

**DİLER YATIRIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

*(Convenience Translation of Financial Statements and Related Disclosures Originally Issued in Turkish)*

Gürel Yeminli Mali Müşavirlik ve  
Bağımsız Denetim Hizmetleri  
Anonim Şirketi

**March 17, 2023**

*This report contains "Independent Auditors' Report" comprising of 1 page and; "Unconsolidated Financial Statements and Related Disclosures" comprising of 89 pages.*

## INDEPENDENT AUDITOR’S REPORT

To the Board of Directors of **Diler Yatırım Bankası Anonim Şirketi**,

### A) **Report on the Audit of the Consolidated Financial Statements**

#### 1) **Opinion**

We have audited the financial statements **Diler Yatırım Bankası Anonim Şirketi** (“the Company”), which comprise the statement of financial position as at December 31, 2022 the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

The accompanying financial statements show the financial status of the Bank as of December 31, 2022, and its financial performance and cash flows for the period ending on the same date, including the "Accounting Practices of Banks and Custody of Documents" published in the Official Gazette dated November 1, 2006 and numbered 26333. Regulation on Procedures and Principles "and the Banking Regulation and banks by the Supervisory Board accounts and other regulations published for the record layout of the Banking Regulation and Supervision Agency (BRSA) circulars and descriptions and unregulated issues with which Turkey Financial Reporting Standards (TFRS), including the provisions; In accordance with the "BRSA Accounting and Financial Reporting Legislation", all aspects are presented fairly.

#### 2) **Basis for Opinion**

We did the audit by the BRSA dated 2 April 2015 29 314 numbered published in the Official Gazette "Regulation on Independent Audit of Banks" and the Public Oversight, Accounting and Auditing Standards Agency (ASA) is a part of Turkey Auditing Standards issued by the Independent Auditing Standards' Conducted in accordance with the BDS's. Our responsibilities under these Standards are explained in detail in the Independent Auditor's Responsibilities Regarding the Independent Audit of Financial Statements section of our report. We hereby declare that we are independent from the Company in accordance with the Code of Ethics for Independent Auditors issued by the POA (“Ethical Rules”) and independent auditing of financial statements. Other responsibilities regarding the Code of Ethics and the ethics covered by the legislation have also been fulfilled by us. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### 3) **Significant Audit Matters**

Without affecting the outcome of the report, it was deemed necessary to draw attention to the following issues.

i- The Bank has extended 95% of its cash loans and 100% of its non-cash loans to associated companies as of the balance sheet date.

ii- Diler Yatırım Bankası A.Ş., with the decision of the Banking Regulation and Supervision Agency dated 21.12.2017 and numbered 7650, instead of the TFRS 9 standard, which entered into force as of 01.01.2018, paragraph 6 of the article 9 of the Regulation on the Classification of Loans and the Procedures and Principles to be Separated for These. Within the framework of the regulation, the provisions can be set aside under Articles 10, 11, 13 and 15 of the Regulation.

#### 4) Key Audit Matters

Key audit matters are, in our professional judgment, the most important issues in the independent audit of the current period financial statements. Key audit issues have been handled within the framework of the independent audit of the financial statements as a whole. In forming our opinion on the financial statements, and we do not express a separate opinion on these issues.

Subject of Significant Audit	How the Subject Conducted in our Audit
<p>As of the end of 31 December 2022, the Bank's Receivables from Loans and Leases (Net) (Loans) balance amounted to TL 205,890 Thousand. The Bank has TL 1,201 Thousand of loans followed in non-performing accounts and specific provisions amounting to TL 1,201 Thousand. The Bank accounts for the classification and measurement of the balance of loans in accordance with the "Regulation on the Procedures and Principles Regarding the Determination of Loans by Banks and Provisions to be Set aside for These. Whether the Bank's balance of loans is in the status of non-performing/non-performing loans is made according to the Bank's management's evaluation and the provisions specified in the regulation. Here, it may be possible to make an error in the classification due to the fact that the management evaluation is not done correctly or the provisions of the regulation are applied incorrectly. Due to the relevant classification error, as well as non-compliance with other provisions of the regulation, there may be an incorrect allocation of impairment, therefore loans have been identified as a key audit matter.</p>	<p>The procedures we apply in order to control the classification of loans and receivables of the Bank in accordance with the BRSA legislation and the adequacy of the related provisions are presented below:</p> <p>We have tested and evaluated the design, implementation and operational efficiency of the controls that we consider important regarding the processes for detecting impairment of loans. In addition, in order to determine whether the loans were impaired or not, a loan file review study was carried out on the samples we selected to determine the impairment by evaluating the Bank's policies and the payment capabilities of loan customers were reviewed. The classification of loans was checked by performing tests on the sample set we determined based on our professional experience and audit methodology, and the compliance of the recalculation of special provisions for loans with the legislation was tested on a sample basis. The compliance of the items subject to general loan provision calculation and the provision rates applied to them with the legislation has been tested. The compliance of the explanations and footnotes regarding the loans with the audited financial statements has been checked.</p>

## **5) Responsibility of the Banks Board of Directors**

The Bank's Board of Directors is responsible for establishing and maintaining effective internal control systems relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents published on the Official Gazette no.26333 dated November 1, 2006, Turkish Accounting Standards, Turkish Financial Reporting Standards and the statements and guidance published by the Banking Regulation and Supervision Agency (BRSA) on accounting and financial reporting principles.

Those responsible for top management are responsible for the oversight of the Bank's financial reporting process.

## **6) Responsibilities of the Independent Auditor Regarding the Independent Audit of the Financial Statements**

The responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance as to whether the financial statements as a whole contain material misstatement due to error or fraud, and to prepare an independent auditor report containing our opinion. Reasonable assurance given by the BRSA as a result of an independent audit conducted in accordance with the "Regulation on the Independent Audit of Banks" published in the Official Gazette No. 29314 dated April 2, 2015 and the IAS's; it is a high level of assurance but does not guarantee that an existing material misstatement will always be detected. Inaccuracies may be due to error or fraud. If the misstatements, individually or collectively, are reasonably expected to affect the economic decisions of financial statement users based on these statements, these misstatements are considered material.

We use our professional judgment and maintain our professional skepticism throughout the independent audit as required by the "Regulation on the Independent Audit of Banks" published by the BRSA in the Official Gazette No. 29314 and the IAS's. We also:

- Errors in the financial statements or welded cheating "major mistake" risks are identified and evaluated; audit procedures that are designed and implemented in response to these risks and adequate and appropriate audit evidence to form the basis for our opinion is obtained. (The risk of not detecting a significant error caused by fraud is higher than the risk of not detecting a significant error arising from the error, as the fraud may involve misconduct, fraud, intentional negligence, false statement or internal control violations.)
- Internal control related to the audit is evaluated not in order to express an opinion on the effectiveness of the Bank's internal control, but in order to design audit procedures appropriate to the situation.
- The appropriateness of the accounting policies used by the management and the accounting estimates made and the related disclosures are evaluated.

- Based on the audit evidence obtained, a conclusion is reached about whether there is a significant uncertainty regarding events or conditions that may cause serious doubt about the Bank's ability to continue its continuity and about the appropriateness of the management to use the continuity principle. If we come to the conclusion that there is a significant uncertainty, we need to draw attention to the relevant explanations in the financial statements in our report or, if these explanations are insufficient, we should give an opinion other than positive opinion. Our conclusions are based on the audit evidence obtained until the date of the independent auditor's report. However, future events or conditions may terminate the continuity of the Bank.
- It is evaluated whether the financial statements, including the explanations, reflect the general presentation, structure and content of these tables in a way that will enable the presentation of the underlying transactions and events in a manner that provides a fair presentation.

Among other things, we report the planned scope and timing of the independent audit as well as the significant audit findings to those responsible for the senior management, including the significant internal control deficiencies we identified during the audit.

We have reported to those responsible for senior management that we comply with ethical requirements regarding independence. In addition, we have communicated all relations and other issues that may be considered to have an impact on independence and, if any, measures to those responsible for senior management.

Among the issues notified to those responsible for senior management, we identify the most important issues in the independent audit of the consolidated financial statements for the current period, ie the key audit issues. In cases where the legislation does not permit the disclosure of the matter, or in exceptional cases where it is reasonably expected that the negative consequences of public disclosure will be exceeded by the public interest, we may decide not to report the matter in our independent auditor report.

**B) Other Liabilities Arising from the Legislation**

In accordance with the fourth paragraph of Article 402 of the TCC; In the accounting period of 1 January - 31 December 2022, no significant matter has been observed regarding the incompatibility of the bookkeeping order, financial statements of the Bank with the provisions regarding financial reporting of the TCC and the Bank's articles of association.

In accordance with the fourth paragraph of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided the requested documents within the context of the audit.

The responsible auditor who executes and finalizes this independent audit is **Metin ETKİN**.

**AN INDEPENDENT MEMBER OF BAKER TILLY INTERNATIONAL  
GÜRELİ YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM HİZMETLERİ A.Ş.**

**Metin ETKİN**  
**Responsible Auditor, CPA**

**İstanbul, 17.03.2023**

**DİLER YATIRIM BANKASI ANONİM ŞİRKETİ**  
**FINANCIAL REPORT AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

Address : Eski Büyükdere Cad. No:1 Maslak No/1 Plaza Kat:3  
34485 Maslak / İstanbul

Telephone : 0 212 253 66 30

Fax : 0 212 253 94 54

Electronic web site : [www.dilerbank.com.tr](http://www.dilerbank.com.tr)

E-mail adress : [e.aydin@dilerbank.com.tr](mailto:e.aydin@dilerbank.com.tr)

The unconsolidated financial report prepared in accordance with the "Communiqué on Financial Statements to be Announced to the Public by Banks and Related Disclosures and Footnotes" issued by the Banking Regulation and Supervision Agency consists of the following sections.

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- ACCOUNTING POLICIES
- FINANCIAL POSITION AND RESULTS OF OPERATIONS OF THE BANK
- DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER DISCLOSURES
- INDEPENDENT AUDITORS' REPORT

The financial statements, related disclosures and footnotes that were subject to independent audit, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidances and in compliance with the financial records of our Bank. Unless stated otherwise, the accompanying unconsolidated financial statements are presented in thousands of Turkish Lira (TRY).

**Ahmet ERTUĞRUL**

Board of Directors Chairman

**Ömür CANTÜRK**

Board Member &  
General Manager

**Erdal AYDIN**

Financial Reporting  
Manager

**İbrahim PEKTAŞ**

Audit Committee  
Member

**Ömer Faruk MİRAS**

Audit Committee  
Member

The authorized contact person for questions regarding this financial report:k

**Name-Surname/Title** : Erdal Aydın / Financial Reporting Manager

**Phone No** : 0 212 253 66 30 (1805)

**Fax No** : 0 212 253 94 54

# CONTENTS

	<b>Page No</b>
<b>SECTION ONE</b>	
<b>General Information</b>	
I. History of the Bank including its incorporation date, initial legal status, amendments to legal status	1
II. Bank's shareholder structure, management and internal audit, direct and indirect shareholders, change in shareholder structure during the year and information on Bank's risk group	1
III. Information on the Bank's board of directors chairman and members, audit committee members, general manager, executive vice presidents, change in top management, their shareholdings and responsibility areas in the bank	2
IV. Information on Bank's qualified shareholders	2
V. Summary information on the Bank's activities and services	2
VI. Brief explanation on the differences between the consolidation transactions performed under the Communiqué on Preparation of Banks' Consolidated Financial Statements and the consolidation transactions performed in accordance with the Turkish Accounting Standards, as well as the corporations subjected to full consolidation or proportionate consolidation, equity accounting or the corporations which are not covered by such three categories	3
VII. Of the transfer of own funds between the Bank and its subsidiaries immediately in front of or reimbursement of actual or potential liabilities, actual or legal obstacles	3
<b>SECTION TWO</b>	
<b>Unconsolidated Financial Statements</b>	
I. Balance Sheet	5
II. Off-balance Sheet Items	7
III. Income Statement	8
IV. Statement of income and expense items accounted in equity	9
V. Statement of changes in shareholders' equity	10
VI. Cash Flow Statement	11
VII. Statement of profit distribution	12
<b>SECTION THREE</b>	
<b>Accounting Policies</b>	
I. Basis of presentation	13
II. Strategy for use of financial instruments and foreign currency transactions	15
III. Forwards, options and other derivative transactions	16
IV. Interest income and expenses	16
V. Fees and commissions	16
VI. Financial assets	16
VII. Impairment of financial assets	20
VIII. Netting of financial instruments	20
IX. Repurchase and sale agreements and securities lending	20
X. Assets held for sale and discontinued operations	20
XI. Goodwill and other intangible assets	21
XII. Tangible assets	21
XIII. Leasing Activities	21
XIV. Provisions and contingent liabilities	21
XV. Obligations of the Bank concerning employee rights	22
XVI. Taxation	22
XVII. Funds borrowed	23
XVIII. Shares and share issuances	23
XIX. Confirmed bills of exchange and acceptances	23
XX. Government incentives	23
XXI. Segment reporting	23
XXII. Others	24
<b>SECTION FOUR</b>	
<b>Financial Position and Results of Operations</b>	
I. Equity items	25
II. Credit risk	27
III. Foreign currency exchange risk	35
IV. Interest rate risk	38
V. Securities position risk	41
VI. Liquidity risk	41
VII. Leverage ratio risk	48
VIII. Fair values of financial assets and liabilities	49
IX. Transactions carried out on behalf of customers, items held in trust	49
X. Public disclosures on Risk Management by Banks	50
<b>SECTION FIVE</b>	
<b>Disclosures and Footnotes on Unconsolidated Financial Statements</b>	
I. Assets	65
II. Liabilities	74
III. Off-balance sheet items	78
IV. Income Statement	80
V. Statement of changes in shareholders' equity	81
VI. Cash flow statement	84
VII. The Bank's risk group	85
VIII. Domestic, foreign and off-shore branches and foreign representative offices	87
<b>SECTION SIX</b>	
<b>Other Disclosures and Footnotes</b>	
I. Other disclosures on the activities of the Bank	88
II. Fees for services obtained from independent auditor/ independent audit firm	88
<b>SECTION SEVEN</b>	
<b>Independent Auditor's Report</b>	
I. Disclosures on Independent Auditors' Report	89
II. Comments and disclosures prepared by independent auditor	89
III. Events after the reporting date	89





## SECTION ONE

### General Information

#### I. History of the Bank including its incorporation date, initial legal status, amendments to legal status:

The establishment of Diler Yatırım Bankası A.Ş. ("The Bank") was permitted by the Council of Ministers' decree dated 28/06/1998 and numbered 98/11464, and the decision was published in the Official Gazette numbered 13 August 1998.

Established as a Development and Investment Bank, the Bank was registered on 1 October 1998 and the Bank's Articles of Association was published in the Trade Registry Gazette dated 5 October 1998. There has been no change in its name or status from its establishment to the current period.

#### II. The Bank's shareholding structure, management and internal audit, direct and indirect shareholders, change in shareholder structure during the year and information on Bank's risk group :

Paid-in share capital of the Bank is TRY 60,000 (Sixty thousands Turkish Liras), which is composed of 6.000.000 shares where each has a nominal value of TRY 10.

Shareholders	Number of Shares	Nominal Value of the Shares	Share Percentage(%)
Yazıcı Demir Çelik San.ve Turizm Tic. A.Ş.	2,400,000	24,000	40.000
Fatma Tuba Yazıcı	1,603,125	16,032	26.718
Ömer Mustafa Yazıcı	365,625	3,656	6.094
Samim Yazıcı	365,625	3,656	6.094
Eren Sami Yazıcı	365,625	3,656	6.094
Diler Dış Ticaret A.Ş.	300,000	3,000	5.000
Diler Holding A.Ş.	300,000	3,000	5.000
Fuat Miras	300,000	3,000	5.000
<b>TOTAL</b>	<b>6,000,000</b>	<b>60,000</b>	<b>100.000</b>

There were no change in the Bank's shareholder's structure in current period.

Diler Yatırım Bankası A.Ş is a member of Diler Group.

Diler Holding was established in 1949, operating in the iron and steel industry. In addition to the iron and steel industry, Diler Holding operates in a variety of businesses consisting of foreign trade, shipping, and construction and contracting, tourism, textile and financial services and is one of the leading groups of Turkey.

**III. Information on the Bank’s board of directors chairman and members, audit committee members, general manager, vice general manager, their shareholdings and responsibility areas in the Bank :**

Name Surname	Title	Appointment Date	Education
<b>Member of Board of Directors and Audit Committee and General Manager</b>			
Ahmet Ertuğrul	Chairman of Board of Directors	08.04.2022	Graduate
İbrahim Pektaş	Vice President of B.O.D & Member of Audit Committee	08.04.2022 08.04.2022	Graduate
Ömer Faruk Miras	Member of B.O.D and Audit Committee	08.04.2022 08.04.2022	Undergraduate
Ali Akın Tarı	Member of B.O.D.	08.04.2022	Undergraduate
Özcan Ertuna	Member of B.O.D.	08.04.2022	Graduate
Ömür Cantürk (***)	Member OF B.O.D. & General Manager	15.02.2016 08.04.2022	Undergradaute
<b>Vice General Managers (**)</b>			
Erdal Aydın	Financial Control & Reporting/ Director	09.03.1999	Undergraduate
İlhami Bahçekapılı	Operation / Manager	01.12.1998	Graduate

(\*)The appointment dates of the Members of the Board of Directors are the date of the General Assembly held in 2022.

(\*\*)Prepared according to the 5411 numbered Banking Law’s 25th claus’ second paragraph.

(\*\*\*) The appointment date of Ömür Cantürk as the General Manager is 15.02.2016, and the date of re-election as a Member of the Board of Directors is 08.04.2022.

The top management listed above do not hold any shares of the Bank.

**IV. Information on the Bank’s qualified shareholders :**

Name Surname/ Title	Share Amount	Share Percentage	Paid-in Capital	Unpaid Capital
Yazıcı Demir Çelik San. ve Turizm Tic. A.Ş.	2,400,000	%40.00	24,000	-
Fatma Tuba Yazıcı	1,603,125	%26.72	16,032	-
<b>Total</b>	<b>4,003,125</b>	<b>%66.72</b>	<b>40,032</b>	<b>-</b>

**V. Summary information on the bank’s activities and services :**

The bank performs all banking procedures as allowed by the statute for development and investment banks. Major business sectors-cash, non-cash transactions of all kinds and by any means of lending, cash and record the payment and fund transfer transactions, leasing transactions, the purchase and sale of capital market instruments, money market instruments, buying and selling, buying and selling futures contracts denominated in foreign currencies and other consultancy services. According to the banks founding status, the bank is not allowed to accept deposits.

The financial informations included in this financial report was prepared with the money unit “One Thousand Turkish Lira”.

**VI. Brief explanation on the differences between the consolidation transactions performed under the Communiqué on Preparation of Banks' Consolidated Financial Statements and the consolidation transactions performed in accordance with the Turkish Accounting Standards, as well as the corporations subjected to full consolidation or proportionate consolidation, equity accounting or the corporations which are not covered by such three categories:**

In accordance with the Communiqué on the Preparation of Consolidated Financial Statements of Banks, the Bank has no obligation to prepare consolidated financial statements as of 31 December 2022.

**VII. The transfer of own funds between the Bank and its subsidiaries immediately in front of or reimbursement of actual or potential liabilities, actual or legal obstacles:**

The Bank has no subsidiaries as of December 31, 2022.

## **SECTION TWO**

### **Unconsolidated Financial Statements**

- I.** Balance Sheet
- II.** Off-balance Sheet Items
- III.** Income Statement
- IV.** Statement of income and expense items accounted in equity
- V.** Statement of changes in shareholders' equity
- VI.** Cash Flow Statement
- VII.** Statement of profit distribution

**DİLER YATIRIM BANKASI A.Ş.**  
Unconsolidated Financial Report  
For the year ended December 31, 2022  
(Currency:Thousands of Turkish Lira (TRY))

<b>DİLER YATIRIM BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET ( Financial Status Statement )</b>							
<b>ASSETS</b>		Thousands of Turkish Lira					
		Audited Current Period (31/12/2022)			Audited Previous Period (31/12/2021)		
		TRY	FC	Total	TRY	FC	Total
<b>I.</b>	<b>FINANCIAL ASSETS (Net)</b>	<b>41,744</b>	<b>22,762</b>	<b>64,506</b>	<b>37,561</b>	<b>15,277</b>	<b>52,838</b>
<b>1.1.</b>	<b>Cash</b>	<b>38,661</b>	<b>22,762</b>	<b>61,423</b>	<b>32,941</b>	<b>15,249</b>	<b>48,190</b>
1.1.1	Cash and Central Bank	553	503	1,056	374	4,329	4,703
1.1.2	Banks	96	22,259	22,355	20,062	10,920	30,982
1.1.3	Money Market Receivables	38,012	-	38,012	12,505	-	12,505
<b>1.2</b>	<b>Financial Assets at Fair Value Through Profit and Loss</b>	-	-	-	-	-	-
1.2.1	Government Debt Securities	-	-	-	-	-	-
1.2.2	Securities Represented by Share in Capital	-	-	-	-	-	-
1.2.3	Other Financial Assets	-	-	-	-	-	-
<b>1.3</b>	<b>Financial Assets at Fair Value Reflected in Other Comprehensive Income</b>	<b>3,083</b>	-	<b>3,083</b>	<b>3,125</b>	-	<b>3,125</b>
1.3.1	Government Debt Securities	-	-	-	-	-	-
1.3.2	Securities Represented by Share in Capital	160	-	160	160	-	160
1.3.3	Other Financial Assets	2,923	-	2,923	2,965	-	2,965
<b>1.4</b>	<b>Derivative Financial Asset</b>	-	-	-	<b>1,495</b>	<b>28</b>	<b>1,523</b>
1.4.1	Part of Derivative Financial Assets Reflected to Fair Value Difference Profit and Loss	-	-	-	1,495	28	1,523
1.4.2	Fair Value Difference of Derivative Financial Assets Reflected in Other Comprehensive Income	-	-	-	-	-	-
<b>II.</b>	<b>FINANCIAL ASSETS MEASURED BY AMENDED COST (Net)</b>	<b>160,246</b>	<b>45,644</b>	<b>205,890</b>	<b>111,052</b>	<b>53,386</b>	<b>164,438</b>
<b>2.1</b>	<b>Loans</b>	<b>154,052</b>	-	<b>154,052</b>	<b>103,534</b>	-	<b>103,534</b>
<b>2.2.</b>	<b>Receivables from Leasing Transactions</b>	<b>6,194</b>	<b>45,644</b>	<b>51,838</b>	<b>7,518</b>	<b>53,386</b>	<b>60,904</b>
<b>2.3</b>	<b>Factoring Receivables</b>	-	-	-	-	-	-
<b>2.4</b>	<b>Other Financial Assets Measured at Amortized Cost</b>	-	-	-	-	-	-
2.4.1	Government Debt Securities	-	-	-	-	-	-
2.4.2	Other Financial Assets	-	-	-	-	-	-
<b>2.5</b>	<b>Non-Performing Receivables</b>	<b>1,201</b>	-	<b>1,201</b>	<b>1,201</b>	-	<b>1,201</b>
<b>2.6</b>	<b>Special Provisions (-)</b>	<b>1,201</b>	-	<b>1,201</b>	<b>1,201</b>	-	<b>1,201</b>
<b>III.</b>	<b>FIXED ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>	-	-	-	-	-	-
3.1	For Sale	-	-	-	-	-	-
3.2	Discontinued Activities	-	-	-	-	-	-
<b>IV.</b>	<b>PARTNERSHIP INVESTMENTS</b>	-	-	-	-	-	-
<b>4.1</b>	<b>Affiliates (Net)</b>	-	-	-	-	-	-
4.1.1	Valued by Equity Method	-	-	-	-	-	-
4.1.2	Unconsolidated	-	-	-	-	-	-
<b>4.2</b>	<b>Subsidiaries (Net)</b>	-	-	-	-	-	-
4.2.1	Unconsolidated Financial Partnerships	-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Partnerships	-	-	-	-	-	-
<b>4.3</b>	<b>Joint Ventures (Net)</b>	-	-	-	-	-	-
4.3.1	Valued by Equity Method	-	-	-	-	-	-
4.3.2	Unconsolidated	-	-	-	-	-	-
<b>V.</b>	<b>TANGIBLE FIXED ASSETS (Net)</b>	<b>1,808</b>	-	<b>1,808</b>	<b>854</b>	-	<b>854</b>
<b>VI.</b>	<b>INTANGIBLE FIXED ASSETS (Net)</b>	<b>934</b>	-	<b>934</b>	<b>1,032</b>	-	<b>1,032</b>
6.1	Goodwill	-	-	-	-	-	-
6.2	Others	934	-	934	1,032	-	1,032
<b>VII</b>	<b>REAL ESTATES FOR INVESTMENT (Net)</b>	<b>3,471</b>	-	<b>3,471</b>	<b>3,471</b>	-	<b>3,471</b>
<b>VIII.</b>	<b>CURRENT TAX ASSET</b>	-	-	-	-	-	-
<b>IX.</b>	<b>DEFERRED TAX ASSET</b>	<b>495</b>	-	<b>495</b>	-	-	-
<b>X.</b>	<b>OTHERS</b>	<b>2,698</b>	<b>17,996</b>	<b>20,694</b>	<b>2,464</b>	<b>5,702</b>	<b>8,166</b>
	<b>TOTAL ASSETS</b>	<b>211,396</b>	<b>86,402</b>	<b>297,798</b>	<b>156,434</b>	<b>74,365</b>	<b>230,799</b>

The accompanying notes are an integral part of these unconsolidated financial statements.

