

**MINUTES OF THE ORDINARY GENERAL ASSEMBLY
OF KUWAIT TURKISH PARTICIPATION BANK INC. DATED 26/03/2020**

Ordinary General Assembly of Kuveyt Türk Participation Bank Inc. was held on 26/03/2020, at 15:00 o'clock at Büyükdere Cad. 129/1 Esentepe-Şişli/İSTANBUL in meeting room of Head Office with the participation of Mr. Hakan Özkan and Mr. Mahmut Gündoğdu who were designated by Ministry of Trade Istanbul Office as representatives with the letter dated 25/03/2020 and Nr: 53490810

Public announcement regarding the Assembly had been published and announced in Turkish Trade Registry Gazette dated 06/03/2020, issue Nr: 10031 and in Dünya Gazette dated 09/03/2020 pursuant to laws and regulation. Moreover shareholders had been called for the Assembly via registered letter, which has been posted on 10/03/2020 from Post Office of Mecidiyeköy. It was clearly understood that out of 4.000.000.000- total shares of the Company representing the paid-up capital of 4.000.000.000-TL, 105.978 shares had been represented by the principal persons and 3.598.421.127 shares by the legal representatives, totaling 3.598.527.105 The legally required majority was present and therefore with the presence of Ministry of Trade representative the opening of the Assembly was declared legally. The meeting had been opened by Mr. Ufuk UYAN, CEO and member of Board to discuss the agenda.

In accordance with first article of the agenda, Mr. Ufuk UYAN started election of Chairman of the Presidency Council in order to form Presidency Council. Suggestions were collected, one of our shareholders named Mr. Tufan KARAMUK was suggested Mr. Ahmet KARACA'yı and there was no any other suggestion. Therefore, suggestion was voted.

In Compliance with the First Article of the Agenda

Mr. Ahmet KARACA was elected as the Chairman of the Presidency Council unanimously.

Pursuant to related article of Incorporation, to form the presidency council, the Chairman of the Presidency Council, chose Mr. Tufan KARAMUK as voting officers, and Mr. Berk TUNCEL as secretary. Members of the presidency council submitted to the General Assembly's approval and approved unanimously.

Member of the Board and General Manager Mr. Ufuk UYAN seated the Members of the Presidency Council, started the meeting and after expressing his best wishes he declared that he has left the management of meeting to the Presidency Council.

It has been witnessed that the Mr. Emre ÇELİK as independent audit firm representative attended the meeting.

The Chairman of the Presidency Council expressed his best wishes and started the discussions on the articles of agenda.

In Compliance with the Second Article of the Agenda

It had been unanimously resolved to grant authority to the Presidency Council to sign the minutes of the Assembly on behalf of the Shareholders.

In Compliance with the Third Article of the Agenda

Annual Report of 2019 has been read by Mr.Ufuk UYAN, Board Member and CEO.

There were no comments. After that the Annual Report had been submitted to the General Assembly's approval and had been approved unanimously.

In Compliance with the Fourth Article of the Agenda

Financial Statements of 2019 and its annexes had been read and explained to the Assembly by Mr. Tufan KARAMUK.

There were no comments. The issue had been submitted to the General Assembly's approval and approved unanimously.

In Compliance with the Fifth Article of the Agenda

In accordance with the Board of Directors' proposal, the following profit appropriation for 2019 had been submitted to the approval of the General Assembly, there were no comments and approved unanimously.

Accordingly, after deducting the financial obligations from the profit of the year 2019, the following profit appropriation proposal out of the remaining TL 1,109,837,976.- shall be submitted to the approval of General Assembly Meeting;

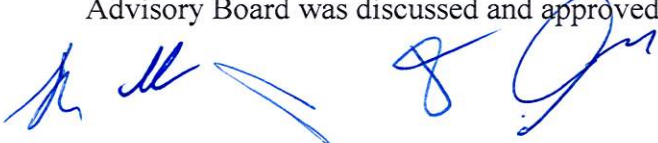
1. In accordance with the Article effective during the accounting period 49/1-1 of the Articles of Association 5 % of the profit TL 55,491,899.- shall be appropriated as the 1st Legal Reserves,
2. In accordance with the Article 49/1-2 of Articles of Association, effective during the accounting period, profit originated from the banking activities and subject to the Corporate Tax shall be appropriated as shareholders' dividend,
3. TL 389,159.- which is provided in compliance with the 3th Article of the Law Nr. 5746 about the Support of Research and Development Activities will be forwarded to other reserves and then will be used in capital increase as from the retained earnings. Against this capital increase shareholders will be given bonus shares in proportion to their shares,
4. In accordance with the Article effective during the accounting period 49/1-3 of the Articles of Association; TL 7,280,000.- portion of remaining profit shall be paid to the Board Members as the dividend,
5. TL 728,000.- shall be appropriated as the 2nd Legal Reserves in accordance with the Article effective during the accounting period 49/2 of the Articles of Association,
6. In accordance with the Article effective during the accounting period 49/1-3 of the Articles of Association; TL 599,610,841.- portion of remaining profit shall be distributed to the shareholders for bonus capital increase and against this capital increase shareholders shall be given bonus shares in proportion to their shares,
7. In accordance with the Article effective during the accounting period 49/1-3 of the Articles of Association, TL 446,338,077.- portion of remaining profit shall be appropriated as "Extraordinary Reserves",
8. The dividend which arise from the acquisition of the Bank's own shares shall be appropriated as "Extraordinary Reserves".

