

From Today to the Future...

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# TO THE INVESTMENT UNIVERSE OF THE FUTURE...

We leverage our twenty-seven years of experience, global expertise, local market dominance, entrepreneurial spirit, and forecasting capabilities with the opportunities presented by digitalization, creating unique solutions that fully meet the needs of our institutional and qualified individual investors. We are shaping the investment world of the future.

What sets us apart is the exceptional customer experience we provide, made possible by the operational agility we have attained through investments in technology and digital transformation, and digital applications that streamline customer investments and transactions. We demonstrated our commitment to digitalization with our new fintech venture Piapiri, which we launched in October 2022, providing investors with a single platform that has everything they need for their investment activities.

As the leading investment services and asset management group in Turkey and the wider region, the trust we have built since our inception with our customer and social benefit-oriented corporate philosophy is now being bolstered with new milestones supported by digital achievements. Our objective is to amplify the value we have generated within our investment ecosystem and carry it forward into the future.

## **NEW FINTECH VENTURE: PIAPIRI, THE MARKET GURU**

A brand new venture created in line with ÜNLÜ & Co's digitalization and expansion strategy, Piapiri offers a powerful digital ecosystem for investment with investment baskets, robotic trading signals, and reports from industry experts.

With its customizable interface and user-friendly design, Piapiri allows users to start investing quickly and conveniently by simply downloading the mobile app and creating a free account.

## **NEW PARTNERSHIP IN M&A**

ÜNLÜ & Co signed a new partnership with Phellos Financial Consultancy, a London-based, technology-driven management consulting firm, to extend ÜNLÜ & Co's expertise in corporate mergers and acquisitions to the technology sector.

This partnership aims to provide end-to-end advisory in the tech ecosystem, offering corporate clients and ventures the opportunity to benefit from advisory services throughout the life cycle of the investments.

# Piapiri

ÜNLÜ & Co LAUNCHED ITS NEW FINTECH VENTURE PİAPİRİ IN THE FINAL QUARTER OF 2022, SHOWCASING ITS DIGITALIZATION AND EXPANSION STRATEGY.



## Piapiri: The Market Guru

In the final quarter of 2022, Turkey's leading investment services and asset management group ÜNLÜ & Co unveiled its new fintech venture, Piapiri, as a key component of its digitalization and expansion strategy, extending convenient investment opportunities to a broader audience. Standing out with its customizable interface and

user-friendly design, Piapiri offers a powerful digital investment ecosystem with investment baskets, robotic trading signals, and reports from industry experts.

Piapiri offers users free access to real-time data on stock markets, futures and options, warrants, mutual funds, exchange rates, and cryptocurrencies, all conveniently displayed on a single screen. Additionally, users can easily

access comprehensive details of TEFAS funds through the platform. Featuring investment tools such as Model Portfolio, consisting of the most popular stocks, as well as the Robotic Baskets, Piapiri offers users a quick gateway to the world of investment with its "Become a Customer" function. All the users need to do is to download the app and create a free account.

THE STRONG DIGITAL ECOSYSTEM, of Piapiri stands out with its customizable interface and user-friendly design.



## What Does Piapiri Offer to Investors?

Create customized watchlists and view real-time stock market, futures and options, warrants, investment funds, exchange rate, and cryptocurrency data, free of charge.