DİLER YATIRIM BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET (Financial Status Statement)							
LIABILITIES		THOUSANDS OF TURKISH LIRA					
		Audited Current Period (31/12/2022)			Audited Previous Period (31/12/2021)		
		TRY	FC	Total	TRY	FC	Total
<b>I.</b>	<b>DEPOSITS</b>	-	-	-	-	-	-
<b>II.</b>	<b>LOANS RECEIVED</b>	-	-	-	-	-	-
<b>III.</b>	<b>PAYABLES TO MONEY MARKETS</b>	-	-	-	-	-	-
<b>IV.</b>	<b>SECURITIES (NET)</b>	-	-	-	-	-	-
4.1	BONDS	-	-	-	-	-	-
4.2	Asset Backed Securities	-	-	-	-	-	-
4.3	Tahviller	-	-	-	-	-	-
<b>V.</b>	<b>FUNDS</b>	<b>399</b>	<b>76,893</b>	<b>77,292</b>	<b>426</b>	<b>26,633</b>	<b>27,059</b>
5.1	Borrowed Funds	399	76,893	77,292	426	26,633	27,059
5.2	Others	-	-	-	-	-	-
<b>VI.</b>	<b>FINANCIAL LIABILITIES WITH FAIR VALUE THROUGH PROFIT AND LOSS</b>	-	-	-	-	-	-
<b>VII.</b>	<b>DERIVATIVE FINANCIAL LIABILITIES</b>	-	-	-	-	-	-
7.1	Derivative Financial Liabilities Reflected in Fair Value Difference to Profit and Loss	-	-	-	-	-	-
7.2	Fair Value Difference of Derivative Financial Liabilities Reflected in Other Comprehensive Income	-	-	-	-	-	-
<b>VIII.</b>	<b>FACTORING LIABILITIES</b>	-	-	-	-	-	-
<b>IX.</b>	<b>LEASING LIABILITIES (NET)</b>	-	-	-	-	-	-
<b>X.</b>	<b>PROVISIONS</b>	<b>16,380</b>	-	<b>16,380</b>	<b>7,953</b>	-	<b>7,953</b>
10.1	General Provisions	13,791	-	13,791	6,185	-	6,185
10.2	Restructuring Provisions	-	-	-	-	-	-
10.3	Employee Benefits Provisions	2,589	-	2,589	1,768	-	1,768
10.4	Insurance Provisions	-	-	-	-	-	-
10.5	Other Provisions	-	-	-	-	-	-
<b>XI.</b>	<b>CURRENT TAX LIABILITY</b>	<b>2,093</b>	-	<b>2,093</b>	<b>4,715</b>	-	<b>4,715</b>
<b>XII.</b>	<b>DEFERRED TAX LIABILITY</b>	-	-	-	<b>209</b>	-	<b>209</b>
<b>XIII.</b>	<b>LIABILITIES FOR ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)</b>	-	-	-	-	-	-
13.1	For Sale	-	-	-	-	-	-
13.2	Discontinued Operations	-	-	-	-	-	-
<b>XIV.</b>	<b>CAPITAL-LIKE DEBT INSTRUMENTS</b>	-	-	-	-	-	-
14.1	Loans	-	-	-	-	-	-
14.2	Other Debt Instruments	-	-	-	-	-	-
<b>XV.</b>	<b>OTHER LIABILITIES</b>	<b>462</b>	<b>85</b>	<b>547</b>	<b>107</b>	<b>60</b>	<b>167</b>
<b>XVI.</b>	<b>EQUITY</b>	<b>201,486</b>	-	<b>201,486</b>	<b>190,696</b>	-	<b>190,696</b>
<b>16.1</b>	<b>Paid-in capital</b>	<b>60,000</b>	-	<b>60,000</b>	<b>60,000</b>	-	<b>60,000</b>
<b>16.2</b>	<b>Capital Reserves</b>	<b>2,375</b>	-	<b>2,375</b>	<b>2,375</b>	-	<b>2,375</b>
16.2.1	Share Premium	-	-	-	-	-	-
16.2.2	Share Cancellation Profits	-	-	-	-	-	-
16.2.3	Other Capital Reserves	2,375	-	2,375	2,375	-	2,375
16.3	Other Accumulated Comprehensive Income or Expenses	-	-	-	-	-	-
16.4	Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss	-	-	-	(17)	-	(17)
<b>16.5</b>	<b>Profit Reserves</b>	<b>128,337</b>	-	<b>128,337</b>	<b>101,841</b>	-	<b>101,841</b>
16.5.1	Legal Reserves	6,671	-	6,671	5,347	-	5,347
16.5.2	Status Reserves	-	-	-	-	-	-
16.5.3	Extraordinary Reserves	121,666	-	121,666	96,494	-	96,494
16.5.4	Other Profit Reserves	-	-	-	-	-	-
<b>16.6</b>	<b>Profit or Loss</b>	<b>10,774</b>	-	<b>10,774</b>	<b>26,497</b>	-	<b>26,497</b>
16.6.1	Previous Years Profit / Loss	-	-	-	-	-	-
16.6.2	Current Period Net Profit / Loss	10,774	-	10,774	26,497	-	26,497
	<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>220,820</b>	<b>76,978</b>	<b>297,798</b>	<b>204,106</b>	<b>26,693</b>	<b>230,799</b>

The accompanying notes are an integral part of these unconsolidated financial statements.

**DİLER YATIRIM BANKASI A.Ş. UNCONSOLIDATED OFF BALANCE SHEET ITEMS**

OFF BALANCE SHEET ITEMS		THOUSAND OF TURKISH LIRA					
		Audited Current Period (31/12/2022)			Audited Previous Period (31/12/2021)		
		TRY	FC	Total	TRY	FC	Total
<b>A.</b>	<b>OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I-III)</b>	<b>1,041,013</b>	<b>149,454</b>	<b>1,190,467</b>	<b>254,799</b>	<b>110,249</b>	<b>365,048</b>
<b>I.</b>	<b>GUARANTEES AND SURETIES</b>	<b>1,041,013</b>	<b>149,454</b>	<b>1,190,467</b>	<b>240,154</b>	<b>67,880</b>	<b>308,034</b>
1.1.	Letters of Guarantee	1,041,013	83,409	1,124,422	240,154	11,674	251,828
1.1.1.	Guarantees Subject to State Tender Law	-	-	-	-	-	-
1.1.2.	Guarantees Given for Foreign Trade Operations	-	-	-	-	-	-
1.1.3.	Other Letters of Guarantee	1,041,013	83,409	1,124,422	240,154	11,674	251,828
1.2.	Bank Acceptances	-	-	-	-	-	-
1.2.1.	Import Letter of Acceptance	-	-	-	-	-	-
1.2.2.	Other Bank Acceptances	-	-	-	-	-	-
1.3.	Letters of Credit	-	-	-	-	-	-
1.3.1.	Documentary Letters of Credit	-	-	-	-	-	-
1.3.2.	Other Letters of Credit	-	-	-	-	-	-
1.4.	Guaranteed Prefinancings	-	-	-	-	-	-
1.5.	Endorsements	-	-	-	-	-	-
1.5.1.	Endorsements to the Central Bank of Turkey	-	-	-	-	-	-
1.5.2.	Other Endorsements	-	-	-	-	-	-
1.6.	Underwriting Commitments	-	-	-	-	-	-
1.7.	Factoring Related Guarantees	-	-	-	-	-	-
1.8.	Other Guarantees	-	66,045	66,045	-	56,206	56,206
1.9.	Other Sureties	-	-	-	-	-	-
<b>II.</b>	<b>COMMITMENTS</b>	-	-	-	-	-	-
2.1.	Irrevocable Commitments	-	-	-	-	-	-
2.1.1.	Asset Purchase Commitments	-	-	-	-	-	-
2.1.2.	Deposit Purchase and Sales Commitments	-	-	-	-	-	-
2.1.3.	Share Capital Commitments to Associates and Subsidiaries	-	-	-	-	-	-
2.1.4.	Loan Granting Commitments	-	-	-	-	-	-
2.1.5.	Securities Issuance Brokerage Commitments	-	-	-	-	-	-
2.1.6.	Commitments for Reserve Deposit Requirements	-	-	-	-	-	-
2.1.7.	Commitments for Cheque Payments	-	-	-	-	-	-
2.1.8.	Tax and Fund Obligations on Export Commitments	-	-	-	-	-	-
2.1.9.	Commitments for Credit Card Limits	-	-	-	-	-	-
2.1.10.	Commitments for Credit Cards and Banking Services Related Promotions	-	-	-	-	-	-
2.1.11.	Receivables from "Short" Sale Commitments on Securities	-	-	-	-	-	-
2.1.12.	Payables from "Short" Sale Commitments on Securities	-	-	-	-	-	-
2.1.13.	Other Irrevocable Commitments	-	-	-	-	-	-
2.2.	Revocable Commitments	-	-	-	-	-	-
2.2.1.	Revocable Loan Granting Commitments	-	-	-	-	-	-
2.2.2.	Other Revocable Commitments	-	-	-	-	-	-
<b>III.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>	-	-	-	<b>14,645</b>	<b>42,369</b>	<b>57,014</b>
3.1.	Derivative Financial Instruments Held for Risk Management	-	-	-	-	-	-
3.1.1.	Fair Value Hedges	-	-	-	-	-	-
3.1.2.	Cash Flow Hedges	-	-	-	-	-	-
3.1.3.	Net Foreign Investment Hedges	-	-	-	-	-	-
3.2.	Trading Derivatives	-	-	-	14,645	42,369	57,014
3.2.1.	Forward Foreign Currency Purchases/Sales	-	-	-	-	-	-
3.2.1.1.	Forward Foreign Currency Purchases	-	-	-	-	-	-
3.2.1.2.	Forward Foreign Currency Sales	-	-	-	-	-	-
3.2.2.	Currency and interest rate swaps	-	-	-	14,645	42,369	57,014
3.2.2.1.	Currency Swaps-Purchases	-	-	-	14,645	14,709	29,354
3.2.2.2.	Currency Swaps-Sales	-	-	-	-	27,660	27,660
3.2.2.3.	Interest Rate Swaps-Purchases	-	-	-	-	-	-
3.2.2.4.	Interest Rate Swaps-Sales	-	-	-	-	-	-
3.2.3.	Currency, Interest Rate and Security Options	-	-	-	-	-	-
3.2.3.1.	Currency Call Options	-	-	-	-	-	-
3.2.3.2.	Currency Put Options	-	-	-	-	-	-
3.2.3.3.	Interest Rate Call Options	-	-	-	-	-	-
3.2.3.4.	Interest Rate Put Options	-	-	-	-	-	-
3.2.3.5.	Security Call Options	-	-	-	-	-	-
3.2.3.6.	Security Put Options	-	-	-	-	-	-
3.2.4.	Currency Futures	-	-	-	-	-	-
3.2.4.1.	Currency Futures Purchases	-	-	-	-	-	-
3.2.4.2.	Currency Futures Sales	-	-	-	-	-	-
3.2.5.	Interest Rate Futures	-	-	-	-	-	-
3.2.5.1.	Interest Rate Futures Purchases	-	-	-	-	-	-
3.2.5.2.	Interest Rate Futures Sales	-	-	-	-	-	-
3.2.6.	Others	-	-	-	-	-	-
<b>B.</b>	<b>CUSTODY AND PLEDGED ITEMS (IV+V)</b>	<b>28,850</b>	-	<b>28,850</b>	<b>29,600</b>	-	<b>29,600</b>
<b>IV.</b>	<b>ITEMS HELD IN CUSTODY</b>	-	-	-	<b>750</b>	-	<b>750</b>
4.1.	Customers' Securities Held	-	-	-	-	-	-
4.2.	Investment Securities Held in Custody	-	-	-	-	-	-
4.3.	Checks Received for Collection	-	-	-	750	-	750
4.4.	Commercial Notes Received for Collection	-	-	-	-	-	-
4.5.	Other Assets Received for Collection	-	-	-	-	-	-
4.6.	Assets Received Through Public Offering	-	-	-	-	-	-
4.7.	Other Items Under Custody	-	-	-	-	-	-
4.8.	Custodians	-	-	-	-	-	-
<b>V.</b>	<b>PLEDGED ITEMS</b>	<b>28,850</b>	-	<b>28,850</b>	<b>28,850</b>	-	<b>28,850</b>
5.1.	Securities	-	-	-	-	-	-
5.2.	Guarantee Notes	850	-	850	850	-	850
5.3.	Commodities	-	-	-	-	-	-
5.4.	Warranties	-	-	-	-	-	-
5.5.	Real Estates	28,000	-	28,000	28,000	-	28,000
5.6.	Other Pledged Items	-	-	-	-	-	-
5.7.	Pledged Items-Depository	-	-	-	-	-	-
<b>VI.</b>	<b>CONFIRMED BILLS OF EXCHANGE AND SURETIES</b>	-	-	-	-	-	-
	<b>TOTAL OFF-BALANCE SHEET ITEMS (A+B)</b>	<b>1,069,863</b>	<b>149,454</b>	<b>1,219,317</b>	<b>284,399</b>	<b>110,249</b>	<b>394,648</b>



<b>DİLER YATIRIM BANKASI A.Ş. UNCONSOLIDATED INCOME STATEMENT</b>				
		Thousands of Turkish Lira		
INCOME AND EXPENSE ITEMS	Notes	Audited		
		Current Period		Audited
		01.01.2022 / 31.12.2022		Previous Period
				01.01.2021 / 31.12.2021
<b>I. INTEREST INCOME</b>		<b>31,171</b>		<b>27,764</b>
1.1 Interest Income on Loans		25,342		20,528
1.2 Interest Income on Reserve Deposits		1		5
1.3 Interest Income on Banks		108		1,199
1.4 Interest Income on Money Market Transactions		1,235		2,118
1.5 Interest Income on Securities Portfolio		301		628
1.5.1 Trading Financial Assets		-		-
1.5.2 Financial Assets Valued at Fair Value Through Profit or Loss		301		628
1.5.3 Financial Assets Available-for-Sale		-		-
1.6 Investments Held-to-Maturity		3,505		2,655
1.7 Financial Leasing Income		679		631
<b>II. INTEREST EXPENSE</b>		<b>63</b>		<b>138</b>
2.1 Interest on Deposits		-		-
2.2 Interest on Funds Borrowed		-		138
2.3 Interest on Money Market Transactions		-		-
2.4 Interest on Securities Issued		-		-
2.5 Other Interest Expenses		63		-
<b>III. NET INTEREST INCOME / EXPENSE [ I - II ]</b>		<b>31,108</b>		<b>27,626</b>
<b>IV. NET FEES AND COMMISSIONS INCOME / EXPENSE</b>		<b>1,132</b>		<b>(144)</b>
4.1 Fees And Commissions Received		2,784		859
4.1.1 Non-Cash Loans		2,782		858
4.1.2 Others		2		1
4.2 Fees And Commissions Paid		1,652		1,003
4.2.1 Non-Cash Loans		-		-
4.2.2 Others		1,652		1,003
<b>V. DIVIDEND INCOME</b>		<b>259</b>		<b>-</b>
<b>VI. NET TRADING INCOME/LOSS (Net)</b>		<b>12,553</b>		<b>21,207</b>
6.1 Capital Market Transactions Profit / Loss		-		-
6.2 Profit / Loss Arising From Derivatives		500		(1,805)
6.3 Foreign Exchange Gains/Losses		12,053		23,012
<b>VII. OTHER OPERATING INCOME</b>		<b>353</b>		<b>472</b>
<b>VIII. TOTAL OPERATING INCOME / EXPENSE(III+IV+V+VI+VII)</b>		<b>45,405</b>		<b>49,161</b>
<b>X. PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)</b>		<b>7,606</b>		<b>869</b>
<b>XI. EMPLOYEE EXPENSES (-)</b>		<b>9,181</b>		<b>5,215</b>
<b>XII. OTHER OPERATING EXPENSES (-)</b>		<b>12,385</b>		<b>7,395</b>
<b>XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X)</b>		<b>16,233</b>		<b>35,682</b>
<b>XIV. INCOME RESULTED FROM MERGERS</b>		<b>-</b>		<b>-</b>
<b>XV. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING METHOD</b>		<b>-</b>		<b>-</b>
<b>XVI. PROFIT / LOSS ON NET MONETARY POSITION</b>		<b>-</b>		<b>-</b>
<b>XVII. PROFIT/LOSS BEFORE TAXES (XI+XII+XIII+XIV)</b>		<b>16,233</b>		<b>35,682</b>
<b>XVIII. PROVISION FOR TAXES</b>		<b>(5,459)</b>		<b>(9,185)</b>
18.1. Provision for Current Tax		(6,163)		(8,851)
18.2. Provision for Deferred Tax		704		(334)
18.3. The Income effect of Deferred Taxes		-		-
<b>XIX. NET OPERATING PROFIT/LOSS AFTER TAXES (XV ± XVI)</b>		<b>10,774</b>		<b>26,497</b>
<b>XX. INCOME FROM DISCONTINUED OPERATIONS</b>		<b>-</b>		<b>-</b>
20.1. Income From Assets Held For Sale		-		-
20.2. Income From Sale Of Associates, Subsidiaries And Joint-Ventures		-		-
20.3. Others		-		-
<b>XXI. LOSS ON DISCONTINUED OPERATIONS (-)</b>		<b>-</b>		<b>-</b>
21.1. Loss On Assets Held For Sale		-		-
21.2. Loss On Sale Of Associates, Subsidiaries And Joint-Ventures		-		-
21.3. Others		-		-
<b>XXII. PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XVIII - XIX)</b>		<b>-</b>		<b>-</b>
<b>XXIII. PROVISION FOR TAXES ON DISCONTINUED OPERATIONS (±)</b>		<b>-</b>		<b>-</b>
23.1. Provision fo Current Tax		-		-
23.2. Provision fo Deferred Tax		-		-
23.3. <b>NET PROFIT/LOSS AFTER TAXES ON DISCONTINUED OPERATIONS (XX ± XXI)</b>		<b>-</b>		<b>-</b>
<b>XXIV. NET PROFIT/LOSS (XVII+XXII)</b>		<b>-</b>		<b>-</b>
<b>XXV. PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XVIII - XIX)</b>		<b>10,774</b>		<b>26,497</b>
Earnings per share (TRY full)				

The accompanying notes are an integral part of these unconsolidated financial statements.

<b>DİLER YATIRIM BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>		<b>Thousands of Turkish Lira</b>	
		<b>Audited Current Period 01.01.2022 / 31.12.2022</b>	<b>Audited Previous Period 01.01.2021 / 31.12.2021</b>
<b>PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT</b>			
<b>I.</b>	<b>PROFIT / LOSS</b>	<b>10,774</b>	<b>26,497</b>
<b>II.</b>	<b>OTHER COMPREHENSIVE INCOME</b>	<b>17</b>	<b>(6)</b>
<b>2.1</b>	<b>Profit Or Loss that will not be reclassified</b>	<b>-</b>	<b>-</b>
2.1.1	Tangible Fixed Assets Revaluation Increase / Decrease	-	-
2.1.2	Intangible Fixed Assets Revaluation Increase / Decrease	-	-
2.1.3	Defined Benefit Plans Remeasurement Gains / Losses	-	-
2.1.4	Other Comprehensive Income Items That Will Not Be Reclassified As Other Profit or Loss	-	-
2.1.5	Taxes Relating To Other Comprehensive Income That Will Not Be Reclassified To Profit or Loss	-	-
<b>2.2</b>	<b>Profit or Loss to be reclassified</b>	<b>17</b>	<b>(6)</b>
2.2.1	Foreign Currency Translation Differences	-	-
2.2.2.	Valuation and / or Classification Income / Expenses of Financial Assets with Fair Value Difference Reflected in Other Comprehensive Income	-	-
2.2.3	Cash Flow Hedge Income / Expenses	-	-
2.2.4	Income / Expenses for Hedging Income from Business Abroad	-	-
2.2.5	Other Comprehensive Items of Income to be Reclassified as Other Profit or Loss	<b>17</b>	<b>(6)</b>
2.2.6	Taxes Relating to Other Comprehensive Income to be Reclassified to Profit or Loss	-	-
<b>III.</b>	<b>TOTAL COMPREHENSIVE INCOME (I + II)</b>	<b>10,791</b>	<b>26,491</b>

The accompanying notes are an integral part of these unconsolidated financial statements.

**DİLER YATIRIM BANKASI A.Ş. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

Thousands of Turkish Lira

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-In Capital	Share Premiums	Share Cancellation Profits	Legal Reserves	Other Accumulated Comprehensive Income and Expenses That Will Not Be Reclassified Through Profit or Loss			Other Accumulated Comprehensive Income and Expenses That Will Be Reclassified Through Profit or Loss			Profit Reserves	Previous Period Profit/(Loss)	Current Period Net Profit or Loss	Total Shareholders' equity
					1	2	3	4	5	6				
<b>PREVIOUS PERIOD</b>														
(31/12/2021)														
<b>I. Balances At Beginning Of The Period</b>	<b>60,000</b>	-	-	<b>2,375</b>	-	-	-	-	-	<b>(11)</b>	<b>94,023</b>	<b>7,818</b>	-	<b>164,205</b>
<b>II. Correction Made As Per TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect Of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect Of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Adjusted Balances At Beginning Of The Period (I+II)</b>	<b>60,000</b>	-	-	<b>2,375</b>	-	-	-	-	-	<b>(11)</b>	<b>94,023</b>	<b>7,818</b>	-	<b>164,205</b>
<b>IV. Total Comprehensive Income</b>	-	-	-	-	-	-	-	-	-	<b>(6)</b>	-	-	<b>26,497</b>	<b>26,491</b>
<b>V. Cash Capital Increase</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VI. Capital Increase from Internal Resources</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Paid-in Capital Inflation Adjustment Difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible Bonds to Stocks</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated Debt Instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Increase / Decrease due to Other Changes</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI. Profit Distribution</b>	-	-	-	-	-	-	-	-	-	-	<b>7,818</b>	<b>(7,818)</b>	-	-
11.1 Dividend Distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Amounts Transferred to Reserves	-	-	-	-	-	-	-	-	-	-	7,818	(7,818)	-	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>End of Period Balance (III + IV + .... + X + XI)</b>	<b>60,000</b>	-	-	<b>2,375</b>	-	-	-	-	-	<b>(17)</b>	<b>101,841</b>	-	<b>26,497</b>	<b>190,696</b>
<b>CURRENT PERIOD</b>														
(31/12/2022)														
<b>I. Balances At Beginning Of The Period</b>	<b>60,000</b>	-	-	<b>2,375</b>	-	-	-	-	-	<b>(17)</b>	<b>101,841</b>	-	<b>26,497</b>	<b>190,696</b>
<b>II. Correction Made As Per TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect Of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect Of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Adjusted Balances At Beginning Of The Period (I+II)</b>	<b>60,000</b>	-	-	<b>2,375</b>	-	-	-	-	-	<b>(17)</b>	<b>101,841</b>	-	<b>26,497</b>	<b>190,696</b>
<b>IV. Total Comprehensive Income</b>	-	-	-	-	-	-	-	-	-	<b>17</b>	-	-	<b>10,774</b>	<b>10,791</b>
<b>V. Cash Capital Increase</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VI. Capital Increase from Internal Resources</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Paid-in Capital Inflation Adjustment Difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible Bonds to Stocks</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated Debt Instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Increase / Decrease due to Other Changes</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI. Profit Distribution</b>	-	-	-	-	-	-	-	-	-	-	<b>26,497</b>	-	<b>(26,497)</b>	-
11.1 Dividend Distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Amounts Transferred to Reserves	-	-	-	-	-	-	-	-	-	-	26,497	-	(26,497)	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>End of Period Balance (III + IV + .... + X + XI)</b>	<b>60,000</b>	-	-	<b>2,375</b>	-	-	-	-	-	-	<b>128,338</b>	-	<b>10,774</b>	<b>201,487</b>

The accompanying notes are an integral part of these unconsolidated financial statements.

1. Fixed assets accumulated revaluation increases / decreases,
2. The accumulated remeasurement gains / losses of defined benefit plans,
3. Other (The shares of investments valued by equity method that will not be classified in profit / loss and the accumulated amounts of other comprehensive income items that will not be reclassified as other profit or loss)
4. Foreign currency translation differences,
5. Accumulated revaluation and / or classification gains / losses of financial assets at fair value through other comprehensive income,
6. Other (Cash flow hedging gains / losses, the shares to be classified in profit / loss from other comprehensive income of investments valued by equity method and the accumulated amounts of other comprehensive income items to be reclassified as other profit or loss).

<b>DİLER YATIRIM BANKASI A.Ş. UNCONSOLIDATED CASH FLOW STATEMENT</b>			
		<b>THOUSANDS OF TURKISH LIRA</b>	
		<b>CURRENT PERIOD (31/12/2022)</b>	<b>PREVIOUS PERIOD (31/12/2021)</b>
<b>A.</b>	<b>CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1</b>	<b>Operating Profit Before Changes in Operating Assets And Liabilities</b>	<b>11,946</b>	<b>14,816</b>
1.1.1	Interests Received (+)	31,164	27,622
1.1.2	Interests Paid (-)	(63)	(138)
1.1.3	Dividend Received (+)	259	-
1.1.4	Fees And Commissions Received (+)	2,784	859
1.1.5	Other Income (+)	14,429	20,098
1.1.6	Collections From Previously Written-Off Loans And Other Receivables (+)	-	-
1.1.7	Payments To Personnel And Service Suppliers (-)	(9,181)	(5,215)
1.1.8	Taxes Paid (-)	(11,095)	(6,270)
1.1.9	Others (+/-)	(16,351)	(22,140)
<b>1.2</b>	<b>Changes in Operating Assets And Liabilities</b>	<b>(4,493)</b>	<b>(71,807)</b>
1.2.1	Net (Increase ) Decrease in Financial Assets At Fair Value Through Profit Or Loss	(1,523)	1,581
1.2.2	Net (Increase ) Decrease in Due From Banks	-	-
1.2.3	Net (Increase ) Decrease in Loans	(41,434)	(66,496)
1.2.4	Net (Increase ) Decrease in Other Assets	(12,980)	6,026
1.2.5	Net Increase (Decrease) in Bank Deposits	-	-
1.2.6	Net Increase (Decrease) in Other Deposits	50,233	14,336
1.2.7	Net (Increase ) Decrease in Financial Assets At Fair Value Through Profit Or Loss	-	-
1.2.8	Net Increase (Decrease) in Funds Borrowed	-	(27,858)
1.2.9	Net Increase (Decrease) in Matured Payables	-	-
1.2.10	Net Increase (Decrease) in Other Liabilities	1,211	604
<b>I.</b>	<b>Net Cash Flow From Banking Operations</b>	<b>7,453</b>	<b>(56,991)</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II.</b>	<b>Net Cash Flow From Investing Activities</b>	<b>(736)</b>	<b>4,811</b>
2.1		-	-
2.2	Acquired Affiliates, Subsidiaries and Joint Ventures (Joint Ventures)	-	-
2.3	Divested Subsidiaries, Subsidiaries and Joint Ventures (Joint Ventures)	(1,607)	742
2.4	Securities and Real Estate Purchased	-	-
2.5	Securities and Real Estate Disposed (+)	-	-
2.6	Financial Assets at Fair Value Through Other Comprehensive Income	1,554	6,292
2.7	Financial Assets Discarded Fair Value Difference Reflected In Other Comprehensive Income	-	-
2.8	Financial Assets Measured at Amortized Cost Purchased	-	-
2.9	Financial Assets Measured at Amortized Cost	(683)	(739)
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III.</b>	<b>Net Cash Flow From Financing Activities</b>	<b>-</b>	<b>-</b>
3.1	Cash Obtained From Funds Borrowed And Securities Issued (+)	-	-
3.2	Cash Used For Repayment Of Funds Borrowed And Securities Issued (-)	-	-
3.3	Equity Instruments Issued (+)	-	-
3.4	Dividends Paid (-)	-	-
3.5	Payments For Financial Leases (-)	-	-
3.6	Others (+/-)	-	-
<b>IV.</b>	<b>Effect Of Change in Foreign Exchange Rate On Cash And Cash Equivalents (+/-)</b>	<b>6,516</b>	<b>16,717</b>
<b>V.</b>	<b>Net Increase in Cash And Cash Equivalents</b>	<b>13,233</b>	<b>(35,463)</b>
<b>VI.</b>	<b>Cash And Cash Equivalents At The Beginning Of The Period (+)</b>	<b>48,190</b>	<b>83,653</b>
<b>VII.</b>	<b>Cash And Cash Equivalents At The End Of The Period</b>	<b>61,423</b>	<b>48,190</b>

The accompanying notes are an integral part of these unconsolidated financial statements.

