

**MINUTE OF 57<sup>th</sup> GENERAL MEETING OF  
OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.  
HELD ON 16.03.2020**

The Ordinary General Meeting of the Company concerning the activity year 2019 has held at the address of Divan İstanbul Hotel, Asker Ocağı Cad. No. 1 Elmadağ Şişli, İstanbul at 10:00 on 16.03.2020 with the participation of Ministry Representative Ms. Güner KAKI who is appointed with 13 March 2020 dated 53204691 numbered letter of Republic of Turkey, Ministry of Trade, İstanbul Provincial Directorate of Trade.

The invitation relating to the meeting has declared at the 20 February 2020 dated and 10020 numbered Turkish Trade Registry Gazette, in corporate website of our company, [www.otokar.com.tr](http://www.otokar.com.tr), at e-corporate portal of Central Registry Agency and at Electronic General Meeting System before 21 days within legal duration as assumed in the Law and Articles of Association with agenda inside.

After examining the attendant list, it is determined that the minimum quorum has provided by 2,400,000,000 shares corresponding to 24,000,000 TL, 19,950 are represented personally corresponding 199.50 TL, 1,843,770,522 shares corresponding to 18,437,705.22 TL are represented by proxy and 1,843,790,472 shares are represented in total in compliance with required Law and Articles of Association. Shares with the amount of 970,966 TL which are represented by Deposited Representatives that are declared by Mr. İsmail Cenk Çimen who is the Member of Board of Directors of our Company.

In compliance with the Article 1527, Item Five and Six of Turkish Commercial Code, the Company has performed general meeting preparations in accordance with the legal provisions. Mrs. Hatice Gülşah Mutlu has appointed in order to use electronic general meeting system by Mr. İsmail Cenk Çimen and the discussion of the agenda has started by opening the meeting both at physical and electronic environment at the same time.

Mr. İsmail Cenk Çimen, member of the board of directors, has made a declaration about procedure of voting. He has determined that having the right of reserving the electronic vote counting in compliance with Law and Articles of Association, shareholders who participate in the general meeting physically shall vote via raising hand and open and shareholders who give refuse vote have to declare their votes orally.

Below decisions are taken as the result of the discussion within the content of the agenda:

1- In accordance with the Article 1 of the agenda about the Election of the Chairing board of the Ordinary General Meeting has begun. Mr. İsmail Cenk Çimen, the proxy of the Koç Holding A.Ş., has announced his offer for the Chairman of the meeting. It is unanimously decided that election of the Mr. İsmail Cenk Çimen for the Chairman of the General Meeting Chairing Board is accepted by majority vote by 1 TL refusal vote against 18,437,903.72 TL acceptance vote.

The Meeting Chairman has mentioned that he has appointed Mr. Ahmet Serdar Görgüç and Mr. Şeref Deveci as vote collectors and Mr. Hüseyin Odabaş as Minute Clerk.

The Meeting Chairman has determined that all required documents for the agenda are present within the meeting place the Meeting Chairman also determined that, Ms. Selin Ayla Ünver, Mr. Ahmet Serdar Görgüç, Mr. Ahmet Neziğ Olcay, Mr. Ali İhsan Kamanlı and Mr. Kenan Güven who are the members of the board of directors and Ms. Beste Ortaç who is presenting Independent Auditing Firm PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik. A.Ş. have participated in the meeting and excuses are declared who were not able to participate in the meeting.

2. In accordance with the Article 2 of the agenda, the Chairman has stated that the 2019 Year Annual Report of the Company has declared to Public (at Public Disclosure Platform, [www.otokar.com.tr](http://www.otokar.com.tr) corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Annual Report) 21 days before the General Meeting. The Report of the Board of Directors that is prepared by Board of Directors of the Company relating to 2019 year Activities has read by the Minute Clerk Mr. Hüseyin Odabaş. Discussion has held on the Annual Report of 2019 year and nobody has presented idea. As the result of the discussions Annual Report of 2019 is accepted by majority vote by 1 TL refusal vote against 18,437,903.72 TL acceptance vote.

