

BATISOKE SOKE CIMENTO SANAYII T.A.S.
ORDINARY GENERAL ASSEMBLY MEETING MINUTES
HELD ON 11/04/2017

The Ordinary General Assembly Meeting of Batisoke Soke Çimento Sanayii Türk Anonim Şirketi for 2016 was held on 11/04/2017 at 13:30 at the company's registered office address of Ankara Cad. 335 Bornova, IZMIR in the meeting hall with the supervision of the representatives of the Customs and Trade Ministry, MAHMUT SASMAZ and Mustafa DUZEN on behalf of the Ministry through the assignment letter of İzmir Provincial Directorate of Commerce dated 07.04.2017 and numbered 24057912.

Invitations for the meeting were called in accordance with the law and as provided in the Articles of Association including also the agenda and announced on 28 February 2017 dated and 9273 numbered copy of the Trade Registry Gazette, on the website of the company at www.batisoke.com.tr, on the Public Disclosure Platform (KAP) and on the Electronic General Assembly System of the Central Registry Agency (EGKS) within the due of time.

In the examination of the list of attendees it was understood that from the 7.875.000.000 shares corresponding to the total capital of the Company's shares amounting to TL 78.750.000, 5.959.460.760,06 shares with a nominal value of TL 59.594.607,601 were attended in the meeting and 5.876.606.814,00 shares with a nominal value of TL 58.766.068,14 were represented by proxy and 82.853.946,06 shares with a nominal value of TL 828.539,46 were represented personally and thus the minimum meeting quorum stipulated in the law and the Articles of Association was existing and it was determined that the electronic general assembly preparations of the company were carried out within the framework of the Turkish Trade Law, Capital Market Board legislation and Central Registry Agency regulations and so the meeting was opened by Mehmet Mustafa BUKEY.

Article 1 of the Agenda:

In accordance with Article 18 of the Company's Articles of Association, Chairman of the Board of Directors Mehmet Mustafa BÜKEY assumed the post of Chairman of the Ordinary General Assembly for the formation of the Ordinary General Assembly Meeting. The Chairman of the Meeting appointed Feyyaz UNAL as the Vote Collector and Mehmet Bulent EGELİ as the Minutes Clerk. Authorization of the Meeting Presidency to sign the minutes and all other documents of the meeting on behalf of the General Assembly was accepted with 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 2 of the Agenda:

Begum Egeli BURSALIGIL was elected as a member of the Board of Directors with the death of Mr. Feyyaz Nurullah IZMIROGLU from 29.07.2016 to 11.04.2017. Her nomination for the Board of Directors was presented to the approval of Group A shareholders. It was accepted with 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 3 of the Agenda:

The motion made by Mehmet Bulent EGELİ related to not reading of the activity report, independent external audit report, balance sheet, profit and loss accounts for the year 2016 though they were announced on the Public Disclosure Platform, the Electronic General Assembly System of the Central Registry Agency, at the website of the company www.batisoke.com.tr and on the pages of the printed annual report booklet before the General Assembly Meeting was submitted to the general assembly for approval. The motion was accepted with 5.959.460.760,06 affirmative votes against 0 negative votes. Annual Report of the Board of Directors, Independent External Audit Company Report, Balance Sheet and Profit and Loss Accounts for the year 2016 were read separately. The read reports and accounts were opened to discussion.

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Hamza Il took the floor and asked why the period losses were different according to the Tax Procedural Law and CMB legislation, this difference was due to the difference of TL 5.7 million, the other differences arisen from the consolidation, which % of the investments were realized and why such a large capacity increase was envisaged. Mr. Tufan Unal said that they spend 220 million TL on the investment and that the investment would cost more than 500 million TL without the extra cost increase and the technology on the time when the plant was purchased was very old and this was increasing the cost, but the new furnace would reduce the cost, the first furnace might not be used in the future, the capacity would increase to 2,4-2,5 tons with the new investment, that they would have to allocate a significant part of their capacity to export due to foreign exchange debt, that there were no problems so far with the contractors carrying out the investment, but that there were unforeseen increases in their costs due to the increase in foreign exchange and if there would not be such negativities the increase might be put into use. Adil Uludag, who took the floor in response to the questions about the increase in cost, said that the revisions in the cement mill and the depreciation provisions arising from the investments resulted from the effect of inflation on the cost. Hamza Il said that the company cannot increase funds, do you plan to cover investments with cash capital increase or debt and Tufan Unal stated as response that we have increased the ceiling regarding the registered capital.

