TURKIYE VAKIFLAR BANKASI T.A.O. THE REPORT ON USE OF PROCEEDS FROM CAPITAL INCREASE THROUGH PRIVATE PLACEMENT

Date of the Report: 21.03.2023

Purpose of the Report: The report is prepared to be submitted to the approval of the Board of Directors as per Article 33 of the Communiqué on Shares No. VII-128.1.

The report was approved by board of directors decision dated March 21, 2023.

By our Bank's board of directors resolution dated March 21, 2023 , it is resolved that within the limit of the registered share capital ceiling of TRY 10,000,000,000.- (TenBillion Turkish Lira) , our paid-in capital of TRY 7.111.364.116,75.- (SevenBillionOneHunderedElevenMillionThreeeHunderedSixtyfourThousandOneHunderedSixteen Turkish Lira and Seventyfive Kurus) consisting of shares each with a nominal value of TRY 0.01 shall be increased in cash and with in a nominal capital amount to be calculated based on the share sale price to be determined as per the Borsa Istanbul A.S.'s Procedure for Wholesale Transactions where the total sales proceeds shall amount to TRY 32,000,000,000.-(ThirtyTwoBillion Turkish Lira) in cash, and all such newly issued shares shall be sold to Turkiye Varlik Fonu (Turkey Wealth Fund) through private placement by completely restricting the pre-emptive rights of shareholders. Net proceeds from this capital increase is planned to be used for the following:

- Strengthening capital structure of our Bank,
- Increasing the strong financials of the bank more against fluctuations that may occur in global market conditions and unpredictable asset deterioration,
- Generating additional capacity for our future growth strategies and thereby maintaining sustainable profitability on a long-term basis,
- Aiming to provide financing to the region in order to support the financial needs of commercial and retail customers who were affected by the earthquake.