3. In accordance with the Article 3 of the agenda, the Chairman has claimed to read the report summary prepared PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik. A.Ş. about activities relating to 2019 year. Ms. Beste Ortaç who represents PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik. A.Ş. has read the report summary. As this article of the agenda is not subjected to vote, just information has provided.

4. In accordance with the Article 4 of the agenda the Chairman has stated that the Financial Tables of the Company relating to 2019 has declared to Public (at Public Disclosure Platform, [www.otokar.com.tr](http://www.otokar.com.tr) corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Annual Report) 21 days prior to the General Meeting. Mr. Hüseyin Odabaş, the minute clerk, has read the summary of the balance sheet and financial tables. Financial tables were presented to negotiations and nobody has presented idea. Financial Reports of 2019 and financial tables prepared in accordance with the Tax Procedure Law is accepted by majority vote with 1 TL refusal vote against 18,437,903.72 TL acceptance vote.

5. The Chairman has presented the release of the Members of the Board of Directors due to their accounts and activities for the year 2019 to the approval of the General Meeting. Members of the Board of Directors separately unanimously have released is accepted by majority vote by 5,894 TL refusal vote against 18,432,010.72 TL acceptance vote.

6. Discussion of the General Meeting Offer on the Distribution of the 2019 Profit prepared in accordance with the profit distribution policy, as declared to Public (at Public Disclosure Platform, [www.otokar.com.tr](http://www.otokar.com.tr) corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Annual Report) 21 days prior to the General Meeting.

According to our financial tables which are audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik. A.Ş. and based on Turkish Financial Reporting Standards (TFRS) relating to the January 1<sup>st</sup> – December 31<sup>st</sup> 2019 fiscal year 351,591,603 TL consolidated net period profit and according to the Tax Procedure Law records 288,660,528 TL current year profit was obtained and profit distribution suggestion of Board of Directors prepared in compliance with the Profit Distribution Table in the Profit Share Guide declared in accordance with the II-19.1 Dividend Communique by considering Profit Distribution Policy, long term company strategy, capital requirements of our company, investment and finance policies, profitability and cash status.

As the contingency reserve has reached 20 % limit of the capital which exist in the registries as of the 31.12.2019 in tax procedure law, no reserve will be funded for 2019 in compliance with the Article 519 Turkish Commercial Code for the legal reserve which have to be reserved with the rate of % 5, as stated in the profit distribution table in the annex in compliance with the Capital Market Board, Article 19th of Articles of Association of our Company and Profit Distribution Policy of our Company which was certified by the shareholders in the General Meeting that was held on 28.03.2014; in compliance with the Company's long-term strategy, investment and financing policies, profitability and cash status;

From the current year profit,  
177,364,982 TL first share profit to the shareholders,  
22,635,018 TL second share profit to shareholders,  
19,880,000 TL legal reserves

allocation will be as above

to pay total of 200,000,000 TL as the dividend to shareholders in cash,

According to the records prepared in accordance with the Tax Procedure Law, a total of 200,000,000 TL first share profit to the shareholders and 19,880,000 TL Legal Reserves, to be fully paid by current year's profit,

the profit share paid to the shareholders from the current year profit in accordance to the Tax Procedure Law and the Legal Reserves, the allocation of the remaining 68,780,528 TL shall reserve as an extraordinary reserves; the balance in the financial statements prepared in accordance with the Turkish Financial Reporting Standards (TFRS) principle shall be calculated as TL 131,711,603 and transferred to previous year's profit,

to pay cash profit to full-fledged taxpayers and foreign-based taxpayers that make profit via business or permanent representative in Turkey with the rate of 833.333 % and 8.33333 TL gross=net profit at 1.00 TL of nominal value to one share register and to pay cash profit to other shareholders with the rate of 708.333 % and 7.08333 TL net cash profit at 1 TL nominal value to one share register and setting the profit distribution date as of 23.03.2020 has accepted by 1 TL refusal vote against 18,437,903.72 TL acceptance vote.

7- In accordance with the Article 8 of the agenda relating to discussion on the election of the membership of the board of directors. Mr. İsmail Cenk Çimen, the proxy of the Koç Holding A.Ş. shareholder of the Company has declared his offer for the members of the Board of the Directors Ministry Representative has seen the candidate and duty acceptance declaration of the ones who cannot physically attend to the general meeting.

