

Message from the General Manager

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In 2019, we continued to grow our customer base. Our total customer deposits increased to TL 13,6 billion, while the outstanding balance of our Kiraz Account product, which played a major role in this increase, rose to TL 5,80 billion as of end-2019, jumping 275% year-on-year. Meanwhile, the number of Kiraz accounts totaled 140 thousand, up 125%.

Esteemed Stakeholders,

Fibabanka remains one of the young and dynamic players in the Turkish banking industry. In 2019, we continued to record new successes thanks to our banking products that add value to customers' lives with our "Agile thinking, agile solutions" and "Personal customer services" approaches. With its established business partnerships, the Bank maintained its sustainable profitability by consistently expanding its business volume. The professional management approach of our main shareholder, Fiba Group, was instrumental in the sustainable success we achieved in 2019.

Moving Our Corporate Structure Forward into the Future with Our Successful Financial Results

Pursuant to our performance targets and projections, we reported sound financial results in 2019. While Fibabanka's total assets reached TL 21,9 billion as of December 31, 2019, the Bank recorded an unconsolidated net profit of TL 212 million 7,82% over the previous year's figure and consolidated net profit of TL 215 million. During the year, our Bank remained focused on providing continuous support to the real economy and customers in diverse segments.

Fibabanka's total loan portfolio accounted for 71% of its total assets as of the year-end. In 2019, we continued to grow our customer base. Our total customer deposits increased to TL 13,6 billion, while the outstanding balance of our Kiraz Account product, which played a major role in this increase, rose to TL 5,80 billion as of end-2019, jumping 275% year-on-year. Meanwhile, the number of Kiraz accounts totaled 140 thousand, up 125%. Fibabanka's investment funds, another important product group, expanded to a total fund size of TL 1,5 billion with an active customer base of 4.335 as of year-end 2019. The Bank recorded a return on equity of 14,0% and a capital adequacy ratio of 19,6% at year's end.

Bolstering Our Financing Facilities

Fibabanka maintains strong collaborations with international creditors. In 2019, we increased the limit of the credit guarantee agreement that we have signed jointly with the European Investment Fund at end-2018 to support micro-enterprises under the European Union Programme for Employment and Social Innovation (EaSI) to EUR 40 million. We stay committed to supporting micro-enterprises that will play a key role in the future of Turkish economy.

Total Assets TL 21,9 billion

In line with our performance targets and projections, Fibabanka's total assets climbed to TL 21,9 billion, as we recorded solid financial results in the fiscal year 2019.

Further Expanding Our Business Partnership Ecosystem

During the year, we continued to put innovation at the heart of all our business processes. With our diversification approach, Fibabanka included e-commerce sites in its business partners' ecosystem that was already established in the technology, retail, food, clothing and consumer durables sectors, thereby boosting the number of touch points where we serve our customers to over 2.000. While providing high-quality service to its customers with 63 branch locations as of year-end 2019, Fibabanka increased its active customers to 788 thousand and its registered customers up to 1,7 million, rising 3,1 times over the last three years thanks to the contribution of the established ecosystem.

Consolidating Our Innovative Infrastructure

To get to know and understand our customers better, Fibabanka declared 2019 as the "Year of Data" and initiated the Data Transformation Program. With our big data and data science infrastructure investments, we started using artificial intelligence and machine learning algorithms. We established our Data Management Office and formed a team that only focused on this key area. Fibabanka's Data Management Office is taking major steps to increase our operational efficiency under the Big Data Centered Transformation project.



Ömer Mert
General Manager and
Board Member



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We completed the fiscal year 2019 successfully by maintaining our focus on strong capital, excellent customer experience and efficiency.

In line with our strategic priorities, our efforts continued apace to further improve the customer experience and stand beside our customers in all their financial decisions with our customer-centered perspective in 2019.

We also continued to invest in open banking, payment systems, machine learning, integrated data architecture and innovative financial technology via Fibabanka R&D Center in 2019.

Making Our Digital Channels Even Stronger

In line with our strategic priorities, our efforts continued apace to further improve the customer experience and stand beside our customers in all their financial decisions with our customer-centered perspective in 2019. We are focused on offering its customers ways to benefit from opportunities of the digital era and delivering a fast and easy banking experience. To this end, we renewed our Mobile and Internet Banking channels and our corporate website fibabanka.com.tr with a user-friendly interface and advanced functionality. 2019 was also a year when we made major investments in artificial intelligence technologies. Our artificial intelligence chat assistant Fi'bot responds to questions and transaction requests

quickly and securely via fibabanka.com.tr and Facebook Messenger. Fi'bot chats with all visitors of our website 24/7, whether they are Fibabanka customers or not.

Fibabanka's New Face: "Hızlı," Our Rabbit Mascot

In 2019, we launched an advertising campaign to ensure that our approach to provide fast and easy banking services is known to a wider customer base. Throughout the year, our Bank's new face, our rabbit mascot "Hızlı," played a leading role in promoting our banking products and services to a wider population.

Happy Employees Create Happy Customers

At Fibabanka, we are committed to creating value for our customers, employees and all our stakeholders. Being aware that we can only create happy customers with happy employees, we continued to invest in

human resources in 2019 by focusing on the development, satisfaction and happiness of our staff. Our employee value proposition, "You Set the Rule," was implemented in 2019, which encourages our employees to push their limits and to be open-minded and courageous across all areas of life. Additionally, Fibabanka continued to practice its performance-driven, diversity-focused and internal promotion-oriented, fair and transparent management policy which is based on equal opportunity. As a result of these various efforts, our employee satisfaction score ranks above the sector average, encouraging us to do even better in the future.

Fibabanka's Brand Will Continue to Rise

We completed the fiscal year 2019 successfully by maintaining our focus on strong capital, excellent customer experience and efficiency. I would like to express my sincere gratitude to all our stakeholders, especially our main shareholder Fiba Group for all their support throughout 2019. In the coming period, we will continue to provide our customers with the best experience by placing them at the heart of all our activities, create the highest value for all our stakeholders, and make investments to ensure happier Fibabanka employees.

Kind regards,



Ömer Mert
General Manager and
Board Member

Total
Deposits
**TL 13,6
billion**

In 2019, our total
customer deposits
increased to
TL 13,6 billion.