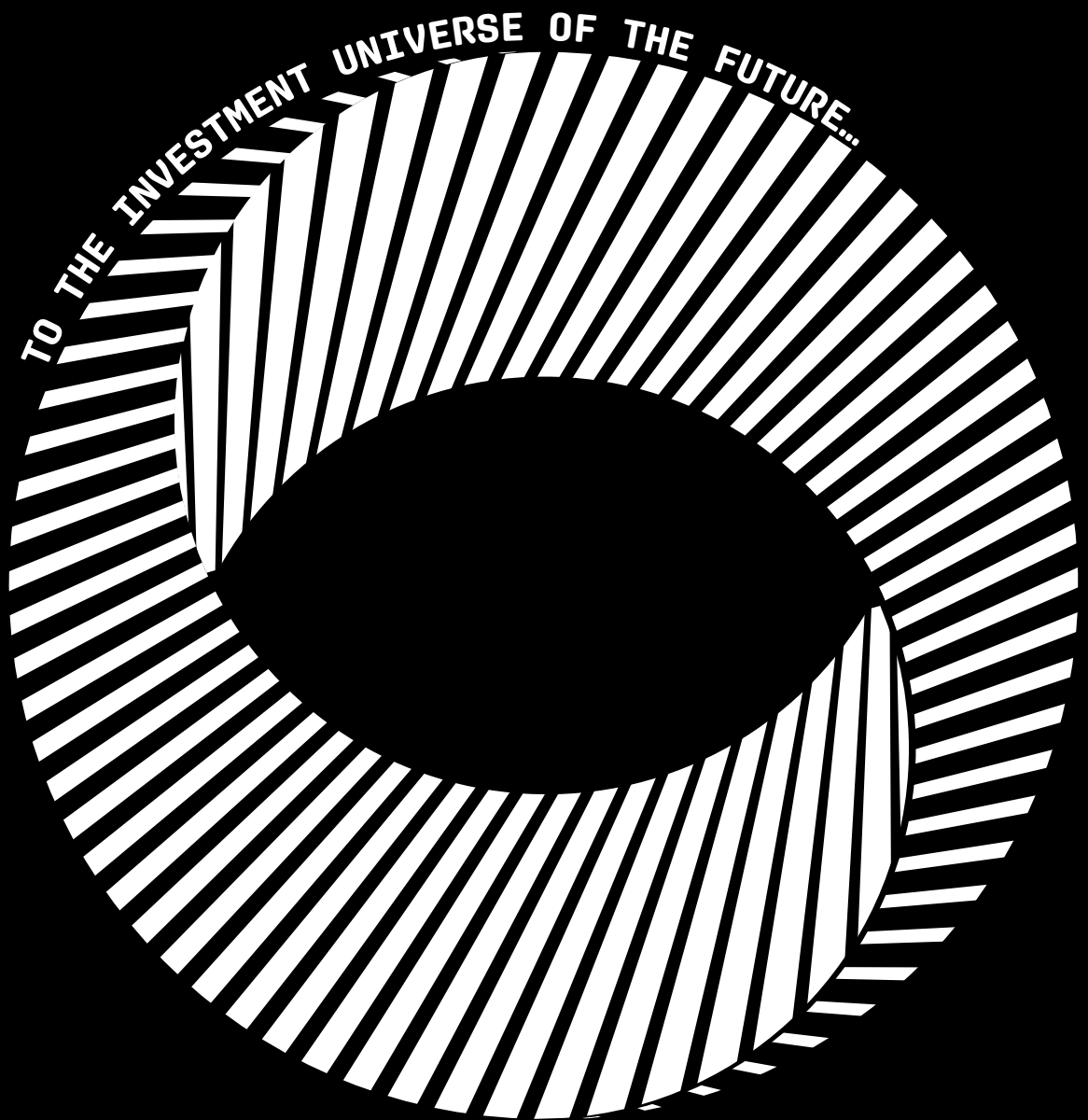
Personalize your homepage according to your investor profile using a variety of modules and create your own control panel. Arrange tabs and columns within the app to easily access the areas you use the most.

Embark on your investment journey swiftly with the Model Portfolio, a bespoke portfolio of stocks created and continuously updated by the diligent work of ÜNLÜ & Co analysts. Stay up to date with developments about the Model Portfolio.

Access comprehensive details of TEFAS funds, and compare them based on fund performance, management fees, and sizes.

Configure news or price alerts for the investment products that you are interested in, and receive immediate notifications when news pertaining to the product is released or when the product price reaches your desired level.

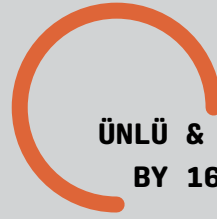
Utilize the robotic signals feature to take advantage of the trading opportunities as they arise during the day.



# DIGITALI- ZATION: TO FREE OUR ENTREPRE- NEURIAL SPIRIT

Digitalization helps us unshackle our entrepreneurial spirit, which is fueled by a vast experience in global and local markets. With our next-gen applications and rapid, seamless processes, we are introducing dynamism to the investment ecosystem.

## ROBUST FIGURES IN 2022



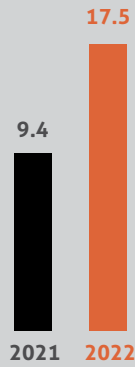
ÜNLÜ & Co'S TOTAL CONSOLIDATED INCOME ROSE BY 166% IN 2022 TO REACH TL 305 MILLION.

