

Türkiye Garanti Bankası AŞ And Its Subsidiaries
Consolidated Statement of Financial Position
For The Year-End Period Ended 31 December 2022

(Currency: Thousands of Turkish Lira (TL) in terms of the purchasing power of the Turkish Lira (TL) at 31 December 2022 unless otherwise indicated)

	<u>31 December 2022</u>	<u>31 December 2021</u>
Assets		
Cash and balances with central banks	170,567,986	224,875,744
Financial assets at fair value through profit or loss	5,771,975	12,818,863
Derivative financial assets	11,031,172	29,224,038
Loans and advances to banks	113,040,907	137,887,053
Loans and advances to customers	731,548,847	771,737,063
Investment securities	198,312,371	161,150,859
Equity investments	1,401,167	1,163,136
Assets held for sale	1,510,574	1,558,447
Investment properties	243,698	748,549
Tangible and intangible assets	27,160,238	22,870,101
Deferred tax asset	5,198,161	5,174,330
Other assets	50,589,348	39,780,004
Total Assets	<u>1,316,376,444</u>	<u>1,408,988,187</u>
Liabilities		
Deposits from banks	1,825,798	4,036,482
Deposits from customers	906,671,557	951,834,121
Loans and advances from banks and other institutions	47,713,316	73,666,284
Obligations under repurchase agreements and money market fundings	24,299,009	26,189,155
Debt securities issued	18,266,024	42,358,984
Financial liabilities at fair value through profit or loss	32,020,818	39,725,921
Derivative financial liabilities	10,957,608	22,059,329
Subordinated liabilities	15,245,929	17,924,285
Current tax liability	6,806,636	3,486,258
Deferred tax liability	1,353,547	901,493
Provisions	21,527,860	24,294,925
Other liabilities and accrued expenses	67,517,148	60,991,025
Total Liabilities	<u>1,154,205,250</u>	<u>1,267,468,262</u>
Equity attributable to owners of the bank		
Share capital	43,291,164	43,291,164
Share premium	86,269	86,269
Other reserves	20,141,650	7,886,069
Retained earnings	98,158,638	89,725,036
Non-controlling interests	<u>493,473</u>	<u>531,387</u>
Total Equity	<u>162,171,194</u>	<u>141,519,925</u>
Total Liabilities and Equity	<u>1,316,376,444</u>	<u>1,408,988,187</u>
Commitments and Contingencies	232,368,557	220,874,887

Türkiye Garanti Bankası AŞ And Its Subsidiaries
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Year-End Period Ended 31 December 2022

(Currency: Thousands of Turkish Lira (TL) in terms of the purchasing power of the Turkish Lira (TL) at 31 December 2022 unless otherwise indicated)

