



# ALARKO

REAL ESTATE INVESTMENT COMPANY



**ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**

**General Assembly Information Document**

## INFORMATION DOCUMENT FOR ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.'S 2019 ORDINARY GENERAL ASSEMBLY MEETING

Dear Shareholders,

Our Board of Directors resolved to hold the Annual Ordinary General Assembly Meeting for the year 2019 on 08.07.2020 at 15:00 at the address "Muallim Naci Cad. No.69 Alarko Merkezi Ortaköy/İSTANBUL"

Shareholders, as of 1527 no. article 6102 no. Turkish Commercial Code, can participate physically to the General Assembly as well as participate in Electronic platform and vote.

Our shareholders willing to participate our company's Ordinary General Assembly Meeting in Electronic Platform have to register to e-MKK information portal and themselves or their representatives have to hold Electronic Signature Certificate or mobile signature.

Persons willing to participate in Electronic Platform or appoint a representative in electronic platform have to register this participation method to e-GKS (Electronic General Assembly System) one day before the day of the general assembly until 21:00 hours. If the person appointed in e-GKS as representative is willing to participate to the meeting in electronic platform, that that person has to register this participation method to e-GKS in the same time period.

Our shareholders willing to participate to the meeting in Electronic Platform have to complete the procedures as of the clauses of "Regulations Regarding General Assemblies of Corporations to be Held in Electronic Platform" published in the 28.08.2012 dated and 28395 numbered official gazette and "Communiqué Regarding Electronic General Assembly System to be Applied in General Assemblies of Corporations" published in the 29.08.2012 dated and 28396 numbered official gazette. If not, they will not be able to participate to the meeting.

Our shareholders who will participate to the meeting in person can attend with their ID's. Our shareholders who will not be present at the assembly can choose an agent, using the sample "proxy" attached (in the Turkish version). For the agent to join the assembly the proxy issued according to the sample attached has to be submitted to the company. The proxy should be notarized or the notarized circular of signatures should be attached to the proxy.

Our shareholders who will consign dematerialized shares have to issue "Representation Document regarding Consigned Shares" and "Instruction Notification Form" in accordance with the "Regulations regarding Procedures and Principles of General Assembly Meetings of Corporations and Representatives of Ministry of Trade to be Present in these Meetings", samples in the annex of the regulation. In the voting of the articles of the agenda during the General Assembly Meeting, open vote method by raising hands will be employed.

2019 Board of Directors Annual Report, Auditors Report, Independent Audit Company Report, 2019 Financial Statements, Dividend Proposal will be held ready starting 21 days prior to the meeting date for the examination of our esteemed shareholders at the company headquarters at the address Muallim Naci Cad No: 69 Alarko Merkezi Ortaköy/İSTANBUL, at [www.kap.gov.tr](http://www.kap.gov.tr), [www.alarkoyatirim.com.tr](http://www.alarkoyatirim.com.tr) internet site and in Central Registry Agency e-GKS.

Best Regards,

Board of Directors



## ADDITIONAL EXPLANATIONS REGARDING CMB REGULATIONS

Additional explanations to be made in accordance with the article (1.3.1) of the Corporate Governance Principles attached to the "Corporate Governance Communiqué" (II-17.1) of the Capital Markets Board are provided for your information below.

### 1.Shareholding Structure and Voting Rights

There are no privileged shares among the shares representing the paid-in capital of our company. The shareholders shall have one vote for each share they hold.

Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. Shareholding Structure:

Shareholder	Share (TL)	# of Shares	Ownership (%)	# of (*) A Group Share	# of (**) B Group Share	# of C Group Share
Alarko Holding A.Ş.	10.570.842,51	1.057.084,251	16,42	16.467.000	-	1.040.617.251
Alsim Alarko Sanayi Tesisleri ve Ticaret A.Ş.	22.400.102,10	2.240.010.210	34,78	-	23.500.000	2.216.510.210
Diğer	20.876,92	2.087.692	0,03	33.000	-	2.054.692
Halka Açık	31.408.178,47	3.140.817.847	48,77	-	-	3.140.817.847
<b>Total</b>	<b>64.400.000,00</b>	<b>6.440.000.000</b>	<b>100,00</b>	<b>16.500.000</b>	<b>23.500.000</b>	<b>6.400.000.000</b>

(\*) Owners of A Group shares have a privilege to nominate 4 board members.

(\*\*) Owners of B Group shares have a privilege to nominate 3 board members.

There has been no other privileges attached to the shares.

### 2.Information about the management and operational changes that affected the Company's or its subsidiaries' operations in the previous fiscal period and the changes that are planned in the following fiscal periods and the reasons on the back of these changes:

Management and operational changes which have taken place in 2019 and are planned to take place in 2020 are announced to public through special case announcements through PDP and are available on the Company's website.