In Compliance with the Sixth Article of the Agenda

2019 Independent auditor's opinion had been read by Mr. Emre ÇELİK and negotiated. There were no comments.

In Compliance with the Seventh Article of the Agenda

Based on the preliminary permission dated 25 February 2020, Nr. 43890421-101.01.04-E2123 of Banking Regulatory and Supervisory Board following the approval of Ministry of Trade - Internal Trading General Directorate dated 03 March 2020, Nr. 50035491-431.02-E-00052874279 the change in 7th article which concludes, the Bank's raise its nominal capital from TL 4.000.000.000.- to TL 4.600.000.000.- and amendments to the 43th of the Articles of Incorporation related to Supreme Advisory Board was discussed and approved unanimously as submitted below:



<u>OLD TEXT</u>	<u>NEW TEXT</u>
<p>CAPITAL AND SHARES</p> <p>ARTICLE 7</p> <p>The capital of the Bank is TL 4,000,000,000 (Four billion Turkish Lira) which is divided into TL 4,000,000,000 (Four billion) shares each with a nominal value of TL 1.- The shares are issued in the name of the shareholders.</p> <p>Out of TL 4,000,000,000 (Four billion Turkish Lira) capital;</p> <p>a) TL 3,500,000,000 (Three billion and five hundred million Turkish Lira) is fully paid.</p> <p>b) The TL 499,681,075.- (Four hundred and ninety nine million six hundred and eighty one thousand seventy five Turkish Lira) of the increased amount of 500,000,000 (Five hundred million Turkish Lira) is provided in full from the profit of 2018 (fully from internal resources). Against this capital increase shareholders will be given bonus shares in proportion to their shares.</p> <p>The added capital of TL 318,925.- (Three hundred and eighteen thousand nine hundred and twenty five Turkish Lira) is provided from the profit of Bank earned within the scope of the Law no 5746 and transferred to the other reserves (fully from the internal sources) in 2018. Against this capital increase shareholders will be given bonus shares in proportion to their shares.</p>	<p>CAPITAL AND SHARES</p> <p>ARTICLE 7</p> <p>The capital of the Bank is TL 4,600,000,000 (Four billion and six hundred million Turkish Lira) which is divided into TL 4,600,000,000 (Four billion and six hundred million) shares each with a nominal value of TL 1.- The shares are issued in the name of the shareholders.</p> <p>Out of TL 4,600,000,000 (Four billion and six hundred million Turkish Lira) capital;</p> <p>a) TL 4,000,000,000 (Four billion Turkish Lira) is fully paid.</p> <p>b) The TL 599,610,841.- (Five hundred and ninety nine million six hundred and ten thousand eight hundred and forty one Turkish Lira) of the increased amount of 600,000,000 (Six hundred million Turkish Lira) is provided in full from the profit of 2019 (fully from internal resources). Against this capital increase shareholders will be given bonus shares in proportion to their shares.</p> <p>The added capital of TL 389,159.- (Three hundred and eighty nine thousand one hundred and fifty nine Turkish Lira) is provided from the profit of Bank earned within the scope of the Law no 5746 and transferred to the other reserves (fully from the internal sources) in 2019. Against this capital increase shareholders will be given bonus shares in proportion to their shares.</p>

<u>OLD TEXT</u>	<u>NEW TEXT</u>
<p>SUPREME ADVISORY BOARD</p> <p>ARTICLE 43</p> <p>The Board of Directors shall appoint a Supreme Advisory Board. The Supreme Advisory Board shall consist of six members to be elected by the Board of Directors. Should a seat be vacated by any reason whatsoever, the Board of Directors shall appoint a member. Operating procedures and principles of Supreme Advisory Board shall be set by the Board of Directors.</p> <p>The Advisory Board shall elect a chairman and a vice-chairman among its members. The Supreme Advisory Board shall convene with its own initiative or upon the invitation of one member of the Supreme Advisory Board or the General Manager by the call of the Chairman.</p> <p>The Advisory Board decides on whether or not the activities of the Bank are in compliance with the law and the purpose and principles stipulated in these articles of incorporation.</p> <p>The Board of Directors resorts to the evaluation of the Advisory Board on the matters regarding the purpose</p>	<p>ADVISORY COMMITTEE</p> <p>ARTICLE 43</p> <p>An independent Advisory Committee is established by the Board of Directors, away from the influence of senior management and all interested parties. The Advisory Committee consists of at least three members whose qualifications and conditions are determined by the Board of Directors, without prejudice to the relevant legislative provisions.</p> <p>Advisory committee members are appointed by the Board of Directors and submitted to the approval of the first general assembly following the assignment.</p> <p>The term of office of the advisory committee members is determined by the Board of Directors, without prejudice to the relevant legislative provisions. The task of the advisory committee member ends with the termination of his term, failure to work due to death, severe illness, disability, losing the conditions for his appointment, leaving his job voluntarily, or at least two-thirds of the members of the board of directors in the same direction. Members whose term of office has expired can be re-appointed.</p>

