

EFSE invests EUR 20 million in DenizBank to expand financing to farmers in Turkey

Luxembourg and Istanbul, 10 July 2020 – The European Fund for Southeast Europe (EFSE) has provided a senior loan of EUR 20 million to partner DenizBank for on-lending to rural and agricultural businesses in Turkey. The investment aims to bolster the ability of this economically important but often underfunded segment to access the financing they need to maintain and grow operations, especially against the headwinds of the COVID-19 crisis.

DenizBank is the leading provider of agricultural finance in Turkey's private banking sector. The institution's strong presence in rural areas, nation-wide branch network, and significant agribusiness expertise makes it an optimal partner for EFSE to direct funding to underbanked agricultural entrepreneurs. This second EFSE loan to DenizBank aims to facilitate new financing for farmers in an environment otherwise made particularly difficult by the economic effects of the COVID-19 outbreak.

EFSE Board Chairman Christoph Tiskens said: "DenizBank's strategic focus on agricultural clients is right in line with EFSE's strategy of increasing financial inclusion in the region. The institution offers innovations such as digital technology, alternative distribution channels, and customized credit lines to expand farmers' access to finance. With this new investment, we are pleased to once again join forces with this valuable partner to strengthen the financial infrastructure that provides entrepreneurs with solid footing in turbulent times."

DenizBank Treasury and FI Group Executive Vice President Bora Böcügöz stated: "As we're all going through this challenging time, we appreciate the importance of agriculture once again and are working hard to strengthen the value chain there as much as possible and move it to the future. Proud to be the leading private bank in agricultural sector, we take it as our duty to create affordable and long-term financial solutions for producers to help manage their costs. With the loan from the EFSE, we will continue to stand by micro and small enterprises and entrepreneurs engaged in agriculture, livestock and agro-processing as well as SMEs carrying out their activities in rural areas by providing working capital and investment loans."

EFSE's continued support for its partners has been boosted by an additional generous contribution from the European Commission.

About EFSE

An impact investment fund established in 2005, the European Fund for Southeast Europe (EFSE) aims to foster economic development and prosperity in Southeast Europe and the Eastern Neighbourhood Region by investing in the success of micro and small enterprises as well as improved living conditions for private households. As access to financial services is key to developing this segment, EFSE focuses on helping local financial sectors strengthen their ability to provide responsible financing for this target group. Alongside its investment activities through local partners, EFSE

multiplies its impact through the EFSE Development Facility, which provides technical assistance, training, and other nonfinancial support to entrepreneurs and institutions.

EFSE was initiated by KfW Development Bank with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission. As the first public-private partnership of its kind, EFSE draws its capital from donor agencies, international financial institutions, and private institutional investors.

Finance in Motion GmbH, Germany, serves as EFSE's advisor and Hauck & Aufhäuser Fund Services S.A., Luxembourg, acts as manager. For more information on the European Fund for Southeast Europe, please visit: www.efse.lu For more information on Finance in Motion, please visit: www.finance-in-motion.com

About DenizBank

DenizBank started its journey when it was acquired by Zorlu Holding in 1997 from the Privatization Administration in the form of a banking license. The Bank's shares were acquired by Dexia, one of the leading finance groups of Europe in October 2006, and later by Sberbank, the largest bank of Russia, on September 28, 2012. As of July 31, 2019, the Bank was transferred to Emirates NBD, also among the largest institutions in its region.

Aiming to create a "financial supermarket", gathering various financial services under one roof, DenizBank Financial Services Group has 749 branches in total, including subsidiary branches and close to 14 thousand employees serving in 81 provinces of Turkey, five domestic and three international financial subsidiaries, six domestic non-financial subsidiaries and a branch in Bahrain. DenizYatırım, Deniz Real Estate Investment Trust, DenizPortfolio Management, DenizLeasing, DenizFactoring, Intertech, DenizKültür, Ekspres Bilgi İşlem ve Ticaret, Deniz Card Payment Systems, Açık Deniz Radio – TV and Bantaş are the group's domestic subsidiaries while Eurodeniz, DenizBank AG and DenizBank Moscow are its international subsidiaries.

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