### 3.Information on the Dismissal of the Members of the Board of Directors, the Resolution and Reasons for the Change of the Board of Directors and the Persons to be Nominated for the Board of Directors:

Resumes and independence statements of the candidates for the Board of Directors of Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. are included in **APPENDIX-2**.

### 4. Information on Requests by Shareholders, Capital Markets Board (CMB) or Other Public Authorities to Include Items on the Agenda:

While preparing the agenda of the 2019 Ordinary General Assembly Meeting which will be held on 08.07.2020 there has not been any written requests that the shareholders sent to the Investor Relations Unit in a written format to be included on the agenda. Likewise, shareholders, CMB or other government institutions, which are related to the company, have not sent any agenda item requests to be added to the agenda.

### 5. Information on the changes made in the Company's Articles of Association and Board of Director' Resolution

The company has applied to Capital Markets Board to increase the registered capital ceiling to 150.000.000 TL up from existing 20.000.000 TL along with the approval of amendments made to Articles of Association (Article 8) related to Registered Capital System. All required approvals were obtained from the Capital Markets Board in writing dated on 28.02.2020 and numbered as 12233903-340.08-E.2457 and will seek the approval of General Assembly. **APPENDIX-3**.

## **EXPLANATIONS REGARDING THE AGENDA OF THE ANNUAL ORDINARY GENERAL ASSEMBLY MEETING IN 08.07.2020**

### **1- Opening of the meeting.**

### **2- Negotiation and establishment of the Board of the General Assembly.**

The Chairmanship Council that will chair the General Assembly Meeting will be established pursuant to the relevant regulations.

### **3- Authorization of the Board of the General Assembly to sign the meeting minutes and list of attendees.**

In line with the related regulations, authorization of the Board of Assembly to sign the meeting minutes and list of attendees will be voted.

### **4- Reading out and discussion of the Annual Report of the Board of Directors for the year 2019, Audit Report and Independent Audit Report.**

Pursuant to the relevant regulations, the report of the Annual Report, Audit Report and Independent External Audit Company for the fiscal year 2019 will be read in the General Assembly Meeting.

The above-mentioned report has been made available for the review of our Shareholders at the Company Head Office and our website.

### **5- Reading out, discussion and approval of the Financial Statements for the fiscal year 2019 prepared in accordance with the regulations of CMB.**

Pursuant to the relevant regulations, 2019 Financial Statements will be read, discussed in the General Assembly Meeting and submitted to approval of our Shareholders.

The documents have been made available for review of our Shareholders at the Company Head Office and our website.

### **6- Acquittal of the members of the Board of Directors regarding their operations in 2019.**

Pursuant to the relevant regulations, the acquittal of the members of the Board of Directors separately for their activities, procedures and accounts for the year 2019 will be submitted for the approval of the General Assembly

### **7- Discussion and approval of the proposal of the Board of Directors on profit distribution.**

The dividend distribution proposal made by the Board of Directors to General Assembly, is presented in **APPENDIX-1**, and prepared in accordance with the Turkish Commercial Code, CMB Regulation, and our Articles of Association, and is subject to approval of the General Assembly.

### **8- Informing the shareholders on the donations made by the Company.**

The General Assembly will be informed about the donations made within the calendar year.

### **9- Discussion and approval of the Board of Directors' proposal on the ceiling of donations to be made in 2020.**

According to Capital Markets Board's article 19, paragraph 5, ceiling for donations to be made throughout the calendar year should be determined by the General Assembly. With this decree, the ceiling for the donations to be made in 2020 will be determined by General Assembly.

### **10- Discussion and approval of appointments of board members, determine the terms of office and remuneration.**

The selection of board members their tenure, and the remuneration to be made to board members in 2020, will be determined in the General Assembly. **APPENDIX-2**

### **11- Authorization of the members of the Board of Directors about the transactions and operations in the context of the Articles 395 and 396 of the Turkish Commercial Code.**

As the performance of transactions by the members to the Board of Directors, under Article 395 of the TCC, titled "Prohibition of Transactions and Borrowing with Company" and Article 396, titled "Non-Competition," may only be possible with the approval of the General Assembly, the issuance of the authorization in question will be presented for approval of our shareholders in the General Assembly.