The proposal was voted and the number of the member of the board of directors have determined as 3 independent members and 8 members in total.

Following members are elected to serve for 1 year until the Ordinary General Meeting of the Company concerning the activity year 2020 as members of board of directors is accepted by the majority vote Mr. Yıldırım Ali Koç, Mr. Levent Çakiroğlu, Ms. Selin Ayla Ünver, Mr. İsmail Cenk Çimen, Mr. Ahmet Serdar Görgüç and as independent members Mr. Ali İhsan İlkbahar, Mr. Ali İhsan Kamanlı and Mr. Kenan Güven with 21,550 TL refusal vote against 18,416,354.72 TL acceptance vote.

In the letter dated 07.02.2020, the CMB informed our Company about the fact that there was no negative opinion about the Independent Board Members. The information about CVs of the Members of the Board of Directors has declared to Public (at Public Disclosure Platform, [www.otokar.com.tr](http://www.otokar.com.tr) corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Annual Report) 21 days prior to the General Meeting and it is stated that members who served last year will be serving except Mr. Ali İhsan İlkbahar. Elected member of Board of Directors Mr. Ali İhsan İlkbahar's CV is read by the minute clerk.

8- "The Remuneration Policy for the Members of the Board of Directors and the Top Executives" that is presented for information and approval of our shareholders at the 18.03.2019 dated general meeting of our Company. The information on 19,044,264- TL is paid to Members of the Board of Directors as it is mentioned in the Footnote 27 of the Financial Tables. With the decision of the board of directors

dated 31 December 2019, the “Remuneration Policy for Board Members and Senior Executives” attached and presented to the general meeting are announced to the public and the Top Executives during the year 2019 as declared 21 days before the General Meeting to Public (at Public Disclosure Platform, www.otokar.com.tr corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Activity Report) and payments performed within the content of “The Remuneration Policy for the Members of the Board of Directors and the Top Executives” have accepted by the majority vote with 5,952 TL refusal vote against 18,431,952.72 TL acceptance vote.

9- Mr. İsmail Cenk Çimen, the proxy of the Koç Holding A.Ş. shareholder of the Company has declared his offer on determination of the monthly remuneration of the members. Proposal is presented and accepted by majority vote by 693,354 TL refusal vote against 17,744,550.72 TL acceptance vote in order to be paid to each member of the board of directors gross 540.000 TL (Five Hundred Forty Thousand Turkish Liras) annually from the month following the decision.

10- Within the content of Turkish Commercial Code and Capital Markets Regulations it is accepted by majority vote by 18,437,903.72 TL acceptance vote unanimously against 1 TL refusal vote to elect PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. located at Süleyman Seba Cad. BJK Plaza No: 48/9 Beşiktaş İstanbul which registered in Istanbul Trade Registry Office with the registration number 201465 and is elected with 07.02.2020 decision of the Board of Directors as Independent Audit Institution in order to audit the financial reports and performing other procedures in accordance with the related arrangements for the 2020 accounting year by taking into consideration the suggestion of the Audit Committee.

11- The information about the company has donated 3,138,362 TL and the main institutions and organizations that donated within the year 2019 is shared with General Meeting. The offer of Mr. İsmail Cenk Çimen, the proxy of the Koç Holding A.Ş. shareholder of the Company about the upper limit of the donations should be 0,2 % of the revenue is accepted by majority vote by 751,835 TL refusal vote against 17,686,069.72 TL acceptance vote.

12- Giving permission to Shareholders who hold managing sovereignty, Members of the Board of Directors, Top Level Executives and spouse and blood and affinity relationship in compliance with the Article 395 and 396 of Turkish Commercial Code is accepted by majority vote by 18,387,145.72 TL acceptance against 50,759 TL refusal vote. Information about whether there is not such important kind of operation carried out within the year 2019 in accordance with Capital Markets Board and Corporate Governance Communique Principle 1.3.6.

