TÜRKİYE SINAİ KALKINMA BANKASI AŞ AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022
(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2022 unless otherwise stated)

ASSETS	31 December 2022	31 December 2021
Cash and cash equivalents	7,712,903	6,022,986
Reserve deposits at Central Bank	2,756,286	3,294,637
Financial assets measured at fair value through profit or loss	175,599	502,428
Financial assets measured at fair value through other comprehensive income	11,335,336	14,864,964
-Financial assets measured at fair value through other comprehensive income as pledge	*6,331,813*	*14,864,964*
Financial assets measured at amortized cost	12,813,774	6,490,201
-Financial assets measured at amortized cost as pledge	*3,084,794*	*3,638,859*
Derivative financial assets	2,007,680	3,602,076
Derivatives used for hedging purposes	387,926	421,360
Loans and advances to customers	75,622,380	100,589,739
Investments in equity-accounted investees	2,575,200	2,180,094
Goodwill	383	629
Property and equipment	1,237,575	854,604
Investment property	764,910	552,237
Intangible assets	5,757	8,634
Deferred tax assets	714,807	642,064
Assets held for sale	-	105,795
Other assets	546,279	2,120,355
Total assets	**118,656,795**	**142,252,803**

TÜRKİYE SINAİ KALKINMA BANKASI AŞ AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2022 unless otherwise stated)

LIABILITIES	**31 December 2022**	**31 December 2021**
Funds borrowed	70,732,998	89,078,324
Money market balances	2,472,123	2,318,204
Debt securities issued	21,553,457	25,966,807
Derivative financial liabilities	998,343	1,841,921
Derivatives used for hedging purposes	134,010	-
Current account of loan customers	737,733	1,136,259
Taxes and dues payable	42,330	43,338
Employee benefits	119,681	101,581
Corporate tax liability	537,980	326,387
Provisions	922,739	679,757
Lease liability	5,563	7,685
Other liabilities	2,187,689	1,343,747
Subordinated debt instrument	3,829,127	6,618,757
Deferred Tax Liabilities	-	4,358
Total liabilities	**104,273,773**	**129,467,125**
EQUITY		
Share capital		
Nominal paid in capital	2,800,000	2,800,000
Inflation adjustment to capital	10,941,766	11,038,574
Total capital	**13,741,766**	**13,838,574**
Share premium	4,368	4,389
Legal reserves	1,843,502	1,765,134
Fair value reserve	1,066,397	-133,150
Revaluation reserve	389,759	976
Translation reserve	173,399	171,539
Actuarial gain/(loss)	(963)	(7,614)
Retained earnings	(3,056,688)	(3,003,550)
Total equity attributable to equity holders of the Bank	**14,161,540**	**12,636,298**
Non-controlling interests	221,482	149,380
Total equity	**14,383,022**	**12,785,678**
Total liabilities and equity	**118,656,795**	**142,252,803**
Commitments and contingencies	**126,138,662**	**178,515,353**

TÜRKİYE SINAİ KALKINMA BANKASI AŞ AND ITS SUBSIDIARIES CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS AT 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2022 unless otherwise stated)

	Current Period 1 January – 31 December 2022	Prior Period 1 January – 31 December 2021
Interest income calculated using the effective interest method	6,339,840	6,513,827
Other interest and similar income	3,180,001	2,024,315
Interest expense calculated using the effective interest method	4,006,718	3,536,051
Other interest and similar expense	22,316	14,002
Net interest income	**5,490,807**	**4,988,089**
Fee and commission income	436,963	348,940
Fee and commission expense	(43,445)	(38,023)
Net fee and commission income	**393,518**	**310,917**
Securities trading income / (loss), net	85,226	1,910
Derivative trading income / (loss), net	3,184,541	3,897,819
Foreign exchange gains / (loss), net	(2,235,345)	(2,947,259)
Net trading income / (loss), net	**1,034,422**	**952,470**
Net impairment loss	(3,602,331)	(3,858,261)
Net operating income after impairment loss	**3,316,416**	**2,393,215**
Other operating income	604,480	549,002
Other operating expenses	(942,944)	(1,066,437)
Dividend income	24,580	17,628
Share of profit of equity-accounted investees	179,398	(146,975)
Gain/loss on net Monetary position, net	(1,509,489)	(1,906,582)
Profit before income tax	**1,672,441**	**(160,149)**
Income tax expense	(1,305,935)	(775,814)
Profit for the period	**366,506**	**(935,963)**