Tufan Unal, who took the floor in relation to the fines of the competition board, stated the fines paid so far and he said that the proceedings were still continuing and that he hopes to get back the fines.

Taking the floor, Yunus Kaya asked that there were 5 million TL and 9 million TL worth of land purchases and whether these investments were intended for expansion. Necip Terzibasoglu took the floor and said that the total purchased area was between 600-650 acres and that the purchases were for expansion purposes. Tufan Unal, who took the floor, said that the land purchases were stopped until our investment would start with the operation.

Serhat Canayakin, who spoke electronically, said that the company was unable to make regular and high profits, and the indebtedness rate was very high and asked what they were thinking to overcome this difficulties. And he answered by referring to the previous responses and said that this question was already answered.

As the result of the voting the Annual Report of the Board of Directors and Independent External Audit Company Report were accepted with 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 4 of the Agenda:

This information was given in accordance with the CMB communiqué though the share of the Company's turnover of the transactions with the related subsidiaries exceeded 10%. The Company's sales to its subsidiary Batibeton Sanayi A.Ş. and Batisöke Söke Cimento Sanayii T.A.S. in 2016 at market prices comparable price method are as follows:

1) As domestic sales;

a) 172.938 tons of CEM I 42,5 R bulk cement,

b) 38.332 tons of CEM I 42,5 RSR5 bulk cement,

c) 461.682 tons of agregate,

were sold and the sold cement and aggregate products were shipped to various concrete plants of Batibeton Sanayi A.S.

2) The total amount of sales to the related party above was TL 31.035.247.

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Article 5 of the Agenda;

The General Assembly was informed about the donations and supports made in 2016, which amounted to TL 17.263,30, from which TL 11.013,30 was in kind and TL 6.250 in cash and that the donations and supports were arisen from the payments made to the foundations and associations that are performing community oriented activities.

Article 6 of the Agenda;

The following information was presented to the General Assembly about the guarantees, pledges, mortgages granted by the Company in favor of third parties and the benefits obtained from them.

- The Company deposited its shares with a nominal value of TL 63.975.000 as a pledge within the scope of USD 40 million loan agreement signed by its subsidiary Baticim Enerji Elektrik Üretim A.Ş. There are no other collaterals, pledges, mortgages granted in favor of third parties and obtained any revenue.

Article 7 of the Agenda:

The acquaintance of the Board of Directors was submitted to the approval of the General Assembly. The members of the Board of Directors without exercising their voting rights were acquitted unanimously by the other shareholders attended the meeting.

Article 8 of the Agenda:

With the motion submitted by Mehmet Bulent EGELI it was stated that though the draft of Amendment of the 6. Article of Articles of Association with the permission letter of Capital Market Board dated 02.01.2017 and numbered 29833736-110.04.02-E.51 and the permission letter of Ministry of Customs and Trade dated 13.01.2017 and numbered 50035491-431.02-E-00021837457 was submitted to the examination of the shareholders on Public Disclosure Platform and Company website there was no need to read its old version and only new version might be read and this motion was accepted with 5.959.460.760,06 affirmative votes against 0 negative votes.

Draft related to the Articles of Association was submitted to the approval of the general assembly as it was approved by T.R. Prime Ministry Capital Markets Board and the General Directorate of Internal Trade of the T.R. Ministry of Customs and Trade. Amendment to the Articles of Association was approved unanimously as it was approved by the T.R. Prime Ministry Capital Markets Board and the General Directorate of Internal Trade of the T.R. Ministry of Customs and Trade (Amendment texts approved of T.C. Prime Ministry Capital Markets Board and the General Directorate of Internal Trade of the T.R. Ministry of Customs and Trade were added to the meeting minutes) and pursuant to the amendment of the 6. Article of the Articles of Association the Board of Directors was authorized to increase the issued capital ceiling from TL 150.000.000 to TL 400.000.000 and it was accepted with 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 9 of the Agenda:

The member nominees of the Board of Directors and of Independent Board of Directors determined in the A Group Shareholders Special General Assembly Meeting were submitted to the approval of the General Assembly. Accordingly in order to serve for a period of 3 years, Mr. Mehmet Mustafa BUKEY (TR No. 16664381140), Mr. Tufan UNAL (TR No. 36010737940), Mrs. Fatma Meltem GUNEL (TR No. 35017771056), Mrs. Sülün İLKİN (TR No. 31273868738), Mr. Mehmet Bülent EGELİ (TR No. 29686947034), Mr. Necip TERZIBASIOGLU (TR No. 1926298054), Mr. Feyyaz UNAL (TR No. 36001738222), Mr. Kemal GREBENE (TR No. 35977739066), Mrs. Begun Egeli BURSALIGIL (TR No. 29617949366) as Board of Directors member nominees Mr. Musa Levent ERTORER (TR No. 14915439466) and Mr. Tankut KARABACAK (TR No. 51943208596) as independent Board of Directors member nominees were accepted with 5.959.460.760,06 affirmative votes against 0 negative votes.