	1 January 2022- 31 December 2022	1 January 2021- 31 December 2021
Statement of Profit or Loss:		
Interest income:		
Interest on loans	96,250,505	90,946,151
Interest on securities	9,363,531	8,262,928
Interest on deposits at banks	4,170,656	4,364,679
Interest on reserve deposits	405,595	1,826,826
Interest on lease business	1,787,459	1,459,603
Interest on factoring business	1,452,019	1,399,109
Others	443,201	653,083
	<u>113,872,966</u>	<u>108,912,379</u>
Interest expense:		
Interest on saving, commercial and public deposits	(39,271,070)	(39,271,282)
Interest on borrowings, obligations under repurchase agreements, money market and swap fundings	(16,335,989)	(23,593,052)
Interest on debt securities issued	(2,917,223)	(5,110,509)
Interest on subordinated liabilities	(753,900)	(733,086)
Interest on bank deposits	(102,474)	(192,608)
Interest on lease business	(171,624)	(205,728)
Others	(1,346,794)	(182,085)
	<u>(60,899,074)</u>	<u>(69,288,350)</u>
Net interest income before provisions for loans and other credit risks	52,973,892	39,624,029
Provisions for loans and other credit risks, net	(9,643,403)	(10,291,728)
Net interest income after provisions for loans and other credit risks	43,330,489	29,332,301
Fees and commissions income	28,634,732	25,083,371
Fees and commissions expense	(10,476,891)	(6,665,646)
Net fees and commissions income	18,157,841	18,417,725
Net trading income/(expense)	(14,798,372)	9,609,629
Foreign exchange gains/(losses), net	31,278,369	(1,550,360)
Insurance business income	3,446,237	3,554,590
Insurance business expense	(1,515,500)	(1,714,285)
Net insurance business income	1,930,737	1,840,305
Gain on sale of assets	1,557,347	1,475,790
Other operating income	3,883,498	8,334,223
Other operating income	5,440,845	9,810,013
Total operating Income	85,339,909	67,459,613
Salaries and wages	(7,986,083)	(8,571,049)
Credit card reward and promotion expenses	(5,899,256)	(5,188,424)
Impairment losses, net	(6,233,268)	(11,804,444)
Employee benefits	(3,785,020)	(3,923,469)
Depreciation and amortisation	(3,022,766)	(1,859,780)
Taxes and duties other than income	(1,019,239)	(1,070,893)
Communication expenses	(622,142)	(648,323)
Other operating expenses	(8,967,582)	(6,737,122)
Gain/(loss) on net monetary position, net	(8,096,782)	(13,944,786)
Total operating expenses	(45,632,138)	(53,748,290)
Profit/(loss) before tax	39,707,771	13,711,323
Taxation charge	(24,627,063)	(13,754,190)
Net profit/(loss) for the period	15,080,708	(42,867)
Other Comprehensive Income:		
(items to be recycled subsequently to profit or loss)		
Foreign currency translation, net of tax	4,272,504	9,279,024
Fair value change on debt instruments measured at fair value through other comprehensive income, net of tax:		
Net change in fair values	7,321,064	(3,386,267)
Net amount reclassified to profit/loss	694,242	(458,675)
Cash flow hedges, net of tax:		
Effective portion of changes in hedge reserve	927,622	1,054,702
Net amount reclassified to profit/loss	25,861	150,393
Net investment hedge for foreign operations, net of tax	(1,603,244)	(3,591,774)
	<u>11,638,049</u>	<u>3,047,403</u>
(items not to be recycled subsequently to profit or loss)		
Fair value change on equity investments measured at fair value through other comprehensive income, net of tax:		
Net change in fair values	146,629	316,373
Change on revaluation surplus on tangible and intangible assets, net of tax	227,145	105,404
Actuarial gain/(loss) related to employee benefits, net of tax	(887,170)	(194,185)
	<u>(513,396)</u>	<u>122,189</u>
Other comprehensive income for the period, net of tax	11,124,653	3,169,592
Total Comprehensive Income for the Period	26,205,361	3,126,725
Net profit/(loss) attributable to:		
Equity holders of the Bank	14,946,881	(151,710)
Non-controlling interests	133,827	108,843
	<u>15,080,708</u>	<u>(42,867)</u>
Total comprehensive income attributable to:		
Equity holders of the Bank	26,068,291	3,020,909
Non-controlling interests	137,070	105,816
	<u>26,205,361</u>	<u>3,126,725</u>
Weighted average number of shares with a face value of Kr 1 each	420 billions	420 billions
Basic and diluted earnings per share (full TL amount per TL 1 face value each)	3.559	-0.036

Türkiye Garanti Bankası AŞ And Its Subsidiaries
Consolidated Statement of Changes in Shareholder's Equity
For The Year-End Period Ended 31 December 2022

(Currency: Thousands of Turkish Lira (TL) in terms of the purchasing power of the Turkish Lira (TL) at 31 December 2022 unless otherwise indicated)

