

**MINUTES OF 45TH ORDINARY GENERAL ASSEMBLY MEETING OF
ASELSAN ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
HELD ON 19 JUNE 2020**

General assembly meeting of 2019 of ASELSAN Elektronik Sanayi ve Ticaret Anonim Şirketi was held on 19 June 2020, at 14:30 hours, at Çankırı Yolu 7. km Akyurt / ANKARA address under the supervision of the Ministry Representative Yavuz KARAER, who was designated by the letter of Governorship of Ankara Provincial Directorate of Commerce, dated 17.06.2020 and numbered 94566553-431.03/00055077382.

Having the list of participants examined, it was understood that in the meeting, a capital of TL 845.914.302,999 shares were represented by the persons acting as principal, a capital of TL 80.587.632 shares were represented by the persons acting as depositors and a capital of TL 0 shares were represented by other representatives which in total made TL 926.501.934,999 shares, out of the 1.140.000.000 shares corresponding to a total capital of TL 1.140.000.000,- and accordingly it was understood that the minimum meeting quorum stipulated by both the law and the articles of association was satisfied and thereby the meeting was opened by the Chairman of the Board of Directors and CEO, Prof. Dr. Haluk GÖRGÜN and agenda discussion process was started.

- 1) Chairman of the Board of Directors, President and CEO, Prof. Dr. Haluk GÖRGÜN expressed his sincere thanks to those for their attendance to the meeting and thereby invited the meeting participants for a one minute's silence for the commemoration of the Great Leader ATATÜRK and our Saint Martyrs. Following the one-minute silence, national anthem is sang and Meeting Chairman election process started. The proposal offered by the shareholder Volkan CÖMERT was submitted for voting. As a result of the voting, it was decided to elect Prof. Dr. İsmail DEMİR, who is the representative of the Turkish Armed Forces Foundation, as the Meeting Chairman, with 926.495.934,999 affirmative votes against 6.000 negative vote.

The meeting Chairman assigned Mr. Hüseyin Emre ŞENSOY as the Vote Collector, as the secretary (for writing down the minutes) and also assigned Ms. Pinar ÇELEBİ to fulfill the electronic general assembly system requirements, in the meeting chairmanship.

The Meeting Chairman confirmed that the meeting was being held at the address indicated in the announcement and that the place of the meeting was in compliance with the relevant provision of the articles of association; that the General Assembly was convoked with the announcement made in the company website, on the Public Disclosure Platform on 28.05.2020, in the Turkish Trade Registry Gazette issue dated 29.05.2020 and numbered 10029 that this announcement was made at least three weeks prior to the meeting date excluding the dates of announcement and the meeting, that the shareholders in the share ledger and the shareholders, who previously submitted to the company their share certificates or other documents proving their shareholding, were notified of the date of the meeting along with the newspapers containing the agenda and the announcement through registered post at least three weeks before the meeting date.

The Meeting Chairman confirmed that the articles of association, the share ledger, the board of directors annual report, the independent audit report, financial statements, the agenda and the list of attendants prepared by the board of directors were all completely present at the meeting place.

The Meeting Chairman confirmed that the executive members and most of the members of board of directors and the independent auditor were present at the meeting. The Meeting Chairman also informed the physically attending shareholders about the electronic general assembly procedure.

The Meeting Chairman made the items of the agenda read and asked the shareholders whether they have any proposal for amendments regarding the order of the discussion of agenda topics. Since there were no proposals, the Ordinary General Assembly Agenda was started to be discussed in the order previously announced with the majority of votes.

The system was restarted due to the technical difficulties experienced in the electronic general assembly. Abdülkadir ERDOĞAN, one of the shareholders, stated that he attended the electronic

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general assembly and that there was no problem, and that he was able to follow the general assembly from the electronic platform without any problem. Nevertheless, the Meeting Secretary explained that the problem experienced by the shareholders was related to the Central Registry Agency system and that they contacted related people for the correction of the system and that the problem was resolved and the voting for the meeting chair election shall be held again. At the end of re-voting, the representative of Turkish Armed Forces Foundation, Prof. İsmail DEMİR was approved with the majority of votes.

