

## **INVITATION FOR THE ANNUAL GENERAL MEETING OF VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**

Vestel Elektronik Sanayi ve Ticaret AŞ's Annual General Meeting for the year 2020 will be held on 15 April 2021 at 10:00 am at the address of Levent 199 Büyükdere Caddesi No: 199 34394 Şişli/Istanbul in order to discuss and resolve the following agenda items.

As per the Article 417 of the Turkish Commercial Code and the provisions of the Communiqué on the Procedures and Principles for the Book-Keeping of Dematerialized Capital Market Instruments numbered II-13.1; the list of shareholders with dematerialized shares who are entitled to attend the General Assembly meeting shall be composed based on the "Shareholders List" provided by the Central Registry Agency (MKK). Further information may be obtained from the Central Registry Agency and MKK's website at [www.mkk.com.tr](http://www.mkk.com.tr).

As per the Article 415 of the Turkish Commercial Code; the Company's shareholders, whose shares are kept in a dematerialized form in accordance with the regulations of the Central Registry Agency and whose names are listed on the list of attendees or their proxy holders shall be entitled to attend the Annual General Meeting. To attend the meeting, real persons shall be required to present their ID and legal entity representatives shall be required to present their Power of Attorney.

Shareholders who have a "digital signature" may participate in the Annual General Meeting via the electronic media, and may obtain further information on the Electronic General Assembly System from the Central Registry Agency and MKK's website at [www.mkk.com.tr](http://www.mkk.com.tr).

Shareholders who will not be able to attend the Annual General Meeting in person must issue their "Power of Attorney" by using the enclosed form or the sample form which could be obtained from the Company's headquarters or the Company's website at [www.vestelinvestorrelations.com](http://www.vestelinvestorrelations.com) and submit their power of attorney with their notarized signature to the Company in accordance with the Capital Markets Board's Communiqué on Voting by Proxy and Proxy Solicitation numbered II-30.1.

The Company's Consolidated Financial Statements and the Independent Audit Report for the year 2020, the Board of Directors' Dividend Distribution Proposal, the Annual Report of the Board of Directors, Amendment to the Articles of Association, Amendment to the Working Principles and Procedures of the General Assembly of the Company and the Information Memorandum for the Annual General Meeting will be available for the review of our shareholders at the Company's headquarters, [www.vestelinvestorrelations.com](http://www.vestelinvestorrelations.com) and on the Electronic General Assembly System of the Central Registry Agency 3 weeks prior to the Annual General Meeting, within the legally required period.

We kindly submit for the information of our esteemed shareholders.

Respectfully,

**Vestel Elektronik Sanayi ve Ticaret AŞ Board of Directors**

### **Annexes:**

- Meeting Agenda
- Board of Directors' proposal for dividend distribution
- Board of Directors' proposal regarding the determination of the upper limit for the donations to be made in 2021
- Board of Directors' proposal regarding the selection of the independent audit firm for the fiscal year 2021
- Power of Attorney

## **AGENDA OF THE 2020 ANNUAL GENERAL MEETING**

- 1.** Opening, the moment of silence and election of the Presidential Board,
- 2.** Authorization of the Presidential Board for signing the minutes of the Annual General Meeting,
- 3.** Reading and discussion of the Annual Report of the Board of Directors for the fiscal year 2020,
- 4.** Reading the Summary Statement of the Independent Auditor's Report for the fiscal year 2020,
- 5.** Reading, discussion and approval of the Consolidated Financial Statements for the fiscal year 2020,
- 6.** Acquittal of the members of the Board of Directors severally in relation to the Company's activities and transactions in 2020,
- 7.** Determination of the remuneration to be paid to the members of the Board of Directors for the fiscal year 2021,
- 8.** Discussion and approval of the Board of Directors' proposal for profit distribution and the date of dividend distribution,
- 9.** Granting authorization to the members of the Board of Directors for performing the transactions stated in the Articles 395 and 396 of the Turkish Commercial Code,
- 10.** Discussion and approval of the Board of Directors' proposal regarding the selection of the independent audit company for auditing the Company's accounts and transactions for the fiscal year 2021 in accordance with the Capital Market Law and the Turkish Commercial Code,
- 11.** Informing the General Assembly about the donations made in 2020; discussion and approval of the upper limit for the donations to be made during the period of 1 January – 31 December 2021,
- 12.** Informing the General Assembly about the collaterals, pledges, mortgages and sureties granted by the Company and its subsidiaries in favor of third parties and the income and benefits generated therefrom in 2020 in accordance with the CMB regulations,
- 13.** On the condition of obtaining the necessary approvals from the Capital Markets Board and the Ministry of Trade; discussion and approval of the amendment of the Article 6 of the Company's Articles of Association,