**12- Informing the General Assembly of the transactions, if any, within the context of Article 1.3.6. of the Corporate Governance Communiqué (II-17.1.) of the Capital Markets Board.**

According to the Article 1.3.6. of the Corporate Governance Communiqué (II-17.1.) of the Capital Markets Board; "In cases where shareholders who have a management control, members of board of directors, managers with administrative liability and their spouses, relatives by blood or marriage up to second degree conduct a significant transaction with the corporation or subsidiaries thereof which may cause a conflict of interest, and/or conduct a transaction on behalf of themselves or a third party which is in the field of activity of the corporation or subsidiaries thereof, or become an unlimited shareholder to a Corporation which operates in the same field of activity with the corporation or subsidiaries thereof, such transactions shall be included in the agenda as a separate item for providing detailed information at the general assembly meeting on the matter and recorded in the minutes of meeting." The General Assembly will be informed whether or not such a transaction took place in 2019.

**13- Selection of the independent audit company for the audit of the financial statements and reports for the year 2020 in accordance with the Article 399 of the Turkish Commercial Code numbered 6102, Capital Markets Law numbered 6362.**

According to the Turkish Commercial Code and CMB legislation, the opinions of the Audit Committee will also be submitted to the approval of the General Assembly of the Independent Audit Firm determined by the Board of Directors.

**14- Read out, discussion and approval of the old and new Articles of Association with the grant received from the Capital Markets Board, General Directorate of Domestic Trade (Ministry of Commerce) on the amendment of article 6 of the Articles of Association.**

Increasing the registered capital from current 20.000.000 TL to 150.000.000 and amendment of Article 6 of company's articles of association pursuant to Capital Markets Board's regulation on Register Capital System is subject to approval from the General Assembly. **APPENDIX-3**

**15- Wishes and requests.**

**APPENDIX :**

**APPENDIX-1 :** Dividend Distribution Table

**APPENDIX-2 :** Resumes of the Board Member Candidates



**APPENDIX-1: Dividend Distribution Table****ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.****DIVIDEND DISTRIBUTION TABLE FOR 2019 (TL)**

1. Paid-in Capital		<b>64.400.000,00</b>
2. General Legal Reserves (Based on the Legal Records)		<b>2.130.158,80</b>
Information regarding the privilege, if there is any dividend privilege in accordance with the Articles of Association		-
	<b>CMB</b>	<b>Legal Records</b>
3. Profit / (Loss)	389.574.941	117.993.040,35
4. Taxes (-)	0	0
5. Net Profit (=)	389.574.941	117.993.040,35
6. Previous Years' Losses (-)	0	0
7. General Legal Reserves (-)	5.899.652	5.889.652,02
8. NET DISTRIBUTABLE PROFIT (=)	383.675.289	112.093.388,33
9. Donations Within The Year (+)	475.000	
10. Net Distributable Profit Including the Donations	384.150.289	
11. First Dividend to Shareholders of Ordinary Shares	40.572.000	
– Cash	40.572.000	
– Bonus Issue	0	
– Total	40.572.000	
12. Dividend Distributed to Privileged Shareholders	0	
13. Other Distributed Dividend	0	
– To Member of Board of Directors	0	
– To Employees	0	
– To Other Persons Excluding Shareholders	0	
14. Dividends to the holders of Redeemed Shares	0	
15. Second Dividend to Shareholders of Ordinary Shares	0	0
16. General Legal Reserves	3.735.200	3.735.200,00
17. Statutory Reserves	0	0
18. Special Reserves	0	0
19. EXTRAORDINARY RESERVES	339.368.089	67.786.188,33
20. Distributable Other Sources	0	0

DIVIDEND RATES TABLE						
	Group	Total Dividend (TL)		Total Dividend/ Net Distributable Profit	Dividend Per 1 TL Nominal Valued Share	
		Cash Dividend (TL)	Bonus Issue (TL)	Rate (%)	Amount (TL)	Rate (%)
NET	A	103.950,00	-	0,02	0,6300000	63,00000
	B	148.050,00	-	0,04	0,6300000	63,00000
	C	40.320.000,00	-	10,50	0,6300000	63,00000
	TOTAL	40.572.000,00	-	10,56	0,6300000	63,00000



## **APPENDIX-2: Resumes of Board Member Candidates**

### **Mustafa FİLİZ**

#### **Chairman of the Board of Directors**

Filiz was born in Çorum in 1960. In 1982, he graduated from Istanbul University, Faculty of Economics. In 1982, he started working as Assistant Tax Inspector on the Board of Tax Inspectors of the Ministry of Finance and was appointed as Tax Inspector in 1985. In 1989, he was sent to England by the Ministry of Finance for a year. In 1992, Filiz was appointed Chief Tax Inspector. As working as Deputy Chairman of the Istanbul Group of the Board of Tax Inspectors he resigned in 1995 and joined the Alarko Group of Companies. Mustafa Filiz who is the Group President of Financial Affairs of the Alarko Group of Companies is also a member of the Board of various companies of the Group. Mustafa Filiz is married and has one child. He speaks English.

Mustafa Filiz does not qualify as independent director according to the CMB's Communiqué Numbered II-17.1.