**51%**  
PERCENTAGE OF WOMEN  
EMPLOYMENT AT ÜNLÜ & Co  
GROUP

**50%**  
PERCENTAGE OF WOMEN ON  
THE BOARD OF DIRECTORS

CUSTOMER ASSETS UNDER  
MANAGEMENT (TL BILLION)

**84% INCREASE**



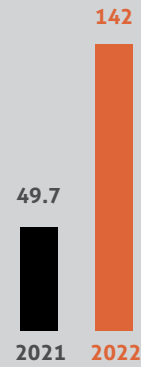
İSTANBUL VARLIK TOTAL UNPAID  
PRINCIPAL BALANCE (TL BILLION)

**5% INCREASE**



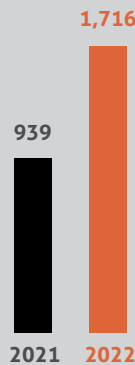
DAHA TOTAL TURNOVER  
(TL MILLION)

**186% INCREASE**



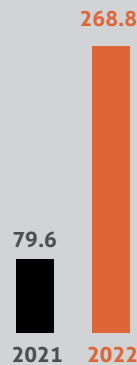
TOTAL ASSETS  
(TL MILLION)

**83% INCREASE**



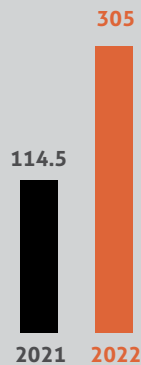
NET PROFIT  
(TL MILLION)

**238% INCREASE**



TOTAL COMPREHENSIVE INCOME  
(TL MILLION)

**166% INCREASE**





## MAJOR DEVELOPMENTS IN 2022

The awards it received represented the crowning achievement of ÜNLÜ & Co's successful performance in 2022.

**THE 14th EMEA FINANCE EUROPE BANKING AWARDS**

- Best M&A Company - Turkey
- The Best Investment Bank - Turkey
- Financial Inclusion - Central and Eastern Europe and the CIS

**GOLDEN LEADER AWARDS**

- Turkey's 50 Most Admired CEOs
- Turkey's 50 Most Admired CHROs

**MERGERMARKET EUROPEAN MERGER AND ACQUISITION AWARDS**

- M&A Financial Advisor of the Year in Turkey

**2022 INTERNATIONAL BUSINESS AWARDS**

- Golden Stevie - Financial and Market Data Information Solution

**A STRONG STEP OF COOPERATION WITH GOLDMAN SACHS**

- New Warrant Issuances

**THE ÜNLÜ & Co WOMEN TECHNOLOGY ENTREPRENEURS ACADEMY**

- 13 months training
- 18 teams

**EUROMONEY MARKET LEADERS**

- Investment Banking
- Market Leader in Turkey

## CORPORATE PROFILE



**THE CHOICE FOR FOREIGN COMPANIES, PORTFOLIO MANAGERS AND FUNDING INSTITUTIONS, WHO PLAN TO INVEST IN THE TURKISH CAPITAL MARKETS AND TURKISH COMPANIES.**

### **TURKEY'S LEADING INVESTMENT SERVICES AND ASSET MANAGEMENT GROUP**

Established as an independent financial advisory company in 1996, ÜNLÜ & Co provides value-added services and solutions concerning

- Corporate Finance Advisory
- Capital Markets Advisory
- Investment Advisory and Brokerage Services
- Non-Performing Loans (NPL) Management
- Alternative Investments
- Fund and Portfolio Management

all under a single roof, to domestic and foreign individual investors, as well as to corporates, backed by a professional team and strong technological infrastructure. A visionary spirit, sturdy financial structure, and successful organic and inorganic growth strategies pursued since inception have been instrumental in ÜNLÜ & Co's becoming Turkey's leading investment services and asset management group.

With full-fledged domestic investment services and product variety, ÜNLÜ & Co continuously expands its client portfolio comprised of corporates and qualified individual investors, to whom it provides world class services.

ÜNLÜ & Co's more than 450 expert staff is guided by its philosophy that places client interests and satisfaction at the core of all its endeavors.

ÜNLÜ & Co shares are trading on the Borsa Istanbul following the Company's initial public offering in 2021.

### **A BUSINESS MODEL STANDING OUT FROM THE COMPETITION**

ÜNLÜ & Co has developed global "know-how" in investment services, thanks to the long-running collaboration and strategic partnerships it has forged with investment companies active on a global scale.

Expanding its global sphere of influence through subsidiaries and affiliates established in the world's most prominent financial centers, ÜNLÜ & Co is able to keep abreast of changes in foreign investor profile and investment trends.