- 2) The Annual Report for the fiscal year 2019 prepared by the Board of Directors was read. The Meeting Chairman asked if there was anyone who would like to speak regarding the agenda. As there were no proposals, the negotiation of topic 3 of the agenda was passed on to.
- 3) The independent audit report with respect to 1 January – 31 December 2019 fiscal year prepared by the Independent External Audit Company Yeditepe Bağımsız Denetim A.Ş. was read.
- 4) The Consolidated Balance Sheet and Income Statement in compliance with the Communique of the Capital Markets Board with Serial:II and Number:14.1 with the Balance Sheet and the Income Statement in compliance with the General Communique on Accounting System Application were read. The Meeting Chairman asked if there was anyone who would like to speak regarding the agenda. The Meeting Chairman submitted the agenda for negotiation.

A question has been raised by Abdülkadir ERDOĞAN, one of the shareholders, about the fact that some brokerage firms made negative comments by looking only at the cash flow instead of positive details due to the fact that ASELSAN is realizing its receivables in the last quarter of the year. The Meeting Chairman stated that; there was no problem in the cash flow of the company, it is obvious that there was a strong cash flow to ASELSAN given the large projects and advances taken, the works undertaken by ASELSAN were large and future-oriented and that this is a positive for retail investors, therefore, there was no problem in the cash flow of the company. As there were no other proposals, the voting was started. As a result of the voting, the financial statements for the fiscal year 2019 were approved with 926.039.134,999 affirmative votes against 462.800 negative vote.

- 5) Acquittal of the members of Board of Directors on operations and accounts of the company for the fiscal year 2019 was put to voting. As a result of the voting, the members of Board of Directors were acquitted with 925.850.481,999 affirmative votes against 651.453 negative vote.
- 6) The Meeting Chairman had the Board of Directors' proposal for profit distribution, which was also included in the 2019 annual report, read and put to vote. Accordingly the proposal of the Board of Directors was accepted with 926.491.648,999 affirmative votes against 10.286 negative votes.

Accordingly, of the net profit generated by our company from its 2019 activities;

- In accordance with Article 519/(1) of the Turkish Commercial Code, General Legal Reserves amounting to TL 6.383.631,38 is going to be allocated,
- Out of net distributable profit to the shareholders for the period, calculated in the framework of the dividend distribution regulations and decisions of the Capital Markets Board, gross, TL 335.000.000,- (Kuruş 29,38596 per share of TL 1 and 29,38596% on the basis of the capital) (net TL 284.750.000,- Kuruş 24,97807 per share of TL 1 and 24,97807% on the basis of the capital) shall be distributed in the form of cash and TL 1.140.000.000,- shall be distributed as non paid-up share, which equals to 100% of the capital,
- In accordance with Article 519/(2) of the Turkish Commercial Code, General Legal Reserves amounting to TL 27.800.000,- is going to be allocated,
- The remaining profit is going to be allocated as Extraordinary Legal Reserves,

and distribution of the cash dividends to the shareholders will be distributed as of July 17, 2020, October 16, 2020, and December 18, 2020 in 3 equal installments and the non paid-up share will be distributed following the completion of the legal process.

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- 7) Regarding the election of the members of the Board of Directors; the proposal submitted by the Turkish Armed Forces Foundation Representative was read. It was decided with 846.193.774,999 affirmative votes against 80.308.160 negative votes that Mr. Haluk GÖRGÜN, Mr. Mehmet Fatih KACIR, Mr. Alpaslan KAVAKLIOĞLU, Mr. Celal Sami TÜFEKÇİ, Mr. Yavuz ÇELİK and Mr. Salih KUL would be elected to serve until the next ordinary general assembly.