Old Version	New Version
<p data-bbox="165 190 277 219"><b>Article 6</b></p> <p data-bbox="165 253 813 320"><b>Company's Share Capital and Kind of Share Certificates</b></p> <p data-bbox="165 353 813 488">Company adopted the registered capital system as per the Capital Market Law and switched to this system by the written consent dated 22/11/1990 and numbered 877 of the Capital Markets Board.</p> <p data-bbox="165 521 813 656">The Company's registered capital ceiling is TL <del>1,000,000,000 (one billion)</del> and this is divided into <del>100,000,000,000 (one hundred billion)</del> bearer shares, each with a nominal value of 1 Kurus.</p> <p data-bbox="165 689 813 891">The Company's issued capital is TL 335,456,275.00 (three hundred thirty five million and four hundred fifty six thousand and two hundred seventy five), divided into bearer shares, each with a nominal value of 1.00 (One) Kurus, and has been fully paid free from collusion.</p> <p data-bbox="165 925 813 1328">The registered capital ceiling permission given by the Capital Markets Board is valid between <del>2020—2024</del> (5 years). Even if the permitted registered capital ceiling is not reached by the end of <del>2024</del>, in order for the Board of Directors to be able to pass a decision on a capital increase after <del>2024</del>; it must be authorized by the General Assembly for a new period, by obtaining permission from the Capital Markets Board for the previously permitted ceiling or a new ceiling, provided that this new period will not exceed 5 years. In case of failure to get such authorization, an increase of capital cannot be made with a Board of Directors' resolution.</p> <p data-bbox="165 1361 813 1697">The Board of Directors is authorized for the period between <del>2020 and 2024</del>, to increase the issued capital, when it deems necessary, by issuing bearer shares up to the registered capital ceiling in accordance with the provisions of the Capital Market Law, to issue shares above the nominal value, to restrict the preemptive rights of the shareholders and to issue shares below the nominal value. The right to acquire new shares cannot be exercised in a manner that causes inequality among the shareholders.</p> <p data-bbox="165 1731 813 1832">No new shares may be issued unless and until all the issued shares are fully sold and paid or unsold shares are cancelled.</p> <p data-bbox="165 1865 813 2000">The Company's shares may be transferred without prejudice to the provisions of the Capital Market Law and Turkish Commercial Code as well as the provisions of these Articles of Association.</p>	<p data-bbox="839 190 951 219"><b>Article 6</b></p> <p data-bbox="839 253 1487 320"><b>Company's Share Capital and Kind of Share Certificates</b></p> <p data-bbox="839 353 1487 488">Company adopted the registered capital system as per the Capital Market Law and switched to this system by the written consent dated 22/11/1990 and numbered 877 of the Capital Markets Board.</p> <p data-bbox="839 521 1487 656">The Company's registered capital ceiling is TL <u>2,000,000,000 (two billion)</u> and this is divided into <u>200,000,000,000 (two hundred billion)</u> bearer shares, each with a nominal value of 1 Kurus.</p> <p data-bbox="839 689 1487 891">The Company's issued capital is TL 335,456,275.00 (three hundred thirty five million and four hundred fifty six thousand and two hundred seventy five), divided into bearer shares, each with a nominal value of 1.00 (One) Kurus, and has been fully paid free from collusion.</p> <p data-bbox="839 925 1487 1328">The registered capital ceiling permission given by the Capital Markets Board is valid between <u>2021 - 2025</u> (5 years). Even if the permitted registered capital ceiling is not reached by the end of <u>2025</u>, in order for the Board of Directors to be able to pass a decision on a capital increase after <u>2025</u>; it must be authorized by the General Assembly for a new period, by obtaining permission from the Capital Markets Board for the previously permitted ceiling or a new ceiling, provided that this new period will not exceed 5 years. In case of failure to get such authorization, an increase of capital cannot be made with a Board of Directors' resolution.</p> <p data-bbox="839 1361 1487 1697">The Board of Directors is authorized for the period between <u>2021 and 2025</u>, to increase the issued capital, when it deems necessary, by issuing bearer shares up to the registered capital ceiling in accordance with the provisions of the Capital Market Law, to issue shares above the nominal value, to restrict the preemptive rights of the shareholders and to issue shares below the nominal value. The right to acquire new shares cannot be exercised in a manner that causes inequality among the shareholders.</p> <p data-bbox="839 1731 1487 1832">No new shares may be issued unless and until all the issued shares are fully sold and paid or unsold shares are cancelled.</p> <p data-bbox="839 1865 1487 2000">The Company's shares may be transferred without prejudice to the provisions of the Capital Market Law and Turkish Commercial Code as well as the provisions of these Articles of Association.</p>