<b>STATEMENT OF PROFIT DISTRIBUTION</b>	<b>Current Period(*) 01.01.2022 - 31.12.2022</b>	<b>Previous Period(*) 01.01.2021 - 31.12.2021</b>
<b>I. DISTRIBUTION OF CURRENT YEAR PROFIT</b>		
1.1. CURRENT PERIOD PROFIT	<b>16,233</b>	<b>35,682</b>
1.2. TAXES AND LEGAL DUTIES PAYABLE (-)	<b>(5,459)</b>	<b>(9,185)</b>
1.2.1. Corporate Tax (Income Tax)	6,163	8,851
1.2.2. Withholding Tax	-	-
1.2.3. Other Daxes and Duties	(704)	334
<b>A. NET PROFIT FOR THE PERIOD (1.1-1.2)</b>	<b>10,774</b>	<b>26,497</b>
1.3. ACCUMULATED LOSSES (-)	-	-
1.4. FIRST LEGAL RESERVES (-)	-	-
1.5. OTHER STATUTORY RESERVES (-)	-	-
<b>B. NET PROFIT AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]</b>	<b>10,774</b>	<b>26,497</b>
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1. To Owners Of Ordinary Shares	-	-
1.6.2. To Owners Of Privileged Shares	-	-
1.6.3. To Owners Of Redeemed Shares	-	-
1.6.4. To Profit Sharing Bonds	-	-
1.6.5. To Holders Of Profit And Loss Sharing Certificates	-	-
1.7. DIVIDENDS TO PERSONNEL (-)	-	-
1.8. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9. SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1. To Owners Of Ordinary Shares	-	-
1.9.2. To Owners Of Privileged Shares	-	-
1.9.3. To Owners Of Redeemed Shares	-	-
1.9.4. To Profit Sharing Bonds	-	-
1.9.5. To Holders Of Profit And Loss Sharing Certificates	-	-
1.10. SECOND LEGAL RESERVES (-)	-	-
1.11. STATUS RESERVES (-)	-	-
1.12. EXTRAORDINARY RESERVES	-	-
1.13. OTHER RESERVES	-	-
1.14. SPECIAL FUNDS	-	-
<b>II. DISTRIBUTION OF RESERVES</b>		
2.1. APPROPRIATED RESERVES	-	-
2.2. SECOND LEGAL RESERVES (-)	-	-
2.3. DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1. To Owners Of Ordinary Shares	-	-
2.3.2. To Owners Of Privileged Shares	-	-
2.3.3. To Owners Of Redeemed Shares	-	-
2.3.4. To Profit Sharing Bonds	-	-
2.3.5. To Holders Of Profit And Loss Sharing Certificates	-	-
2.4. DIVIDENDS TO PERSONNEL (-)	-	-
2.5. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
<b>III. EARNINGS PER SHARE</b>		
3.1. TO OWNERS OF ORDINARY SHARES (TRY full)	<b>1.79</b>	<b>4.41</b>
3.2. TO OWNERS OF ORDINARY SHARES (%)	<b>17.96</b>	<b>44.16</b>
3.3. TO OWNERS OF PRIVILEGED SHARES	-	-
3.4. TO OWNERS OF PRIVILEGED SHARES (%)	-	-
<b>IV. DIVIDEND PER SHARE</b>		
4.1. TO OWNERS OF ORDINARY SHARES	-	-
4.2. TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3. TO OWNERS OF PRIVILEGED SHARES	-	-
4.4. TO OWNERS OF PRIVILEGED SHARES (%)	-	-

(\*)General Assembly is the authorized body of the Bank regarding the profit distribution of the current period and the decision regarding to profit distribution will be taken at General Assembly meeting.

The accompanying notes are an integral part of these unconsolidated financial statements.

## **SECTION THREE**

### **ACCOUNTING POLICIES**

#### **I. Basis of Presentation**

##### **1. The related disclosures and footnotes of Financial Statements in accordance with the regulations**

The unconsolidated financial statements are prepared by the Banking Regulation and Supervision Agency ("BRSA") and the provisions of the Regulation on the Procedures and Principles Regarding the Accounting Practices of Banks and Retaining Documents published in the Official Gazette dated November 1, 2006 and numbered 26333 regarding the Banking Law No. 5411. accounting and financial reporting regulations published on the principles, notification, explanation and Public Oversight circulars and issues not regulated by them, Accounting and Auditing Standards Board ( "UPS") by which was enacted Turkey Accounting Standards ( "IAS") and Turkey financial reporting Standards ("TFRS") (all of them "BRSA Accounting and Financial Reporting Legislation"). The format and content of the unconsolidated financial statements to be disclosed to the public and their explanations and footnotes are in accordance with the "Communiqué on Financial Statements to be Disclosed to the Public by Banks and the Related Disclosures and Footnotes" and "Communiqué on Public Disclosures on Risk Management by Banks" and the communiqués bringing additional and amendments to them. It was prepared as. The Bank keeps its accounting records in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish tax legislation.

The financial statements have been prepared in TL on the basis of historical cost, except for the financial assets and liabilities shown with their fair values.

#### **Explanations on TFRS 9 Financial Instruments Standard:**

TFRS 9 Financial Instruments" standard regarding the classification and measurement of financial instruments published by the Public Oversight Accounting and Auditing Standards Authority in the Official Gazette dated 19 January 2017 and numbered 29953, effective from January 1, 2018, "TAS 39 Financial Instruments: Accounting and Measurement "Has been started to be implemented instead of the standard.

All financial assets within the scope of TFRS 9 should be recognized at their amortized cost or fair value after initial recognition. In particular, debt instruments held within a business model that aims to collect contractual cash flows and debt instruments with contractual cash flows that include only principal and interest payments on principal balance are usually measured at amortized cost on subsequent accounting. The overall fair value change of debt instruments held in a business model that holds both contractual cash flows for the purpose of collecting and selling financial assets, and debt instruments that generate cash flows that include only principal and principal balance payments at certain dates, are generally subject to other comprehensive income. measured by projecting. All other debt instruments and equity instruments are measured at their fair values at the end of subsequent accounting periods. In addition, in accordance with TFRS 9, companies can make an irreversible choice to present the changes in the fair value of the investment made in the equity instrument not held for commercial purposes in other comprehensive income. Dividends from such investments are recognized as profit or loss, unless clearly recovering part of the cost of the investment.

**I. Basis of Presentation (more)**

**1. The related disclosures and footnotes of Financial Statements in accordance with the regulations (more)**

Within the framework of the Regulation on the Procedures and Principles Regarding the Classification of Loans and the Provisions to be Set aside with the decision of the Banking Regulation and Supervision Board dated 21 December 2017 and numbered 7650, the provisions of the Bank will be replaced by the 10th, 11th, 13th of the Regulation instead of TFRS 9. Separation is allowed under Articles 3 and 15. In this context, the Bank did not apply the provisions of TFRS 9 effective as of 1 January 2018 regarding the measurement of provisions.

**Classification and Measurement**

As of January 1, 2018, the Bank management evaluated the business models regarding which categories of financial instruments will be shown in TFRS 9.

As explained in Footnote I.e., unlisted stocks that are shown at fair value and classified as available-for-sale financial assets: These shares are classified as financial assets at fair value through other comprehensive income in accordance with TFRS 9.

Trade and other receivables shown at amortized cost (Footnote I.f): These are held within the scope of the business model that aims to collect contractual cash flows that include only principal and interest payments on the principal balance.

All other financial assets and liabilities will continue to be measured as currently accepted under TAS 39.

**Impairment:**

In accordance with the "Regulation on the Procedures and Principles of the Classification of Loans and the Provisions to be Allocated for These", which was published in the Official Gazette dated 22 June 2016 and numbered 29750, and entered into force as of January 1, 2018, within the framework of paragraph (6) of Article 9 of the Bank Regulation, allocated its provisions within the scope of general provisions articles (articles 10, 11, 13 and 15) of the Regulation instead of TFRS 9 to be set aside by banks that do not apply TFRS 9.

**Explanations on TFRS 15 Revenue from Customer Contracts Standard:**

TFRS 15 Revenue from Customer Contracts standard provides a single and comprehensive model and guide for the recording of revenue, replacing the TAS 18 Revenue standard. The standard entered into force on January 1, 2018 and does not have a significant impact on the financial statements of the Bank.

**TFRS 16 Leasing**

TFRS 16 Leasing Transactions standard eliminates the current practice for lessees, the dual accounting model of showing financial leasing transactions on balance sheet and operational leasing transactions off balance sheet. Instead, a single balance sheet-based accounting model is introduced, similar to current financial lease accounting. Accounting for lessees continues to be substantially similar to current practices. This standard will be valid for the annual accounting periods starting from January 1, 2019 and after, and it does not have a significant effect on the financial statements of the Bank.

## **I. Basis of Presentation (more)**

### **1. The related disclosures and footnotes of Financial Statements in accordance with the regulations (more)**

The accounting policies followed in the preparation of the financial statements and the valuation principles used were determined and applied in accordance with the regulations, communiqués, explanations and circulars issued by the BRSA regarding the principles of accounting and financial reporting and, in the absence of a special regulation by the BRSA, within the scope of TAS / TFRS. These accounting policies and valuation principles are explained in the footnotes II and XXII below.

## **II. Strategy for use of financial instruments and foreign currency transactions**

### **Strategy for the use of financial instruments**

The Bank's core operations are composed of commercial financing and trading activities under investment banking business and commercial banking services excluding accepting deposits under the banking business.

The Bank has mainly funded itself with its equity, and the Bank's funds are invested in high return and low risk assets. The Bank avoids from major concentration on specific customer types, geographical and industrial segments. The Bank establishes conservative loan analysis and credit risk controls that enables the Bank to determine possible loan losses and take prompt actions accordingly. The Bank has planned to keep its liquidity ratio over industry averages that enable the Bank to fulfill all of its matured liabilities on time. If required, the Bank is able to fund itself from the Central Bank of Turkey ("CBT"), domestic and foreign banks within defined limits.

Off balance sheet risk areas are forward exchanges, composed of non-cash loans and liabilities.

The Bank finances its placements mainly with short, medium or long term borrowings from domestic and foreign banks, borrower funds and with its equity. The Bank's funds are utilized on overnight placements, investment in securities and loan .

The interest structure of the Bank's interest bearing assets is allocated to minimize the effect of interest rate fluctuations. In the same manner, the Bank aims to square its foreign currency position within legal limitations, to minimize the effect of currency fluctuations. Those transactions are performed within the limits that BOD has determined.

The foreign currency position is monitored in line with the legal limitations and the Bank's internal control regulations. The foreign currency position is managed considering the market conditions by determining the balance of different foreign currency types.

### **Foreign currency transactions**

Foreign currency transactions are translated to TRY at foreign currency rates on the transaction dates. Foreign exchange gains and losses arising from foreign currency transactions are recorded in the same period. At the end of the periods, foreign currency assets and liabilities evaluated with foreign currency purchase rates are announced by the Central Bank of Turkey and the differences are recorded as foreign exchange gains or losses in the income statement.



### **III. Forwards, options and other derivative transactions**

The derivative transactions of the Bank mainly consist of forward foreign exchange purchase and sale transactions. In addition, money and interest swaps, cross currency swaps, futures transactions and options are also performed, albeit infrequently. The Bank makes derivative products for the purpose of economically hedging and classifies them as “Financial Assets with Fair Value Differences Reflected on Profit or Loss”.

Commitments arising from derivative transactions are recorded in off-balance sheet accounts at their contractual amounts. Derivative transactions are evaluated with their fair values in the periods following their registration and are shown in the balance sheet in derivative financial assets or derivative financial liabilities accounts, depending on whether the fair values are positive or negative. Differences that occur in the fair value of derivative financial assets as a result of the valuation are accounted under profit / loss from derivative financial transactions in the commercial profit / loss item in the income statement. The fair value of derivative instruments is calculated by taking into account their fair value in the market or by using the discounted cash flow model.

### **IV. Interest income and expenses**

Interest income and expenses are recognized on an accrual basis using the effective interest method (the rate that equates the future cash flows of the financial asset or liability to its current net book value).

### **V. Fees and commissions:**

Fees and commissions income and expenses are recorded on accrual basis. Fees and commissions paid for borrowed funds are recognized as transaction costs and amortized by using “effective interest rate method”. Other fees and commission expense relates mainly to transaction and service fees, which are expensed as the services are received.

Loans and receivables in accordance with the relevant legislation has become non-performing loans, interest accruals and accruals are reversed, are recognized as interest income only when collected.

### **VI. Financial Assets**

Financial instruments include financial assets, financial liabilities and derivative instruments. Financial instruments are included in the balance sheet of the Bank if the Bank is a legal party to that same financial instruments.

Financial assets basically form the commercial activities and operations of the Bank. These instruments have the ability to reveal, affect and reduce the liquidity, credit and interest risks in the financial statements.

Fair value is the value for which an asset can be exchanged for another asset or a commitment that can be fulfilled in markets where willing buyers and sellers come together. The fair value of a financial asset is equal to the amount that may be obtained from the sale or the debt that may arise from the purchase, in the presence of an active market.

Estimated fair values of financial assets are determined by the Bank. The bank uses the information about the market and the necessary valuation methods to determine the estimated fair values. The Bank also interprets the market data used while determining the fair value. For this reason, the estimates presented in this report may not be the exact values that the Bank can obtain in current market conditions if it disposes of its assets. It is assumed that the registered values of some financial instruments, which are equal to their cost values, are equal to their fair values due to their short-term nature.

## **VI. Financial Assets (more)**

The category in which financial instruments will be classified during initial recognition depends on the relevant business model used for management and the characteristics of the contractual cash flows.

### **1. Business Model aiming to hold financial assets in order to collect Contractual Cash Flows**

Financial assets held within the scope of a business model that aims to collect contractual cash flows are managed in order to collect the contractual cash flows that will occur during the life of these assets. Although the objective of the business model is to hold financial assets to collect contractual cash flows, not all of these instruments need to be held to maturity. Therefore, even in situations where there are financial asset sales or expected to occur in the future, the business model may be a model that aims to hold financial assets to collect contractual cash flows. Financial assets held under this business model are measured at amortized cost if the terms of the contract for the financial asset pass the cash flow test, which includes only principal and interest payments arising from the principal and principal balance, on the dates specified in the business model.

### **2. Business Model Aiming to Collect & Sell Contractual Cash Flows of Financial Assets:**

It is the business model that the bank keeps its financial assets for both collecting contractual cash flows and selling financial assets.

Financial assets held under this business model are accounted for under other comprehensive income if the terms of the contract for the financial asset pass the cash flow test that includes only principal and interest payments arising from the principal balance at the dates specified within the business model.

### **3. Other Business Models**

In case the Bank does not hold its financial assets within the scope of a business model aimed at collecting contractual cash flows or a business model aimed at collecting contractual cash flows and selling financial assets, these financial assets are measured by reflecting the fair value difference to profit or loss. Within the framework of its business model, the Bank makes its decisions on the basis of the fair value of the assets and manages the assets to obtain the aforementioned fair values. Therefore, if financial assets are held in order to obtain cash flows arising from their sales, the business model will result in the measurement of fair value changes by reflecting profit or loss.

### ***Measurement Categories of Financial Assets and Liabilities***

As of January 1, 2018, the Bank has classified all of its financial assets based on the business model used for the management of these assets. There are three methods for measuring financial assets in TFRS 9 Standard. These are;

- 1) Financial Assets Measured from their Amortized Cost
- 2) Fair Value Changes Measured in Other Comprehensive Income Financial Assets
- 3) Fair Value Change Financial Assets Measured in Profit or Loss

TFRS 9, paragraph 4 explains in detail how financial assets will be classified according to the methods explained in paragraph 1 and 2 above, and stated that the financial assets other than these should be classified by the method specified in Article 3.

#### **4. Financial Assets Measured from Amortized Cost:**

A financial asset is measured at amortized cost if the following two conditions are met:

- (a) the holding of the asset under a business model aimed at collecting contractual cash flows.
- (b) The contractual terms of the financial asset result in cash flows for making only principal and interest payments on the principal balance at specified dates.

Assets measured at amortized cost are loans and financial investments. Financial investments measured at amortized cost are accounted for with their discounted cost calculated using the effective interest method, after initial recording. Loans, on the other hand, are accounted for at their acquisition cost, and are valued at amortized cost using the effective interest method.

## **5. Fair Value Changes Recognized in Other Comprehensive Income Financial Assets**

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the holding of the financial asset under a business model that aims to collect the contractual cash flows and sell the financial asset;
- (b) The terms of the contract for the financial asset lead to cash flows at certain dates that include only principal and interest payments arising from the principal balance.

Gains or losses arising from a financial asset measured at fair value through other comprehensive income, other than impairment gains or losses and foreign exchange gains or losses, are recognized in other comprehensive income until the financial asset is derecognized or reclassified.

## **6. Fair Value Change Financial Assets Measured in Profit or Loss**

Pursuant to paragraph 4.1.4 of TFRS 9 Communiqué; If a financial asset is not measured at amortized cost or at fair value through other comprehensive income, it is measured at fair value through profit or loss. However, for certain investments in equity instruments that would normally be measured at fair value through profit or loss, an entity may irrevocably opt for the method of recognizing subsequent changes in fair value in other comprehensive income at initial recognition.

### **Cash & Banks**

Cash and bank balances in foreign currency are valued over the current period end counter rate. The current value of the cash, the effective warehouse and the deposits in the bank in the balance sheet are the fair values of these assets on the date of registration.

### **Loans**

Loans are financial assets that are created by providing money, goods or services to the borrower, have fixed or determinable payments and are not traded in an active market.

The first records of the loans and receivables are made with their fair values including the acquisition costs and subsequently they are valued with their discounted values using the internal yield method. Fees, transaction expenses and other expenses paid for the assets received as collateral for the loans are reflected in the profit / loss accounts.

Individual and corporate loans monitored within cash loans are accounted according to their original balances in the accounts specified in the Uniform Chart of Accounts ("THP") and Prospectus.

Foreign currency-indexed personal and commercial loans are converted to Turkish Lira from the opening date and followed in Turkish Lira ("TL") accounts, and in the following periods, increases or decreases in the principal amount of the loan are recorded in the income statement, depending on whether the relevant period exchange rates are above or below the starting rates. recorded in foreign exchange profit / loss accounts.

Repayments are calculated at the exchange rate at the repayment date, the resulting exchange differences are reflected in the foreign exchange profit / loss accounts in the income statement.

### **Subsidiaries & Affiliates**

The Bank does not have any subsidiaries or affiliates.

## **VII. Impairment of financial assets:**

Financial asset or group of financial assets are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, the Bank estimates the amount of impairment. Impairment loss incurs if, and only if, there is objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) (“loss event(s)”) incurred subsequent to recognition. Events that may occur in the future are recognized even if the probability of a loss is high.

If there is an objective evidence that certain loans will not be collected, for such loans; the Bank provides specific and general allowances for loan and other receivables classified in accordance with the Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables published on the Official Gazette no.26333 dated November 1, 2006. The allowances are recorded in the income statement of the related period.

## **VIII. Netting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet date when there is a legally enforceable right of the Bank to net off the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **IX. Repurchase and sale agreements and securities lending**

Securities sold under repurchase agreements are recorded on the balance sheet in accordance with the Uniform Chart of Accounts for Banks. Accordingly, government bonds and treasury bills sold to customers under repurchase agreements are classified as “Investments Subject to Repurchase Agreements” and valued based on the Bank management’s future intentions, either at market prices or using discounting method with internal rate of return. Funds received through repurchase agreements are classified separately under liability accounts and the related interest expenses are accounted on an accrual basis.

Securities purchased under resale agreements are classified under “interbank money markets” separately. An income accrual is accounted for the difference between the purchase and resale prices earned during the period.

## **X. Assets held for sale and discontinued operations**

Assets that meet the criteria for classification as held-for-sale assets are measured at their book values and depreciation process is stopped on these assets and these assets are presented separately in the balance sheet. In order for an asset to be classified as an asset held for sale, the asset (or the asset group to be disposed of) must be in a condition that is frequently encountered in the sale of such assets (or the asset group to be disposed) and can be immediately sold under customary conditions and the sales probability is high. In order for the probability of sale to be high, a plan for the sale of the asset (or the group of assets to be disposed) should be made by an appropriate management level and an active program should be initiated for the completion of the plan with the identification of buyers. In addition, the asset (or the asset group to be disposed of) must be actively marketed at a price compatible with its fair value. Various events or conditions may extend the completion of the sale for a year.

## **X. Assets held for sale and discontinued operations (more)**

If the delay occurred due to events or conditions beyond the control of the company and there is sufficient evidence that the sales plan for the sale of the related asset (or the asset group to be disposed) is ongoing, the said assets continue to be classified as assets held for sale.

A discontinued operation is a division of a bank that is either disposed of or held for sale. Results for discontinued operations are presented separately in the income statement.

## **XI. Goodwill and other intangible assets**

The Bank's intangible assets are composed of software and intangible rights.

Intangible assets are recognized at cost in compliance with the Turkish Accounting Standard 38 (TAS 38) "Intangible Assets".

The intangible assets purchased before December 31, 2004 are recorded at restated historical costs in accordance with inflation accounting method and the subsequent additions to December 31, 2004 are recorded at their historical purchase costs. The intangible assets are amortized using the declining balance method, which is one of the accelerated amortization methods, through their useful lives.

## **XII. Tangible assets**

Tangible fixed assets that became active before December 31, 2004 are reflected to the financial statements with their inflation adjusted cost for the period from December 31, 2004, and assets that became active after December 31, 2004 with their initial purchase prices. Gains and losses arising from the disposal of tangible fixed assets are calculated as the difference between the net disposal proceeds and the net book value of the related tangible fixed asset. Regular maintenance and repair expenses incurred for tangible fixed assets are recognized as expense. There is no pledge, mortgage or any other encumbrance on tangible fixed assets. Depreciation is allocated according to the declining balances on the tangible fixed assets in the records of the Bank.

## **XIII. Leasing activities**

Since the Bank is considered as an investment bank, it has the authority to make financial leasing in the position of the lessor. The Bank accounts for its financial leasing transactions in compliance with "Turkey Accounting Standard for Leasing Transactions" ( "TAS 17"). Regarding the financial leasing transactions carried out by the Bank as the "Lessor", the gross amount of the lease payments covering the interest and principal amounts for the financial lease receivables has been shown in the "Financial Lease Receivables" account. The difference between the total of the lease payments and the cost of the said fixed assets is reflected in the "Unearned financial income" account. The interest income is calculated and recorded in a way to create a fixed periodic rate of return over the net investment amount of the lessor related to the leased asset.

Transactions related to operational leases are accounted for on an accrual basis in accordance with the provisions of the relevant contract. Prepaid operating lease expenses are spread over the relevant period.

## **XIV. Provisions and Contingent Liabilities**

In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management on the expenses to incur as of the balance sheet date and, if material, such expenses are discounted for their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Bank to settle the liability, the related liability is considered as "contingent" and disclosed in the notes to the financial statements.

#### **XIV. Provisions and Contingent Liabilities (more)**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, the Bank discloses the contingent asset.

#### **XV. Obligations of the Bank concerning employee rights**

As per the existing labor law in Turkey, the Bank pension due to work resignation or and bad behavior to make payment at the end of the job for reasons other than the specified amount of staff in the financial statements yükümlüdür. ilişik, using the Bank's actuarial method "Turkey on the Benefits Employee Accounting Standards" (the " TMS 19 ") has been calculated and accounted for severance pay provision.

The main actuarial estimates used as of December 31, 2022 are as follows:

	<b>Current Period</b>	<b>Previous Period</b>
<b>Discount Rate</b>	% 3,48	% (9,83)
<b>Estimated Rate of Entitlement to Severance Pay</b>	% 89,25	% 91,23

The Bank has made provision for the short-term benefits provided to employees within the scope of TAS 19 in its financial statements, which are discounted expected to be paid for the services provided by the employees during an accounting period.

#### **XVI. Taxation:**

##### **Corporate Tax**

The Corporate Tax rate has been determined as 20% with Article 32 of the Corporate Tax Law No. 5520, which was published in the Official Gazette dated 21 June 2006 and numbered 26205. In accordance with the regulation introduced with the Law No. 7316 on the "Law on the Collection Procedure of Public Claims and Amending Some Laws", 25% to be applied to corporate earnings for the 2021 taxation period, 23% to be applied to corporate earnings for the 2022 taxation period, while it is applied as 23%. In accordance with the regulation introduced by the "Law on the Valuation of Immovable Property Belonging to the Treasury and Amending the Value Added Tax Law and the Law on Amending Certain Laws and Decrees", this rate is determined by banks, companies under the Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions. , asset management companies, capital market institutions, insurance and reinsurance companies and pension companies, as of 2022, to be applied to corporate earnings for the taxation period.

In accordance with the Corporate Tax Law, provisional tax is calculated and paid quarterly in accordance with the principles set forth in the Income Tax Law and at the rate of corporate tax. The provisional tax payments in question are deducted from the corporate tax of the current taxation period.

Tax expense is the sum of current tax and deferred tax expense. The tax liability for the current period is calculated over the taxable portion of the profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and items that are not taxable or deductible. Current tax amounts to be paid are netted with prepaid tax amounts and shown in the financial statements.

## **XVI. Taxation (more):**

There is no withholding tax on profit shares (dividends) paid to non-resident companies and companies residing in Turkey that generate income through a workplace or permanent representative in Turkey. Dividend payments made to individuals and institutions other than these are subject to 15% withholding tax. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied.

Corporations calculate temporary tax on their quarterly financial profits at the current rate and declare it until the 14th day of the second month following that period and pay it until the evening of the 17th day. The temporary tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year. In the event that the amount of temporary tax paid remains despite the deduction, this amount can be refunded in cash or set off against other financial debts to the state.

Corporations, provided that 50% of the profits arising from the sale of participation shares and real estate, which are held for at least 2 years, for real estates and 75% for affiliates, are added to the capital as stipulated in the Corporate Tax Law or kept in a special fund account in liabilities for 5 years. is exempt from tax.

According to the Turkish tax legislation, financial losses shown on the declaration can be deducted from the corporate income for the period, provided that they do not exceed 5 years. However financial losses can not be offsetted from last year's profits.

There is no practice in Turkey to reach an agreement with the tax authority regarding the taxes to be paid. Corporate tax returns are submitted to the relevant tax office until the evening of the 25th day of the fourth month following the month in which the accounting period is closed. However, the tax inspection authorities can examine the accounting records within five years, and if an incorrect transaction is detected, the tax amounts to be paid may change.

### **Deferred Tax**

The branch calculates deferred tax in accordance with the provisions of the "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the BRSA explanations for this standard for taxable temporary differences that arise between the book value of an asset or liability and its tax basis determined in accordance with the tax legislation, and accounts. In the calculation of deferred tax, the enacted tax rates valid as of the balance sheet date are used in accordance with the current tax legislation.

The Corporate Tax rate has been determined as 20% with Article 32 of the Corporate Tax Law No. 5520, which was published in the Official Gazette dated 21 June 2006 and numbered 26205. In accordance with the regulation introduced with the Law No. 7316 on the "Law on the Collection Procedure of Public Claims and Amending Some Laws", 25% to be applied to corporate earnings for the 2021 taxation period, 23% to be applied to corporate earnings for the 2022 taxation period, while it is applied as 23%. In accordance with the regulation introduced by the "Law on the Valuation of Immovable Property Belonging to the Treasury and Amending the Value Added Tax Law and the Law on Amending Certain Laws and Decrees", this rate is determined by banks, companies under the Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies, as of 2022, to be applied to corporate earnings for the taxation period.

Deferred tax assets and liabilities are presented on a net basis in the financial statements.



## **XVII. Funds Borrowed**

Subsequent to their recognition the trading and derivative financial liabilities are measured at their fair values; and all other financial liabilities are measured at their discounted values using effective interest rate method. There are no convertible bonds or any other securities issued.