13. - In the wished section of the agenda acknowledgement is presented for the results and wishes about success for the following years is presented. The questions of the shareholders were answered by Mr. İsmail Cenk Çimen; chairman of the Meeting, Mr. Ahmet Serdar Görgüç; General Manager, Mr. Hüseyin Odabaş; Assistant General Manager-Financial Affairs.

The chairman has closed the meeting as there is not any article to be discussed. This minute is arranged at the meeting place and signed.

(16.03.2020)

Mr. FEYYAZ BAL  
MINISTRY REPRESENTATIVE

Mr. AHMET SERDAR GÖRGÜÇ  
MEETING CHAIRMAN

Mr. DOĞAN SEÇKİNLER  
VOTE COLLECTOR

Mr. MUSTAFA METİN UTKAN  
VOTE COLLECTOR

Mr. HÜSEYİN ODABAŞ  
MINUTE CLERK

**It is an attachment of the decision of Board of Directors which is dated 14.02.2020 and numbered 2020/05**

**01.01.2019-31.12.2019 FISCAL YEAR DIVIDEND PAYMENT PROPOSAL**

According to our consolidated financial tables which are audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik. A.Ş. and prepared in accordance with Turkish Financial Reporting Standards (TFRS) relating to the 01.01.2019-31.12.2019 fiscal year TL 351.591.603 net profit was obtained for parent company and profit distribution suggestion of Board of Directors prepared in compliance with the attached Profit Distribution Table pursuant to the Capital Market Board's (CMB) II-14.1 "Communique on Principles of Financial Reporting in Capital Markets" by considering Profit Distribution Policy, long term company strategy, capital requirements of our company, investment and finance policies, profitability and cash status. Distribution of dividend will begin on 23.03.2020 upon General Assembly's approval.

| <b>Otokar Otomotiv ve Savunma Sanayi A.Ş. Dividend Distribution Table 2019 (TL)</b>                   |   |                  |                                |
|---|---|------------------|--------------------------------|
| <b>1. Paid-in/Issued Capital</b>  |   |                  | <b>24.000.000</b>              |
| <b>2. Total Legal Reserves (According to Legal Records)</b>   |   |                  | <b>73.758.147</b>              |
| <b>Information concerning any privileges provided in the articles of association regarding profit</b> |   |                  | <b>-</b>                       |
|   |   | According to CMB | According to Statutory Records |
| <b>3</b>  | <b>Current Period Profit</b>  | 346.353.956      | 288.660.528                    |
| <b>4</b>  | <b>Taxes Payable (-)</b>  | (5.237.647)      | -                              |
| <b>5</b>  | <b>Net Current Period Profit (=)</b>  | 351.591.603      | 288.660.528                    |
| <b>6</b>  | <b>Losses in the Previous Years (-)</b>                                     |                  |                                |
| <b>7</b>  | <b>Primary Legal Reserve (-)</b>  |                  |                                |
| <b>8</b>  | <b>NET DISTRIBUTABLE CURRENT PERIOD PROFIT (=)</b>                          | 351.591.603      | 288.660.528                    |
| <b>9</b>  | <b>Donations Made during the Year (+)</b>                                   | 3.138.362        |                                |
| <b>10</b>   | <b>Donation-Added Net Distributable Current Period Profit</b>               | 354.729.965      |                                |
| <b>11</b>   | <b>First Dividend to Shareholders</b>                                       |                  | 1.200.000                      |
|   | - Cash  | 177.364.982      |                                |
|   | - Bonus Shares  |                  |                                |
|   | - Total   |                  |                                |
| <b>12</b>   | <b>Dividend Distributed to Owners of Privileged Shares</b>                  |                  |                                |
| <b>13</b>   | <b>Other Dividend Distributed</b>   |                  |                                |
|   | - To the Members of the Board of Directors                                  |                  |                                |
|   | - To the Employees  |                  |                                |
|   | - To None Shareholders  |                  |                                |
| <b>14</b>   | <b>Dividend to Owners of Redeemed Shares</b>                                |                  |                                |
| <b>15</b>   | <b>Second Dividend to Shareholders</b>                                      | 22.635.018       | 198.800.000                    |
| <b>16</b>   | <b>Legal Reserves</b>   | 19.880.000       | 19.880.000                     |
| <b>17</b>   | <b>Status Reserves</b>  |                  |                                |
| <b>18</b>   | <b>Special Reserves</b>   |                  |                                |
| <b>19</b>   | <b>EXTRAORDINARY RESERVES</b>   | 131.711.603      | 68.780.528                     |
| <b>20.</b>  | <b>Other Distributable Resources</b>  |                  |                                |
|   | - Previous year's profit  |                  |                                |
| <b>21.</b>  | <b>Legal Reserves Allocated for Other Source proposed to be Distributed</b> |                  | -                              |