Shares representing the issued capital shall be monitored in a dematerialized manner, in accordance with the principles of dematerialization.	Shares representing the issued capital shall be monitored in a dematerialized manner, in accordance with the principles of dematerialization.
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**14. Discussion and approval of the amendment of Article 5 of the Internal Directive Regarding the Working Principles and Procedures of the General Assembly of the Company,**

<b>Old Version</b>	<b>New Version</b>
<p><b>Article 5</b></p> <p><b>Entrance into the Meeting Place and Preparations</b></p> <p>(1) Shareholders or their representatives who are registered in the List of Attendees prepared by the Board of Directors; members of the Board of Directors; auditor, if appointed the Ministry's Representative, and people who are elected or appointed for Assembly Council may enter into the meeting place. People related to the articles in the general assembly agenda, suggested by the Board of Directors and approved by the Assembly Council can attend the meeting. If the Assembly Council deems video and sound recording necessary, audio and video technicians may attend the meeting.</p> <p>(2) At the entrance of the meeting place, it is imperative that the real person shareholders and if electronic general assembly deemed necessary in the articles of association the representatives appointed by the electronic general assembly system established according to the Article 1527 of the Law present their identities, the representatives of the real person shareholders present their identities together with their representation certificates and the representatives of the legal entity shareholders present their authorization certificates and sign the signature blocks displayed for them in the list of attendees. The Board of Directors or one or more than one member appointed by the Board of Directors or person / people appointed by the Board of Directors will conduct the said inspection.</p> <p>(3) Duties regarding the arrangement of the meeting place such that all shareholders could fit into; making available the stationery, documents, devices and equipment that could be necessary during the meeting will be executed by the Board of Directors. If the Assembly Council deems video and sound recording necessary, the Board of Directors will appoint people for technical preparations.</p>	<p><b>Article 5</b></p> <p><b>Entrance into the Meeting Place and Preparations</b></p> <p>(1) Shareholders or their representatives who are registered in the List of Attendees prepared by the Board of Directors; members of the Board of Directors; auditor, if appointed the Ministry's Representative, and people who are elected or appointed for Assembly Council may enter into the meeting place. People related to the articles in the general assembly agenda, suggested by the Board of Directors and approved by the Assembly Council can attend the meeting. If the Assembly Council deems video and sound recording necessary, audio and video technicians may attend the meeting. <b>Stakeholders and press members can attend the General Assembly meetings without having the right to speak.</b></p> <p>(2) At the entrance of the meeting place, it is imperative that the real person shareholders and if electronic general assembly deemed necessary in the articles of association, the representatives appointed by the electronic general assembly system established according to the Article 1527 of the Law, present their identities, the representatives of the real person shareholders present their identities together with their representation certificates and the representatives of the legal entity shareholders present their authorization certificates and sign the signature blocks displayed for them in the list of attendees. The Board of Directors or one or more than one member appointed by the Board of Directors or person / people appointed by the Board of Directors will conduct the said inspection.</p> <p>(3) Duties regarding the arrangement of the meeting place such that all shareholders could fit into; making available the stationery, documents, devices and equipment that could be necessary during the meeting will be executed by the Board of Directors. If the Assembly Council deems video and sound recording necessary, the Board of Directors will appoint people for technical preparations.</p>

**15. Closing.**

## **Board of Directors' Proposal for Profit Distribution**

At its meeting on 18 March 2021, the Company's Board of Directors made the following decisions.

Vestel Elektronik Sanayi ve Ticaret AŞ recorded TL 974,308,002 of net profit and has TL 1,620,822,129 of extraordinary reserves and special funds in its 2020 statutory financial statements prepared in accordance with the Turkish Commercial Code and Tax Procedure Law, amounting to TL 2,595,130,131 of total funds available for profit distribution in accordance with the Company's Articles of Association and Dividend Distribution Policy. Accordingly, after setting aside TL 234,396,120 of second legal reserve, the Company's Board of Directors resolved to propose the distribution of TL 2,360,734,011 of gross cash dividends, which corresponds to a gross cash dividend of TL 7.0373 (net cash dividend of TL 5.9818) per share to be distributed in 3 equal installments. The Board of Directors is authorized to determine the distribution dates in accordance with the related regulation, taking into to account the cash projections of the Company. These decisions will be summited to the approval of shareholders at the 2020 Annual General Meeting.