## **XVIII. Shares & Share insurances**

The bank has no shares issued in the current period.

## **XIX. Confirmed bills of exchange and acceptances**

Confirmed bills of exchange and acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts as possible debt and commitment, if any. There are no guarantees and acceptances recognized against any assets as of the balance sheet dates

## **XX. Government incentives**

As of December 31, 2022, the Bank does not have any government incentives or aids.

## **XXI. Segment Reporting**

Since the Bank has the status of a Development and Investment Bank, it does not operate in retail banking, and its business segments are limited to Investment Banking and Treasury Transactions.

<b>Risk Class</b>	<b>Investment Banking</b>	<b>Treasury</b>	<b>Undistributed</b>	<b>Total</b>
<b>Current Period (January 1 – December 31, 2022)</b>				
Pre-tax profit	24,963	14,135	(22,865)	16,233
Tax provision	0	0	(5,459)	(5,459)
<b>Period net profit</b>	<b>24,963</b>	<b>14,135</b>	<b>(28,324)</b>	<b>10,774</b>
<b>Current Period (January 1 – December 31, 2022)</b>				
Section Entities	205,890	64,506	0	270,396
Undistributed Assets	0	0	27,402	27,402
<b>Total Assets</b>	<b>205,890</b>	<b>64,506</b>	<b>27,402</b>	<b>297,798</b>
Section Liabilities	13,791	77,292	0	91,083
Undistributed liabilities	0	0	206,715	206,715
<b>Total Liabilities</b>	<b>13,791</b>	<b>77,292</b>	<b>206,715</b>	<b>297,798</b>
<b>Risk Class</b>	<b>Investment Banking</b>	<b>Treasury</b>	<b>Undistributed</b>	<b>Total</b>
<b>Preivous Period (January 1 – December 31, 2021)</b>				
Pre-tax profit	23,804	25,019	(13,141)	35,682
Tax provision	0	0	(9,185)	(9,185)
<b>Period net profit</b>	<b>23,804</b>	<b>25,019</b>	<b>(22,326)</b>	<b>26,497</b>
<b>Preivous Period (January 1 – December 31, 2021)</b>				
Section Entities	164,438	52,838	0	217,276
Undistributed Assets	0	0	13,523	13,523
<b>Total Assets</b>	<b>164,438</b>	<b>52,838</b>	<b>13,523</b>	<b>230,799</b>
Section Liabilities	6,185	27,059	0	33,244
Undistributed liabilities	0	0	197,346	197,346
<b>Total Liabilities</b>	<b>6,185</b>	<b>27,059</b>	<b>197,346</b>	<b>230,590</b>

## **XXII. Others:**

### **Related Parties**

For the purpose of these consolidated financial statements, shareholders, key management personnel and board members, their families and companies controlled by or affiliated with them, along with associates and jointly controlled entities are considered as related parties under the "Related Party Disclosures" ("IAS 24"). Transactions with related parties are disclosed in the postscript VII of the Section Five.

### **Cash & Cash Equivalents**

"Cash", which is the basis for the preparation of cash flow statements, refers to cash in cash, money in cash and bank checks purchased and demand deposits in banks including the CBRT, and "Cash equivalent asset" is for interbank money market placements and time deposits and securities with an original maturity of less than three months. It is defined as the investments made.

## SECTION FOUR

### Financial Position and Results of Operations

#### I. Equity Items:

The equity amount and the capital adequacy standard ratio were calculated in accordance with the “Regulation on the Equity of Banks” and the “Regulation on Measurement and Assessment of Capital Adequacy of Banks”.

The bank's equity amount calculated as of December 31, 2022 is 210,974 TL, and its capital adequacy standard ratio is 22.77%. As of December 31, 2021, the amount of equity is 193,962 TL and the capital adequacy standard ratio is 43.29%.

	<b>Current Period (31/12/2022)</b>	<b>Previous Period (31/12/2021)</b>
<b>CORE CAPITAL</b>		
Paid-in capital following all other receivables in terms of the right to receive in case of bankruptcy	60,000	60,000
Share Issuance Premiums	-	-
Reserve Funds	130,712	104,216
Turkey Accounting Standards (TAS) in accordance with recognized in equity earnings	-	-
Snow	10,774	26,497
Net Profit	10,774	26,497
Previous Years Profit	-	-
Shares acquired free of charge from affiliates, subsidiaries and jointly controlled partnerships and not recognized in profit for the period	-	-
<b>Core Capital before Discounts</b>	<b>201,486</b>	<b>190,713</b>
<b>Discounts to be Made from Core Capital</b>		
Valuation adjustments calculated in accordance with subparagraph (i) of the first paragraph of Article 9 of the Regulation on Equity of Banks	-	-
The part of the net period loss and previous years' losses that cannot be covered by reserve funds and the losses reflected to equity in accordance with TAS	-	17
Operating lease development costs	244	255
Goodwill remaining after offsetting with the relevant deferred tax liability	-	-
Other intangible fixed assets remaining after offsetting with the relevant deferred tax liability, excluding the rights to provide mortgage service	933	1,032
The remaining part of the deferred tax asset based on future taxable income, excluding deferred tax assets based on temporary differences, after offsetting with the related deferred tax liability	-	-
Differences that arise when assets or liabilities that are not monitored at fair value are subject to cash flow hedges	-	-
The portion of the total expected loss amount calculated in accordance with the Communiqué on the Calculation of the Amount Subject to Credit Risk with Approaches Based on Internal Ratings, exceeding the total provision amount	-	-
Gains from securitization transactions	-	-
Unrealized gains and losses resulting from differences in the fair value of the bank's liabilities due to changes in credit worthiness	-	-
Net amount of defined benefit plan assets	-	-
Direct or indirect investments made by the bank in its own core capital	-	-
Shares acquired in violation of the fourth paragraph of Article 56 of the Law	-	-
The portion exceeding 10% of the bank's core capital of the total net long positions of investments made in the equity elements of unconsolidated banks and financial institutions in which 10% or less of the partnership interests are held	-	-
The portion exceeding 10% of the core capital of the net long positions of the investments made in the core capital elements of the unconsolidated banks and financial institutions in which more than 10% of the partnership shares are owned	-	-
The portion of the rights to provide mortgage services exceeding 10% of the core capital	-	-
The portion of deferred tax assets based on temporary differences exceeding 10% of core capital	-	-
Amounts exceeding 15% of the core capital in accordance with the second paragraph of the Temporary Article 2 of the Regulation on Banks' Equity	-	-
The excess amount arising from the net long positions of the investments made in the core capital elements of the unconsolidated banks and financial institutions in which more than 10% of the partnership shares are held	-	-
Excess amount arising from the rights to provide mortgage services	-	-

Excess amount due to deferred tax assets based on temporary differences	-	-
Other items to be determined by the Board	-	-
The amount to be deducted from the core capital if there is not enough additional capital or supplementary capital	-	-
<b>Total of the Discounts Made from the Core Capital</b>	<b>1,177</b>	<b>1,304</b>
<b>Total of Core Capital</b>	<b>200,309</b>	<b>189,409</b>
<b>ADDITIONAL CAPITAL</b>		
The capital corresponding to the preferred shares not included in the core capital and the related issue premiums	-	-
Debt instruments deemed appropriate by the Agency and their related issue premiums	-	-
Debt instruments approved by the Agency and their related issue premiums (within the scope of Temporary Article 4)	-	-
<b>Additional Tier 1 Capital Before Discounts</b>	-	-
<b>Discounts from Additional Tier 1 Capital</b>		
Direct or indirect investments made by the bank in its own additional capital	-	-
Investments made by the bank in equity items issued by banks and financial institutions investing in the Bank's additional capital items and meeting the conditions specified in Article 7 of the Regulation	-	-
The portion exceeding 10% of the bank's core capital of the total net long positions of investments made in the equity elements of unconsolidated banks and financial institutions in which 10% or less of the partnership interests are held	-	-
Total net long positions of investments made in additional Tier 1 capital elements of unconsolidated banks and financial institutions in which 10% or more of the partnership shares are held	-	-
Other items to be determined by the Board	-	-
<b>Items that will continue to be deducted from Tier 1 Capital during the Transition Period</b>		
The portion of goodwill or other intangible assets and related deferred tax liabilities that are not deducted from the core capital in accordance with the first paragraph of the Provisional Article 2 of the Regulation on Banks' Equity (-)	-	-
The portion of the net deferred tax asset/tax liability that is not deducted from the core capital in accordance with the first paragraph of the Provisional Article 2 of the Regulation on Banks' Equity (-)	-	-
The amount to be deducted from the additional main capital in case of insufficient contribution capital (-)	-	-
<b>Total of deductions from additional capital</b>	-	-
<b>Additional Tier 1 Capital Total</b>	-	-
<b>Total Tier I Capital (Tier I Capital = Core Capital + Additional Tier I Capital)</b>	<b>200,309</b>	<b>189,409</b>
<b>CONTRIBUTION CAPITAL</b>		
Debt instruments deemed appropriate by the Agency and their related issue premiums	-	-
Debt instruments approved by the Agency and their related issue premiums (within the scope of Temporary Article 4)	-	-
Provisions (The amounts specified in the first paragraph of Article 8 of the Regulation on the Equity of Banks)	10,665	4,553
<b>Contribution Capital Before Discounts</b>	<b>10,665</b>	<b>4,553</b>
<b>Discounts from Contribution Capital</b>		
Direct or indirect investments made by the bank in its own contribution capital (-)	-	-
Investments made by the bank in equity items issued by banks and financial institutions investing in the Bank's contribution capital items and meeting the conditions specified in Article 8 of the Regulation.	-	-
The portion exceeding 10% of the bank's core capital of the total net long positions of investments made in the equity elements of unconsolidated banks and financial institutions in which 10% or less of the partnership shares are held (-)	-	-
The sum of net long positions of investments made in the contribution capital elements of unconsolidated banks and financial institutions in which 10% or more of the partnership shares are held	-	-
- Other items to be determined by the Board (-)	-	-
<b>Total of Discounts from Contribution Capital</b>	-	-
<b>Total Contribution Capital</b>	<b>10,665</b>	<b>4,553</b>
<b>Total Equity (Total Tier and Tier I Capital)</b>	<b>210,974</b>	<b>193,962</b>
<b>Total Tier I Capital and Tier I Capital (Total Equity)</b>		
Loans made in violation of the provisions of Articles 50 and 51 of the Law	-	-
The amounts exceeding the limit in the first paragraph of Article 57 of the Law and the net book values of the commodities and real estates that the banks had to acquire due to their receivables and which were required to be disposed of pursuant to the same article, which could not be disposed of despite the passage of five years.	-	-
Other accounts to be determined by the Board	-	-
<b>Elements to be Deducted from the Total Tier and Tier-II Capital (Capital) During the</b>		

<b>Transition Period</b>		
In accordance with the first paragraph of the Temporary Article 2 of the Bank's Equity Regulation, the portion exceeding ten percent of the bank's core capital of the total net long positions of the investments made in the equity elements of unconsolidated banks and financial institutions in which 10% or less of the partnership shares are held, is taken from the core capital, additional main the part that is not deducted from the capital and contribution capital	-	-
In accordance with the first paragraph of the Temporary Article 2 of the Regulation on Banks' Equity, the total amount of the net long positions of the investments made directly or indirectly to the additional main capital and supplementary capital elements of the unconsolidated banks and financial institutions in which more than 10% of the partnership shares are held, the part that is not deducted from the capital and contribution capital	-	-
The second paragraph of the Provisional Article 2 of the Regulation on Banks' Equity (1) The portion of the amounts to be deducted from the core capital pursuant to sub-paragraphs 2 and (2), which is not deducted from the core capital in accordance with the first paragraph of the Provisional Article 2 of the Regulation.	-	-
In accordance with the first paragraph of the Temporary Article 2 of the Bank's Equity Regulation, the portion exceeding ten percent of the bank's core capital of the total net long positions of the investments made in the equity elements of unconsolidated banks and financial institutions in which 10% or less of the partnership shares are held, is taken from the core capital, additional main the part that is not deducted from the capital and contribution capital	-	-
<b>EQUITY</b>		
Total Equity (Total of Tier 1 Capital and Contribution Capital)	210,974	193,962
Total Risk Weighted Amounts	926,519	448,020
<b>CAPITAL ADEQUACY RATES</b>		
Core Capital Adequacy Ratio (%)	21.62	42.28
Tier Capital Adequacy Ratio (%)	21.62	42.28
Capital Adequacy Ratio (%)	22.77	43.29
<b>BUFFERS</b>		
Total additional core capital requirement ratio (a + b + c)	2.50	2.50
a) Capital protection buffer rate (%)	2.50	2.50
b) Bank-specific cyclical capital buffer rate (%)	-	-
c) Systemically important bank buffer rate (%) **	-	-
The ratio of additional core capital amount to be calculated in accordance with the first paragraph of Article 4 of the Regulation on Capital Protection and Cyclical Capital Buffers to the amount of risk weighted assets (%)	14.77	35.29
<b>Amounts Below the Excess Amount in the Discount Principles to be Applied</b>		
The amount arising from the net long positions of investments in equity elements of unconsolidated banks and financial institutions in which 10% or less of the partnership interests are held.	-	-
The amount arising from the net long positions of the investments made in the core capital elements of unconsolidated banks and financial institutions in which more than 10% of the partnership shares are held	-	-
The amount arising from the rights to provide mortgage services	-	-
Amount from deferred tax assets based on temporary differences	-	-
General provisions set aside for receivables using the standard approach (before the limit of ten thousand one hundred twenty five)	13,791	6,185
Up to 1.25% of the total risk-weighted amounts of the general provisions set aside for receivables using the standard approach	10,665	3,562
The portion of the total provision amount exceeding the total expected loss amount calculated in accordance with the Communiqué on the Calculation of the Amount Subject to Credit Risk with Approaches Based on Internal Ratings	-	-
The portion of the total provision amount exceeding the total expected loss calculated in accordance with the Communiqué on the Calculation of the Amount Subject to Credit Risk with Internal Rating-Based Approaches, up to 0.6% of the total risk-weighted amounts of receivables.	-	-
<b>Debt instruments subject to the provisions of Temporary Article 4 (To be implemented between 1 January 2018 and 1 January 2022)</b>		
The upper limit for additional capital items subject to the provisions of Provisional Article 4	-	-
The portion exceeding the upper limit of additional capital items subject to the provisions of Provisional Article 4	-	-
The upper limit for the contribution capital items subject to the provisions of Provisional Article 4	-	-
The portion exceeding the upper limit of the contribution capital items subject to the provisions of Provisional Article 4	-	-

\*Amounts to be considered within the scope of transitional provisions

\*\* It will be filled only by systemically important banks that are not obliged to prepare consolidated financial statements within the scope of paragraph 4 of Article 4 of the Regulation on Systemically Important Banks, and will be reported as zero by other banks.

## **Financial Position and Results of Operations (more)**

### **I. Equity Items (more)**

In the period of December 31, 2022, the Bank does not have the element subject to temporary application in the Equity calculation and the debt instrument to be included in the Equity calculation.

The main difference between the "Equity" amount given in the equity statement and the "Equity" amount in the balance sheet arises from the general provisions. The portion of general provisions up to 1.25% of the amount subject to credit risk is considered as Contribution Capital in the calculation of the "Equity" amount given in the equity table. On the other hand, operating lease development costs, intangible fixed assets and deferred tax assets, which are tracked under the item of Tangible Fixed Assets in the balance sheet, are taken into account in the calculation of the "Equity" amount as Value Deducted from the Capital.

There is no difference between the balance sheet items, which are taken into account in the equity calculation, and the amounts in the balance sheet and the information table regarding the equity items.

### **II. Credit Risk:**

#### **Information on risk concentrations by debtors or group of debtors or geographical regions and sectors, basis for risk limits and the frequency of risk appraisals**

The firms for which loans are provided are grouped in accordance with their capital owners and the limits that the maximum risk that will be provided, are determined based on firm and the capital groups.

Other than grouping in accordance with firms and capital group limits, the Bank does not have a risk reduction or limiting in terms of geographical regions or sectors.

#### **Information on determination and distribution of risk limits for daily transactions, monitoring of risk concentrations related to off-balance sheet items per customer and dealer basis**

Risk limits relating to daily transactions are monitored on a daily basis by the related departments and new credit demands are followed by considering open limits, collaterals and other appropriateness conditions.

The risk concentration of the group the bank is involved and the other groups are reviewed on monthly basis and findings related to this issue are presented to the Audit Committee regularly.

Off-balance sheet risk concentrations are followed-up strictly in accordance with the directions of board of directors by Treasury Department.

#### **Whether the credit worthiness of the borrowers of loans and other receivables are monitored regularly in accordance with the relevant legislation, whether the account status documents received for the opened loans have been audited as stipulated in the relevant legislation, if not, the reasons, whether the credit limits have been changed, whether the loans and other receivables are covered;**

The credit worthiness of the loan borrowers is re-examined in every request for limit increase or loan extension, and depending on the results of the examination, it is decided to increase the existing limit, keep it intact or insert additional guarantees, or block the existing limits and to liquidate the risk immediately.

## **Financial Position and Results of Operations (more)**

### **II. Credit Risk (more)**

Customers who are requested to have an account status document at the bank are also rated, and work on the revision of the current rating model is continued in parallel.

Since the bank's ultimate goal is to use advanced approaches based on internal rating, a credit risk loss database has been established in accordance with Basel II norms and data has been started to be collected regularly.

#### **Definitions of overdue and impaired elements in accounting practice;**

Receivables delayed more than ninety days from the due date of principal, interest, or both, but not more than one hundred and eighty days, are classified as overdue or impaired receivables.

#### **Methods and approaches for value adjustments and provisions;**

Methods and approaches for provisions are described in Section Three, Footnote VII. and XIV.

#### **Regardless of the effects of credit risk mitigation, the total amount of risks exposed after offsetting and the average amount of risks for the relevant period, separated according to different risk classes and types;**

The average amount of credit risks subject to capital adequacy for the period is 621,292 TL.

#### **Whether the Bank has control limits on the positions held in terms of futures and options contracts and other similar contracts, whether the credit risk undertaken for such instruments is managed together with the potential risks arising from market movements;**

Such transactions, including futures transactions made on behalf of companies in the group, are managed by the treasury department, just like transactions made in favor of other customers, and the potential risks of such transactions arising from market movements are also taken into account by the said department.

The Bank includes derivative products in the controls for concentration risk. The audit committee and senior management are informed in case of any risk-bearing issue.

#### **Information on whether the Bank decreases the risk by liquidating its forward transactions, options and similar contracts in case of facing a significant credit risk or not**

The Bank did not face any credit risk where liquidating its forward transactions, options and similar contracts would have been required. The regular controls are provided by the related departments in order to indicate any such circumstance.

#### **Information on whether the indemnified non-cash loans are evaluated as having the same risk weight as non-performing loans or not**

None.

## **Financial Position and Results of Operations (more)**

### **II. Credit Risk (more)**

**Information on whether the loans that are renewed and rescheduled are included in a new rating group as determined by the Bank’s risk management system, other than the follow-up plan defined in the banking regulations or not; whether new precautions are considered in these methods or not; whether the Bank’s risk management accepts long term commitments as having more risk than short term commitments which results in a diversification of risk or not**

None.

**Evaluation of the significance of country specific risk if the banks have foreign operations and credit transactions in a few countries or these operations are coordinated with a few financial entities**

There is no risk that the Bank provided to abroad and there are no any other banking transactions with abroad except for acting as intermediary in import-export transactions. There is no significant credit risk since the Bank’s foreign operations and credit transactions are conducted in highly rated international banks. The concentration risk is reviewed periodically for any risk on country and counter bank basis.

**Evaluation of the Bank’s competitive credit risk as being an active participant in the international banking transactions market**

As having limited transactions limits among the total transaction volume, the Bank does not have significant credit risk as compared to other financial institutions.

**The Bank’s ;**

#### **a) Share of the top 100 cash loan customers in the total cash loans portfolio**

The share of the top 100 cash loan customers in the total cash loans portfolio of the Bank as of December 31, 2022 is 100%. (December 31, 2021: 100%).

#### **b) Share of the top 100 non-cash loan customers in the total loan non-cash loans portfolio**

As of December 31, 2022, the share of the top 100 non-cash loan customers comprises 100% of the total non-cash loans portfolio. (December 31, 2021: 100%).

#### **c) The share of the total cash and non-cash loan balance of the top 100 loan customers in the total assets and off-balance sheet items**

The Bank’s total cash and non-cash loans from its top 100 loan customers comprise 100% of the total assets and of the off-balance sheet items totally. (December 31, 2021: 100%).

#### **The Bank’s general loan provision for its loans**

The Bank allocates general loan provision in accordance with the “Regulation on the Determination of the Qualifications of Loans and Other Receivables by Banks and the Procedures and Principles Regarding the Provisions to be Allocated for These” published in the Official Gazette No. 2633 dated 1 November 2006.



## Financial Position and Results of Operations (more)

### II. Credit Risk (more)

As of December 31,2022, the general loan provision amount allocated by the Bank is TL 13,971 (December 31, 2021: TL 6,185).

**Geographical distribution of risk exposures disaggregated by significant risk classes in important regions; The distribution of risks, which are disaggregated by risk classes, according to sectors or counterparties, and the distribution of all risks by remaining maturities, are explained at least on the basis of the following tables, and if necessary, additional information is available;**

#### Profile Relating to Important Risks in Important Areas:

Risk Classes*							
Current Period (31/12/2022)	Conditional and Unconditional Receivables from Central Managements or Central Banks	Conditional and Unconditional Receivables from Banks and Intermediary Firm	Conditional and Unconditional Receivables	Conditional and Unconditional Retail Receivables	ShortTerm Receivables and Short Term Corporate Receivables from Banks and Intermediary Firms	Other Receivables	Total
Domestic	-	9,163	834,328	-	-	5,278	848,770
European Union Countries	-	1,729	-	-	-	-	1,729
OECD Countries**	-	-	-	-	-	-	-
Off-shore Banking Regions	-	-	-	-	-	-	-
USA, Canada	-	2,687	-	-	-	-	2,687
Other Countries	-	-	-	-	-	-	-
Investments in Associates, Subsidiaries and Joint-Ventures	-	-	-	-	-	-	-
Undistributed / Assets Liabilities ***	-	-	-	-	-	-	-
<b>Total</b>	-	<b>13,579</b>	<b>834,328</b>	-	-	<b>5,278</b>	<b>853,186</b>

Risk Classes*							
Previous Period (31/12/2021)	Conditional and Unconditional Receivables from Central Managements or Central Banks	Conditional and Unconditional Receivables from Banks and Intermediary Firm	Conditional and Unconditional Receivables	Conditional and Unconditional Retail Receivables	ShortTerm Receivables and Short Term Corporate Receivables from Banks and Intermediary Firms	Other Receivables	Total
Domestic	-	11,321	346,831	-	-	4,325	362,477
European Union Countries	-	483	-	-	-	-	483
OECD Countries**	-	-	-	-	-	-	-
Off-shore Banking Regions	-	-	-	-	-	-	-
USA, Canada	-	1,281	-	-	-	-	1,281
Other Countries	-	-	-	-	-	-	-
Investments in Associates, Subsidiaries and Joint-Ventures	-	-	-	-	-	-	-
Undistributed / Assets Liabilities ***	-	-	-	-	-	-	-
<b>Total</b>	-	<b>13,085</b>	<b>346,831</b>	-	-	<b>4,325</b>	<b>364,241</b>

\* Regulation relating to measurement and evaluation of capital adequacy of banks will be used.

\*\* OECD countries other than EU countries, USA and Canada

\*\*\* Assets and Liabilities which can not be allocated to sections on a consistent basis

## Financial Position and Results of Operations (more)

### II. Credit Risk (more)

#### Risk Profiles to Sectors and Counter Party:

Current Period (31/12/2022)	Risk Classes *						Total
	Conditional and Unconditional Recivables from Central Managements or Central Banks	Conditional and Unconditional Recivables from Banks and Intermediary Firm	Corporate Recivables	Short Term Receivables and Short Term Corporate Receivables from Banks and Intermediary Firms	TRY	FC	
<b>Agriculture</b>	-	-	-	-	-	-	-
<i>Farming and Stockbreeding</i>	-	-	-	-	-	-	-
<i>Forestry</i>	-	-	-	-	-	-	-
<i>Fishery</i>	-	-	-	-	-	-	-
<b>Manufacturing</b>	-	-	<b>787,878</b>	-	<b>655,566</b>	<b>132,313</b>	<b>787,878</b>
<i>Mining</i>	-	-	-	-	-	-	-
<i>Production</i>	-	-	273,077	-	197,072	76,005	273,077
<i>Electricity, Gas, Water</i>	-	-	514,801	-	458,493	56,308	514,801
<b>Construction</b>	-	-	<b>14,345</b>	-	<b>14,345</b>	-	<b>14,345</b>
<b>Services</b>	-	<b>13,579</b>	<b>32,105</b>	<b>5,278</b>	<b>25,254</b>	<b>25,708</b>	<b>50,962</b>
<i>Wholesale and Retail Trade</i>	-	-	28,878	-	7,766	21,112	28,878
<i>Hotel, Food and Beverage</i>	-	-	486	-	486	-	486
<i>Transportation and Telecommunication</i>	-	-	188	-	188	-	188
<i>Financial Institutions</i>	-	13,579	2,552	5,278	16,814	4,596	21,410
<i>Real Estate and Renting Services</i>	-	-	-	-	-	-	-
<i>"Self-Employment" Type Services</i>	-	-	-	-	-	-	-
<i>Educational Services</i>	-	-	-	-	-	-	-
<i>Health and Social Services</i>	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-
<b>Total</b>	-	<b>13,579</b>	<b>834,328</b>	<b>5,278</b>	<b>695,165</b>	<b>158,021</b>	<b>853,186</b>

\* Regulation relating to measurement and evaluation of capital adequacy of banks will be used.

**DİLER YATIRIM BANKASI A.Ş.**

31 Aralık 2021 Tarihi İtibariyle Konsolide Olmayan  
Finansal Tablolara ve Bunlara İlişkin Açıklama ve Dipnotlar  
(Birim - Bin TL)

**Financial Position and Results of Operations (more)****II. Credit Risk (more)**

Previous Period (31/12/2021)	Risk Classes *						Total
	Conditional and Unconditional Recivables from Central Managements or Central Banks	Conditional and Unconditional Recivables from Banks and Intermediary Firm	Corporate Recivables	ShortTerm Recivables and Short Term Corporate Recivables from Banks and Intermediary Firms	TRY	FC	
<b>Agriculture</b>	-	-	-	-	-	-	-
<i>Farming and Stockbreeding</i>	-	-	-	-	-	-	-
<i>Forestry</i>	-	-	-	-	-	-	-
<i>Fishery</i>	-	-	-	-	-	-	-
<b>Manufacturing</b>	-	-	<b>318,382</b>	-	<b>206,842</b>	<b>111,540</b>	<b>318,382</b>
<i>Mining</i>	-	-	-	-	-	-	-
<i>Production</i>	-	-	203,692	-	114,724	88,968	203,692
<i>Electricity, Gas, Water</i>	-	-	114,690	-	92,118	22,573	114,690
<b>Construction</b>	-	-	<b>15,751</b>	-	<b>15,751</b>	-	<b>15,751</b>
<b>Services</b>	-	<b>13,085</b>	<b>12,698</b>	<b>4,325</b>	<b>22,044</b>	<b>8,064</b>	<b>30,108</b>
<i>Wholesale and Retail Trade</i>	-	-	8,170	-	4,241	3,929	8,170
<i>Hotel, Food and Beverage</i>	-	-	486	-	486	-	486
<i>Transportation and Telecommunication</i>	-	-	136	-	136	-	136
<i>Financial Institutions</i>	-	13,085	2,534	4,325	15,809	4,135	19,944
<i>Real Estate and Renting Services</i>	-	-	1,372	-	1,372	-	1,372
<i>"Self-Employment" Type Services</i>	-	-	-	-	-	-	-
<i>Educational Services</i>	-	-	-	-	-	-	-
<i>Health and Social Services</i>	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-
<b>Total</b>	-	<b>13,085</b>	<b>346,831</b>	<b>4,325</b>	<b>244,637</b>	<b>119,604</b>	<b>364,241</b>

\* Regulation relating to measurement and evaluation of capital adequacy of banks will be used.

