

**BRIEFING LETTER FOR 2020 ANNUAL GENERAL MEETING OF ALTERNATİFBANK A.Ş. DATED  
25.03.2021**

Annual General Meeting of our Bank for 2020 fiscal year shall convene on 25 March 2021 Thursday at 1:00 PM at the address Ayazağa Mahallesi Azerbaycan Caddesi 2D Blok No:3M/1 34485 Sarıyer/İstanbul to discuss and resolve the following agenda items.

Out of total 2,038,390,000 shares of our Bank, each share is registered and bears a value of TRY 1. Our Bank is non-public and Shares are by no means monitored on books or accounts. Pursuant to the Articles of Incorporation of our Bank, Board of Directors of our Bank convokes the Annual General Meeting. Our Board of Directors sends invitation letters, specifying date and agenda of the meeting, to shareholders registered in the Shareholders' Stock Ledger at least two weeks in advance of the meeting date, excluding announcement and meeting dates, for delivery in person or registered delivery pursuant to article 414 of Turkish Commercial Code no. 6102. In addition, the meeting agenda and invitation letter is announced on the website of our bank, Turkish Trade Registry Gazette, kap.gov.tr website, and at least two local and national newspapers.

Our Bank is a non-public bank and electronic participation is not permitted by any means. The meeting will be physically held at the address, on the date, and at the time mentioned above.

Our shareholders may either attend the meeting in person or appoint an agent to represent them in the meeting. An example proxy letter is attached hereto for shareholders to be attending the meeting by proxy (Annex-1). Representatives appointed as agents with the proxy letter attached hereto must submit such proxy letter and their identity cards containing TR ID information on the date of the meeting.

Unconsolidated Balance Sheet and Profit/Loss statement of our Bank for 2020 accounting period, Annual Report involving Board of Directors and Independent Audit Firm reports, as well as the profit distribution proposal of the Board of Directors, included in the agenda and to be discussed in the meeting, shall be made available at the Head Office and branches of our Bank, our [www.alternatifbank.com.tr](http://www.alternatifbank.com.tr) website, and Public Disclosure Platform two (2) weeks prior to the date of meeting.

In accordance with article 18 of the Banking Law no. 5411, ten percent or higher acquisition of the capital of a bank by an entity through direct or indirect shareholding, or share acquisitions causing direct or indirect shares of a shareholder to exceed ten, twenty, thirty three, or fifty percent of the capital, and share transfers causing the share of a shareholder to drop below these ratios, as well as direct or indirect transfer of legal entities holding ten percent or higher share in the capital of a bank pursuant to the specified ratios or principles shall be subject to the permission of the Banking Regulation and Supervision Agency.

In case our shareholders acquire shares in a manner that requires the permission of the Banking Regulation and Supervision Agency or in case of any change in the shareholding ratios of our legal entity shareholders that requires the permission of the Banking Regulation and Supervision Agency, documents evidencing that such permission has been obtained must be submitted to our Bank before the Annual General Meeting of our Bank.

Accordingly, the number of shares in proxy letters sent by the shareholders of our Bank and the shareholders' stock ledger are checked pursuant to this legislation, and it is noted that the meeting cannot be opened in case of any discrepancy.

We kindly request our dear shareholders to attend the meeting on the date and at the time mentioned above.

**a) Shareholding structure and voting rights of the bank as of 09.03.2021**

	<b>Name and Surname / Title of Shareholder</b>	<b>Nominal Value</b>	<b>Number of Shares</b>	<b>Share Ratio %</b>
1	The Commercial Bank (P.S.Q.C.)	2,038,389,996	2,038,389,996	100
2	Orient 1 Limited	1	1	0
3	CBQ Finance Limited	1	1	0
4	Commercial Bank Financial Services (LLC)	1	1	0
5	CB Global Limited	1	1	0
	<b>Total</b>	<b>2,038,390,000</b>	<b>2,038,390,000</b>	<b>100</b>

**b) Information on Changes in Management and Activities, Which Would Have a Significant Impact on the Activities of the Bank and Its Subsidiaries**

There has been no change in management and activities that would significantly impact banking activities of the Bank and its Subsidiaries in the accounting period for 2020 fiscal year. There is no change planned for the following accounting period, which would significantly impact activities. Matters that would significantly impact the activities of our Bank are disclosed to the public pursuant to the applicable legislation.

**c) If Agenda of the Annual General Meeting Involves Removal, Replacement, or Election of Board Members, Reasons for Removal and Replacement, and Information on Individuals to be Nominated as Board Members**

Board Member nominees of our Bank shall be submitted to our shareholders for approval in the Annual General Meeting for 2020 Fiscal Year. Our Bank does not have an independent board member as it is non-public. In addition, Board Members of our Bank cannot be removed from office by any means as they are elected for one year and until the Annual General Meeting. Present board member can be elected by the general assembly if they nominate themselves. There is no restriction. Election of Board Members is concluded upon nomination of the relevant Board Member and approval by the General Assembly of Shareholders.

