

# TÜRKİYE HALK BANKASI A.Ş. Material Event Disclosure (General)

## Summary

Board Decision About Capital Increase by Private Placement

## Material Event Disclosure General

Related Companies []

Related Funds []

<b>Material Event Disclosure General</b>	
Update Notification Flag	Hayır (No)
Correction Notification Flag	Hayır (No)
Date Of The Previous Notification About The Same Subject	-
Postponed Notification Flag	Hayır (No)
<b>Announcement Content</b>	
<b>Explanations</b>	

During its meeting on 05.11.2020, the Bank's Board has resolved as follows:

The Bank's TRY 1,250,000,000 total issued share capital, comprised of shares of TRY 0.01 nominal value each, shall be increased in a nominal capital amount to be calculated based on the share sale price to be determined in accordance with Wholesale Transactions Procedure of Borsa Istanbul A.S. In so doing, all current shareholders' preemptive rights shall be restricted in full and the capital increase shall be conducted in cash and by way of a "private placement" as stipulated in Article 13 of the Communiqué No. VII-128.1 on Shares, and the total sales proceeds through the capital increase shall amount to TRY 7,000,000,000.

The entirety of shares issued through the capital increase shall be sold to the Bank's majority shareholder Turkey Wealth Fund by way of a private placement without a public offering and through a wholesale transaction on Borsa Istanbul A.S.'s share market.

Shares corresponding to the nominal share capital increase amount when taking base of the TRY 7,000,000,000 sales proceeds, shall be issued without any privilege and in tradable form.

The sale price of the shares (each at TRY 0.01 nominal value) shall be determined in accordance with Wholesale Transactions Procedure of Borsa Istanbul A.S., in no event to be lower than their nominal value and the amount of increase in issued share capital shall be determined accordingly.

Upon the Capital Markets Board's approval of the issuance certificate, Halk Yatirim Menkul Degerler A.S. shall be mandated to sell the issued shares within the applicable timeframes as stipulated in the relevant regulations.

The Bank's Head Offices shall be authorized to execute all kinds of work for the accomplishment of the capital increase, obtain the necessary approvals, perform the relevant transactions, and submit all necessary filings, applications and notifications to the relevant authorities and agencies and for the determination of the final sale price pursuant to the Wholesale Transactions Procedure of Borsa Istanbul A.S.

The use of funds report prepared in accordance with the Article 33 of the Communiqué on Shares shall be approved.

Please find attached the relevant Report as approved by the Bank's Board pursuant to Article 33 of the Communiqué on Shares.

In case of any contradiction between the Turkish and English versions of this public disclosure, the Turkish version shall prevail.

We proclaim that our above disclosure is in conformity with the principles set down in “Material Events Communiqué” of Capital Markets Board, and it fully reflects all information coming to our knowledge on the subject matter thereof, and it is in conformity with our books, records and documents, and all reasonable efforts have been shown by our Company in order to obtain all information fully and accurately about the subject matter thereof, and we’re personally liable for the disclosures.