**Distribution of Risks with Time-Based Attributes According to the Remaining Time:**

Current Period	Time to Maturity				
	1 month	1 - 3 month	3 - 6 month	6 - 12 month	1 year +
<b>Risk Classes</b>					
Receivables from Central Governments or Central Banks	-	-	-	-	-
Conditional and Unconditional Recivables from Banks and Intermediary Firm	7,502	1,462	-	-	-
Conditional and Unconditional Corporate Recivables	280	54,426	103,264	56,254	138,082
Past Due Receivables	-	-	-	-	-
Other Receivables	-	-	-	-	-
<b>General Total</b>	<b>7,783</b>	<b>55,888</b>	<b>103,264</b>	<b>56,254</b>	<b>138,082</b>

Previous Period	Time to Maturity				
	1 month	1 - 3 month	3 - 6 month	6 - 12 month	1 year +
<b>Risk Classes</b>					
Receivables from Central Governments or Central Banks	-	-	-	-	-
Conditional and Unconditional Recivables from Banks and Intermediary Firm	9,557	338	616	-	-
Conditional and Unconditional Corporate Recivables	-	13,868	51,064	48,927	112,211
Past Due Receivables	-	-	-	-	-
Other Receivables	-	-	-	-	-
<b>General Total</b>	<b>32,557</b>	<b>14,206</b>	<b>51,680</b>	<b>48,927</b>	<b>112,211</b>

## Financial Position and Results of Operations (more)

### II. Credit Risk (more)

#### Information regarding each of the risk classes specified in Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy of Banks.

There is no credit rating institution or export credit institution assigned in determining the risk weights of risk classes specified in Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy of Banks.

Based on the table below, the total risk amount before and after credit risk mitigation and the amounts deducted from the equity, corresponding to each risk weight defined in Annex-1 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks

#### Risk Amounts According to Risk Weight

Risk Weight	0%	10%	20%	50%	75%	100%
Amount Before Credit Risk						
Mitigation	1,557	-	59,687	2,923	0	839,787
Amount After Credit Risk Mitigation	1,557	-	59,687	2,923	0	839,787

Based on the table below, by sector or type of counterparty; Separately, impaired loan and non-performing loan amounts, value adjustments and provisions, value adjustments during the period and amounts related to provisions are disclosed to the public.

Impaired Loans are the loans deemed to have been impaired due to overdue more than 90 days as of the end of the reporting period or due to their credibility. A "Special Provision" calculation is made for these loans within the scope of the Provisions Regulation.

#### Miscellaneous information by key industries or type of counterparty

Key Sectors / Counterparties	Credits			Provisions	
	Impaired (IFRS 9)				
Current Period	Significant Increase in Credit Risk (Second Stage)	Default (Third Stage)	Dull (Provision Regulation)	Provisions for Expected Loan Loss (IFRS 9)	Provisions (Provision Regulation)
Agriculture	-	-	-	-	-
Industry	-	-	1,201	-	1,201
Mining and Quarrying	-	-	-	-	-
Manufacturing Industry	-	-	1,201	-	1,201
Electricity, Gas, Water	-	-	-	-	-
Construction	-	-	-	-	-
Services	-	-	-	-	-
Wholesale and Retail Trade	-	-	-	-	-
Hotel & Restaurant Services	-	-	-	-	-
Transportation & Communication	-	-	-	-	-
Financial Institutions	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	-	-	<b>1,201</b>	-	<b>1,201</b>

## Financial Position and Results of Operations (more)

### II. Credit Risk (more)

Key Sectors / Counterparties	Credits			Provisions	
	Impaired (TFRS 9)				
Previous Period	Significant Increase in Credit Risk (Second Stage)	Significant Increase in Credit Risk (Second Stage)	Dull (Provision Regulation)	Provisions for Expected Loan Loss (TFRS 9)	Provisions (Provision Regulation)
Agriculture	-	-	-	-	-
Industry	-	-	1,201	-	1,201
Mining and Quarrying	-	-	-	-	-
Manufacturing Industry	-	-	1,201	-	1,201
Electricity, Gas, Water	-	-	-	-	-
Construction	-	-	-	-	-
Services	-	-	-	-	-
Wholesale and Retail Trade	-	-	-	-	-
Hotel & Restaurant Services	-	-	-	-	-
Transportation & Communication	-	-	-	-	-
Financial Institutions	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	-	-	<b>1,201</b>	-	<b>1,201</b>

**Reconciliation between changes in value adjustments and provisions for impaired loans (based on geographical regions, if possible) is disclosed.**

#### Information related to value adjustments and loan provisions changes

	Current Period (31/12/2022)	The Beginning Balance	Provisions During the Period	Provision Cancelled	Other Adjustments*	The Ending Balances
1	Special Provisions	1,201	-	-	-	1,201
2	General Provisions	6,185	43,871	36,265	-	13,791

	Previous Period (31/12/2021)	The Beginning Balance	Provisions During the Period	Provision Cancelled	Other Adjustments*	The Ending Balances
1	Special Provisions	1,201	-	-	-	1,201
2	General Provisions	5,316	3,163	2,294	-	6,185

\* Determined according to exchange rate differences, business combinations, acquisitions and disposal of subsidiaries.

#### Risks included in the circular capital buffer calculation;

**The geographical distribution of the receivables from the private sector, which is taken into account in the calculation of the circular capital buffer specific to the bank within the scope of the Regulation on Capital Protection and Circular Capital Buffers and its sub-regulations published in the Official Gazette dated 5 November 2013 and numbered 28812, is explained in the table below.**

The circular capital buffer rate specific to the bank is a rate to be notified by the BRSA, provided that it is disclosed to the public at least 1 year before, and such a notification has not been made yet. However, almost all of the risk items of the Bank are comprised of in-country risks and there is no concentration on country risk basis.

## **Financial Position and Results of Operations (more)**

### **III. Foreign currency exchange risk**

**The currency risk that the Bank is exposed to, the estimation of the effects of this situation, the limits determined by the Board of Directors for the positions monitored daily**

The Standard Method used in legal reporting is used to measure the currency risk that the Bank is exposed to.

While calculating the capital requirement for currency risk, all foreign currency assets, liabilities and forward transactions of the Bank are taken into consideration. Net short and long positions are calculated in terms of Turkish Lira equivalent of each currency. The position with the largest absolute value is determined as the base amount for the capital obligation. The capital requirement is calculated over this amount.

The Board of Directors audits daily whether the positions related to currency risk are within the limits.

**The extent of hedging foreign currency debt instruments and net foreign currency investments with hedging derivative instruments, if significant**

As of December 31, 2022, the Bank does not have any derivative instruments classified for hedging purposes.

#### **Foreign currency risk management policy**

The risk policy is based on transactions within the limits, and it is essential to keep the foreign currency position in balance.

In the light of both national legislation and international practices and within the scope of the current equity profile, there is an FX risk management policy for taking positions within the range of lower and upper limits, and there is no speculative position.

#### **Exposed foreign currency risk**

As of December 31, 2022, the Bank has a total foreign currency of TL 9,424 in closed position, with a Net Balance Sheet Position of TL 9,424 and a Net Off-Balance Sheet Position of TL (34,721).

The current exchange rate of the Bank, which has been announced to the public for the last five working days backwards from the balance sheet date, is given in the following table:

<b>Current Period (31/12/2022)</b>	<b>USD</b>	<b>EUR</b>	<b>CHF</b>	<b>GBP</b>	<b>100 JPY</b>
<b>Current Foreign Exchange Buying Rate on the Balance Sheet Date</b>	18.6966	19.8816	20.1435	22.4663	13.9478
Current Foreign Exchange Buying Rate One Day before the balance sheet date	18.6964	19.8946	20.0770	22.4804	13.9238
Current Foreign Exchange Buying Rate Two Days before the balance sheet date	18.6813	19.9087	20.0569	22.5142	14.0034
Current Foreign Exchange Buying Rate Three Days before the balance sheet date	18.6649	19.8324	19.9728	22.4831	14.0059
Current Foreign Exchange Buying Rate Four Days before the balance sheet date	18.6592	19.8044	20.0001	22.4675	14.0355
Current Foreign Exchange Buying Rate Five Days before the balance sheet date	18.6522	19.8354	20.1267	22.5291	14.0961
<b>Arithmetic Average of the Last 30 Days</b>	18.6370	19.7047	19.9210	22.6453	13.7595
<b>Balance Sheet Valuation Rate</b>	18.6966	19.8816	20.1435	22.4663	13.9478

## **Financial Position and Results of Operations (more)**

### **III. Foreign currency exchange risk (more)**

<b>Previous Period (31/12/2021)</b>	<b>USD</b>	<b>EUR</b>	<b>CHF</b>	<b>GBP</b>	<b>100 JPY</b>
<b>Current Foreign Exchange Buying Rate on the Balance Sheet Date</b>	<b>12.9775</b>	<b>14.6823</b>	<b>14.1207</b>	<b>17.4530</b>	<b>11.2434</b>
Current Foreign Exchange Buying Rate One Day before the balance sheet date	11.4508	12.9683	12.4172	15.3095	9.9954
Current Foreign Exchange Buying Rate Two Days before the balance sheet date	11.7278	13.2926	12.7537	15.6985	10.2285
Current Foreign Exchange Buying Rate Three Days before the balance sheet date	11.3900	12.8903	12.3629	15.2412	9.9154
Current Foreign Exchange Buying Rate Four Days before the balance sheet date	11.8302	13.4000	12.8722	15.8766	10.2769
Current Foreign Exchange Buying Rate Five Days before the balance sheet date	12.2219	13.8011	13.2769	16.3800	10.6071
<b>Arithmetic Average of the Last 30 Days</b>	<b>13.5285</b>	<b>15.2896</b>	<b>14.6504</b>	<b>17.9600</b>	<b>11.8566</b>
<b>Balance Sheet Valuation Rate</b>	<b>12.9775</b>	<b>14.6823</b>	<b>14.1207</b>	<b>17.4530</b>	<b>11.2434</b>

## Financial Position and Results of Operations (more)

### III. Foreign currency exchange risk (more)

#### Bank's currency risk:

<b>Curent Period - 31/12/2022</b>	<b>EURO</b>	<b>USD</b>	<b>Other FC</b>	<b>Total</b>
<b>Assets</b>				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	51	452	-	<b>503</b>
Banks	8,706	13,554	-	<b>22,260</b>
Financial Assets at Fair Value through Profit/Loss	-	-	-	-
Money Market Claims	-	-	-	-
Fair Value Difference Other Comprehensive Financial Assets Reflected in Revenue	-	-	-	-
Loans	-	-	-	-
Investments in Associates, Subsidiaries and Joint-Ventures	-	-	-	-
Financial Assets Valued on Amortized Cost	45,644	-	-	<b>45,644</b>
Derivative Financial Assets Held for Risk	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	9,781	8,214	-	<b>17,995</b>
<b>Total Assets</b>	<b>64,182</b>	<b>22,220</b>	<b>-</b>	<b>86,402</b>
<b>Liabilities</b>				
Bank Deposits	-	-	-	-
Foreign Currency Deposits	-	-	-	-
Interbank Money Market Takings	-	-	-	-
Other Fundings	-	-	-	-
Securities Issued	-	-	-	-
Miscellaneous Payables	-	-	-	-
Derivative Financial Liabilities Held for Risk	-	-	-	-
Other Liabilities	57,490	19,447	41	<b>76,978</b>
<b>Total Liabilities</b>	<b>57,490</b>	<b>19,447</b>	<b>41</b>	<b>76,978</b>
<b>Net 'On Balance Sheet' Position</b>	<b>6,692</b>	<b>2,773</b>	<b>(41)</b>	<b>9,424</b>
<b>Net 'Off-Balance Sheet' Position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Derivative Assets	-	-	-	-
Derivative Liabilities	-	-	-	-
Non-Cash Loans	42,179	107,275	-	<b>149,454</b>
<b>Previous Period (31/12/2021)</b>				
Total Assets	<b>53,010</b>	<b>21,355</b>	<b>-</b>	<b>74,365</b>
Total Liabilities	<b>13,709</b>	<b>12,953</b>	<b>31</b>	<b>26,693</b>
<b>Net 'On Balance Sheet' Position</b>	<b>39,301</b>	<b>8,402</b>	<b>(31)</b>	<b>47,672</b>
<b>Net 'Off-Balance Sheet' Position</b>	<b>(14,682)</b>	<b>1,731</b>	<b>-</b>	<b>(12,951)</b>
Derivative Assets	-	14,709	-	<b>14,709</b>
Derivative Liabilities	14,682	12,978	-	<b>27,660</b>
Non-Cash Loans	42,796	25,084	-	<b>67,880</b>



## Financial Position and Results of Operations (more)

### IV. Interest Rate Risk

Due to the changes in the interest rates of the Bank, interest rate risk expresses the loss possibility the Bank may be exposed as a result of the position of the bank related to the financial instruments representing a borrowing whose yield is associated with the interest rate.

The measures which are carried out according to the standard method, are made on monthly basis using the maturity scala.

#### Interest rate sensitivity of assets, liabilities and off-balance sheet items

Current Period - 31/12/2022	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets:</b>							
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	530	-	-	-	-	526	1,056
Banks	-	-	-	-	-	22,356	22,356
Financial Assets at Fair Value through Profit/Loss	-	-	-	-	-	-	-
Money Market Claims	38,012	-	-	-	-	-	38,012
Financial Assets Available-for-Sale	-	2,923	-	-	-	160	3,083
Loans	-	85,052	69,000	-	-	-	154,052
Investment Securities Held-to-Maturity	2,084	2,042	16,445	31,267	-	-	51,838
Other Assets (*)	-	-	-	-	-	27,400	27,400
<b>Total Assets</b>	<b>40,627</b>	<b>90,017</b>	<b>85,445</b>	<b>31,267</b>	<b>-</b>	<b>50,442</b>	<b>297,798</b>
<b>Liabilities:</b>							
Bank Deposits	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-
Interbank Money Market Takings	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	295	295
Securities Issued	-	-	-	-	-	-	-
Other Fundings	-	-	-	-	-	-	-
Other Liabilities (**)	-	-	-	-	-	297,503	297,503
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>297,798</b>	<b>297,798</b>
“On Balance Sheet” Long Position	40,627	90,017	85,445	31,267	-	-	247,356
“On Balance Sheet” Short Position	-	-	-	-	-	(247,356)	(247,356)
“Off- Balance Sheet” Long Position	-	-	-	-	-	-	-
“Off- Balance Sheet” Short Position	-	-	-	-	-	-	-
<b>Total Position</b>	<b>40,627</b>	<b>90,017</b>	<b>85,445</b>	<b>31,267</b>	<b>-</b>	<b>(247,356)</b>	<b>-</b>

(\*) Tangible and intangible assets are shown in the non-interest bearing column.

(\*\*) Shareholders’ equity items are shown in the “Other liabilities”

## Financial Position and Results of Operations (more)

### IV. Interest Rate Risk (more)

Previous Period - 31/12/2021	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets:</b>							
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	1,245	-	-	-	-	3,458	<b>4,703</b>
Banks	20,019	1,298	-	-	-	9,665	<b>30,982</b>
Financial Assets at Fair Value through Profit/Loss	-	-	-	-	-	-	-
Money Market Claims	12,505	-	-	-	-	-	<b>12,505</b>
Financial Assets Available-for-Sale	2,965	-	-	-	-	160	<b>3,125</b>
Loans	-	34,534	69,000	-	-	-	<b>103,534</b>
Investment Securities Held-to-Maturity	1,662	1,489	18,109	39,644	-	-	<b>60,904</b>
Other Assets (*)	-	-	-	-	-	15,046	<b>15,046</b>
<b>Total Assets</b>	<b>38,396</b>	<b>37,321</b>	<b>87,109</b>	<b>39,644</b>	-	<b>28,329</b>	<b>230,799</b>
<b>Liabilities:</b>							
Bank Deposits	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-
Interbank Money Market Takings	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-	-
Other Fundings	-	-	-	-	-	-	-
Other Liabilities (**)	-	-	-	-	-	230,799	<b>230,799</b>
<b>Total Liabilities</b>	-	-	-	-	-	<b>230,799</b>	<b>230,799</b>
“On Balance Sheet” Long Position	38,396	37,321	87,109	39,644	-	-	<b>202,470</b>
“On Balance Sheet” Short Position	-	-	-	-	-	(202,470)	<b>(202,470)</b>
“Off- Balance Sheet” Long Position	-	-	-	-	-	29,354	<b>29,354</b>
“Off- Balance Sheet” Short Position	-	-	-	-	-	(27,660)	<b>(27,660)</b>
<b>Total Position</b>	<b>38,396</b>	<b>37,321</b>	<b>87,109</b>	<b>39,644</b>	-	<b>(200,776)</b>	<b>1,694</b>

(\*) Tangible and intangible assets are shown in the non-interest bearing column.

(\*\*) Shareholders’ equity items are shown in the “Other liabilities”.

## Financial Position and Results of Operations (more)

### IV. Interest Rate Risk (more)

Average interest rates on monetary financial instruments for the current period ( % ) :

<b>Current Period - 31/12/2022</b>	<b>EURO</b>	<b>USD</b>	<b>Yen</b>	<b>TRY</b>
<b>Assets:</b>				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	-	-	-	-
Banks	-	-	-	-
Financial Assets at Fair Value through Profit/Loss	-	-	-	-
Money Market Claims	-	-	-	11.84
Financial Assets Available-for-Sale	-	-	-	26.84
Loans	-	-	-	17.88
Investment Securities Held-to-Maturity	4.37	6.57	-	22.57
<b>Liabilities:</b>				
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Interbank Money Market Takings	-	-	-	-
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Other Fundings	-	-	-	-

<b>Previous Period - 31/12/2021</b>	<b>EURO</b>	<b>USD</b>	<b>Yen</b>	<b>TRY</b>
<b>Assets:</b>				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	-	-	-	11.00
Banks	-	0.25	-	16.50
Financial Assets at Fair Value through Profit/Loss	-	-	-	-
Money Market Claims	-	-	-	15.75
Financial Assets Available-for-Sale	-	-	-	20.07
Loans	-	-	-	14.68
Investment Securities Held-to-Maturity	4.37	6.57	-	22.57
<b>Liabilities:</b>				
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Interbank Money Market Takings	-	-	-	-
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Other Fundings	-	-	-	-

## Financial Position and Results of Operations (more)

### V. Securities Position Risk:

None.

### VI. Liquidity Risk:

**The responsibilities and structure of the bank's risk capacity liquidity risk management. Reporting the liquidity risk within the bank of the liquidity risk strategy. Information on liquidity risk management, including how its policies and practices are communicated with the board of directors and business lines.**

Liquidity Risk As a result of imbalance in the bank's cash flow. It means the lack of cash or cash inflows at a level and quality to fully and timely meet cash outflows. Liquidity risk may arise from reasons such as the Bank's inability to easily convert its positions in assets to cash due to its market structure or irregularities in cash inflows and outflows.

It is ensured that maturity match is ensured between assets and liabilities. Liquid values are preserved in order to fully meet the liquidity need that may arise as a result of market fluctuations.

The liquidity of the bank is monitored daily. In addition to the legally defined liquidity ratios, a daily liquidity definition and limit determined with the approval of the Board of Directors has been created. The minimum level for the ratio of liquid assets to total assets is determined as 5%. Daily prepared liquidity reports are reported to the relevant units and senior management.

In addition, the Bank has determined an optional Cumulative Net Liquidity Deficit Limit. Cumulative Net Liquidity deficits; Through the Liquidity Risk reports prepared by the Financial Control Department; It is calculated weekly by the Risk Management Department.

**It is aimed to have a positive (+) total net liquidity deficit in all currencies and its ratio to all assets to be at least 20%.**

If this ratio calculated by the Risk Management Department is 20% and above, no reporting or notification is made on a weekly basis. Only the Audit Committee meetings are shared as of the most recent date. In case of falling below this limit, the Treasury Department and the General Manager are informed by the **Risk Management Department**.

**Information on the degree of centralization of liquidity management and funding strategy and the functioning of the bank and its partnerships**

None.

**Information on the bank's funding strategy, including policies regarding the diversity of funding sources and durations**

In addition to meeting its short-term liquidity needs from its own internal resources, the Bank. Considering its funding and liquidity needs, most of its liquidity needs are met from its own internal resources, demand borrower funds and overnight borrowing from domestic banks.

## **Financial Position and Results of Operations (more)**

### **VI. Liquidity Risk (more)**

The Bank evaluates its liquidity, which consists of demand funds, which are kept by its direct shareholders and partnerships and cash loan customers, called the Borrower Fund and its own internal resources, mostly as a revolving short-term loan and overnight placement.

In accordance with the "Regulation on the Calculation of the Liquidity Coverage Ratio of Banks" published by the BRSA in the Official Gazette dated 21 March 2014 and numbered 28948, in the calculations to be made by banks as of January 1, 2016, the liquidity ratio is at least 50% for foreign currency and at least% for the total. It should be 70.

The Bank does not have any notifications or situations in violation of the "Proportional Limits Incompatibility" article of the relevant regulation during the period.

#### **Information on liquidity management in currencies that constitute a minimum of five percent of the bank's total liabilities**

Almost all of the bank's total liabilities are in Turkish Lira, US Dollar and Euro. Turkish Lira resources mainly consist of other items such as equity and provisions. FX resources are mainly composed of borrower funds. USD is predominantly in FX liabilities. The Bank properly maintains a balance between the existence of Liquidity Ratios, which must be kept separately for foreign currency, and an asset and liability for liquidity risk management.

The bank maintains a high quality active buffer to meet possible fund outflows.

#### **Liquidity risk mitigation techniques used**

##### **Description of the use of the stress test**

As of the end of the year, stress tests are applied in line with the scenarios determined on the basis of universal, particular and reverse stress tests (taking into account the scenarios determined by the BRSA).

#### **General information on liquidity emergency and contingency plan**

In the bank; There is a Liquidity Emergency Action Plan that has come into force with the approval of the Board of Directors, and the purpose of this plan is to diagnose the possible crisis in time in case of a possible liquidity shortage and to end the crisis with the lowest cost as soon as possible by taking action.

**Diler Yatırım Bankası Anonim Şirketi**

31 Aralık 2017 Tarihi İtibarıyla Hazırlanan  
Konsolide Olmayan Finansal Tablolara İlişkin Dipnotlar  
(Birim - Bin TL)

**Financial Position and Results of Operations (more)****VI. Liquidity Risk (more)**

Bank's unconsolidated foreign currency and total liquid coverage ratios are explained below by specifying the weeks.

**Current Period – 31/12/2022**

Week	FC Liquidity Coverage Ratio	Total Liquidity Coverage Ratio	
30.12.2022	0.91	0.48	FC lowest rate
02.12.2022	2.94	0.62	FC highest rate
16.12.2022	2.33	0.48	Total lowest rate
21.10.2022	2.36	4.09	Total highest rate
Quarterly Average Liquid Coverage Ratio calculated weekly	2.14	0.89	

**Previous Period - 31/12/2021**

Week	FC Liquidity Coverage Ratio	Total Liquidity Coverage Ratio	
01.10.2021	10.79	13.51	FC lowest rate
31.12.2021	33.44	18.52	FC highest rate
01.10.2021	10.79	13.51	Total lowest rate
31.12.2021	26.02	36.78	Total highest rate
Quarterly Average Liquid Coverage Ratio calculated weekly	17.89	25.07	

## Financial Position and Results of Operations (more)

### VI. Liquidity Risk (more)

The average calculated for the last three months of the liquidity coverage ratio calculated by taking the weekly simple arithmetic average is shown in the table below.

#### Liquid Coverage Ratio:

	Consideration Rate Total Value Not Applied *		Consideration Rate Total Value Applied *	
	TRY+FC	FC	TRY+FC	FC
<b>Current Period - 31/12/2022</b>				
High Quality Liquid Assets				
High Quality Liquid Assets			1,051	584
<b>Cash Outputs</b>				
Deposits	-	-	-	-
Stable Deposits	-	-	-	-
Unstable Deposits	-	-	-	-
Unsecured Debts	48,264	46,302	48,264	46,302
Operational Deposits	-	-	-	-
Non-Operational Deposits	-	-	-	-
Other Unsecured Debts	48,264	46,302	48,264	46,302
Secured Debts			-	-
Other Cash Outputs	514	250	514	250
Derivative liabilities and collateral completion obligations	514	250	514	250
Liabilities from structured financial instruments	-	-	-	-
Off Balance Sheet Liabilities	-	-	-	-
Unconditionally revocable off-balance sheet other liabilities and other contractual obligationsr	-	-	-	-
Other irrevocable off-balance sheet liabilities	1,126,425	16,979	112,642	1,698
<b>TOTAL CASH OUTPUT</b>			161,420	48,250
<b>CASH INPUT</b>				
Secured receivables	-	-	-	-
Unsecured receivables	30,594	20,465	28,079	18,958
Other Cash Input	620	567	620	567
<b>TOTAL CASH INPUT</b>	31,214	21,032	28,699	19,525
			Upper Limit Applied Values	
<b>TOTAL HIGH QUALITY LIQUID ASSETS</b>			1,051	584
<b>TOTAL NET CASH OUTPUT</b>			132,721	28,724
<b>LIQUIDITY COVERAGE RATE (%)</b>			<b>0,79</b>	<b>2,03</b>

(\*) The average of the weekly liquidity coverage ratio calculated by taking the weekly simple arithmetic average for the last three months is included.

## Financial Position and Results of Operations (more)

### VI. Liquidity Risk (more)

	Consideration Rate Total Value Not Applied *		Consideration Rate Total Value Applied *	
	TRY+FC	FC	TRY+FC	FC
<b>Previous Period - 31/12/2021</b>				
High Quality Liquid Assets				
High Quality Liquid Assets			3,459	3,245
Cash Outputs				
Deposits	-	-	-	-
Stable Deposits	-	-	-	-
Unstable Deposits	-	-	-	-
Unsecured Debts	27,475	26,272	27,475	26,272
Operational Deposits	-	-	-	-
Non-Operational Deposits	-	-	-	-
Other Unsecured Debts	27,475	26,272	27,475	26,272
Secured Debts			-	-
Other Cash Outputs	205	6,559	205	6,559
Derivative liabilities and collateral completion obligations	205	6,559	205	6,559
Liabilities from structured financial instruments	-	-	-	-
Off Balance Sheet Liabilities	-	-	-	-
Unconditionally revocable off-balance sheet other liabilities and other contractual obligations	-	-	-	-
Other irrevocable off-balance sheet liabilities	202,554	20,255	18,394	1,839
<b>TOTAL CASH OUTPUT</b>			<b>46,074</b>	<b>34,670</b>
CASH INPUT				
Secured receivables	-	-	-	-
Unsecured receivables	33,307	16,697	31,043	15,184
Other Cash Input	6,575	279	6,575	279
<b>TOTAL CASH INPUT</b>	<b>39,882</b>	<b>16,976</b>	<b>37,618</b>	<b>15,463</b>
			Upper Limit Applied Values	
<b>TOTAL HIGH QUALITY LIQUID ASSETS</b>			<b>3,459</b>	<b>3,245</b>
<b>TOTAL NET CASH OUTPUT</b>			<b>14,447</b>	<b>19,206</b>
<b>LIQUIDITY COVERAGE RATE (%)</b>			<b>23.94</b>	<b>16.90</b>

(\*) The average of the weekly liquidity coverage ratio calculated by taking the weekly simple arithmetic average for the last three months is included.