### **Mehmet AHKEMOĞLU**

#### **Member of the Board**

Ahkemoğlu was born in Ankara in 1964 and graduated from Ankara University, Faculty of Political Sciences, School of Economics in 1986. In 1996, he completed his Master's Degree in International Accounting and Auditing at Illinois University. In 1986, Ahkemoğlu started working at the Ministry of Finance as Assistant Tax Inspector, in 1989 as Tax Inspector, in 1997-2004 as Department Head on the Revenues Administration of the Ministry of Finance, and in 2005 as Department Head on the Department of Revenues Management of the Revenues Administration. He resigned at the end of 2005 and joined the Alarko Group of Companies in 2006. He is the Group President of Auditing of the Alarko Group of Companies. Ahkemoğlu who is also a member of the Board of various companies within the Alarko Group. He speaks English.

Mehmet Ahkemoğlu does not qualify as independent director according to the CMB's Communiqué Numbered II-17.1.

### **Ümit Nuri YILDIZ**

#### **Member of the Board**

Ümit Nuri Yıldız was born in Erzurum in 1966. He graduated from the Department of Business Administration, Faculty of Political Sciences of Ankara University in 1986. He obtained his MSc degree from University of Illinois. In 1987, he started working as Assistant Auditor at Board of Auditors of the Ministry of Finance. Yıldız continued to work in the Ministry as Auditor and Chief Auditor until 1997. He was appointed Deputy General Manager of the Turkish Employment Organization in 1997. He resigned from his position and joined the Alarko Group of Companies in 1998. Yıldız who is presently working as Financial Analysis, System and Planning Coordinator at Alarko Group is also a member of the Board of various companies within the group. Yıldız speaks English and is married with two children.

Ümit Nuri Yıldız does not qualify as independent director according to the Capital Markets Board Communiqué Numbered II-17.1.

### **Alpaslan SERPEN**

#### **Member of the Board**

Born in 1977 in Susurluk, Mr. Serpen graduated from the Department of Industrial Engineering, Faculty of Engineering, Middle Eastern Technical University in 1999. He received a Minor Degree in Finance, Department of Business Administration of METU during 1996-1999. He embarked on his professional career in 1999 as Dealer in Department of Treasury Fund Management of Pamukbank. Joining Alarko Group of Companies as Feasibility Expert in 2005, Alpaslan Serpen worked in the fields of privatization tenders, acquisitions and mergers, investment planning, company valuation, strategic planning and energy investments. He currently serves as Investment Planning Director of Alarko Group of Companies. Alpaslan Serpen is married and speaks English.

Mr. Serpen does not meet the independence criterion as per the CMB Communiqué No. II-17.1.





## **Ayhan ARI**

### **Member of the Board**

Born in 1968 in Sinop, Mr. Arı graduated from the Department of Finance, Faculty of Economic and Administrative Sciences, Marmara University in 1992. He joined Alarko Group of Companies in 1996. He worked as Financial Affairs Manager at various levels for Alarko Land Development Group. He has been serving as Chief Financial Officer at Alarko Tourism Group since 2008. Married with two children, Ayhan Arı does not meet the independence criterion as per the CMB Communiqué No. II-17.1.

## **Mustafa Tansu USLU**

### **Independent Member of the Board**

Uslu was born in Istanbul in 1944. He graduated from the French high school for boys, Saint Joseph, in 1962 and the İ.T.Ü. Faculty of Mechanical Engineering in 1968. Uslu started his professional life at Seka General Management at Dalaman and worked there in the years between 1970 and 1974. He joined the Alarko Group of Companies in 1974 and took over executive responsibility in various companies within the group until 2007. Uslu worked as an executive at Avrasya Teknoloji Mühendislik ve İnşaat A.Ş. in 2007-2008. Uslu is married and has two children. He speaks French and English.

Mustafa Tansu Uslu qualifies as independent director according to the CMB's Communiqué Numbered II-17.1.

## **Kudret VURGUN**

### **Independent Member of the Board**

Vurgun was born in Istanbul in 1967. He graduated from Istanbul University Faculty of Management in 1989. He worked in various positions including 18 years as Quotations Manager at the Istanbul Stock Exchange (Borsa Istanbul) from 1990 to 2012. On leaving the Istanbul Stock Exchange he worked as an independent consultant in the area of public offering and corporate financing and as Independent Board Member at a publicly held company. Vurgun worked as Board Member at KOTEDER (The Association of Listed Companies' Executives) in 2013-2016. He has numerous articles, seminars and books published in the areas of the Capital Market and Stock Exchange and finance. Vurgun speaks English.

Kudret Vurgun qualifies as independent director according to the CMB's Communiqué Numbered II-17.1.