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Article 10 of the Agenda:

The proposal of the board of directors on the remuneration to be paid to independent board members was read. As in 2017, the monthly gross salary of TL 9,000 to each of the independent board members for the accounting period of 2017 was approved with 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 11 of the Agenda:

The proposal made by the Board of Directors to determine the upper limit of donations to be made in 2017 as TL 500.000 was read. The upper limit of the donations for the accounting period of 2017 was determined as TL 500,000 and was accepted with 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 12 of the Agenda:

The proposal of the Board of Directors of the Company regarding the distribution of 2016 profit was read. Accordingly, the net profit for the year 2016 calculated according to the Capital Market Legislation is TL 17.265.003,00.

It was submitted to the approval of the General Assembly not to make profit distribution was due to the loss arisen from the operations in 2016. The profit distribution request of the Board of Directors was accepted with 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 13 of the Agenda:

The Board of Directors proposed GÜNEY BAGIMSIZ DENETİM VE SMMM A.Ş. as the independent audit company and it was accepted in the general assembly with 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 14 of the Agenda:

Giving permission to the members of Board of Directors in accordance with Turkish Trade Law Articles 395 and 396 was accepted 5.959.460.760,06 affirmative votes against 0 negative votes.

Article 15 of the Agenda:

The chairman of the meeting took the floor and thanked everyone who contributed to the operations of 2016 on behalf of himself, the board and the partners.

As the agenda was completed, the President ended the meeting at 14:30.

(Signature)
Meeting Chairman
Mehmet Mustafa BUKEY

(Signature)
Customs and Trade Ministry
Representative
Mahmut SASMAZ

(Signature)
Customs and Trade Ministry
Representative
Mustafa DUZEN

(Signature)
Vote Collector
Feyyaz UNAL

(Signature)
Minutes Clerk
Mehmet Bulent EGELI

BATISOKE SOKE CIMENTO SANAYII T.A.S.
AMENDMENT TEXT OF ARTICLES OF ASSOCIATION

OLD FORM:	NEW FORM:
<p>COMPANY'S CAPITAL Article: -6- The Company has accepted the registered capital system in accordance with the provisions of the Capital Markets Law and has adopted this system with the decision of the Capital Market Board dated 14.03.2013 and numbered 9/293.</p> <p>The registered capital of the Company is 150.000.000 (one hundred and fifty million) Turkish Liras and this capital amount is divided into 15.000.000.000 (fifteen billion) shares each with a nominal value of 1 (one) Kurus.</p> <p>The permission of the registered capital ceiling granted by the Capital Market Board is valid from the year 2013 till the end of the year 2017 and valid for five years.</p> <p>Even if the registered capital ceiling has not been reached at the end of 2017, the Board of Directors must obtain authorization from the general assembly for a new period by obtaining permission from the Capital Market Board for a ceiling or a new ceiling amount in order for the Board of Directors to make a capital increase decision after 2017. If the authorization is not obtained, the company is deemed to have left the registered capital system.</p> <p>The issued capital of the company is 78.750,000 (seventy eight million seven hundred fifty thousand) Turkish Liras, which is fully paid, divided into 7.875.000.000 (seven billion eight hundred seventy five million) shares each with a nominal value of 1 (one) Kurus.</p> <p>From this capital, 14.956,13 TL A Group registered shares and 59.824,54 TL A Group bearer shares and 78.675.219,33 TL B Group bearer shares, totally 78.750.000 TL were fully paid up.</p> <p>A Group shares are not giving any privileges to their holders except the matters mentioned in the Article 9.</p> <p>13 January 2017 (Seal and Signature)</p>	<p>COMPANY'S CAPITAL Article: -6- The Company has accepted the registered capital system in accordance with the provisions of the Capital Markets Law and has adopted this system with the decision of the Capital Market Board dated 14.03.2013 and numbered 9/293.</p> <p>The registered capital of the Company is 400.000.000 (fourhundred million) Turkish Liras and this capital amount is divided into 40.000.000.000 (forty billion) shares each with a nominal value of 1 (one) Kurus.</p> <p>The permission of the registered capital ceiling granted by the Capital Market Board is valid from the year 2017 till the end of the year 2021 and valid for five years.</p> <p>Even if the registered capital ceiling has not been reached at the end of 2021, the Board of Directors must obtain authorization from the general assembly for a new period in order not to exceed the ceiling by obtaining permission from the Capital Market Board for a ceiling or a new ceiling amount in order for the Board of Directors to make a capital increase decision after 2021. If the authorization is not obtained, the capital increase cannot be made with the decision of Board of Directors. (Seal) company is deemed to have left the registered capital system.</p> <p>The issued capital of the company is 78.750,000 (seventy eight million seven hundred fifty thousand) Turkish Liras, which is fully paid, divided into 7.875.000.000 (seven billion eight hundred seventy five million) shares each with a nominal value of 1 (one) Kurus.</p> <p>The capital of the company may be increased or decreased in accordance with the provisions of Turkish Trade Code and Capital Market Legislation. (Seal)</p> <p>From this capital, 14.956,13 TL A Group registered shares and 59.824,54 TL A Group bearer shares and 78.675.219,33 TL B Group bearer shares, totally 78.750.000 TL were fully paid up.</p> <p>A Group shares are not giving any privileges to their holders except the matters mentioned in the Article 9.</p> <p>02 January 2017 (Seal and Signature)</p>