			Other Reserves						Retained Earnings	Non-Controlling Interests	Total Equity
	Share Capital	Share Premium	to be recycled to profit or loss			not to be recycled to profit or loss					
			Fair Value Change on Debt Instruments	Hedge Reserve	Foreign Currency Translation Reserve	Fair Value Change on Equity Investments	Actuarial Gain/(Loss)	Revaluation Surplus on Tangible Assets			
Balances at 31 December 2020	5,146,371	11,880	238,064	(2,449,998)	5,599,887	66,878	(302,456)	2,106,936	52,156,269	247,690	62,821,521
Effect of Changes in Accounting Policies as per IAS 8	14,219,979	26,712	(138,668)	-	-	-	(149,782)	(2,009,138)	(8,622,132)	(126)	3,326,845
Balances at 1 January 2021 (I)	19,366,350	38,592	99,396	(2,449,998)	5,599,887	66,878	(452,238)	97,798	43,534,137	247,564	66,148,366
Net unrealized gains from debt instruments measured at fair value through other comprehensive income	-	-	(2,059,786)	-	-	-	-	-	-	(1,622)	(2,061,408)
Net unrealized gains from equity investments measured at fair value through other comprehensive income	-	-	-	-	-	192,594	-	-	-	-	192,594
Net realized losses on debt instruments measured at fair value through other comprehensive income recycled to statement of profit or loss at disposal	-	-	(279,221)	-	-	-	-	-	-	-	(279,221)
Foreign currency translation	-	-	55,828	(1,933)	5,594,761	-	-	-	-	-	5,648,656
Net change on revaluation surplus on tangible and intangible assets	-	-	-	-	-	-	-	64,165	-	-	64,165
Net change on actuarial gain/(loss) related to employee benefits	-	-	-	-	-	-	(117,990)	-	-	(221)	(118,211)
Net gains on cash flow hedges	-	-	-	733,608	-	-	-	-	-	-	733,608
Net change on net investment hedge for foreign operations	-	-	-	(2,186,512)	-	-	-	-	-	-	(2,186,512)
Net profit/loss for the period	-	-	-	-	-	-	-	-	(92,354)	66,259	(26,095)
Total comprehensive income for the year (II)	-	-	(2,283,179)	(1,454,837)	5,594,761	192,594	(117,990)	64,165	(92,354)	64,416	1,967,576
IAS 29 inflation adjustments (III)	6,987,380	13,924	(15,544)	20,065	-	-	(161,071)	-	11,730,780	58,638	18,634,172
Foreign currency translation for legal reserves (IV)	-	-	-	-	-	-	-	-	71,473	-	71,473
Dividends distributed (V)	-	-	-	-	-	-	-	-	(623,439)	(47,133)	(670,572)
Balances at 31 December 2021 (I+II+III+IV+V)	26,353,730	52,516	(2,199,327)	(3,884,770)	11,194,648	259,472	(731,299)	161,963	54,620,597	323,485	86,151,015
Current period (31 December 2022) purchasing power adjustment effect	16,937,435	33,753	(1,413,499)	(2,496,726)	7,194,755	166,762	(470,003)	104,093	35,104,438	207,902	55,368,910
Balances at 1 January 2022 (I)	43,291,164	86,269	(3,612,826)	(6,381,496)	18,389,403	426,234	(1,201,302)	266,056	89,725,036	531,387	141,519,925
Net unrealized losses from debt instruments measured at fair value through other comprehensive income	-	-	7,317,821	-	-	-	-	-	-	3,243	7,321,064
Net unrealized gains from equity investments measured at fair value through other comprehensive income	-	-	-	-	-	146,629	-	-	-	-	146,629
Net realized losses on debt instruments measured at fair value through other comprehensive income recycled to statement of profit or loss at disposal	-	-	694,242	-	-	-	-	-	-	-	694,242
Foreign currency translation	-	-	(80,397)	874	4,352,027	-	-	-	-	-	4,272,504
Net change on revaluation surplus on tangible and intangible assets	-	-	-	-	-	-	-	227,145	-	-	227,145
Net change on actuarial gain/(loss) related to employee benefits	-	-	-	-	-	-	(887,170)	-	-	-	(887,170)
Net gains on cash flow hedges	-	-	-	953,483	-	-	-	-	-	-	953,483
Net change on net investment hedge for foreign operations	-	-	-	(1,603,244)	-	-	-	-	-	-	(1,603,244)
Net profit/loss for the period	-	-	-	-	-	-	-	-	14,946,881	133,827	15,080,708
Total comprehensive income for the year (II)	-	-	7,931,666	(648,887)	4,352,027	146,629	(887,170)	227,145	14,946,881	137,070	26,205,361
IAS 29 inflation adjustments (III)	16,937,434	33,753	4,288,110	413,561	-	-	(482,118)	-	29,825,590	93,264	51,109,594
Foreign currency translation for legal reserves (IV)	-	-	-	-	-	-	-	-	72,898	-	72,898
Dividends distributed (V)	-	-	-	-	-	-	-	-	(1,307,328)	(60,346)	(1,367,674)
Balances at 31 December 2022 (I+II+III+IV+V)	43,291,164	86,269	10,020,449	(4,120,096)	15,546,675	406,101	(2,100,587)	389,108	98,158,638	493,473	162,171,194