**Important factors affecting the liquidity coverage ratio result and the change in the items taken into account in the calculation of this ratio over time**

The Bank makes the said ratio calculation in accordance with the Regulation on the Calculation of the Liquidity Coverage Ratio of Banks published in the Official Gazette dated 21 March 2014 and numbered 28948. Among the items considered as high quality liquid assets in accordance with the aforementioned regulation; mainly consists of cash assets and provisions accounts held with the CBRT and securities portfolio. Important factors affecting the liquidity coverage ratio result; are the placement and borrowing items made in the interbank market.

Considering the banks' current status and staying below the legal limits, the BRSA envisages a gradual transition to deposit banks for legal rates, while this rate was decided to be applied as zero percent for development and investment banks until otherwise determined by the BRSA's letter dated 5 January 2017.

**Which items consist of high quality assets**

The Bank's high quality liquid assets, Cash and Effective assets, accounts at the CBRT and T.C. It consists of Government Debt Securities issued by the Treasury.

**Which items the fund resources consist of and their concentration in all funds**

Fund resources of the Bank in the current period consist of 68% of its own internal resources, 26% of borrowed funds, 6% of bank debts and other items.

**Cash outflows arising from derivative transactions and information on transactions that may define collateral**

Although derivative transactions generate a low amount of net cash flow in terms of total liquidity coverage ratio, they mainly consist of forward foreign exchange transactions with a value date of up to two days.

**Information regarding other cash inflow and outflow items included in the liquidity coverage ratio calculation but not included in the public disclosure template and considered to be related to the bank's liquidity profile**

In the calculation of Liquidity Coverage Ratio, in the public disclosure template; Other Unsecured Debts line; Borrower Funds, Taxes Payable, Miscellaneous Debts, Overnight money received from banks, Import Transfer Orders accounts, Other irrevocable or conditionally revocable off-balance sheet debts line; Unsecured receivables line from letters of guarantee given to customers; It consists of accounts with domestic and foreign banks, cash loans and other accounts that generate cash inflows and outflows.

## Financial Position and Results of Operations (more)

### VI. Liquidity Risk (more)

Maturity analysis of assets and liabilities according to remaining maturities:

Current Period – 31/12/2022	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed (*)	Total
<b>Assets</b>								
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	526	530	-	-	-	-	-	1,056
Banks	22,356	-	-	-	-	-	-	22,356
Financial Assets at Fair Value through Profit/Loss	-	-	-	-	-	-	-	-
Interbank Money Market Placements	-	38,013	-	-	-	-	-	38,013
Financial Assets Available-for-Sale	-	-	2,923	-	-	-	160	3,083
Loans	-	-	85,052	69,000	-	-	-	154,052
Investment Securities Held-to-Maturity	-	2,084	2,042	16,445	31,267	-	-	51,838
Other Assets (**)	-	-	-	-	-	-	27,400	27,400
<b>Total Assets</b>	<b>22,882</b>	<b>40,627</b>	<b>90,017</b>	<b>85,445</b>	<b>31,267</b>	-	<b>27,560</b>	<b>297,798</b>
<b>Liabilities</b>								
Bank Deposits	-	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-	-
Other Fundings	-	-	-	-	-	-	-	-
Interbank Money Market Takings	-	-	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-	-	-
Miscellaneous Payables	295	-	-	-	-	-	-	295
Other Liabilities	77,292	-	-	-	-	-	220,211	297,503
<b>Total Liabilities</b>	<b>77,587</b>	-	-	-	-	-	<b>220,211</b>	<b>297,798</b>
<b>Liquidity Gap</b>	<b>(54,705)</b>	<b>40,627</b>	<b>90,017</b>	<b>85,445</b>	<b>31,267</b>	-	<b>(192,651)</b>	-
<b>Net Off-Balance Sheet Position</b>								
Receivables from Derivative Financial Instruments	-	-	-	-	-	-	-	-
Liabilities from Derivative Financial Instruments	-	-	-	-	-	-	-	-
<b>Non-cash Loans</b>	<b>964,046</b>	<b>280</b>	<b>97,766</b>	<b>59,950</b>	<b>68,413</b>	<b>12</b>	-	<b>1,190,467</b>
<b>Previous Period – 31/12/2021</b>								
Total Assets	13,123	39,722	36,196	88,431	39,644	-	13,683	230,799
Total Liabilities	27,060	-	-	-	-	-	203,799	230,799
<b>Liquidity Gap</b>	<b>(13,937)</b>	<b>39,722</b>	<b>36,196</b>	<b>88,431</b>	<b>39,644</b>	-	<b>(190,056)</b>	-
<b>Net Off-Balance Sheet Position</b>								
Receivables from Derivative Financial Instruments	-	27	233	1,434	-	-	-	1,694
Liabilities from Derivative Financial Instruments	-	14,709	6,722	7,923	-	-	-	29,354
Liabilities from Derivative Financial Instruments	-	14,682	6,489	6,489	-	-	-	27,660
<b>Non-cash Loans</b>	<b>235,242</b>	-	<b>22,669</b>	<b>49,929</b>	<b>182</b>	<b>12</b>	-	<b>308,034</b>

(\*) Other active accounts such as fixed assets, subsidiaries and subsidiaries in cash, prepaid expenses and non-performing receivables, which do not have the chance to turn into cash in a short time required for the continuation of banking activities, are recorded here.

(\*\*) Certain assets on the balance sheet that are necessary for the banking operations but not convertible into cash in short period such as tangible assets and prepaid expenses are included in this column.

## Financial Position and Results of Operations (more)

### VII. Leverage Ratio Risk

Information on the leverage ratio calculated in accordance with the Regulation on Measurement and Evaluation of Banks' Leverage Level published in the Official Gazette No. 28812 dated 5 November 2013 is as follows.

There is no significant difference between current and previous period leverage ratio.

Since the Bank is not obliged to prepare consolidated financial statements, a summary comparison table of the total asset amount and the total risk amount included in the consolidated financial statements prepared in accordance with TAS has not been prepared.

#### Leverage ratio public disclosure template:

	Current Period	Current Period
<b>On-balance sheet assets</b>		
On-Balance Sheet Assets	226,617	271,774
(Assets deducted from capital)	(1,121)	(1,172)
Risk amount on On-Balance Sheet Assets	225,496	270,602
<b>Derivative financial instruments and credit derivatives</b>	-	-
Replacement cost of derivative financial instruments and credit derivatives	1,005	6
Potential credit risk amount of derivative financial instruments and credit derivatives	274	50
Total risk of derivative financial instruments and credit derivatives	1,279	79
<b>Securities or commodity covered financing transactions</b>	-	-
Risk amount of securities or commodity-covered financing transactions of securities or commodity financing transactions (except balance sheet)	-	-
Risk amount arising from intermediated transactions	-	-
Total risk amount related to securities or commodity covered financing transactions	-	-
<b>Off-Balance Sheet Transactions</b>	-	-
Gross nominal amount of off-balance sheet transactions	290,205	1,287,258
(The adjustment amount arising from the multiplication with the loan conversion rates)	-	-
Total risk of off-balance sheet transactions	-	-
Capital and total risk	-	-
Capital	185,644	198,121
Total risk amount	516,980	1,557,939
Leverage ratio	-	-
Leverage ratio	% 35.96	% 13.08

\* Three-month average amounts.

## Financial Position and Results of Operations (more)

### VIII. Fair values of financial assets and liabilities :

	Book Value*		Fair Value*	
	Current Period	Previous Period	Current Period	Previous Period
<b>Financial Assets</b>	<b>269,342</b>	<b>211,050</b>	<b>269,342</b>	<b>211,050</b>
Interbank Money Market Placements	38,013	12,505	38,013	12,505
Banks	22,356	30,982	22,356	30,982
Financial Assets Available-for-Sale	3,083	3,125	3,083	3,125
Investment Securities Held-to-Maturity	51,838	60,904	51,838	60,904
Loans	154,052	103,534	154,052	103,534
<b>Financial Liabilities</b>	<b>295</b>	<b>-</b>	<b>295</b>	<b>-</b>
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Other Fundings	-	-	-	-
Securities Issued	-	-	-	-
Miscellaneous Payables	295	-	295	-

\* Due to the fact that calculation of book value and fair values very close to each other, the table has been shown from amortized costs.

Fair values of investment securities held-to-maturity are derived from market prices or in case of absence of such prices, market prices of other securities quoted in similar qualified markets and having substantially similar characteristics in terms of interest, maturity and other conditions.

Fair values of loans are calculated discounting future cash flows at current market interest rates for fixed-rate loans. The carrying values of floating-rate loans are deemed a reasonable proxy for their fair values.

Fair values of other financial assets and liabilities are represented by the total of acquisition costs and accrued interest income.

### IX. Transactions carried out on behalf of customers, items held in trust :

The Bank does not provide buying, selling and custody services and management and advisory services in financial matters for its customers.

## Financial Position and Results of Operations (more)

### X. Public Disclosures on Risk Management by Banks

#### 1. Risk Management Approach and Weighted Risk Amounts

The footnotes and related explanations prepared in accordance with the “Communiqué Regarding Risk Management by Banks” published in the Official Gazette numbered 29511 on 23 October 2015 and put into effect as of 31 March 2016 are given in this section.

##### 1.1 The Bank’s Risk Management Approach

In a framework that can be summarized as “a conservative structure and low risk appetite”, the risk management approach of the Bank is stated in the table below (Table GBA):

#### Table GBA: THE BANK’S RISK MANAGEMENT APPROACH 2021

##### a) How the Business Model determines the Bank's risk profile

The Bank determines, measures and evaluates the risk profile in line with the principles included in the following procedures:

- Risk Strategy and Policies
- Market Risk Strategy and Policies
- Liquidity Risk Strategy and Policies
- Credit Risk and Counterparty Risk Strategy and Policies
- Operational Risk Strategy and Policies
- Reputation Risk Strategy and Policies
- Interest Risk Strategies and Policies
- Country Risk Strategies and Policies
- Bank’s Strategic Plan

Key risks table determined by Self-Assessment (RCSA) studies at our Bank is renewed every year and kept up-to-date. The Self-Assessment study is carried out with all units of the bank. Additional applications are carried out under the name of "IT Risk Management Studies" with the IT Department. In line with the low risk appetite strategy included within the scope of the ISEDES reports approved by the Board of Directors, the actions to be taken regarding the management of these risks are shared at the Audit Committee meetings and planning is made in line with the decisions taken. "

##### b) Risk Management Structure

Risk management system; The policies, implementation procedures and limits determined to monitor, control and change the risk-return structure of the bank's future cash flows, the nature and level of the activities accordingly, and to ensure that the risks exposed are identified, measured, monitored and controlled. It is the set of processes. Risk Management Activities mainly;

1. Measuring risks,
2. Monitoring of risks,
3. Controlling and reporting of risks.

These activities takes plase in accordance with the Risk Management Department Regulation And Risk Strategy and Policies.

## **X. Public Disclosures on Risk Management by Banks (more)**

### **c) Practices related to spreading risk culture**

Operational Risk Bulletin: Trainings are organized in necessary periods to establish operational risk awareness and raise existing awareness. An Operational Risk Bulletin is prepared every 6 months, and it is published and shared on a platform accessible to the entire bank.

RCSA (Self-Assessment) Studies: Since the RCSA (Self-Assessment) approach, which is applied once a year, involves business unit managers in the process of determining and analyzing the risk profile, it ensures a better understanding of the concept of operational risk throughout the organization, the spread of the risk culture and the risks throughout the Bank. allows to be followed and analyzed.

Activities within the Scope of Business Continuity: Measuring the effectiveness of ISM in ensuring the continuity of business in the event of a real disaster and meeting the needs of our Bank in extraordinary situations with the tests performed once a year at the Dilerbank Business Continuity Center (ISM) and the Business Impact Analyzes applied continuously. It is aimed to be prepared and to ensure adequate risk awareness. Limiting practices have been established at certain rates on the basis of each risk type in our bank. Compliance with these limits is monitored primarily by business units, internal control and internal audit processes, and also by the Risk Management Department.

### **d) Risk measurement systems and main elements**

Due to the narrow portfolio volume and the lack of wide range of transactions in our bank, standard approaches (basic indicator approach for operational risk) are considered sufficient on the basis of all risk types and there is no hurry to switch to internal models. However, the necessary infrastructure studies for the transition to advanced measurement approaches are continuing in parallel.

### **e) Risk reporting to the Board of Directors and senior management**

Audit Committee meetings are held quarterly and the final results regarding the evaluations made over the entire portfolio are shared. A special report on Risk Management Department activities is submitted annually. Reporting and presentation of support services received annually is made to the Board of Directors. The Audit Committee reports the activities of the internal systems to the Board of Directors every 6 months. Studies within the scope of Business Continuity, studies within the scope of Self-Assessment and studies within the scope of Information Technologies Risk Management are reported and submitted to the Board of Directors. The Risk Management Department reports daily liquidity and stop-loss limits to the senior management.

### **f) Stress test studies**

At our bank, stress tests are conducted in general and related risk types once a year. With these universal and particular stress tests, the Bank obtains and evaluates results that make it possible to see the future better.

## **X. Public Disclosures on Risk Management by Banks (more)**

### **g) Risk-reducing processes and strategies**

The Bank exhibits a proactive approach in all risk types. Measures to be taken are monitored through internal risk measurements. There are Emergency and Contingency Plans in important risk categories and for the Bank in general, and necessary studies are carried out periodically to make these plans living. Other processes that can be called "risk mitigation process" in our bank are our Bank's internal control and internal audit processes. The possibility of exposure to risks is substantially reduced by the internal controls applied by the Bank's Internal Control Department and periodic internal audits.

### **1.2 Risk-weighted amounts overview**

As of 31/12/2022, the risk-weighted amounts and capital requirement are presented in the table below (Template GB1).

		Risk Weighted Amounts		Minimum Capital Requirement
		Current 12/2022	Previous 09/2022	Current Period 12/2022
<b>1</b>	<b>Credit risk (excluding counterparty credit risk) (*)</b>	<b>851,724</b>	<b>555,794</b>	<b>68,138</b>
2	Standard approach	851,724	555,794	68,138
3	Internal rating based approach	-	-	-
<b>4</b>	<b>Counterparty credit risk</b>	<b>1,462</b>	<b>402</b>	<b>117</b>
5	Standard approach to counterparty credit risk	1,462	402	117
6	Internal modelling method	-	-	-
7	Stock positions in the banking account in the simple risk weight approach or the internal modelling approach	-	-	-
8	Investments in KYK-content method	-	-	-
9	Investments made to KYK-prospectus method	-	-	-
10	Investments in KYK - 1250% risk weight method	-	-	-
<b>11</b>	<b>Trade Risk</b>	<b>-</b>	<b>-</b>	<b>-</b>
12	Securitization positions in banking accounts	-	-	-
15	Standart basitleştirilmiş denetim otoritesi formülü yaklaşımı	-	-	-
<b>16</b>	<b>Market Risk</b>	<b>-</b>	<b>-</b>	<b>-</b>
17	Standard approach	-	-	-
18	Internal modelling approaches	<b>11,638</b>	<b>40,763</b>	<b>931</b>
<b>19</b>	<b>Operational Risk</b>	<b>11,638</b>	<b>40,763</b>	<b>931</b>
20	Main indicator approach	-	-	-
21	Standard approach	<b>61,696</b>	<b>61,696</b>	<b>4,936</b>
22	Advanced measurement approach	61,696	61,696	4,936
23	Amounts below the discount thresholds from equity (subject to a 250% risk weight)	-	-	-
24	Lowest value adjustments	-	-	-
<b>25</b>	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>926,519</b>	<b>658,655</b>	<b>74,122</b>

## Financial Position and Results of Operations (more)

### X. Public Disclosures on Risk Management by Banks (more)

#### 2. Links Between Financial Statements and Risk Amounts

##### B1- Differences and matching between the scope of accounting consolidation and legal consolidation:

	a/b	c	d	e	f	g
	Amount valued in accordance with TAS within the scope of legal consolidation	Items valued in accordance with TAS				
		Subject to credit risk	Subject to counterparty credit risk	Securitization positions	Subject to market risk	Not subject to capital obligation or deducted from the capital
<b>Assets</b>						
Cash and central bank	1,056	1,056	-	-	503	-
Financial assets held for trading	-	-	-	-	-	-
Financial assets classified as at fair value through profit or loss	-	-	-	-	-	-
Banks	22,355	22,355	-	-	22,259	-
Money markets claims	38,012	38,012	-	-	-	-
Available for sale financial assets (net)	3,083	3,083	2,923	-	-	-
Loans and receivables	154,052	154,052	-	-	-	-
Factoring receivables	-	-	-	-	-	-
Held-to-maturity investments (net)	-	-	-	-	-	-
Affiliates (net)	-	-	-	-	-	-
Subsidiaries (net)	-	-	-	-	-	-
Joint ventures (joint ventures) (net)	-	-	-	-	-	-
Receivables from leasing transactions	51,838	51,838	-	-	45,644	-
Derivative financial assets for hedging purposes	-	-	-	-	-	-
Tangible fixed assets (net)	1,808	1,808	-	-	-	-
Intangible assets (net)	934	-	-	-	-	934
Investment properties (net)	3,471	3,471	-	-	-	-
Tax asset	495	-	-	-	-	-
Non-current assets held for sale and discontinued operations (net)	-	-	-	-	-	-
Other assets	20,694	20,694	-	-	17,996	-
<b>Total assets</b>	<b>297,798</b>	<b>296,369</b>	<b>2,923</b>	<b>0</b>	<b>86,402</b>	<b>934</b>
<b>Liabilities</b>						
Deposit						
Derivative financial liabilities held for trading	-	-	-	-	-	-
Loans received	-	-	-	-	-	-
Money market debts	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-
Funds	77,292	-	-	-	76,893	77,292
Miscellaneous debts	295	-	-	-	-	295
Other foreign sources	252	-	-	-	85	252
Factoring payables	167	-	-	-	-	167
Lease payables	-	-	-	-	-	-
Derivative financial liabilities for hedging purposes	-	-	-	-	-	-
Provisions	16,380	-	-	-	-	16,380
Tax dept	2,093	-	-	-	-	2,093
Liabilities for non-current assets from held for sale and discontinued operations (net)	-	-	-	-	-	-
Subordinated loans	-	-	-	-	-	-
Equity	201,486	-	-	-	-	201,486
<b>Total liabilities</b>	<b>297,798</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,978</b>	<b>297,798</b>



## Financial Position and Results of Operations (more)

### X. Public Disclosures on Risk Management by Banks (more)

#### 2. Links Between Financial Statements and Risk Amounts (more)

**B2- The main sources of the differences between the risk amounts and the amounts valued in accordance with TAS in the financial statements:**

		Total	Subject to credit risk	Securitization positions	Subject to counterparty credit risk	Subject to market risk
1	Amounts of assets included in legal consolidation valued in accordance with TAS (As in Template B1)	297,798	296,369	-	2,923	86,402
2	Amounts of liabilities within the scope of legal consolidation valued in accordance with TAS (as in template B1)	-	-	-	-	-
3	Total net amount under legal consolidation	297,798	296,369	-	2,923	86,402
4	Off-balance sheet amounts	1,190,467	-	-	-	-
5	Valuation differences	-	-	-	-	-
6	Differences arising from different clarification rules (other than those in line 2)	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences arising from the practices of the institution	-	-	-	-	-
9	Other	-	-	-	-	-
10	Risk amounts	-	296,369	-	2,923	86,402

### 3. Issues to be disclosed to the public regarding credit risk

#### 3.1 General information on credit risk

##### 3.1.1. General qualitative information on credit risk

Credit risk refers to the failure of the counterparty to fulfill its obligations in the contracts to which the Bank is a party, and the risks and losses that the Bank will face.

In accordance with the legislation, risk limits are allocated according to the financial status and loan needs of the loan customers within the framework of the lending authority limits of the Board of Directors. If deemed necessary, the limits can be changed by the Bank.

The Bank monitors the debtors of its loans and other receivables in terms of their credit worthiness in accordance with the relevant legislation. In addition, it checks the account status documents for the opened loans and updates them when necessary. In accordance with the relevant legal regulations, the Bank; It also monitors risk limitations on the basis of debtors and debtors groups.

The Bank uses a credit rating system to measure and evaluate credit risk effectively. The rating system evaluates the total credit risk of each borrower. If there is any collateral taken to reduce the credit risk, the Bank performs the valuation of these collaterals at the first collateral stage and at least once a year after taking into account the results of the risk rating system.

The bank monitors and manages credit risks until the loan repayment is completed, the loan is canceled or deleted after the loan is granted.

General qualitative information regarding the credit risk of the bank is as follows with Table KRA:

## **Financial Position and Results of Operations (more)**

### **X. Public Disclosures on Risk Management by Banks (more)**

#### **3. Issues to be disclosed to the public regarding credit risk (more)**

##### **Table KRA: General Qualitative Information on Credit Risk 2021**

###### **a) Business model of the bank and its credit risk profile components**

Although our bank's portfolio mainly consists of credit risk, it does not experience any significant problems in risk monitoring with effective risk management approaches and control mechanisms; Its high capital adequacy ratio continues its existence as a strong player in the sector.

The components of credit risk in our bank are defined as follows; its coverage is predominantly in the form of base credit risk.

Credit risk; It expresses the probability of loss to be incurred by the bank due to the failure of the loan customer to fulfill its obligations partially or completely on time by not complying with the terms of the contract.

Counterparty risk, country risk, concentration risk, residual risk are also handled and managed in the credit risk category.

Counterparty Risk: It refers to the probability that the counterparty, which is the addressee of a transaction that imposes an obligation on both parties, will default before the last payment in the cash flow of this transaction.

Country Risk: It refers to the probability of the bank to suffer a loss as a result of the debtors' failure or avoidance of fulfilling their external obligations due to uncertainties arising in economic, social and political conditions.

Concentration Risk: It is the risk arising from the concentration of loans within the personal loans portfolio, on the basis of certain sectors and in a certain geographical region.

Residual Risk: Covers the risks arising from the ineffectiveness of the credit risk mitigation techniques used.

###### **b) Approaches used in determining credit risk policy and credit risk limits**

Our bank is managed in an extremely conservative structure with the aim of minimum risk. Since risk items mainly consist of credit risks, there is no concentration in a certain sub-risk group, but some internal limits are set for qualified monitoring. These limits are as follows:

###### Sectoral Concentration Limit:

Since concentration on a sector basis is not very desirable, it is followed whether the total loan volume (other than group companies) causes more than 25% concentration in the total portfolio in a sector. If the rate of 25% is reached, the risk level of the situation that occurs in the first Audit Committee and the action to be taken are evaluated and the decisions taken are implemented.

###### Counterparty limit:

Counterparty limits are established in accordance with the rules and application procedures on loan issuance and taking into account the change in the financial position of the counterparty. Counterparty limits are determined only for counterparties trading in domestic and foreign secondary markets. Counterparty limits prepared by the Treasury Department are submitted to the Board of Directors for approval.

## **Financial Position and Results of Operations (more)**

### **X. Public Disclosures on Risk Management by Banks (more)**

#### **3. Issues to be disclosed to the public regarding credit risk (more)**

##### **c) Structure and organization of credit risk management and control function / d) Relationship between credit risk management, risk control, legal compliance and internal audit functions**

In our bank, credit evaluation stages are carried out by the Head Office in person and disbursements are made with the approval of the Board of Directors. Each of our Bank's customers is subjected to an internal rating model, and these evaluation results are taken into account during the evaluation of loan offers. Implementation of the credit rating system is carried out by the Credit Operations Unit, and its maintenance and follow-up is carried out with the cooperation and coordination of the Risk Management Department and the Credit Operations Unit. The Risk Management Department also prepares a monthly report in which it evaluates the entire loan portfolio and presents it at the Audit Committee meetings. All operational sub-steps of the lending processes are carried out by the Loans Department. The lending process is monitored effectively together with the audit and control works of our Bank's internal control and internal audit units.

##### **e) Credit risk reporting to senior management and board members**

Within the scope of legal reporting, measurement is carried out on a monthly basis by applying the standard approach and the simple method in guarantees.

As part of the internal practice, Credit Risk Evaluation Reports are prepared monthly, and the most up-to-date report is evaluated at the Audit Committee meetings held every 3 months. Transfers within the scope of early warning, if any, are made by the Risk Management Department.

Loan Risk Loss Database entries are regularly made in order to provide the infrastructure that enables transition to advanced modeling in credit risk measurement approaches.

#### **3.1.2. Credit quality of assets**

The asset quality of our bank and the amounts valued in accordance with TAS in the financial statements prepared in accordance with legal consolidation, prepared for the purpose of comprehensively revealing the credit quality of the bank assets are presented in the following table (Template CR1):

		Gross Amount prepared according to Legal Consolidation and valued in accordance with TAS consisted within financial tables		Provisions / depreciation and impairment	Net Value
		Defaulted	Not Defaulted		
1	Loans	1,201	297,798	1,201	297,798
2	Debt Instrumets	0	0	0	0
3	Off-balance sheet receivables	0	1,190,467	0	1,190,467
<b>4</b>	<b>Total</b>	<b>1201</b>	<b>1,488,265</b>	<b>1,201</b>	<b>1,488,265</b>

## **Financial Position and Results of Operations (more)**

### **X. Public Disclosures on Risk Management by Banks (more)**

#### **3. Issues to be disclosed to the public regarding credit risk (more)**

##### **3.1.3. Changes in the stock of defaults and debt securities**

The final situation on the bank's default receivables and debt instruments is presented in the following table (Template CR2):

<b>Changes in the stock of defaults and debt securities</b>		
<b>1</b>	<b>Default loans and debt instruments at the end of the previous reporting period</b>	<b>1,201</b>
2	Loans and debt instruments that have defaulted since the last reporting period	-
3	Receivables that have not defaulted again	-
4	Amounts written off	-
5	Other changes	-
<b>6</b>	<b>Default loans and debt instruments at the end of the reporting period (1 + 2 + 3 + 4 + 5)</b>	<b>1,201</b>

In accordance with the Communiqué on receivables that have fallen into default; It refers to the amount before the provision / depreciation and impairment are taken into account for the receivables in default (excluding those that are written off from assets).

#### **3.2. Credit risk mitigation**

##### **3.2.1. Qualitative requirements to be disclosed to the public regarding credit risk mitigation techniques**

The Bank considers the cash flow of the activity or investment subject to credit in the lending process as its primary repayment source.