TÜRKİYE SINAİ KALKINMA BANKASI AŞ AND ITS SUBSIDIARIES CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS AT 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2022 unless otherwise stated)

	1 January – 31 December 2022	1 January – 31 December 2021
Profit for the year	**366,506**	**(935,963)**
Items that will not be reclassified to profit or loss:		
Remeasurement of employee termination benefits	4,516	(12,420)
Revaluation of tangible assets	403,539	7,112
Other comprehensive income items not reclassified through profit or loss	106,378	35,431
Income Tax related to the above	(15,001)	1,496
Items that are or will be reclassified subsequently to profit or loss:		
Foreign currency translation differences	80,346	122,994
Net change in fair value of financial assets at fair value through other comprehensive income	915,530	(736,785)
Other comprehensive income items reclassified through profit or losses	253,716	50,795
Income Tax related to the above	(95,051)	154,306
Other comprehensive income for the year, net of tax	**1,653,973**	**(377,071)**
Total comprehensive income for the year	**2,020,479**	**(1,313,034)**

Profit attributable to:	1 January – 31 December 2022	1 January – 31 December 2021
Equity holders of the Bank	299,997	(924,021)
Non-controlling interests	66,509	(11,942)
Profit for the period	**366,506**	**(935,963)**
Total comprehensive income attributable to:		
Equity holders of the Bank	1,953,970	(1,301,092)
Non-controlling interests	66,509	(11,942)
Gain/(loss) on net monetary position, net		
Total comprehensive income for the period	**2,020,479**	**(1,313,034)**
Earnings per share		
Basic and diluted earnings per share (in full TL)	0.1071	(0.3300)

TÜRKİYE SINAİ KALKINMA BANKASI AŞ AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022
(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2022 unless otherwise stated)