Türkiye Garanti Bankası AŞ And Its Subsidiaries
Consolidated Statement of Cash Flows
For The Year-Ended Period Ended 31 December 2022

(Currency: Thousands of Turkish Lira (TL) in terms of the purchasing power of the Turkish Lira (TL) at 31 December 2022 unless otherwise indicated)

	1 January 2022- 31 December 2022	1 January 2021- 31 December 2021
Cash flows from operating activities:-		
Interests and commissions received	135,108,697	100,804,419
Interests and commissions paid	(66,363,639)	(62,058,675)
Other operating activities, net	8,570,750	(4,300,768)
Cash payments to employees and suppliers	<u>(30,345,072)</u>	<u>(23,485,792)</u>
	46,970,736	10,959,184
(Increase)/decrease in operating assets:-		
Loans and advances to banks	216,086,381	(17,987,454)
Balances with central banks	(44,996,021)	(37,243,368)
Financial assets at fair value through profit or loss	6,873,288	297,433
Loans and advances to customers	14,861,524	(151,336,473)
Other assets	(3,478,677)	(8,151,592)
Increase/(decrease) in operating liabilities:-		
Deposits from banks	(2,211,421)	1,102,105
Deposits from customers	(51,125,049)	221,800,949
Obligations under repurchase agreements and money market fundings	(1,925,472)	12,780,505
Other liabilities	(8,306,578)	5,682,916
Net cash inflows from operating activities before taxes and duties paid	<u>172,748,711</u>	<u>37,904,205</u>
Income taxes and other duties paid	20,849,659	(5,033,919)
Net cash inflows/(outflows) from operating activities	<u>193,598,370</u>	<u>32,870,286</u>
Cash flows from investing activities:-		
Net decrease/(increase) in investment securities	(23,692,020)	(13,956,689)
Interest received for investment securities	9,129,066	4,265,355
Increase in equity investments	(190,817)	-
Dividends received	111,106	76,820
Proceeds from sale of tangible and intangible assets	(3,831,642)	1,154,880
Purchase of tangible and intangible assets	<u>10,430,005</u>	<u>(2,468,332)</u>
Net cash inflows from investing activities	<u>(8,044,302)</u>	<u>(10,927,966)</u>
Cash flows from financing activities:-		
Increase in loans and advances from banks and other institutions, net	(49,647,397)	889,632
Cash obtained from debt securities issued	6,679,806	50,014,208
Cash used for repayment of debt securities issued	(20,930,600)	(19,730,988)
Payments for leases	(541,785)	(674,865)
Dividends paid	<u>(1,367,674)</u>	<u>(755,481)</u>
Net cash (outflows)/inflows from financing activities	<u>(65,807,650)</u>	<u>29,742,506</u>
Effect of exchange rate changes	10,819,461	20,461,391
Inflation effect on cashflow	(177,018,743)	76,252,657
Net increase in cash and cash equivalents	<u>(46,452,864)</u>	<u>148,398,875</u>
Cash and cash equivalents at the beginning of the period	<u>201,179,348</u>	<u>52,780,473</u>
Cash and cash equivalents at the end of the period	<u>154,726,484</u>	<u>201,179,348</u>