Calculation of the collateral amount is based on margins determined by market and currency risk. Standard margins applied throughout the bank are specific to the type of collateral and can vary depending on the type of loan, maturity and currency used.

If the loan is established with a guarantee condition, the collaterals must be entered into the Banking system. These transactions are carried out centrally by the Credit Operations Unit.

The current value of the collateral is monitored in terms of collateral type. In the credit risk monitoring process, besides the credit worthiness of the customer, the collateral-risk balance is checked.

##### **3.2.2. Credit risk mitigation techniques**

There is no credit risk mitigation technique currently in use. Therefore, Tables were not prepared.

## Financial Position and Results of Operations (more)

### X. Public Disclosures on Risk Management by Banks (more)

#### 3. Issues to be disclosed to the public regarding credit risk (more)

#### 3.3. Credit Risk Using Standard Approach

##### 3.3.1. Qualitative Explanations Related to the Rating Grades Used

The Bank considers the external rating only for receivables from central governments or central banks, and within the scope of country rating assignment. Details are as follows as presented in Table CRD:

SIRA NO	RİSK SINIFI	DERECELENDİRME KURULUŞU	ATANMA TARİHİ			VAZGEÇME TARİHİ			VAZGEÇME GEREKÇESİ
			GÜN	AY	YIL	GÜN	AY	YIL	
1	01(+)	FITCH	30	12	2016				
	(*)	Merkezi yönetimlerden veya merkez bankalarından alacaklar							

##### 3.3.2. Exposed credit risk and credit risk mitigation techniques

Credit risks and risk-weighted amounts calculated under the standard approach are presented in the following table (Template CR4):

	Risk Classes	a		b		c		d		e		f	
		On Balance Sheet	Off-Balance Sheet	On Balance Sheet	Off-Balance Sheet	Risk Weighted	Risk-weighted amount density	Risk Weighted	Risk-weighted amount density				
1	Receivables from central governments and central banks	1.479	-	1.479	-	0	0,00%						
2	Receivables from regional governments and local governments	-	-	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-	-	-
4	Claims from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	62.790	-	62.790	-	13.579	1,59%						
7	Corporate receivables	206,074	1,190,465	206,074	628,255	834,329	97,79%						
8	Retail receivables	-	-	-	-	-	-	-	-	-	-	-	-
9	Receivables secured by residential real estate mortgages	-	-	-	-	-	-	-	-	-	-	-	-
10	Receivables secured by commercial real estate mortgages	-	-	-	-	-	-	-	-	-	-	-	-
11	Overdue receivables	-	-	-	-	-	-	-	-	-	-	-	-
12	High risk determined by the Board	-	-	-	-	-	-	-	-	-	-	-	-
13	Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables and short-term corporate receivables from banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-	-	-
15	Investments that qualify as a collective investment institution	-	-	-	-	-	-	-	-	-	-	-	-
16	Other receivables	5,356	-	5,356	-	5,278	0,62%						
17	Stock investments	-	-	-	-	-	-	-	-	-	-	-	-
18	<b>Total</b>	<b>275,699</b>	<b>1,190,465</b>	<b>275,699</b>	<b>628,255</b>	<b>853,186</b>	<b>%100.00</b>						

## Financial Position and Results of Operations (more)

### X. Public Disclosures on Risk Management by Banks (more)

#### 3. Issues to be disclosed to the public regarding credit risk (more)

#### 3.4. Credit Risk Using Standard Approach

##### 3.4.1 Receivables According to Risk Classes and Risk Weights

The breakdown of receivables based on risk class and risk weight under the standard approach is presented in the following table (Template CR5):

##### Receivables according to risk classes and risk weights

	Risk Classes	%0	%10	%20	%35 <i>Secured by real estate mortgages</i>	%50	%75	%100	%150	%200	Others	Total Risk Value
1	Receivables from central governments and central banks	1,479	-	-	-	-	-	-	-	-	-	1,479
2	Receivables from regional governments and local governments	-	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-	-
4	Claims from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	-	-	59,687	-	2,923	-	180	-	-	-	62,790
7	Corporate receivables	-	-	-	-	-	-	834,329	-	-	-	834,329
8	Retail receivables	-	-	-	-	-	-	-	-	-	-	-
9	Receivables secured by residential real estate mortgages	-	-	-	-	-	-	-	-	-	-	-
10	Receivables secured by commercial real estate mortgages	-	-	-	-	-	-	-	-	-	-	-
11	Overdue receivables	-	-	-	-	-	-	-	-	-	-	-
12	High risk determined by the Board	-	-	-	-	-	-	-	-	-	-	-
13	Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables and short-term corporate receivables from banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-	-
15	Investments that qualify as a collective investment institution	-	-	-	-	-	-	-	-	-	-	-
16	Stock investments	-	-	-	-	-	-	-	-	-	-	-
17	Other receivables	78	-	-	-	-	-	5,278	-	-	-	5,356
18	<b>Total</b>	<b>1,557</b>	<b>-</b>	<b>59,687</b>	<b>-</b>	<b>2,923</b>	<b>-</b>	<b>839,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>903,954</b>

## Financial Position and Results of Operations (more)

### X. Public Disclosures on Risk Management by Banks (more)

#### 3. Issues to be disclosed to the public regarding credit risk (more)

3.4.2. Since the Internal Rating Based (IRB) approach is not used in our Bank, Tables CRE, CR6, CR7, CR8, CR9, CR10 template numbers have not been prepared.

#### 3.5. Disclosures regarding the counterparty credit risk (CCR)

This part; It covers all risks exposed to counterparty risk in trading and banking accounts, credit valuation adjustments and central counterparty risks.

##### Table CCRA: Explanations Regarding CCR

In our bank, counterparty risk is handled within the scope of credit risk, and the explanations presented in the Table CRA include the details within this scope.

##### 3.5.1 Evaluation of CCR according to measurement methods

The table (Template CCR1) detailing the methods and parameters used in measuring the legal capital to be held for CCR is presented below:

	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>F</i>
	<i>Renewal Cost</i>	<i>Potential Credit Risk Value</i>	<i>EBPRT</i>	<i>Alpha Used to Calculate the Amount of Legal Risk</i>	<i>Alpha Used to Calculate Legal Risk Amount</i>	<i>Risk Weighted Amounts</i>
1	-	-		1,4	-	-
2			-	-	-	-
3					-	-
4					-	-
5					2,923	1,462
6						1,462

## Financial Position and Results of Operations (more)

### X. Public Disclosures on Risk Management by Banks (more)

#### 3. Issues to be disclosed to the public regarding credit risk (more)

##### 3.5.2. Capital requirement for credit valuation adjustments (CVA)

Template CCR2 has not been issued, as there has been no transaction subject to CVA capital requirement.

##### 3.5.3. CCR according to risk classes and risk weights

The risk classes and risk weights of counterparty credit risks calculated within the framework of the standard approach are presented in the following table (Template CCR3):

<b>Risk Weight</b>	<b>0%</b>	<b>10%</b>	<b>20%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>	<b>150%</b>	<b>Others</b>	<b>Total Credit Risk</b>
<b>Risk Classes</b>									
Receivables from central governments and central banks									
Receivables from regional governments and local governments	-	-	-	-	-	-	-	-	-
Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-
Receivables from banks and brokerage houses	-	-	-	2,923	-	-	-	-	2,923
Corporate receivables	-	-	-	-	-	-	-	-	-
Retail receivables	-	-	-	-	-	-	-	-	-
Receivables secured with real estate mortgages	-	-	-	-	-	-	-	-	-
Overdue receivables	-	-	-	-	-	-	-	-	-
High-risk receivables determined by the Board	-	-	-	-	-	-	-	-	-
Mortgage-backed securities	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-
Receivables and corporate receivables from banks and brokerage houses with short-term credit rating	-	-	-	-	-	-	-	-	-
Investments that qualify as a collective investment institution	-	-	-	-	-	-	-	-	-
Stock investments	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	<b>2,923</b>	-	-	-	-	<b>2,923</b>

(\*) CCR 4 and CCR 7 templates were not prepared because the IDD approach was not used.



## **Financial Position and Results of Operations (more)**

### **X. Public Disclosures on Risk Management by Banks (more)**

#### **3. Issues to be disclosed to the public regarding credit risk (more)**

##### **3.5.4. Collaterals used for CCR**

Since there is no situation regarding the guarantees given due to derivative transactions, KKR5 template has not been prepared.

##### **3.5.5. Credit Derivatives**

KKR6 template has not been prepared as there are currently no credit derivatives.

##### **3.5.6. Issues to be disclosed regarding the risks to CCP**

Since there is no risk in this context, the CCR8 template has not been prepared.

## **Financial Position and Results of Operations (more)**

### **X. Public Disclosures on Risk Management by Banks (more)**

#### **3. Issues to be disclosed to the public regarding credit risk (more)**

##### **3.6. Issues to be disclosed to the public regarding securitization**

MKA, MK1, MK2, MK3, MK4 templates were not prepared as required by the Communiqué on Public Disclosures on Risk Management by Banks.

#### **4. Issues to be disclosed to the public regarding Market Risk**

##### **4.1. Qualitative information about market risk to be disclosed to the public**

In order to comply with the regulations, the Bank has regulated its activities related to market risk management within the framework of the Regulation on Internal Systems of Banks and Internal Capital Adequacy Assessment Process published in the Official Gazette No. 29057 dated 11 July 2014.

Market risk management activities in the Bank include the measurement of the risks exposed due to price, interest and exchange rate fluctuations in financial markets. Monthly reports prepared within the framework of the legislation published by the BRSA are prepared and sent by the Risk Management Department. Within the scope of the Bank's activities, no capital requirement has arisen since there is no position that requires calculations for stock, commodity and exchange risk.

Taking into account the limits determined within the scope of Market Risk Strategy and Policies, risk measurements and daily limit controls are performed. Treasury Department and Bank senior management are informed about the control results.

Stress tests are applied at specified periods throughout the year and the stress tests performed on an annual basis in line with the relevant legislation are reported to the BRSA within the period.

General qualitative information regarding the market risk of the bank is as follows with the Table PRA:

## **Financial Position and Results of Operations (more)**

### **X. Public Disclosures on Risk Management by Banks (more)**

#### **4. Issues to be disclosed to the public regarding Market Risk (more)**

##### **Table PRA: Qualitative Information to be Disclosed to the Public on Market Risk 2021**

###### **a) Bank's processes and strategies**

Market risk management activities in our Bank are carried out by the Risk Management Department, Market Risk Unit, according to the processes in the following sub-headings:

###### **1. Measuring, evaluating and monitoring market risk**

As regards the measurement of market risk, the standard approach is currently applied. Legal reporting on the subject is also made on a monthly basis. Although the use of the internal model is not on the agenda yet, it is planned to be on the agenda in the future.

###### **2. Reporting of market risk**

Within the scope of legal reporting, measurement is carried out on a monthly basis by applying a standard approach. The form regarding the Interest Risk Arising from Banking Accounts (FR400) is prepared and sent monthly in this context.

Daily liquidity and stop-loss limit monitoring and cumulative net liquidity deficit limit monitoring are performed within the scope of the in-bank application. Weekly liquidity and monthly interest sensitivity analyzes are performed. Any transfers within the scope of early warning are made by the Risk Management Department at the relevant Audit Committee meeting.

Daily valuation figures for the Purchase-Sale Portfolio are followed up with the data received from the system. In this context, the Market Risk Unit reports to the Risk Management Department Manager on the first business day following. If a situation that should be considered within the scope of early warning is detected, a meeting is organized with the General Manager and Treasury Manager. According to the result of the meeting, the matter is included in the agenda of the Audit Committee, if necessary, and an action plan is prepared and implemented according to the decisions taken.

###### **b) Organization and structure of the market risk management function**

"In our Bank, activities regarding market risk are carried out by the Risk Management Department Market Risk Unit within the scope of legal reporting, measurement and monitoring. The Treasury Department is active in liquidity and market monitoring and plays a critical role in informing the senior management. As in all processes, the audit and control processes are performed by our Bank's internal audit and internal control units.

###### **c) Structure and scope of risk reporting and / or measurement systems**

Within the scope of legal reporting, measurement is carried out on a monthly basis by applying a standard approach. The form regarding the Interest Risk Arising from Banking Accounts (FR400) is prepared and sent monthly in this context.

Daily liquidity and stop-loss limit monitoring and cumulative net liquidity deficit limit monitoring are performed within the scope of the in-bank application. Monthly liquidity and interest sensitivity analyzes are performed. Any transfers within the scope of early warning are made by the Risk Management Department at the relevant Audit Committee meeting.

Daily valuation figures for the Purchase-Sale Portfolio are followed up with the data received from the system. In this context, the Market Risk Unit reports to the Risk Management Department Manager on the first business day following. If a situation that should be considered within the scope of early warning is detected, a meeting is organized with the General Manager and Treasury Manager. According to the result of the meeting, the matter is included in the agenda of the Audit Committee, if necessary, an action plan is prepared and implemented according to the decisions taken.

## Financial Position and Results of Operations (more)

### X. Public Disclosures on Risk Management by Banks (more)

#### 4.2. Standard Approach

The components of the capital requirement for market risk under the standard approach are presented in the following table (Template PR1):

		A
		RAT
	<b>Direct cash products</b>	<b>11,638</b>
1	Interest rate risk (general and specific)	-
2	Stock risk (general and specific)	-
3	Currency risk	11,638
4	Commodity risk	-
	<b>Options</b>	<b>-</b>
5	Simplified approach	-
6	Delta-plus method	-
7	Scenario approach	-
8	<b>Securitization</b>	<b>-</b>
9	<b>Total</b>	<b>11,638</b>

(\*) PR2, PR3, PR4 templates were not prepared since the internal model approach is not used in our bank.

#### 5. Issues to be disclosed to the public regarding operational risk

Operational risk calculations at our Bank are carried out within the scope of Basic Indicator Approach. The figures calculated as of the end of 2022 are presented in the table below:

	2 PP Value	PP Value	CP Value	Total/ Positive GI	Percentage (%)	Total
<b>Gross Income</b>	29,736	20,445	48,532	32,904	15	4,936
<b>Amount Subject to Operational Risk (Total * 12.5)</b>						<b>61,696</b>

#### 6. Issues to be disclosed to public regarding the interest rate risk in banking accounts

In the table below; The economic value differences arising from the fluctuations in interest rates, calculated in accordance with the "Regulation on Measurement and Evaluation of Interest Rate Risk Arising from Banking Accounts by Standard Shock Method", divided according to different currencies of the bank, are presented:

	Para Birimi	Uygulanan Şok (+/- x baz puan)	Kazançlar/ Kayıplar	Kazançlar/Özkaynaklar-Kayıplar/Özkaynaklar
1	TRY	+500/-400	828,81/-918,09	0-0
2	EURO	+200/-200	-95,51/-284,17	0-0
3	USD	+200/-200	5,55/-100,54	0-0
	<b>Toplam (Negatif şoklar için)</b>		738,8468	0
	<b>Toplam (Pozitif şoklar için)</b>		-1302,8082	0

## SECTION FIVE

### Disclosures and Footnotes on Unconsolidated Financial Statements

#### I. Assets:

##### a. Cash and balances with Central Bank

	Current Period		Previous Period	
	TRY	FC	TRY	FC
Cash in TRY/Foreign Currency	20	58	24	127
Central Bank of Turkey	533	445	349	4,202
Other	-	-	-	-
<b>Total</b>	<b>553</b>	<b>503</b>	<b>373</b>	<b>4,329</b>

##### Balances with the Central Bank of Turkey

	Current Period		Previous Period	
	TRY	FC	TRY	FC
Unrestricted Demand Deposits	533	445	349	3,302
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	-	-	-	-
<b>Total</b>	<b>533</b>	<b>445</b>	<b>349</b>	<b>3,302</b>

According to the CBRT's "Communiqué on Required Reserves" numbered 2013/15, banks operating in Turkey can pay rates between 0% and 8% (31 December 2021: 3% to 8%) depending on the maturity of the liability. CBRT maintains required reserves for foreign currency liabilities at rates varying between 19% and 26% (December 31, 2021: 5% to 26%) depending on the maturity of the obligation, primarily in US Dollars and Euros.

##### b. Information on the financial assets subjected to repo transactions and pledged as security/frozen, out of the financial assets whose fair value difference was reflected to profit/loss accounts in their net value and on a comparative basis:

The Bank does not have any financial asset subject to repo transactions in the current period whose fair value difference was reflected to profit/loss accounts. (December 31, 2021: None)

The Bank does not have any financial asset pledged as security/frozen in the current period whose fair value difference was reflected to profit/loss accounts. (December 31, 2021: None)

##### c. Statement of positive differences for trading derivative financial assets

	Current Period		Previous Period	
	TRY	FC	TRY	FC
Derivative Financial Assets Held for Trading				
Futures	-	-	-	-
Swap Transactions	-	-	1,495	28
Futures Transactions	-	-	-	-
Options	-	-	-	-
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,495</b>	<b>28</b>

## Disclosures and Footnotes on Unconsolidated Financial Statements (more)

### I. Assets (more)

#### Banks :

	Current Period		Previous Period	
	TRY	FC	TRY	FC
Domestic	96	181	20,062	2,099
Foreign	-	22,079	-	8,821
Headquarters and Branches	-	-	-	-
<b>Total</b>	<b>96</b>	<b>22,260</b>	<b>20,062</b>	<b>10,920</b>

#### Foreign Banks :

	Unrestricted Amount		Restricted Amount	
	Current Period	Previous Period	Current Period	Previous Period
EU Countries	8,646	2,415	-	-
USA, Canada	13,433	6,406	-	-
OECD Countries (*)	-	-	-	-
Off Shore banking Regions	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>22,079</b>	<b>8,821</b>	<b>-</b>	<b>-</b>

#### d. Information on the financial assets subjected to repo transactions and pledged as security/frozen, out of the marketable financial assets specified in their net value and on a comparative basis:

The Bank does not have any marketable financial assets that are either subject to repo transactions, pledged as security or guaranteed to a creditor or frozen during the current period.

#### e. Information on investment securities available-for-sale :

In the current period, the Bank's portfolio amounting to TL 2,923 of Financial Bills issued by banks and Borsa İstanbul A.Ş. (C) Group has a partnership share of 160 TL. Pursuant to the resolution of Borsa İstanbul Board of Directors, Borsa İstanbul A.Ş. Transfer of 15.971.094 shares of (C) Group partnership shares, the number of which is 1 Kuruş, to banks free of charge decided. This share was recorded in the accounting accounts as 160 TL.

	Current Period	Previous Period
Debt Securities	2,923	2,965
Publicly quoted	2,923	2,965
Unquoted	-	-
Equities	160	160
Publicly quoted	-	-
Unquoted	160	160
Provision for Decrease in Value (-)	-	-
<b>Total</b>	<b>3,083</b>	<b>3,125</b>

**f. Information related to loans**

**Information on all types of loans and advances given to shareholders and employees of the Bank :**

As of the balance sheet date, the Bank has extended 95% of cash loans and 100% of non-cash loans to related companies (31 December 2021: 93% of cash loans, 99% of non-cash loans).

	Current Period		Previous Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Given to Bank Partners	31,930	103,109	36,503	86,933
Credits Given to Legal Entity Partners	31,930	103,109	36,503	86,933
Loans Given to Real Person Partners	-	-	-	-
Indirect Loans Given to Bank Partners	160,214	1,087,358	112,884	219,850
Loans Given to Bank Members	-	-	-	-
<b>Total</b>	<b>192,144</b>	<b>1,190,467</b>	<b>149,387</b>	<b>306,783</b>

**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

**I. Assets (more)**

**Information on Standard Qualified and Close Watched loans and restructured Close Watched loans:**

**Current Period - 31/12/2022**

Cash Loans	Standard Quality Loans	Loans Under Close Watch		
		Those not included in the scope of restructuring	Restructured	
			Change in Contract Conditions	Refinancing
Non-Specialized Loans	154,052	-	-	-
Business Loans	-	-	-	-
Export Loans	77,500	-	-	-
Import Loans	-	-	-	-
Financial Loans	2,552	-	-	-
Consumer Loans	-	-	-	-
Credit Cards	-	-	-	-
Others	74,000	-	-	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>154,052</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Previous Period - 31/12/2021**

Cash Loans	Standard Quality Loans	Loans Under Close Watch		
		Those not included in the scope of restructuring	Restructured	
			Change in Contract Conditions	Refinancing
Non-Specialized Loans	98,534	5,000	-	-
Business Loans	-	-	-	-
Export Loans	27,000	-	-	-
Import Loans	-	-	-	-
Financial Loans	2,534	-	-	-
Consumer Loans	-	-	-	-
Credit Cards	-	-	-	-
Others	69,000	5,000	-	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>98,534</b>	<b>5,000</b>	<b>-</b>	<b>-</b>

	Standard Quality Loans	Loans Under Close Watch
General Provisions	13,791	-
12-Month Anticipated Loss Provision	-	-
Important in Credit Risk	-	-

In the current period, the Bank does not have any standard and close monitoring loans whose contract terms have been changed or the payment schedule is extended.

**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

**I. Assets (more)**

**Maturity analysis of cash loans :**

	Standard Quality Loans	Loans Under Close Watch	
		Those not included in the scope of restructuring	Restructured
Short-term Loans	154,052	-	-
Medium and Long-term Loans	-	-	-

**Information on consumer loans, retail credit cards, personnel loans and personnel credit cards**

The Bank does not have consumer loans, retail credit cards, personnel loans and personnel credit cards at the current period.

**Information on installment based commercial loans and corporate credit cards**

The Bank does not have installment based commercial loans and corporate credit cards at the current period.

## Disclosures and Footnotes on Unconsolidated Financial Statements (more)

### I. Assets (more)

#### Allocation of loan customers :

	Current Period	Previous Period
Public Sector	-	-
Private Sector	154,052	103,534
<b>Total</b>	<b>154,052</b>	<b>103,534</b>

#### Allocation of domestic and international loans :

	Current Period	Previous Period
Domestic Loans	154,052	103,534
Foreign Loans	-	-
<b>Total</b>	<b>154,052</b>	<b>103,534</b>

#### Loans to investments, associates and subsidiaries

As of December 31, 2022, There were no cash loans to investments, associates and subsidiaries.

#### Specific provisions for loans

	Current Period	Previous Period
Loans and Receivables with Limited Collectability	-	-
Loans and Receivables with Doubtful Collectability	-	-
Uncollectible Loans and Receivables	1,201	1,201
<b>Total</b>	<b>1,201</b>	<b>1,201</b>

#### Information on non-performing loans (Net)

#### Information on non-performing loans and other receivables restructured or rescheduled

None.

#### Movements in non-performing loan groups

	Group III Substandard Loans and Receivables	Group IV Doubtful Loans and Receivables	Group V Uncollectible Loans and Receivables
<b>Current Period - 31/12/2022</b>			
Gross Amounts Before Provisions	-	-	1,201
Restructured Loans	-	-	-
<b>Previous Period - 31/12/2021</b>			
Gross Amounts Before Provisions	-	-	1,201
Restructured Loans	-	-	-



**Information on total non-performing loans transactions**

	<b>Group III</b> Substandard Loans and Receivables	<b>Group IV</b> Doubtful Loans and Receivables	<b>Group V</b> Uncollectible Loans and Receivables
<b>Balances at Beginning of Period</b>	-	-	<b>1,201</b>
Additions during the Period (+)	-	-	-
Transfer from Other NPL Categories (+)	-	-	-
Transfer to Other NPL Categories (-)	-	-	-
Collections during the Period (-)	-	-	-
Write-offs (-)	-	-	-
Sold (-)			
Corporate and Commercial Loans	-	-	-
Retail Loans	-	-	-
Credit Cards	-	-	-
Others	-	-	-
<b>Balances at End of Period</b>	-	-	<b>1,201</b>
Specific Provisions (-)	-	-	1,201
<b>Net Balance on Balance Sheet</b>	-	-	-

**Information on non-performing loans and other receivables in foreign currencies**

None.

**Gross and net non-performing loans per customer categories :**

	<b>Group III</b> Substandard Loans and Receivables	<b>Group IV</b> Doubtful Loans and Receivables	<b>Group V</b> Uncollectible Loans and Receivables
<b>Current Period (Net)</b>	-	-	-
Loans to Individuals and Corporates (Gross)	-	-	1,201
Specific Provision (-)	-	-	1,201
Loans to Individuals and Corporates (Net)	-	-	-
Banks (Gross)	-	-	-
Specific Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
<b>Previous Period (Net)</b>	-	-	-
Loans to Individuals and Corporates (Gross)	-	-	1,201
Specific Provision (-)	-	-	1,201
Loans to Individuals and Corporates (Net)	-	-	-
Banks (Gross)	-	-	-
Specific Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

## **Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

### **I. Assets (more)**

#### **Liquidation policy for uncollectible loans and receivables**

Uncollectible loans and other receivables are collected through legal follow-up and liquidation of collaterals available.

#### **Explanations on Write-off Policy**

If non-performing loans are not collectable through legal proceedings then according to the banks general policy these receivables are written-off.

#### **g. Information on securities held-to-maturity**

None.

#### **ğ. Investments in associates :**

None.

#### **h. Investments in subsidiaries :**

None.

#### **ı. Joint ventures :**

None.

## Disclosures and Footnotes on Unconsolidated Financial Statements (more)

### I. Assets (more)

#### i. Lease receivables (net) :

In the current period, the Bank has a net financial leasing transaction of TL 51,500 and rediscount amount of TL 338 pertaining to these transactions. (December 31, 2021: leasing transaction amounting to TL 60,459 and rediscount amount of TL 445 for these transactions).

	Current Period	Previous Period
Gross Leasing Investment	56,280	67,932
Financial Income Unearned From Financial Leasing (-)	(4,442)	(7,028)
<b>Net Financial Leasing Investment (*)</b>	<b>51,838</b>	<b>60,904</b>

#### j. Information on derivative instruments held for risk management purposes:

None.

#### k. Information on tangible assets:

	Land and buildings	Tangible assets acquired through finance lease	Vehicles	Other tangible fixed assets	Total
<b>Previous Period End:</b>					
Cost	-	-	178	2,923	3,101
Accumulated Depreciation (-)	-	-	135	2,112	2,247
<b>Net Book Value</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>811</b>	<b>854</b>
<b>Current Period End:</b>					
Additions	-	-	727	904	1,631
Disposals (-)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
Depreciation Expense (-)	-	-	-	1,157	1,157
Foreign currency translation differences resulting from foreign investment (-)	-	-	-	-	-
<b>Cost</b>	<b>-</b>	<b>-</b>	<b>905</b>	<b>2,670</b>	<b>3,575</b>
<b>Accumulated Depreciation (-)</b>	<b>-</b>	<b>-</b>	<b>282</b>	<b>1,485</b>	<b>1,767</b>
<b>Closing Net Book Value</b>	<b>-</b>	<b>-</b>	<b>623</b>	<b>1,185</b>	<b>1,808</b>

#### l. Information on intangible assets:

	Beginning of Period		End of Period	
	Book Value (Gross)	Accumulated Amortization	Book Value (Gross)	Accumulated Amortization
Intangible Assets	3,918	2,886	4,547	3,614

## **Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

### **I. Assets (more)**

#### **m. Informations on investment property:**

İdaş Yatak ve Mobilya Sanayi A.Ş. by Murat Hilmi İşeri. and İdaş İstanbul Flooring Industry Inc. in favor of Salteks Tekstil Sanayi ve Tic.A.Ş. Regarding the savings transactions carried out by establishing a mortgage, the Istanbul 46th Commercial Court of First Instance's file numbered 2012/317 E. and Murat Hilmi İşeri regarding the cancellation of the mortgages worth 3,000 TL on 26 immovables in Çatalca; On 21.11.2017, with the decision numbered 2017/409 K., it was decided in our favor that the defendant Murat Hilmi İşeri canceled the mortgage savings made in favor of the defendant Salteks in 26 immovables subject to the lawsuit and granting the authority to attach and sell the subject immovables through enforcement. ; The decision in favor is expected to be finalized.