Among the seven Independent Board of Member nominees, who were determined by the Board of Directors and approved by the Capital Markets Board and announced to the public in accordance with the Corporate Governance Principles; Mehmet ARIK has been rejected by the majority with 845.976.385,059 negative votes, Ercümend ARVAS has been approved with 846.183.325,999 affirmative votes, İbrahim ÖZKOL has been approved with 846.183.324,999 affirmative votes, Turan EROL has been approved with 846.183.774,999 affirmative votes, Ebru TÜMER KABADAYI has been rejected by the majority with 605.775.305.135,545 negative votes, Gökben KARAASLAN AKSOY has been rejected by the majority with 926.201.226,999 negative votes and Semih PALA has been rejected by the majority with 926.200.962,999 negative votes. Within this scope, Ercümend ARVAS, İbrahim ÖZKOL and Turan EROL, who received the highest votes, were elected to serve as Independent Members of the Board of Directors until the next ordinary general assembly.

- 8) Regarding the remuneration appraised for the Board of Directors Members, the proposal submitted by the Turkish Armed Forces Foundation Representative was read. As a result of the voting, it was decided with 876.635.287,999 affirmative votes against 49.866.647 negative votes that the payment of monthly net TL 4.000.- (four thousand Turkish Liras) would be made to the Board of Directors Members, to be effective starting from June 2020, valid until the Ordinary General Assembly Meeting, which shall be held in 2021 where the fiscal year 2020 activities shall be discussed.
- 9) As per the Capital Markets Board legislation, the proposal regarding the approval of the Independent External Audit Company chosen by the Board of Directors was read. As a result of the voting, it was decided with 846.029.512,999 affirmative votes against 80.472.422 negative votes that Yeditepe Bağımsız Denetim A.Ş., at the address “Fahrettin Kerim Gökay Cad. Okul Sokak No:1 Altunizade Sitesi E blok d:16 Altunizade-Üsküdar-İstanbul”, Üsküdar Tax Office’s tax number is 9460222817, Maltepe Chamber of Commerce’s registration number is 609033 and 0946022281700012 mersis number, which would be approved to perform the independent audit of our company for the 2020 fiscal year.
- 10) The letter of the Board of Directors regarding the information to be given with respect to the donations made in fiscal year 2019 and the income or interest gained by the guarantees, pledges, mortgages and warranties issued in favor of third parties was read. Pursuant to this, it was stated that between the dates 01.01.2019 and 31.12.2019; the group made a donation worth of TL 550.000,-, there were no income or interest gained from third parties and no pledges, mortgages and warranties issued in favor of third parties, and TL 18.231.014,- for ASELSAN Bilkent Mikro Nano Tek. San. ve Tic. A.Ş., TL 16.626.500,- and for ASELSAN Hassas Optik San. ve Tic. A.Ş. were given as per the guarantees issued in favor of third parties within 2019.
- 11) As per the Capital Markets regulations, the conclusion part of the report prepared by the Board of Directors was read, which was related to the comparison of the conditions of the transactions made in 2019 with the Presidency of Defense Industries (PDI) with the market conditions, since it was publicly disclosed on 25.02.2020. The conclusion part that was submitted to the information of the shareholders is given below.
- “Based on the Communiqué Serial: II, No: 17.1, the ratio of the amount of the Company's transactions with PDI in the accounting period to the revenue according to the last annual financial statements announced in the public procurement in the accounting period is more than 10% of the processes leading to the prediction of its arrival; Service and liability transfers in accordance with market conditions as specified in the contracts.”
- 12) As for the decisions to be taken with respect of the upper limit of the donations and aids to be provided in fiscal year 2020; the proposal submitted by the Turkish Armed Forces Foundation Representative was read. As a result of the voting, it was decided with 858.698.304,999 affirmative votes against

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67.803.630 negative votes that the company and the group companies would make donations and aid with an upper limit of total TL 15.000.000,- (Fifteen Million Turkish Liras) in 2020. The Turkish Armed Forces Foundation representative stated that one of the reasons for this high amount was that a large number of ventilation device donations made.