	Attributable to equity holders of the Bank											
Prior Period	**Share Capital**	**Inflation adjustment to capital**	**Share premium**	**Legal reserves**	**Revaluation reserve**	**Actuarial Gain/(Loss)**	**Translation Reserve**	**Fair value reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total Equity**
Balance at 1 January 2021	**2,800,000**	**3,430,599**	**1,761**	**752,402**	**-**	**1,392**	**39,852**	**208,721**	**(669,906)**	**6,564,821**	**54,632**	**6,619,453**
Current period (31 December 2021) purchasing power adjustment effect	**-**	**2,248,056**	**635**	**271,473**	**-**	**502**	**14,379**	**75,308**	**(241,708)**	**2,368,645**	**19,712**	**2,388,357**
Balance at 1 January 2021	**2,800,000**	**5,678,655**	**2,396**	**1,023,875**	**-**	**1,894**	**54,231**	**284,029**	**(911,614)**	**8,933,466**	**74,344**	**9,007,810**
Total comprehensive income for the period												
Profit for the period	-	-	-	-	-	-	-	-	(562,503)	(562,503)	(7,270)	(569,773)
Other comprehensive income												
Remeasurement of defined benefit liability	-	-	-	-	-	(7,561)	-	-	-	(7,561)	-	(7,561)
Net change in fair value financial assets at fair value through other comprehensive income	-	-	-	-	-	-	74,873	(426,952)	-	(352,079)	-	(352,079)
Revaluation of tangible assets	-	-	-	-	4,329	-	-	-	-	4,329	-	4,329
Equity-accounted investees - share of OCI	-	-	-	-	-	-	-	30,922	-	30,922	-	30,922
Tax on other comprehensive income	-	-	-	-	(1,022)	1,534	-	94,333	-	94,845	-	94,845
Total other comprehensive income	**-**	**-**	**-**	**-**	**3,307**	**(6,027)**	**74,873**	**(301,697)**	**-**	**(229,544)**	**-**	**(229,544)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**3,307**	**(6,027)**	**74,873**	**(301,697)**	**(562,503)**	**(792,047)**	**(7,270)**	**(799,317)**
Transactions with owners of the Bank												
Contributions and distributions												
Dividend distribution	-	-	-	-	-	-	-	-	(73.551)	(73.551)	-	(73.551)
Transfer to legal reserves	-	-	-	38,713	-	-	-	-	(38,804)	(91)	91	-
Other changes	-	-	236	-	-	-	-	-	-	236	18,650	18,886
Gain/(loss) on net monetary position, net	-	2,193,707	675	283,420	(2,713)	-	(10,300)	11,920	(483,663)	1,993,046	24,833	2,017,879
Total transactions with the owners of the Company	**-**	**2,193,707**	**911**	**322,133**	**(2,713)**	**-**	**(10,300)**	11,920	(596,018)	1,919,640	43,574	1,963,214
Balance at 31 December 2021	**2,800,000**	**5,624,306**	**2,672**	**1,074,535**	**594**	**(4,635)**	**104,425**	**(81,056)**	**(1,828,427)**	**7,692,414**	**90,936**	**7,783,350**
Current period (31 December 2022) purchasing power adjustment effect	**-**	5,414,268	1,717	690,599	382	(2,979)	67,114	(52,094)	(1,175,123)	4,943,884	58,444	5,002,328
Adjusted Balances at 31 December 2021	**2,800,000**	**11,038,574**	**4,389**	**1,765,134**	**976**	**(7,614)**	**171,539**	**(133,150)**	**(3,003,550)**	**12,636,298**	**149,380**	**12,785,678**

TÜRKİYE SINAİ KALKINMA BANKASI AŞ AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022
(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2022 unless otherwise stated)

	Attributable to equity holders of the Bank											
Current Period	**Share Capital**	**Inflation adjustment to capital**	**Share premium**	**Legal reserves**	**Revaluation reserve**	**Actuarial Gain/(Loss)**	**Translation Reserve**	**Fair value reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total Equity**
Balance at 1 January 2022	**2,800,000**	**5,624,306**	**2,672**	**1,074,535**	**594**	**(4,635)**	**104,425**	**(81,056)**	**(1,828,427)**	**7,692,414**	**90,936**	**7,783,350**
Current period (31 December 2022) purchasing power adjustment effect	**-**	**5,414,268**	**1,717**	**690,599**	**382**	**(2,979)**	**67,114**	**(52,094)**	**(1,175,123)**	**4,943,884**	**58,444**	**5,002,328**
Balance at 1 January 2022	**2,800,000**	**11,038,574**	**4,389**	**1,765,134**	**976**	**(7,614)**	**171,539**	**(133,150)**	**(3,003,550)**	**12,636,298**	**149,380**	**12,785,678**
Total comprehensive income for the period												
Profit for the period	-	-	-	-	-	-	-	-	299,997	299,997	66,509	366,506
Other comprehensive income												
Remeasurement of defined benefit liability	-	-	-	-	-	4,516	-	-	-	4,516	-	4,516
Net change in fair value financial assets at fair value through other comprehensive income	-	-	-	-	-	-	80,346	1,021,908	-	1,102,254	-	1,102,254
Revaluation of tangible assets	-	-	-	-	403,539	-	-	-	-	403,539	-	403,539
Equity-accounted investees - share of OCI	-	-	-	-	-	-	-	253,716	-	253,716	-	253,716
Tax on other comprehensive income	-	-	-	-	(13,901)	(779)	-	(95,372)	-	(110,052)	-	(110,052)
Total other comprehensive income	**-**	**-**	**-**	**-**	**389,638**	**3,737**	**80,346**	**1,180,252**	**-**	**1,653,973**	**-**	**1,653,973**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**389,638**	**3,737**	**80,346**	**1,180,252**	**299,997**	**1,953,970**	**66,509**	**2,020,479**
Transactions with owners of the Bank												
Contributions and distributions												
Dividend distribution	-	-	-	-	-	-	-	-	(268)	(268)	268	-
Transfer to legal reserves	-	-	-	58,779	-	-	-	-	(58,970)	(191)	191	-
Other changes	-	-	-	-	-	-	-	-	-	-	3,854	3,854
Gain/(loss) on net monetary position, net	-	5,317,460	1,696	710,188	(473)	(65)	(11,372)	(32,799)	(1,469,020)	4,515,615	59,724	4,575,339
Total transactions with the owners of the Company	**-**	**5,317,460**	**1,696**	**768,967**	**(473)**	**(65)**	**(11,372)**	**(32,799)**	**(1,528,258)**	**4,515,156**	**64,037**	**4,579,193**
Balance at 31 December 2022	**2,800,000**	**10,941,766**	**4,368**	**1,843,502**	**389,759**	**(963)**	**173,399**	**1,066,397**	**(3,056,688)**	**14,161,540**	**221,482**	**14,383,022**