Closely monitoring the Turkish economy and Turkish companies operating in various sectors, ÜNLÜ & Co effectively blends its global know-how with its experience in local markets, hence implementing a business model placing efficiency at the forefront in all service areas. All of these qualities set ÜNLÜ & Co apart from competition and reinforce its position as a reliable business partner.

### **RESPECTED IN THE INTERNATIONAL ARENA**

A crucial success in advisory services in the realm of mergers and acquisitions, IPOs, and privatizations, built on 27 years of experience, and solid partnerships forged between institutional clients and global fund sources have earned a well-warranted reputation to ÜNLÜ & Co in local and international markets.

Foreign companies, portfolio managers, and fund organizations looking to invest in Turkish capital markets and Turkish companies contact ÜNLÜ & Co, which boasts extensive experience across all sectors within the scope of financial advisory services in Turkey.

### **A CORPORATE CULTURE FOCUSED ON SUSTAINABLE GROWTH**

Engaged, entrepreneurial, leader, one team, socially conscious, client-centric are values that are deeply ingrained in ÜNLÜ & Co's corporate culture and the defining elements of a corporate success story of 27 years. These success constituents, reflected with a shared conviction to all areas of the service cycle by the leaders and employees of ÜNLÜ & Co, pave the way for a solid corporate culture. They are also the linchpins of sustainable growth and success.

**A CORPORATE CULTURE FOCUSED ON SUSTAINABLE GROWTH** ÜNLÜ & Co continues to maintain its leadership in Turkey and has been taking steps to extend its services regionally.

**A SERVICE CONCEPT COMMITTED TO LEGAL COMPLIANCE AND ETHICAL RULES**

Guided by a contemporary investment advisory approach, ÜNLÜ & Co unconditionally upholds high moral values in investor relations and in markets where it operates. ÜNLÜ & Co employees embrace an honest and consistent service approach to their clients, and pay utmost attention to developing and implementing a business discipline that respects the legal regulations in force and adheres to the corporate culture.

**PIONEERING DEVELOPMENT IN CAPITAL MARKETS**

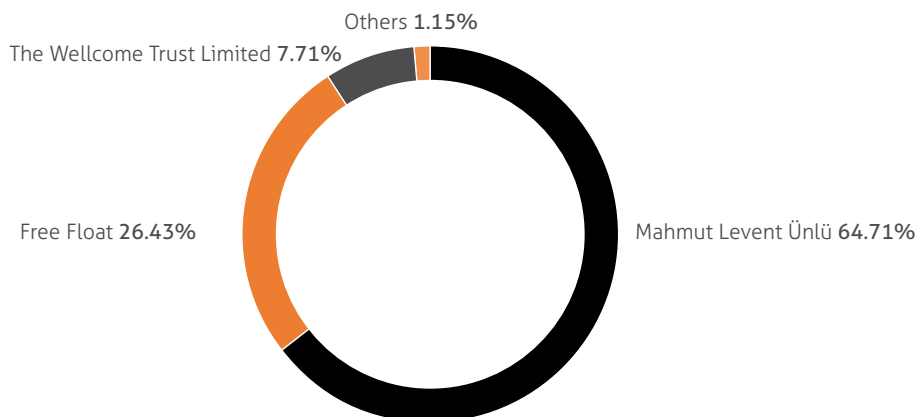
Since its inception as an independent financial advisory, ÜNLÜ & Co has completed a host

of highly successful transactions with its unique financial solutions developed based on the needs of its clients. While creating high added value for its clients through its personalized investment advice and financial products predicated on client needs, it also plays an effective role in the deepening of Turkish capital markets.

**STRONG STEPS TOWARDS GLOBALIZATION**

ÜNLÜ & Co resolutely maintains its leadership in the Turkish market and takes concrete steps to extend its initiative to the international sphere. In addition to domestic offices, ÜNLÜ & Co provides services abroad through its subsidiaries in New York and London.

**OUR SHAREHOLDING STRUCTURE**



## PRODUCTS, SERVICES AND SOLUTIONS



ÜNLÜ & Co CONTINUES TO CONTRIBUTE TO CAPITAL  
MARKETS WITH THE SERVICES IT OFFERS AND ITS WIDE  
PRODUCT RANGE.

