Receivables	1,505,217	239,758
Inventories	733,557,865	437,496,239
Prepaid Expenses	50,825,416	24,783,856
Other assets	3,960,365	4,205
Non-Current Assets	402,657,580	284,133,620
Other Receivables - UV	4,487,429	3,176,823
Tangible Assets	299,449,463	240,562,609
Intangible Assets	58,900,435	34,859,528
Prepaid Expenses - UV	2,378,944	1,795,287
Deferred Tax Assets	37,441,309	3,739,373
Total assets	1,951,481,478	1,343,445,855

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

APPENDIX-1 SUPPLEMENTARY OTHER INFORMATIONS (CONTINUED)

	Current Period	Prior Period
	31 December 2021	31 December 2020
LIABILITIES		
Current Liabilities	1.653.734.366	1.132.728.403
Short-term Borrowings	904,083	3,777,06
Trade Payables	1,540,384,205	1,055,609,416
Liabilities for Employee Benefits	19,589,604	14,492,875
Deferred Revenue	10,182,487	6,822,996
Deferred Tax Liabilities	21,505,163	6,635,160
Short-term Provisions	55,160,115	34,155,762
Other Current Liabilities	6,008,709	11,235,133
Non-Current Liabilities	57,392,967	38,994,793
Long-term Borrowings	1,133,526	1,978,022
Long-term Provisions	42,240,820	31,207,744
Deferred Tax Liabilities	8,086,418	5,367,407
Deferred Revenue	5,932,203	441,620
EQUITY	240,354,145	171,722,659
Shareholders' equity	240,377,260	171,723,331
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	(21,566,572)	(21,965,778)
Restricted Reserves Appropriated from Profits	14,330,810	12,706,557
Retained Earnings	113,649,265	87,705,753
Net Profit for the Year	87,497,249	46,810,291
Non-controlling interest	(23,115)	(672)
Total Liabilities	1,951,481,478	1,343,445,855

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. VE BAĞLI ORTAKLIKLARI
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2020 AND 2021
(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

APPENDIX-1 SUPPLEMENTARY OTHER INFORMATIONS (CONTINUED)

	Current Period	Prior Period
	1 January - 31 December 2021	1 January - 31 December 2020
PROFIT OR LOSS		
Revenue	7,173,144,694	5,361,820,597
Cost of Sales (-)	(6,290,320,186)	(4,780,180,603)
GROSS PROFIT	882,824,508	581,639,994
Marketing Expenses (-)	(519,470,322)	(372,775,924)
General Administrative Expenses (-)	(96,347,988)	(64,499,816)
Other Income from Operating Activities	57,438,718	15,915,693
Other Expenses from Operating Activities (-)	(214,348,933)	(97,692,568)
OPERATING PROFIT/	110,095,983	62,587,379
Income from Investing Activities	59,525,805	47,328,621
Expense from Investing Activities (-)	(10,603,163)	(2,236,573)
PROFIT BEFORE FINANCE EXPENSES	159,018,625	107,679,427
Financial Expenses (-)	(76,987,409)	(48,064,505)
Profit Before Tax	82,031,216	59,614,922
Tax Expense	5,443,590	(12,810,303)
Current Tax Expense	(25,639,136)	(12,747,281)
Deferred Tax Income	31,082,726	(63,022)
Net Profit for the Year	87,474,806	46,804,619
NET PROFIT FOR THE YEAR		
Non-controlling interest	(22,443)	(5,672)
Equity holders of the parent	87,497,249	46,810,291
Earnings per share (TRY)	1.487	0.795
OTHER COMPREHENSIVE EXPENSE		
Items not to be reclassified to profit or loss	399,206	(4,931,130)
Defined benefit plans re-measurement losses	499,007	(6,163,912)
Items not to be reclassified to profit or loss		
Other comprehensive expenses on taxes	(99,801)	1,232,782
TOTAL COMPREHENSIVE INCOME	87.874.012	41.873.489
Distribution of total other comprehensive income		
Non-controlling interest	(22.443)	(5.672)
Equity holders of the parent	87.896.455	41.879.161

Contact

BİZİM TOPTAN SATIŞ MAĞAZALARI

Kuşbakışı Caddesi No:19 34662
Altunizade / Üsküdar / İstanbul
Tel: 0(216) 474 42 80
Fax: 0(216) 474 42 75
Customer Relations: 0850 969 62 96
E-Mail: info@bizimtoptan.com.tr



<https://www.facebook.com/BizimToptan>



<https://twitter.com/BizimToptan>



<https://www.instagram.com/bizimtoptan/>



<https://www.youtube.com/channel/UC-FkwHHX0w-XlexsXTXmKqA>



<https://www.linkedin.com/company/bizim-toptan-satis-magazalari>

