

Distribution of Profit is Restricted due to COVID-19 Pandemic

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Within the framework of the measures taken against the COVID-19 pandemic, the Union of Chambers and Commodity Exchanges of Turkey made an announcement to all companies with its letter dated 1 April 2020 ("**Announcement**"), by referring to the letter of Turkey's Ministry of Trade ("**Ministry**"), regarding the protection of equity capital of commercial companies and restriction on distribution of profit. Pursuant to article 13/5 of the Regulation on the Procedures and Principles of General Assembly Meetings of Joint Stock Companies and the Representatives of the Ministry of Customs and Trade Attending These Meetings published in the Official Gazette numbered 28481 and dated 28 November 2012, the Ministry can request to add new subjects to be discussed at the general assembly meetings for any reason. In this regard, the Ministry requested commercial companies to

- Not to distribute the profit of the previous year,
- To distribute a maximum of 25% of the net distributable profit for the year 2019, and
- Not to authorize the board of directors on the distribution of profit in advance in 2020

while discussing the decisions regarding the distribution of profit in cash at this year's general assembly meetings for the financial year 2019.

Accordingly, commercial companies are obliged to add the relevant restriction requests to the agenda of the general assembly meetings to be held during 2020. These restrictions do not apply to Turkish state's affiliate companies.

Please see this [link](#) for the full text of the Announcement (only available in Turkish).

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