Evoteks Ev ve Otel Teks.San, of which 1,259 Thousand TL of which we are the creditor, as a result of the lawsuit explained above in the current period of the bank. ve Tic.A.Ş. has investment properties of TL 3,471 in total, offsetting the risk of the company.

#### **n. Information on deferred tax asset:**

<b>Deferred tax assets / (liabilities)</b>	<b>Current Period</b>	<b>Previous Period</b>
Severance Pay	647	-
Tangible Fixed Assets Economic Life Differences	(62)	-
Intangible Fixed Assets Economic Life Differences	(91)	-
Securities Valuation Differences	-	-
Credit Valuation Differences	1	-
Equity Items	-	-
Rediscounts(Expense)	-	-
<b>Deferred Tax Asset</b>	<b>495</b>	<b>-</b>

#### **o. Information on assets held for sale and assets of discontinued operations :**

None.

#### **ö. Information on other assets:**

The total amount of other assets on balance sheet do not exceed of 10 % of total assets.

## Disclosures and Footnotes on Unconsolidated Financial Statements (more)

### II. Liabilities :

#### a. Maturity profile of deposits

Since the Bank was established as a Development and Investment Bank, it has no deposits or funds collected.

Since the bank operates in the field of investment banking, it is not authorized to collect deposits.

#### Disclosure of Borrower Funds :

Borrower Funds (*)	Current Period		Previous Period	
	TRY	FC	TRY	FC
Borrower Funds	399	76,893	426	26,633
<b>Total</b>	<b>399</b>	<b>76,893</b>	<b>426</b>	<b>26,633</b>

(\*) Funds, that are collected from real and legal entities, which the bank provides cash loans directly from shareholders are referred to as "borrower funds"

#### b. Derivative financial liabilities held for trading :

None.

#### c. Information on banks and other financial institutions :

None.

#### Borrowed loans by maturity:

None.

#### Additional explanations regarding the areas where the liabilities of the Bank are concentrated

The Bank finances its ordinary banking activities with short, medium and long-term borrowings and borrower funds.

#### ç. Components of other liabilities, those that exceed 10% of total liabilities or those that exceed 20% of the individual liability items in the consolidated balance sheet

Other liabilities do not exceed 10% of total liabilities excluding the off-balance sheet items.

## Disclosures and Footnotes on Unconsolidated Financial Statements (more)

### II. Liabilities (more)

#### d. Information on liabilities arising from financial lease transactions

None.

#### e. Information on liabilities arising from hedging purpose derivatives

None.

#### f. Information on provisions

##### Information on general provisions

	Current Period	Previous Period
<b>General Provisions</b>	<b>13,791</b>	<b>6,185</b>
Provisions for Loans and Receivables in Group I	2,312	1,492
Additional Provisions for Extended Period of Payment	-	-
Provisions for Loans and Receivables in Group II	-	150
Additional Provisions for Extended Period of Payment	-	-
Provisions for Non Cash Loans	9,424	2,736
Other	2,055	1,807

#### Foreign exchange losses on the foreign currency indexed loans and finance lease receivables differences:

The Bank's foreign currency indexed loans and finance lease receivables in the current period foreign exchange reserve has decreased.

#### Special provisions for non-cash loans that are not converted into cash

None.

#### g. Taxation

Information on tax provisions

The bank's corporate tax calculated as of December 31, 2022 is TL 6,163 (December 31, 2021: TL 8,851). Prepaid Taxes account is 4,902 TL (31 December 2021: 4,696 TL).

Information on taxes payable :	Current Period	Previous Period
Corporate taxes payable	1,261	4,155
Taxation on securities	-	-
Capital gains tax on property	2	2
Banking Insurance Transaction Tax (BITT)	201	175
Taxes on foreign exchange transactions	1	1
Value added tax payable	158	111
Other	279	165
<b>Total</b>	<b>1,902</b>	<b>4,609</b>

**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**  
**II. Liabilities (more)**

<b>Information on premiums payable :</b>	<b>Current Period</b>	<b>Previous Period</b>
Social security premiums- employee share	70	40
Social security premiums- employer share	109	59
Bank pension fund premium- employee share	-	-
Bank pension fund premium- employer share	-	-
Pension fund membership fees and provisions- employee share	-	-
Pension fund membership fees and provisions- employer share	-	-
Unemployment insurance- employee share	4	2
Unemployment insurance- employer share	8	5
Other	-	-
<b>Total</b>	<b>191</b>	<b>106</b>

**Information on deferred tax liability**

<b>Deferred tax assets / (liabilities)</b>	<b>Cari Dönem</b>	<b>Önceki Dönem</b>
Severance Pay	-	354
Tangible Fixed Assets Economic Life Differences	-	(57)
Intangible Fixed Assets Economic Life Differences	-	(125)
Securities Valuation Differences	-	-
Credit Valuation Differences	-	-
Equity Items	-	-
Rediscounts(Expense)	-	(381)
<b>Deferred tax liabilities</b>	<b>-</b>	<b>(209)</b>

**ğ. Information on payables related to assets held for sale and discontinued operations :**  
The Bank does not have any payables related to assets held for sale as of December 31, 2022.

**h. Number of subordinated loans the Bank used, maturity, interest rate, the creditor and, if applicable, related to derivative instruments is detailed description:**  
The Bank does not have any subordinated loans as of December 31, 2022.

**ı. Information on shareholders' equity :**

***Paid-in capital***

	<b>Current Period</b>	<b>Previous Period</b>
Provision for Common Stock	60,000	60,000
Provision for Preferred Stock	-	-

**Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital**

<b>Capital System</b>	<b>Paid-in Capital</b>	<b>Ceiling per Registered Share Capital</b>
Basic capital system	60,000	-

Registered share capital system is not applicable to the Bank.

**Other information on the capital increases and their sources in the current period and the increased capital share**

The Bank has not increased its capital in the current period.

**In the current period, there are no capital reserves or revaluation funds added to the capital.**

There were no capital commitments until the end of the last financial year and the following interim period.

**The estimated effects of the predictions on the equity, taking into account the previous period indicators of the Bank's income, profitability and liquidity, and the uncertainties in these indicators**

None.

**There are no privileges granted to stocks representing the capital.**

There were no capital commitments until the end of the last financial year and the following interim period.

The Bank held its Ordinary General Assembly for the 2021 accounting year on 08 April 2022. At the General Assembly, it was decided to transfer the remaining amount to extraordinary reserves after 5% legal reserves were set aside from the net previous year's profit of TL 26,497.

**Information on securities value increase fund**

	Current Period		Previous Period	
	TRY	FC	TRY	FC
Affiliates, Subsidiaries and Joint Ventures	-	-	-	-
Valuation Difference	-	-	(17)	-
Exchange rate differences	-	-	-	-
<b>Total</b>	-	-	<b>(17)</b>	-

**i. Information on minority shares:**

There is no minority share in the capital of the Bank.



**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

**III. Off-balance sheet items**

**a. Disclosures related to other contingent liabilities :**

**Type and amount of irrevocable commitments**

None.

**Guarantees, bills of exchange and acceptances and other letters of credit which can be counted as financial collateral**

As of December 31, 2022, the Bank has a total of TL 1,124,422 letters of guarantee (31 December 2021: TL 251,828) and a cash loan guarantee of TL 66,045 (December 31, 2021: TL 56,206).

**Final guarantees, provisional guarantees, securities and similar transactions :**

	<b>Current Period</b>	<b>Previous Period</b>
Temporary Letters of Guarantee	3,790	3,790
Final Letters of Guarantee	1,069,340	216,018
Letters of Guarantee for advances	-	793
Letters of Guarantee given to Customs Offices	51,292	31,227
Letters of Guarantee given for to obtain cash loan	66,045	56,206
Other Letters of Guarantee	-	-
<b>Total</b>	<b>1,190,467</b>	<b>308,034</b>

**Non Cash:**

	<b>Current Period</b>	<b>Previous Period</b>
Non-Cash Loans Given for Cash Loan Risks	66,045	56,206
With Original Maturity of 1 Year or Less	-	6,277
With Original Maturity of More Than 1 Year	66,045	49,929
Other Non-Cash Loans	1,124,422	251,828
<b>Total</b>	<b>1,190,467</b>	<b>308,034</b>

**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**  
**III. Off-balance sheet items (more)**

**Sectoral risk concentrations of non-cash loans**

	Current Period				Previous Period			
	TRY	(%)	FC	(%)	TRY	(%)	FC	(%)
<b>Agricultural</b>	-	0.00	-	0.00	-	0.00	-	0.00
Farming and Cattle	-	0.00	-	0.00	-	0.00	-	0.00
Forestry	-	0.00	-	0.00	-	0.00	-	0.00
Fishing	-	0.00	-	0.00	-	0.00	-	0.00
<b>Manufacturing</b>	1,024,133	98.38	126,525	84.66	230,429	95.95	62,293	91.77
Mining	-	0.00	-	0.00	-	0.00	-	0.00
Production	157,147	15.10	58,221	38.96	96,193	40.05	62,293	91.77
Electric, gas and water	866,986	83.28	68,304	45.70	134,236	55.90	-	0.00
<b>Construction</b>	-	0.00	-	0.00	-	0.00	-	0.00
<b>Services</b>	16,880	1.62	22,929	15.34	9,725	4.05	5,587	8.23
Wholesale and retail trade	15,532	1.49	22,929	15.34	8,481	3.53	5,587	8.23
Hotel, food and beverage services	973	0.09	-	0.00	973	0.41	-	0.00
Transportation and telecommunication	375	0.04	-	0.00	271	0.11	-	0.00
Financial institutions	-	0.00	-	0.00	-	0.00	-	0.00
Real estate and renting services	-	0.00	-	0.00	-	0.00	-	0.00
Self-employment services	-	0.00	-	0.00	-	0.00	-	0.00
Education services	-	0.00	-	0.00	-	0.00	-	0.00
Health and social services	-	0.00	-	0.00	-	0.00	-	0.00
<b>Other</b>	-	0.00	-	0.00	-	0.00	-	0.00
<b>Total</b>	<b>1,041,013</b>	<b>100.00</b>	<b>149,454</b>	<b>100.00</b>	<b>240,154</b>	<b>100.00</b>	<b>67,880</b>	<b>100.00</b>

**Information on non-cash loans classified in I and II groups:**

	Group I		Group II	
	TRY	FC	TRY	FC
<b>Non Cash Loans</b>	<b>1,041,013</b>	<b>149,454</b>	-	-
Letters of guarantee	1,041,013	83,409	-	-
Bank acceptances	-	-	-	-
Letters of credit	-	-	-	-
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	-	66,045	-	-

**b. Information related to derivative financial instruments :**

Derivative transactions for trading	Current	Previous
Swap money purchases	-	29,354
Swap money transactions	-	27,660
<b>Total</b>	<b>-</b>	<b>57,014</b>

**c. Credit risk exposure from these derivatives and financial instruments:**

None.

**ç. Contingent assets and liabilities:**

None.

**d. Information on services rendered on behalf of third parties:**

None.

## Disclosures and Footnotes on Unconsolidated Financial Statements (more)

### IV. Income Statement

#### a. Interest income

##### Information on interest income received from loans

	Current Period		Previous Period	
	TRY	FC	TRY	FC
<b>Interest Income Received From Loans</b>	<b>25,342</b>	-	<b>20,528</b>	-
Short Term Loans	25,342	-	20,528	-
Medium and Long-term Loans	-	-	-	-
Loans under follow-up	-	-	-	-
Premiums received from Resource Utilization Support Fund	-	-	-	-

##### Information on interest income received from banks

	Current Period		Previous Period	
	TRY	FC	TRY	FC
Central Bank of Turkey	1	-	3	2
Domestic Banks	96	12	1,161	38
Foreign Banks	-	-	-	-
Foreign Head-offices and Branches	-	-	-	-
<b>Total</b>	<b>97</b>	<b>12</b>	<b>1,164</b>	<b>40</b>

##### Interest income from securities portfolio

	Current Period		Previous Period	
	TRY	FC	TRY	FC
Financial Assets Valued at Fair Value through Profit or Loss	-	-	-	-
Financial Assets at Fair Value Reflected in Other Comprehensive Income	301	-	628	-
Investments Held-to-Maturity	-	-	-	-
<b>hTotal</b>	<b>301</b>	<b>-</b>	<b>628</b>	<b>-</b>

##### Interest income received from associates and subsidiaries

None.

#### b. Interest Expenses

##### Interest expenses on funds borrowed

	Current Period		Previous Period	
	TRY	FC	TRY	FC
<b>Banks</b>	-	-	<b>52</b>	<b>86</b>
Central Bank of Turkey	-	-	-	-
Domestic Banks	-	-	4	-
Foreign Banks	-	-	48	86
Foreign Head Offices and Branches	-	-	-	-
<b>Other Institutions</b>	-	-	-	-
<b>Total</b>	-	-	<b>52</b>	<b>86</b>

**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

**IV. Income Statement**

**Interest expenses paid to associates and subsidiaries**

None.

**Interest expenses on securities issued**

None.

**Maturity structure of interest expense on deposits**

Since the Bank had been established with the “Development and Investment Bank” status, the Bank is not authorized to accept deposits.

**c. Dividend income :**

None.

**ç. Trading Profit/losses (Net) :**

	Current Period	Previous Period
<b>Profit</b>	<b>1,243,436</b>	<b>1,343,834</b>
Trading Account Income	-	-
Derivative financial instruments	10,157	4,787
Foreign Exchange Gain	1,233,279	1,339,047
<b>Losses (-)</b>	<b>1,230,883</b>	<b>1,322,627</b>
Trading Account Losses	-	-
Derivative financial instruments	9,657	6,592
Foreign Exchange Losses	1,221,226	1,316,035

**d. Other operating income :**

	Current Period	Previous Period
Reversals from prior year provisions	118	191
Communication income	78	58
Outstanding Income	-	-
Dividends received	-	199
Others	157	24
<b>Total</b>	<b>353</b>	<b>472</b>

**e. Provisions reserved by banks:**

	Current Period	Previous Period
Special Provisions	-	-
Allocated for Loans with Limited Collection	-	-
Allocated for Doubtful Loans	-	-
Allocated for Loss Loans	-	-
General Provisions	7,606	869
Impairment Losses on Securities	-	-
Financial assets at fair value through profit or loss	-	-
Financial assets available-for-sale	-	-
Impairment Losses on Associates, Subsidiaries and Investments Held-to-Maturity	-	-
Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Others	-	-
<b>Total</b>	<b>7,606</b>	<b>869</b>

## Disclosures and Footnotes on Unconsolidated Financial Statements (more)

### IV. Income Statement (more)

#### f. Other operating expenses :

	Current Period	Previous Period
Personnel Expenses	939	537
Deficit Provision for Pension Fund	-	-
Impairment Losses on Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	653	307
Impairment Losses on Intangible Assets	-	-
Impairment Losses on Goodwill	-	-
Amortization Expenses of Intangible Assets	781	499
Impairment Losses on Assets to be Disposed	-	-
Depreciation Expenses of Assets to be Disposed	-	-
Impairment Losses on Assets Held for Sale	-	-
Other Operating Expenses	7,813	4,291
Operational Leasing Expenses	1,320	601
Repair and maintenance expenses	34	31
Advertisement expenses	16	8
Other expenses	6,443	3,651
Loss on sale of assets	-	-
Other	2,199	1,761
<b>Total</b>	<b>12,385</b>	<b>7,395</b>

#### g. Profit/loss before taxes :

	Current Period	Previous Period
Interest income	31,171	27,764
Interest expense (-)	(63)	(138)
Net fee and commission income	1,132	(144)
Employee expenses	(9,181)	(5,215)
Dividend income	259	-
Net trading income (Net)(+/-)	12,553	21,207
Other operating income	353	472
Provision for loan losses or other receivables (-)	(7,606)	(869)
Other operating expenses (-)	(12,385)	(7,395)
<b>Profit / Loss Before Taxes</b>	<b>16,233</b>	<b>35,682</b>

#### ğ. Provision for taxes on income :

The Bank allocated a current tax provision of TL 6,163 from its operating profit in the current period in accordance with the Tax Procedure Law and other laws and regulations (1 January - 31 December 2021: TL 8,851).

#### Current period taxation benefit or charge and deferred tax benefit or charge

Sources of deferred tax benefit/charge	Current Period	Previous Period
Arising from Origination (+)/ Reversal (-) of Deductible Temporary Differences	-	-
Arising from Origination (+)/ Reversal (-) of Taxable Temporary Differences	704	(334)
Arising from Origination (+)/ Reversal (-) of Tax Losses	-	-
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	-	-
<b>Total</b>	<b>704</b>	<b>(334)</b>

## **Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

### **IV. Income Statement (more)**

#### **h. Explanation on net profit / loss of continued and discontinued operations:**

The Bank's pre-tax profit of TL 16,233 (January 1 - December 31, 2021: TL 35,682) is TL 6,163 (1 January - December 31, 2021: TL 8,851) current tax provision and TL 704 arising from (Occurrence) / Closing of Taxable Temporary Differences (1 January - 31 December-31 December 2021: (334) TL) deferred tax provision has been set aside. Net profit for the period is 10,774 TL (1 January-31 December 2021: 26.497 TL).

#### **i. Regarding the net profit / loss for the period:**

The Bank's pre-tax profit of TL 16,233 (1 January-31 December 2021: TL 35,682) from ordinary banking transactions is TL 6,163 (January 1 - December 31, 2021: TL 8,851) current tax provision and 704 taxable Temporary Differences (Occurrence) / Closing. A deferred tax provision has been made in the amount of TL (1 January-31 December 2021: (334) TL). Net profit for the period is 10,774 TL (1 January-31 December 2021: 26.497 TL).

There is no profit or loss associated with minority shares.

#### **i. Other items in the income statement. In case the income statement total exceeds 10%, sub-accounts constituting at least 20% of these items are shown.**

None

## **Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

### **V. Explanations and Footnotes Regarding the Statement of Changes in Equity:**

In the current and previous periods, the shareholders' equities consist of paid in capital, capital reserve arising from positive inflation adjustments, legal capital reserves, extraordinary legal capital reserve and the net period profit.

Instead of items which are listed above, there is not any other items that are situated or were added in to the shareholders equity.

The Bank's profit before tax in the current period is 16,233 TL. The Bank's net profit for the period was TL 6,163 after setting aside TL 704 for current tax provision and TL 10,774 for deferred tax income.

Numerical details in the Statement of Changes in Equity of this report The changes made during the period are explained in detail in item (1) of the section on liabilities.

The Bank transferred its previous period (2021) profit of 26,497 TL to the Legal Reserves and Extraordinary Reserves account in 2022.

Amounts transferred to the account of reserves:

	<b>Current Period</b>	<b>Previous Period</b>
Amount transferred to Legal Reserves	1,324	391
Amount transferred to Extraordinary Reserves	25,173	7,427
<b>Total</b>	<b>26,497</b>	<b>7,818</b>

### **VI. Statement of Cash Flow :**

#### **Disclosures for "other" items in the statement of cash flows and effect of changes in foreign currency exchange rates on cash and cash equivalents.**

In the fiscal period that ended on December 31, 2022, the Bank's operating profit before the change in the assets and liabilities of the banking activity is net 11,946 TL (2021: 14,816 TL). The other item of (16,351) TL within this amount is due to the change in fees and commissions and other operating expenses (2021: (22,140) TL).

The change in assets and liabilities in banking activity is TL 4,493 (2021: (TL (71,807))). TL 1,211 (2021: TL (604)) of this change is due to the net increase in other payables. This amount is borrower funds, provisions and tax. It consists of changes in debt.

Net cash flow arising from investment activities is TL (736) (2021: 4,811 TL). TL (1,607) of the said amount (2021: 742 TL) arises from the change in tangible and intangible fixed assets.

The effect of the change in the exchange rate on cash and cash equivalents includes the exchange rate difference arising from the conversion of cash and cash equivalents in foreign currency to TL at the beginning and end of the period, and it was TL 6,516 in the current period (2021: TL 16,717).

**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**  
**VI. Statement of Cash Flow (more)**

**Information on cash and cash equivalents at the beginning of the period :**

	January 1, 2022	January 1,2021
<b>Cash</b>	<b>151</b>	<b>125</b>
<i>Cash</i>	24	24
<i>Effective Reserve</i>	127	101
<b>Cash Equivalents</b>	<b>48,039</b>	<b>83,528</b>
<i>Central Bank of Turkey</i>	4,552	2,249
<i>Banks and Other Financial Institutions</i>	30,982	38,201
<i>Money Market</i>	12,505	43,078
<b>Cash and Cash Equivalents</b>	<b>48,190</b>	<b>83,653</b>

**Cash and Cash Equivalents as of the End of the Period.**

	December 31, 2022	December 31, 2021
<b>Cash</b>	<b>78</b>	<b>151</b>
<i>Cash</i>	20	24
<i>Effective Reserve</i>	58	127
<b>Cash Equivalents</b>	<b>61,345</b>	<b>48,039</b>
<i>Central Bank of Turkey</i>	978	4,552
<i>Banks and Other Financial Institutions</i>	22,355	30,982
<i>Money Market</i>	38,012	12,505
<b>Cash and Cash Equivalents</b>	<b>61,423</b>	<b>48,190</b>

**VII. Bank's Risk Group**

**Information on the volume of transactions with the Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period**

As of 31 December 2022, the Bank has a cash loan relationship of 146,500 TL (31 December 2021: 96,000 TL), 45,644 TL financial leasing (31 December 2021: 53,386 TL) and 1,190,467 TL non-cash loan (31 December 2021: 306.783 TL) with the risk group it is included in. ). As of 31 December 2022, the Bank has recorded interest, commission and other operating income amounting to TL 27,044 as a result of the transactions it has made with the risk group it is included in (1 January-31 December 2021: TL 19,691).

**Current Period**

Bank's Risk Group	Associates and subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	149,387	306,783	-	-
Balance at the End of the Period	-	-	192,144	1,190,467	-	-
Interest and Commission Income Received	-	-	24,279	2,765	-	-



**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**  
**VII. Bank's Risk Group (more)**

**Previous Period**

Bank's Risk Group	Associates and subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	83,520	233,699	-	-
Balance at the End of the Period	-	-	149,387	306,783	-	-
Interest and Commission Income Received	-	-	18,841	850	-	-

**Information on deposits held by the Bank's risk group**

Since the bank operates in investment banking, it is not authorized to collect deposits. In the borrower accounts shown under the "Borrower Funds" account of the Bank, the borrower fund amount belonging to the risk group in which the Bank is included is TL 76,912 (31 December 2021: TL 26,764).

**The Bank has not performed any futures transactions or concluded option contracts or other similar contracts with the risk group it is included in during the current period.**

**2. Bank's Risk Group**

**Relations with entities in the risk group of / or controlled by the Bank regardless of the nature of relationship among the parties**

Transactions with the risk group are made on an arms-length basis; terms are set according to the market conditions and in compliance with the Banking Law.

**In addition to the structure of the relationship, type of transaction, amount, and share in total transaction volume, amount of significant items, and share in all items, pricing policy and other**

The pricing policy and other conditions are determined and applied within the market conditions in the transactions of the Bank with the entities in the risk group. The ratio of cash loans extended to risk group companies to total cash loans is 95% (31 December 2021: 93%), the ratio of Financial Leasing Transactions to total Leasing Transactions is 88% (31 December 2021: 88%), and the ratio of non-cash loans granted to total non-cash loans is 100% (31 December 2021: 99%).

**Explanations regarding the total wages and similar benefits paid to the senior executives of the Group**

The total salary and similar benefits provided to the senior executives of the Group is 458 TL as of 31 December 2022 (31 December 2021: 183 TL).

**Disclosures and Footnotes on Unconsolidated Financial Statements (more)**

**VIII. Domestic, foreign and off-shore banking branches and foreign representatives :**

The bank does not have any domestic and foreign branches and foreign offices.

	<b>Number</b>	<b>Number of Employees</b>			
Domestic Branches	1	20			
			<b>Country</b>		
Foreign Representatives	-	-	-		
				<b>Total Assets</b>	<b>Capital</b>
Foreign Branches	-	-	-	-	-
Off-shore Banking Branches	-	-	-	-	-

## **SECTION SIX**

### **Other Disclosures**

#### **I. Other explanations related to the Bank's operations.**

Pursuant to the Bank's decision numbered 2022/620 on the activities of the Bank on 06.12.2022, in accordance with the provisions of the Capital Markets Board's Communiqué on Debt Securities (VII-128.8), pursuant to the authorization given to the Board of Directors by Article 12 of the Bank's Articles of Association. Fixed and/or fixed debt instruments with a nominal value of up to TL 500.000.000, to be realized through one or more issuances in the country within a period of 1 year, without public offering (to dedicated and/or qualified investors), to be determined according to market conditions in various schemes and maturities. Issuance by sale, with or without coupon payments with variable interest rates, issuance of all contracts related to such issues and other documents related to these contracts, necessary applications are made before the Capital Markets Board and all other relevant authorities, and legal proceedings are completed after obtaining permissions,

All necessary issues, including the issuance of debt instruments in Turkey without public offering, the determination of all conditions regarding these issuances including the amount, maturity, interest and sales method, determination of distribution principles and allocations, completion of sales and trading in Borsa İstanbul A.Ş. that these matters, which are deemed to be necessary for the fulfillment of the transactions, are left to the authority of the General Directorate,

During the issuance process, BRSA, CMB, Borsa İstanbul A.Ş., Merkezi Kayıt Kuruluşu A.Ş., İstanbul Takas ve Saklama Bankası A.Ş. and Public Disclosure Platform, including but not limited to, to issue and sign applications, correspondence, contracts and similar documents and information to be made to all kinds of relevant official institutions and organizations, to ensure the development and follow-up of these information and documents, and to the procedures and procedures in other relevant authorities and offices. It has been decided that the Bank's General Manager and Operations Manager will be jointly authorized to perform and substitute the transactions.

#### **II. Fees for Services Obtained from Independent Auditor/Independent Audit Firm**

In accordance with the decision of the KGK dated March 26, 2021, the fee information for the reporting period regarding the services received from the independent auditor or independent audit firm is given in the table below over VAT excluded amounts.

	<b>31.12.2022</b>	<b>31.12.2021</b>
Independent Audit Fee for the Reporting Period	225.000	115.000
Information Systems Audit Fee for the Reporting Period	237.600	77.700
<b>Total</b>	<b>462.600</b>	<b>192.700</b>

## **SECTION SEVEN**

### **I. Independent Auditors' Report**

#### **1. Information on the Independent Auditors' Report**

The unconsolidated financial statements and footnotes of the Bank as of December 31, 2022, which will be disclosed to the public, have been subjected to independent audit by Güreli Yeminli Mali Müşavirlik ve Bağımsız Denetim Hizmetleri Anonim Şirketi. and the independent audit report has been presented in front of this report.

#### **II. Information and footnotes prepared by Auditors**

None.

#### **III. Events after the reporting date**

None.