

LEGAL ALERT

The Presidential Decision dated April 5, 2024 and numbered 8313 ("**Amendment Decision**") on the Amendment to the Decision on the Determination of Companies Subject to Independent Audit ("**Decision**"), which determines the procedures and principles regarding the determination of companies subject to independent audit within the scope of Article 397 of the Turkish Commercial Code numbered 6102 ("**TCC**"), was published in the Official Gazette dated April 6, 2024 and numbered 32512.

With the Amendment Decision, the monetary criteria to be subject to independent audit have been increased, and the scope of the lists numbered (I) and (II) attached to the Decision has been amended. Accordingly, companies, other than companies whose criteria for being subject to independent audit are specifically determined, that exceed the threshold values of at least two of the three criteria, either alone or together with subsidiaries and affiliates, in two consecutive accounting periods will be subject to independent audit. The thresholds to be implemented following the Amendment Decree are provided below for comparison.

Criteria	Threshold Value Provided by the Decision	Threshold Value Provided by the Amendment Decision
Total Assets	TRY 75 Million	TRY 150 Million
Annual Net Sales Revenue	TRY 150 Million	TRY 300 Million
Number of Employees	150 Employees	150 Employees

In addition, the following entities have been added to the list numbered (I) attached to the Decision, which includes companies subject to independent audit regardless of any criteria:

- (i) Media service providers that have on-demand broadcasting rights on the Internet among the companies subject to the regulation and supervision of the Radio and Television Supreme Council pursuant to the Law numbered 6112 on the Establishment and Broadcasting Services of Radio and Televisions,
- (ii) Companies that have obtained a licence, certificate or authorisation certificate from the Energy Market Regulatory Authority and operate subject to the regulations of this Authority and have an independent audit obligation in accordance with the said regulations,
- (iii) Payment and Electronic Money Institutions subject to the regulation and supervision of the Central Bank of the Republic of Türkiye pursuant to the Law numbered 6493 on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions, and
- (iv) State economic enterprises and their subsidiaries operating within the scope of the Decree Law numbered 233 on State Economic Enterprises.

Finally, the list numbered (II) attached to the Decision has been rearranged and

- (i) Companies whose at least 25% of the capital directly or indirectly belongs to professional organisations having the status of public institutions, trade unions, associations, foundations, cooperatives and their supreme organisations,

BİÇER GÜNER

Attorneys-at-Law

- (ii) Companies publishing daily newspapers throughout the country, and
- (iii) Companies that have obtained a licence, certificate, or authorisation certificate from the Energy Market Regulatory Authority and operate subject to the regulations of the Authority and are not exempted from independent audit pursuant to the said regulations

have been excluded from the list.

The Amendment Decision is entered into force on the date of its publication to be applied for the companies' accounting periods beginning on or after January 1, 2024.

BİÇER GÜNER

Attorneys-at-Law