|       | GROUP        | CASH DIVIDEND AMOUNT (TL) |            | TOTAL DIVIDEND AMOUNT (TL) / NET DISTRIBUTABLE CURRENT PERIOD PROFIT (%) | DIVIDEND TO BE PAID FOR SHARE WITH PER VALUE OF 1 TL |                |
|-------|--------------|---------------------------|------------|--|--|----------------|
|       |              | CASH (TL)                 | BONUS (TL) | RATIO (%)  | AMOUNT (TL)  | RATIO (%)      |
| GROSS |              | 200.000.000,00            | 0          | 56,88%   | 8,33333  | 833,333        |
|       | <b>TOTAL</b> | <b>200.000.000,00</b>     | <b>0</b>   | <b>56,88%</b>  | <b>8,33333</b>                                       | <b>833,333</b> |
| NET   |              | 170.000.000,00            | 0          | 48,35%   | 7,08333  | 708,333        |
|       | <b>TOTAL</b> | <b>170.000.000,00</b>     | <b>0</b>   | <b>48,35%</b>  | <b>7,08333</b>                                       | <b>708,333</b> |

## **REMUNERATION POLICY FOR SENIOR EXECUTIVES AND MEMBERS OF BOARD OF DIRECTORS ATTACHMENT/2**

This policy document identifies remuneration system and applications for the Board of Directors and Senior Executives who have managerial responsibilities under Capital Markets Board regulations.

A fixed remuneration is determined to be valid for all members of the board of directors at the Annual General Meeting of the Company each year.

Members of the board of directors who have executive duties are paid within the scope of the policy determined for the senior executives detailed below.

For compensation of the independent members of the board of directors, the payment plans based on the performance of the company are not used.

Payment to the members of the board of directors is made on pro rata basis by taking into account the duration they were on duty between the date of appointment and the date of resignation. Expenses incurred by the members of the board of directors on account of their contributions to the company (transportation, telephone, insurance, etc.) may be paid by the company.

Senior executive salaries are consisted of two compounds; fixed and performance based.

Fixed salaries of Senior Executives are established in accordance with the international standards and the legal obligations by taking into account the macro-economic data in the market, the compensation policies prevailing in the market, the size and long term targets of the company and the positions of the individuals.

Bonuses for the Senior Executives are calculated according to the premium basis, the performance of the company and the individual performance. Some information about the criteria is summarized below:

- **Bonus Basis:** Premium Bases are updated at the beginning of each year and vary according to the job size of the positions of the executives. In the updating of the premium bases, the top management premium policies in the market are taken into account.
- **Performance of the Company:** Performance of the company is obtained by measuring the financial and operational targets (market share, exports, overseas operations, productivity, etc.) assigned to the company at the beginning of each year at the end of the period. When the targets of the company are established, that the success is sustainable and includes improvements compared with the previous years are the principles which are importantly taken into account.
- **Individual Performance:** In the determination of the individual performance, targets related with the employee, the client, the process, the technology and the long term strategy are taken into account together with the targets of the company. In the measurement of the individual performance, the long term sustainable improvement principle outside the financial areas as well is taken into account in parallel with the performance of the company.

In case of resignation of the senior executives of our company, resignation premium can be paid by taking into consideration the term of appointment, term of senior executive, provided contribution, last target premium before resignation date, salary at last year and premium information.

Total amounts as determined based on these principles and paid to the members of the board of directors during the year are submitted to the approval of the shareholders at the next General Assembly.