BATISOKE SOKE CIMENTO SANAYII T.A.S.
AMENDMENT TEXT OF ARTICLES OF ASSOCIATION

OLD FORM:	NEW FORM:
<p>The Board of Directors is authorized to increase the issued capital by issuing bearer shares up to the registered capital ceiling when deemed necessary in accordance with the provisions of the capital market law between 2013 and 2017, to issue shares above the nominal value, to partially or completely restrict the shareholders' right to buy new shares and to make decisions in these matters.</p> <p>New shares cannot be issued unless all of the issued shares are sold and their amounts are collected. The nominal value of the shares is 500 (five hundred) TL, and in accordance with the Law Amending the Turkish Commercial Code numbered 5274, 1 (one) New Kuruş, and then the New Turkish Lira and New Kuruş with the Decision of the Council of Ministers dated 4 April 2007 and numbered 2007/11963 have been changed to 1 (one) Kuruş due to the abolition of "New" phrase on 1 January 2009. As a result of this change, the total number of shares has decreased and a share with a nominal value of 1 (one) (New) Kuruş has been given for 20 (twenty) shares of 500 (five hundred) TL. The rights of the shareholders arising from the shares they have in relation to the said change are reserved.</p> <p>The terms "Turkish Lira" in this Articles of Association are amended in accordance with the decision of the Council of Ministers mentioned above.</p> <p>The shares representing the capital shall be monitored within the framework of dematerialization principles.</p>	<p>The Board of Directors is authorized to increase the issued capital by issuing bearer shares up to the registered capital ceiling when deemed necessary in accordance with the provisions of the capital market law from the year 2017 until the end of the year 2021, to issue new shares above the nominal value, to partially or completely restrict the shareholders' right to buy new shares and to make decisions in these matters. New share receiving authorization cannot be used in a way causing disparity among the share holders. (Seal)</p> <p>New shares cannot be issued unless all of the issued shares are sold and their amounts are collected. The nominal value of the shares is 500 (five hundred) TL, and in accordance with the Law Amending the Turkish Commercial Code numbered 5274, 1 (one) New Kuruş, and then the New Turkish Lira and New Kuruş with the Decision of the Council of Ministers dated 4 April 2007 and numbered 2007/11963 have been changed to 1 (one) Kuruş due to the abolition of "New" phrase on 1 January 2009. As a result of this change, the total number of shares has decreased and a share with a nominal value of 1 (one) (New) Kuruş has been given for 20 (twenty) shares of 500 (five hundred) TL. The rights of the shareholders arising from the shares they have in relation to the said change are reserved.</p> <p>The terms "Turkish Lira" in this Articles of Association are amended in accordance with the decision of the Council of Ministers mentioned above.</p> <p>The shares representing the capital shall be monitored within the framework of dematerialization principles.</p>

13 January 2017 (Seal and Signature)

02 January 2017 (Seal and Signature)

(stamp of the company and signature)