VESTEL ELEKTRONIK SANAYI VE TICARET AS				
DIVIDEND DISTRIBUTION TABLE FOR 2020 PROFIT AND OTHER DISTRIBUTABLE FUNDS (TL)				
1. Paid-in/Issued Capital			335,456,275.00	
2. Total Legal Reserves (as per statutory accounts)			67,091,255.00	
If there are any privileges for profit distribution as per the Articles of Association, information related to such privilege				
			As per CMB Financials	As per Statutory Financials
3.	Profit Before Tax		1,804,643,000	974,308,002
4.	Taxes (-)		32,044,000	0
5.	Net Profit for the Year (=)		1,772,599,000	974,308,002
6.	Accumulated Losses (-)		0	0
7.	First Legal Reserves (-)		0	0
8.	<b>NET DISTRIBUTABLE PROFIT FOR THE YEAR (=)</b>		<b>1,772,599,000</b>	<b>974,308,002</b>
9.	Donations made during the year (+)		555,186	555,186
10.	<b>Donations added Net Profit for the Year to be used in the calculation of First Dividend</b>		<b>1,773,154,186</b>	<b>974,863,188</b>
11.	<b>First Dividend to Shareholders</b>		-	443,288,547
	- Cash		-	443,288,547
	- Non-cash		-	-
	- Total		-	443,288,547
12.	Dividends distributed to owners of Preferred Stock		-	-
13.	Dividends to members of Board of Directors, Employees, etc.		-	-
14.	Dividends distributed to Redeemed Shareholders		-	-
15.	Second Dividend to Shareholders		-	1,917,445,465
16.	Second Legal Reserves		-	234,396,120
17.	Statutory Reserves		-	-
18.	Special Reserves		-	-
19.	<b>EXTRAORDINARY RESERVES</b>		-	-
20.	<b>Other sources available for distribution</b>		-	<b>1,620,822,129</b>
	- Retained Earnings		-	-
	- Extraordinary Reserves		-	1,580,113,779
	- Other Distributable Reserves as per Law and Articles of Association		-	40,708,350

DIVIDEND PAY OUT RATIOS					
	TOTAL AMOUNT OF DIVIDENDS TO BE DISTRIBUTED		TOTAL AMOUNT OF DIVIDENDS / NET DISTRIBUTABLE PROFIT	DIVIDEND PER SHARE	
	CASH (TL)	NON-CASH (TL)	PAY OUT RATIO (%)	AMOUNT (TL)	RATIO (%)
<b>GROSS</b>	2,360,734,011	-	242.30	7.03738	703.38
<b>NET</b>	2,006,623,910	-	205.95	5.98180	598.18

## **Board of Directors' Proposal Regarding the Determination of the Upper Limit for the Donations to be Made in 2021**

At its meeting on 18 March 2021, the Company's Board of Directors made the following decision.

Within the scope of the CMB legislation and the Company's Articles of Association; provided that the donations will be added to the distributable profit base and will be in compliance with the related CMB legislation, the required material event disclosures on donations will be made and the donations made during the year will be submitted for the information of shareholders at the Annual General Meeting, the upper limit for the donations to be made by the Company during the year 2021 will be set as 1.2% of the Company's earnings before interest, tax and depreciation (EBITDA) calculated based on the Company's consolidated financial statements for the year 2020 prepared in accordance with the CMB regulations and announced to the public and this limit shall be submitted to the approval of shareholders at the Company's 2020 Annual General Meeting.

## **Board of Directors' Proposal Regarding the Selection of the Independent Audit Firm for the Fiscal Year 2021**

At its meeting on 18 March 2021, the Company's Board of Directors made the following decision.

Taking into consideration the assessment of the Audit Committee dated 18 March 2021, the Company's Board of Directors resolved to nominate KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi to audit the Company's financial reports for the fiscal year 2021 in accordance with the Turkish Commercial Code, the Capital Market Law and related regulations and to carry out the other duties required under these laws and to submit this selection to the approval of shareholders at the Company's 2020 Annual General Meeting.



**VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**POWER OF ATTORNEY**

I hereby appoint ..... as my Attorney who is introduced in detail below, to represent me, to vote, to make proposals and to sign the required documents on my behalf at Vestel Elektronik Sanayi ve Ticaret Anonim Şirketi's Annual General Meeting for 2020 scheduled to be held at 10:00 am on April 15, 2021 at the address of Levent 199 Büyükdere Caddesi No: 199 34394 Şişli/Istanbul in accordance with the following instructions:

Attorney's (\*);

Name-Surname/Trade Name:

TR ID Number/Tax ID Number, Trade Registry and Number and Mersis (Central Registration System) Number:

(\*). Foreign attorneys should submit the equivalent information mentioned above.