**d) Information on Requests Submitted by Shareholders in Writing to the Bank for Inclusion of Items in the Agenda**

No request has been received in this regard as of the issuance date of this information letter.

**e) Information on Amendment of the Articles of Incorporation**

There is no proposal about amendment of the articles of incorporation of our Bank.

**EXPLANATIONS ON AGENDA ITEMS OF 2020 ANNUAL GENERAL MEETING OF ALTERNATİFBANK  
A.Ş. DATED 25.03.2021**

**1 Opening: Establishment of Meeting Chair and Granting the Chair the Power to Sign the Annual General Meeting Minutes on Behalf of Meeting Attendants**

Our Board Member and CEO Mr. Cenk Kaan Gur shall make the opening statement for 2020 Annual General Meeting of our Bank, which will contain up-to-date information on the Bank. In addition, meeting chair shall be established pursuant to the applicable legislation and the provision of the articles of incorporation of our Bank, and authorization shall be requested from the shareholders with regard to signing the meeting minutes.

In case of any inquiry from shareholders and participants, responses shall be provided both in writing and verbally.

**2 Reading, discussion and approval resolution of Annual Report of the Board of Directors, Independent Audit Firm Reports, and Balance Sheet and Profit/Loss Statements for 2020 Fiscal Year**

Activity Report of the Board of Directors and Independent Audit Firm Reports for 2020 accounting period, as well as Balance Sheet and Profit/Loss Statements for 2020 Fiscal Year, which are made available to our shareholders for review at the Head Office and Branches of our Bank, on our [www.alternatifbank.com.tr](http://www.alternatifbank.com.tr) website, and on Public Disclosure Platform, shall be read, verbal and, if requested, written responses shall be given to inquiries from shareholders. All such information and documents shall be submitted to the shareholders for approval upon discussion.

**3 Discussion and resolution of the proposal of the Board of Directors concerning profit for 2020 Accounting Period**

Proposal of the Board of Directors concerning the method of distribution of profit for 2020 Accounting Period shall be submitted to the Annual General Meeting for approval. The necessary procedure shall be concluded by the opinion and approval of the General Assembly of Shareholders. The profit distribution table, prepared by our Board of Directors, is attached hereto (Annex-2).

**4 Discharge of Board Members that fulfilled their duties during the accounting period**

As required by the provisions of the applicable legislation, discharge of our Board Members, who fulfilled their duties in 2020 accounting period, with regard to 2020 transactions and accounts shall be submitted to our shareholders for approval. If there is a Board Member among our shareholders, such shareholder shall be informed that they cannot cast a vote for their own discharge, and the vote shall be taken accordingly.

**5 Determination of the number, terms of office, and fees such as attendance fees and premiums, as well as the election of Board Members**

Pursuant to the principles in the applicable legislation and the provisions of the articles of incorporation of our Bank, the number, terms of office, attendance fees, and premiums of board members shall be determined, elections shall be made upon submission of nominees to our shareholders for approval, and wages shall be determined.

## **6 Election of an auditor to conduct independent audit of the Bank**

With regard to the selection of an independent auditor by our Bank for 2021, bids were received pursuant to the applicable legislation and Audit Committee of our Bank conducted an evaluation concerning independence of bidder companies in their relationships with our Bank, and our Board of Directors decided to submit the matter of procurement of independent audit services in 2021 for the Bank and the group of companies including the Bank from Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Ernst & Young Turkey) to the General Assembly for approval.

## **7 Providing information to shareholders about premiums and payments under the name of premiums paid to bank employees**

Information on premiums and payments under the name of premiums, paid to bank employees, are included in the annual report and information on such premium payments shall be submitted to our shareholder for review.

## **8 Submission of donations made in 2020 to the shareholders for review**

Pursuant to the applicable legislation, information shall be provided to our shareholders about donations made by our Bank in 2020. Details of donations and necessary explanations shall be provided upon request.

## **9 Authorization of the Board of Directors to issue securities and/or bank bills within legal limits, to establish relevant matters according to current circumstances, and to conduct transactions as necessary to obtain funds for our Bank**

It shall be requested from our shareholder to grant this authority to issue securities and/or bank bills pursuant to the legislation for the purpose of issuance according to the cash flow of our Bank.

## **10 Permitting Board Members pursuant to articles 395 and 396 of Turkish Commercial Code no. 6102 to conduct businesses within the field of activity of the Bank personally or on behalf of other parties, become partners of companies engaging in such businesses, and carry out other activities**

Performance of transactions by our Board Members with the Bank, pursuant to article 395 titled "Performance of Transactions with the Company, Borrowing from the Company" and article 396 titled "Non-Competition" of Turkish Commercial Code, shall be submitted to our shareholders for approval. In the meantime, it shall be explained by the Meeting Chair that no conflict of interest arises in terms of the Board Members under these articles of the Turkish Commercial Code.