### INVESTMENT ADVISORY

- **Corporate Finance Advisory**
  - Mergers & Acquisitions
  - Privatization advisory
  - Initial/Secondary public offerings
- **Debt Capital Markets Advisory**
  - Foreign and local currency bond issuance
  - CLN, Eurobonds, private placement, convertible bonds, asset-backed securities
- **Debt Advisory**
  - Acquisition and project finance
  - Structured subordinated debts
  - Financial restructuring

### CAPITAL MARKETS

- Corporate brokerage services
- Domestic and international stock market placements
- Block sales / Secondary public offering
- Fixed-income instruments
- Research
- Treasury
- UNLU Securities Inc. (USA)
- UNLU Securities UK Limited

## DAHA INVESTMENT ADVISORY AND BROKERAGE SERVICES

- Customized investment advisory in organized and over-the-counter markets
- Brokerage of equities (Istanbul Stock Exchange) and derivatives (VIOP)
- Structured debt instruments that offer personalized investment strategies
- Fixed-income, principal-protected, real estate, Eurobonds or stock- mutual funds
- Brokerage services for trading of over-the-counter derivatives
- Brokerage in trading on foreign exchange and CFD markets
- Brokerage for equities and derivatives trading on global markets
- Brokerage of LME Commodity risk management (hedge) transactions
- Brokerage in trading of government bonds, treasury bills, private sector bonds and Eurobonds
- Brokerage of repo and Eurobond repo transactions
- Portfolio management services
- Corporate risk management (hedging) advisory
- Public offerings brokerage

## ASSET MANAGEMENT SERVICES

- **Non-Performing Loans (NPL) Management**
  - Portfolio Investments
  - Restructuring
- **Alternative Investments**
  - 212 Capital-Technology funds
  - Internet, mobile, e-commerce venture capital
  - Alternative Investments Fund (ULTI)
- **Fund and Portfolio Management**
  - Mutual funds
  - Hedge funds
  - Arbitrage funds
  - Real estate investment funds
  - Discretionary portfolio management
  - Venture capital investment funds



## OUR VISION

To become the leading investment services provider and asset management group in the region



## OUR MISSION

To work diligently towards achieving our vision with entrepreneurial spirit and expertise of local markets, and to grow the business while adding value and profit to our clients' businesses



## OUR STRATEGY

To keep our leading position in the market, achieve our goals, and ensure durable success by improving our corporate principles and management approach

## OUR VALUES



### COMMITTED

Values relationships and upholds sustainability

### ENTREPRENEURIAL

Openly shares ideas and boldly brings them into fruition

### LEADER

Spearheads innovation with knowledge, experience and poise

### ONE TEAM

Moves with a unified purpose towards a common goal

### SOCIALLY CONSCIOUS

Produces, thinks and assumes responsibility for society

### CLIENT-CENTRIC

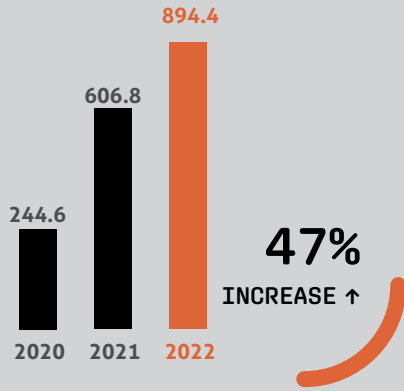
Dedicated to adding value and delivering the best solution to the client

## KEY FINANCIAL INDICATORS

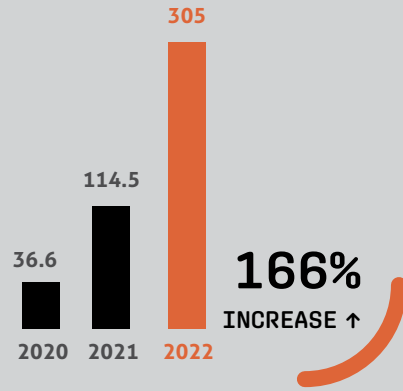


IN 2022, ÜNLÜ & Co RECORDED AN 83% YoY EXPANSION IN ITS TOTAL ASSETS TO TL 1.7 BILLION.