and principles of the Bank. The Advisory Board may submit a report to the Board of Directors on the matters brought for its evaluation.	Working procedures and principles of the Advisory Committee are determined by the Board of Directors, without prejudice to the relevant legislative provisions. The Advisory Committee fulfills the duties determined by the Board of Directors and uses powers, provided that the relevant legislation provisions are reserved.
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In Compliance with the Eighth Article of the Agenda

The appointment of the Members of the Advisory Committee;

Mr. Mohammad A S E A ALTABTABAEI
Mr. Anwer SH A M ALABDULSALAM
Mr. Mubarak J A A ALHARBI
Mr. Abdullah DURMUŞ
Mr. Mehmet ODABAŞI
Mr. Halil GÜNENÇ

assigned with the decision of the Board of Directors dated 27/01/2020 and numbered 1772, with the terms and conditions specified in the aforementioned decision was submitted to the approval of the General Assembly and accepted unanimously.

In Compliance with the Ninth Article of Agenda

After resigning of Board Member Mr. Khaled N A ALFOUZAN, Mr. Salah A E ALMUDHAF, who was appointed as a board member in accordance with the decision that made on the meeting held on 30/04/2019 with number 1751, in order to fulfill the resigned member's duties and responsibilities, was offered as member of the Board of Director's according to The Articles of Association's 31th article. This decision of the Board had been submitted to the approval of the General Assembly and approved unanimously.

In Compliance with the Tenth Article of the Agenda

The services of the Board Members has been negotiated. The Members of Board of Directors was separately acquitted by the General Assembly for their services in 2019 unanimously. The Board Members did not vote for their own acquittal.

In accordance with Eleventh Article of Agenda

The proposal, which have given for this article has opened for discussion and after the negotiation it has been approved unanimously that for the year 2019, reserving the board dividend amount in the item of agenda related to profit distribution, the Chairman and the Board Members shall be paid Net USD 880,000 for their work and services due to their duties in the committees or other positions which they have been appointed/ selected by the Board of Directors as a fee (the payments could be attendance fee, remuneration, bonus or in any other name) and to authorize the Board of Directors to determine the date of payments and the distribution of the amounts among the members.

In accordance with Twelfth Article of Agenda

Regarding the election of independent audit firm; in accordance with the proposal of the Audit Committee with the decision dated 26/03/2019 and Nr. 316 and the Board's proposal decided on dated 27/03/2019 with Nr. 1744 to the General Assembly, election of Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (an affiliated firm of Ernst&Young) as independent audit firm in order to perform the independent audit activities for the year 2020, according to the Turkish Commercial Law's 399. Article was approved unanimously.

In accordance with Thirteenth Article of Agenda

In accordance with the related articles of Banking Law nr.5411, Mr. Tufan Karamuk has informed to General Assembly about the audit activities of the year 2019 and approved unanimously.

In accordance with Fourteenth Article of Agenda

It has been unanimously resolved to approve reflecting participation accounts' portion of provision expenses, which set aside according to 19/2 article of "Principles and Procedures on the Classification of Loans and Provisions to be Reserved for these Loans" of BRSA, to the expense accounts. Turkish Commercial Code's related provisions reserved.

In accordance with Fifteenth Article of Agenda

It has been unanimously resolved to grant authority to the Board of Directors to take decisions about the possible losses that may occur in the participation fund pools established for the purpose of operating the funds collected in the participation accounts pursuant to the tenth paragraph of Article 6 of the By-Law on the Acceptance, Withdrawal and Time Out of the Deposit and Participation Fund, Deposit and Participation Fund issued by the BRSA; compliance with the authorization of the Board of Directors to take decisions to be taken from the shareholders' equity when necessary.

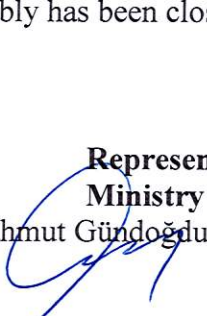
In accordance with Sixteenth Article of Agenda

It has been unanimously resolved that the Board of Directors is permitted to execute any transactions mentioned in Article 395 and 396 of the Turkish Commercial Code.


In accordance with Seventeenth Article of Agenda;

There were no comments.

Assembly has been closed since there was no other article left to be discussed in the Agenda.


**Representatives of
Ministry of Trade**
Mahmut Gündoğdu Hakan Özkan


Voting Office
Tufan KARAMUK


**Chairman of the
Presidency Council**
Ahmet KARACA


Secretary
Berk TUNCEL