- 13)** As for the decisions to be taken with respect of the upper limit of the sponsorships to be made in fiscal year 2020; the proposal submitted by the Turkish Armed Forces Foundation Representative was read. As a result of the voting, it was decided with 858.698.304,999 affirmative votes against 67.803.630 negative votes that the Company would provide sponsorships with an upper limit of total TL 9.000.000,- (Nine Million Turkish Liras) in 2020.
- 14)** Board of Directors' letter regarding the subject that 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 may conduct a transaction with the corporation or subsidiaries thereof which may cause a conflict of interest and compete with them, was read. The shareholders were informed that there is no authorization regarding the subject that 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 may conduct a transaction with the corporation or subsidiaries thereof which may cause a conflict of interest and compete with them.
- 15)** The Meeting Chairman asked the Shareholders attending the General Assembly if they had any wishes or requests.

TAFF representative Prof. Dr. İsmail DEMİR took the floor and stated that;

"Dear shareholders and participants, I wish our 2019 Ordinary General Assembly meeting to be beneficial. May it come auspiciously to the board members who have just started their term of office, and I would like to thank those members, whose term has expired, for their services.

I would like to draw your attention to the fact that there is a little change in the management organization and that our members will continue their duties with their experiences. As we have all been following closely, ASELSAN has a remarkable growth trend especially in recent years, making us proud by advancing every year in company rankings both in our country and abroad. In 2019 company reached record sales and profitability, made very important deliveries for our country, and carried out important studies for localization / nationalization. Despite all the difficulties experienced while doing these, subcontractors have never been let down and maximum effort has been made for the continuity of the sector. In addition, due to the COVID-19 Pandemic experienced in our country together with the whole world, ASELSAN has also undertaken an important mission and prioritized the fulfillment of the needs in the field of health regardless of long working hours. With the recent developments, the strategic importance of ASELSAN, which is our crown jewel especially in defense sector, has been understood much more for our country. With the profit distribution we have just decided upon, we have once again seen that our valuable investors are with ASELSAN, just like ASELSAN has always been with them. As a result, I would like to thank the whole ASELSAN family for their devoted work, and I would like to emphasize once again my belief that their work will be carried forward with the same belief and determination. In addition, the increase of exports is a sign that ASELSAN will take larger steps for the future. I would like to state that ASELSAN will be at the forefront in the export rate in the future and we expect a performance that will make the whole country proud."

Shareholder, Murat AKBULUT, asked a question via the electronic platform regarding whether ASELSAN is working on autonomous vehicles planned to be produced in the future. Meeting Chairman stated: "These tools play a strategic role for the Presidency of Defense Industry, and in this context ASELSAN plays a major role and will continue to do so. ASELSAN has clear contributions in this process and this will continue increasingly, and while partners are known about domestic vehicles, ASELSAN will continue to develop technology in this field. There will be important works in the field of energy storage and battery at the Defense Industry Presidency and ASELSAN. The answer to this question is clear."

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Shareholder, Gökhan USKUAY, asked a question via the electronic platform regarding how COVID-19 will affect the net flow of ASELSAN. Meeting Chairman replied: "We do not expect any impact on this subject, deliveries and procurement processes continued in the defense industry, and the time shifts due to the pandemic will be minimal. For this reason, we anticipate that there will not be much impact other than that."

As there was no one that would like to speak, the Meeting Chairman expressed his gratitude on behalf of all shareholders to the Board of Directors members who resigned upon their completed term of office. He also thanked all employees, especially the members of the Board of Directors, for the performance of the company. He closed the meeting by stating that he anticipates that our Company's stock performance would find the value it deserved with the robust data that the Company has.

19.06.2020 ANKARA

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