**Annex-1**

**PROXY LETTER**

**TO THE ANNUAL GENERAL MEETING CHAIR**

**OF**

**ALTERNATİFBANK A.Ş.**

I hereby appoint Mr./Ms. .... with TR ID ..... as my agent to represent me/us in connection with my share amounting to a total nominal value of TRY ..... in 2020 Annual General Meeting of Alternatifbank Anonim Sirketi, to be held on 25.03.2021 at 1:00 PM at the address Ayazağa Mahallesi, Azerbaijan Caddesi, 2D Blok No:3M/1 34485 Sarıyer / İstanbul, with the authority to submit motions, to sign necessary documents, and to cast votes for resolution of agenda items.

**Principal**

Name and Surname / Title:

Date:

Signature:

Note: If the proxy letter is not notarized, notarized specimen of signature of the principal shall be added to the proxy letter.

<b>PROFIT DISTRIBUTION TABLE</b>		
		<b>ONE THOUSAND TURKISH LIRA</b>
		<b>Independently Audited</b>
		<b>CURRENT PERIOD</b>
		<b>31.12.2020</b>
<b>I.</b>	<b>DISTRIBUTION OF PROFIT FOR THE PERIOD</b>	
1.1	PROFIT FOR THE PERIOD	117,618
1.2	PAYABLE TAXES AND LEGAL LIABILITIES (-)	(22,231)
1.2.1	Deferred Tax	41,784
1.2.2	Corporate Tax Deduction	(64,014)
1.2.3	Other Taxes and Legal Liabilities (**)	
<b>A.</b>	<b>NET PROFIT FOR THE PERIOD (1.1-1.2)</b>	<b>95,388</b>
1.3	ACCUMULATED LOSSES (-)	-
1.4	PRIMARY LEGAL RESERVE (-)	4,769
1.5	LEGAL FUNDS THAT MUST BE RETAINED AND DISPOSED BY THE BANK (-)	
<b>B.</b>	<b>DISTRIBUTABLE NET PROFIT FOR THE PERIOD [(A- (1.3+1.4+1.5)]</b>	<b>90,618</b>
1.6	FIRST DIVIDEND TO THE SHAREHOLDERS (-)	-
1.6.1	To Shareholders	-
1.6.2	To Preferred Shareholders	

			-
1.6.3	To Redeemed Shares		-
1.6.4	To Participation Bonds		-
1.6.5	To Profit and Loss Sharing Certificate Holders		-
1.7	DIVIDEND TO THE PERSONNEL (-)		-
1.8	DIVIDEND TO THE BOARD OF DIRECTORS (-)		-
1.9	SECOND DIVIDEND TO THE SHAREHOLDERS (-)		-
1.9.1	To Shareholders		-
1.9.2	To Preferred Shareholders		-
1.9.3	To Redeemed Shares		-
1.9.4	To Participation Bonds		-
1.9.5	To Profit and Loss Sharing Certificate Holders		-
1.10	SECONDARY LEGAL RESERVE (-)		-
1.11	STATUTORY RESERVES (-)		-
1.12	EXTRAORDINARY RESERVES		90,618
1.13	OTHER RESERVES		-
1.14	SPECIAL FUNDS		

<b>II.</b>	<b>DISTRIBUTION FROM RESERVES</b>	
2.1	DISTRIBUTED RESERVES	-
2.2	SECONDARY LEGAL RESERVES (-)	-
2.3	ALLOCATION TO SHAREHOLDERS (-)	-
2.3.1	To Shareholders	-
2.3.2	To Preferred Shareholders	-
2.3.3	To Redeemed Shares	-
2.3.4	To Participation Bonds	-
2.3.5	To Profit and Loss Sharing Certificate Holders	-
2.4	ALLOCATION TO THE PERSONNEL (-)	-
2.5	ALLOCATION TO THE BOARD OF DIRECTORS (-)	-
<b>III.</b>	<b>PROFIT PER SHARE</b>	
3.1	TO SHAREHOLDERS	-
3.2	TO SHAREHOLDERS ( % )	-
3.3	TO PREFERRED SHAREHOLDERS	-
3.4	TO PREFERRED SHAREHOLDERS ( % )	-
<b>IV.</b>	<b>DIVIDEND PER SHARE</b>	



4.1	TO SHAREHOLDERS	-
4.2	TO SHAREHOLDERS ( % )	-
4.3	TO PREFERRED SHAREHOLDERS	-
4.4	TO PREFERRED SHAREHOLDERS ( % )	-