TÜRKİYE SINAİ KALKINMA BANKASI AŞ AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2022 unless otherwise stated)

	Current Period 31 December 2022	Prior Period 31 December 2021
Cash flows from operating activities:		
Interests and commissions received	7,486,169	5,385,278
Other operating activities, net	(3,062,692)	(2,435,175)
Cash payments to employees and suppliers	6,423,040	3,681,024
Interests and commissions paid	(491,270)	(423,850)
Dividends received	24,106	17,735
Operating profit before changes in operating assets / liabilities	**10,379,353**	**6,225,012**
(Increase)/decrease in operating assets:		
Loans and advances to customers	4,528,036	1,420,710
Balances with central banks	(424,710)	(1,635,255)
Financial assets at fair value through profit or loss	(1,415,779)	(43,454)
Other assets	(125,925)	20,420
(Increase)/decrease in operating liabilities:		
Funds borrowed	(4,098,574)	(1,589,683)
Obligations under repurchase agreements and money market fundings	(208)	637
Other liabilities	2,246,264	2,024,378
Net cash outflows from operating activites before taxes and duties paid	**11,088,457**	**6,422,765**
Income taxes and other duties paid	(1,025,493)	(542,160)
Net cash outflows from operating activities	**10,062,964**	**5,880,605**
Cash flows from investing activities:		
Sale of financial assets measured at Fair Value through Other Comprehensive Income	6,094,966	1,888,392
Purchase of financial assets measured at Fair Value through Other Comprehensive Income	(4,110,878)	(6,052,227)
Proceeds from sale of tangible assets	4,180	5,845
Purchase of tangible assets	(25,329)	(8,062)
Cash paid for purchase of entities under common control, associates and subsidiaries	-	-
Cash obtained from sale of entities under common control, associates and subsidiaries	721	25,981
Sale of financial assets measured at amortized cost	700,952	357,309
Purchase of financial assets measured at amortized cost	(8,276,743)	(692,817)
Other	(2,649)	(4,577)
Net cash inflows/ outflows from investing activities	**(5,614,780)**	**(4,480,156)**
Cash flows from financing activities:		
Increase in loans and advances from banks and other institutions, net	(1,717,113)	634,864
Increase in bonds payable, net	-	-
Dividends paid	-	(73,551)
Other	(34,300)	(41,334)
Net cash inflows from financing activities	**(1,751,413)**	**519,979**
Effect of exchange rate changes	**178,759**	**867,641**
Inflation effect on cashflow	(1,248,339)	(942,137)
Net increase in cash and cash equivalents	1,627,191	1,845,932
Cash and cash equivalents at 1 January	**6,014,103**	**4,168,172**
Cash and cash equivalents at 31 December	**7,641,294**	**6,014,104**