**A) Scope of Representative Power**

**The scope of representative power should be defined by choosing one of the options (a), (b) or (c) in the following sections 1 and 2.**

**1. Regarding the Agenda Items;**

a) The attorney is authorized to vote according to his/her opinion.

b) The attorney is authorized to vote in accordance with the proposals of the company management.

c) The attorney is authorized to vote in accordance with the following instructions.

**Instructions:**

**In the event that the shareholder chooses the (c) option, the shareholder should check the "Accept" or "Reject" box and if the shareholder marks the "Reject" box, then he/she should write the dissenting opinion to be included in the Minutes of the General Assembly, if any.**

<b>Agenda Items (*)</b>	<b>Accept</b>	<b>Reject</b>	<b>Dissenting Opinion</b>
<b>1.</b> Opening, the moment of silence and election of the Presidential Board			
<b>2.</b> Authorization of the Presidential Board for signing the minutes of the Annual General Meeting			
<b>3.</b> Reading and discussion of the Annual Report of the Board of Directors for the fiscal year 2020			
<b>4.</b> Reading the Summary Statement of the Independent Auditor's Report for the fiscal year 2020			
<b>5.</b> Reading, discussion and approval of the Consolidated Financial Statements for the fiscal year 2020			
<b>6.</b> Acquittal of the members of the Board of Directors severally in relation to the Company's activities and transactions in 2020			

7. Determination of the remuneration to be paid to the members of the Board of Directors for the fiscal year 2021			
8. Discussion and approval of the Board of Directors' proposal for profit distribution and the date of dividend distribution			
9. Granting authorization to the members of the Board of Directors for performing the transactions stated in the Articles 395 and 396 of the Turkish Commercial Code			
10. Discussion and approval of the Board of Directors' proposal regarding the selection of the independent audit company for auditing the Company's accounts and transactions for the fiscal year 2021 in accordance with the Capital Market Law and the Turkish Commercial Code			
11. Informing the General Assembly about the donations made in 2020; discussion and approval of the upper limit for the donations to be made during the period of 1 January – 31 December 2021			
12. Informing the General Assembly about the collaterals, pledges, mortgages and sureties granted by the Company and its subsidiaries in favor of third parties and the income and benefits generated therefrom in 2020 in accordance with the CMB regulations			
13. On the condition of obtaining the necessary approvals from the Capital Markets Board and the Ministry of Customs and Trade; discussion and approval of the amendment of the Article 6 of the Company's Articles of Association			
14. Discussion and approval of the amendment of Article 5 of the Internal Directive Regarding the Working Principles and Procedures of the General Assembly of the Company			
15. Closing			

**(\*) All the agenda items will be listed one by one in the above table. If the minority has another draft resolution, this is also separately indicated in the table to enable vote by proxy.**

**2. Special Instructions related to other issues that may come up during the General Assembly Meeting, in particular related to the exercise of minority rights:**

- a) The attorney is authorized to vote according to his/her opinion.
- b) The attorney is not authorized to vote for these issues.
- c) The attorney is authorized to vote in accordance with the following special instructions.

**SPECIAL INSTRUCTIONS**

The special instructions (if there is any) to be given by the shareholder to the attorney are stated herein.

**B) The shareholder specifies the shares to be represented by the Attorney by choosing one of the following.**

**1. I hereby confirm that the Attorney represents the shares specified in detail as follows:**

- a) Order and Serial\*:
- b) No./Group\*\*:
- c) Number-Nominal Value:
- d) Share with voting privilege or not:
- e) Type (registered or bearer shares)\*:
- f) Ratio to total shares/voting rights held by the shareholder:

\* Not required for dematerialized shares

\*\* If available, information regarding the Group shall be used instead of the No. for the dematerialized shares

**2. I hereby confirm that the Attorney represents all my shares on the list prepared by MKK (Central Registry Agency) regarding the shareholders who could attend the General Assembly Meeting the day before the General Assembly Meeting.**

**NAME – SURNAME OR TITLE OF THE SHAREHOLDER (\*)**

TR ID Number/Tax ID Number, Trade Registry and Number and Mersis (Central Registration System) Number:

Address:

(\*) Foreign attorneys should submit the equivalent information mentioned above.

**SIGNATURE:**