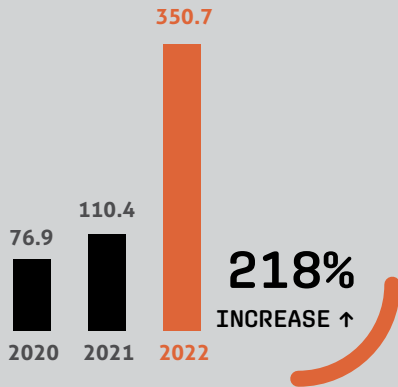
SHAREHOLDERS' EQUITY  
(TL MILLION)



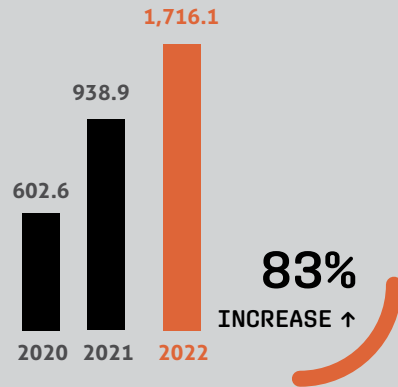
TOTAL COMPREHENSIVE INCOME  
(TL MILLION)



PROFIT BEFORE TAX  
(TL MILLION)



TOTAL ASSETS  
(TL MILLION)





# ÜNLÜ & Co'S AWARDS

ÜNLÜ & Co, AWARDED IN THREE CATEGORIES  
BY EMEA FINANCE.

## EUROMONEY MARKET LEADERS

- Market Leader in Investment Banking-Turkey category

## EMEA FINANCE - EUROPE BANKING AWARDS

- "The Best M&A House - Turkey"
- "The Best Investment Bank - Turkey"
- "Financial Inclusion - Central and Eastern Europe and the CIS"

## 2022 INTERNATIONAL BUSINESS AWARDS

- Golden Stevie award in the Financial and Market Data Information Solution category in recognition of the ÜNLÜ The Club YouTube channel

## GLOBEE BUSINESS AWARDS

- The Gold Globee award for "ÜNLÜ The Club" in the Best Use of YouTube category

## ARC AWARDS

- Three Gold Awards for the 2021 Annual Report: Traditional Annual Report, Chairman's Message and Inner Page Design
- Turkey's Best in country ranking

## MERGERMARKET

- The M&A Financial Advisor of the Year Award

## GOLDEN LEADER AWARDS

- Chairman and CEO, Mr. Mahmut L. ÜNLÜ listed among Turkey's 50 Most Admired CEOs
- Human Resources and Corporate Communications & Marketing Managing Director, Ms. Elif Özer listed among Turkey's 50 Most Admired CHROs

## BUSINESS VISION AWARDS

- The Best Research Team - Turkey

## MILESTONES



**FOR 27 YEARS, ÜNLÜ & Co HAS BEEN EXPANDING ITS ACTIVITIES TO HELP DEVELOP CAPITAL MARKETS.**

### 1996

- Dundas Ünlü was established in Istanbul as a small and exclusive mergers & acquisitions advisory firm.
- Dundas Ünlü started out by providing advisory services to international investors wishing to invest in the Turkish market. Positioning itself in financial markets as a leading provider of M&A advisory services, Dundas Ünlü contributed significantly to the growth and development of this market in Turkey.

### 2002

- Having acquired Işıklar Menkul, a local brokerage house, Dundas Ünlü ventured into investment services and entered Equity Capital Markets. With this acquisition, the Company added to its portfolio an array of investment products and services addressing the needs of different clients.

### 2003/2004

- Dundas Ünlü began providing asset management services and sets up an in-house non-performing loan unit.
- This period was highlighted by a deluge of new ventures. A fixed-income unit was established in 2003, followed by an asset management unit in 2004, and an equity fund ("DUA") as well as a fixed-income fund ("DUB") in 2004. As a result of these undertakings, Dundas Ünlü not only expanded the scope of the products and services it offered, but also became the firm of choice for clients with investment financing needs.

### 2005

- A milestone was reached when Dundas Ünlü teamed up with the US-based investment bank Lehman Brothers.
- Another important step towards becoming more institutional was taken when Tahincioğlu Holding acquired a stake in the Company.
- By setting up an institutional sales unit, Dundas Ünlü began providing clients with equity sales and capital market services. This unit's successful performance positioned Dundas Ünlü as the leader among the top brokers servicing international institutional clients in Turkey.

### 2006/2007

- The Company expanded into the alternative investments business line with the launch of the DU Private Equity Fund.
- The same year saw the establishment of DUFDas, an adjunct to the Company's NPL unit and a ground-breaking service provider in the corporate collections business line.
- In 2007, the Company underwrote the first private-sector corporate bond issue that had been initiated in Turkey in nearly a decade.
- The same year, South Africa-based Standard Bank became a strategic shareholder in the Company by acquiring the majority of shares previously belonging to Alasdair Dundas and Tahincioğlu Holding.
- With this change in the shareholding structure, the Company underwent reorganization as well. The Company's name was changed to Standard Ünlü, while the arrival of a new shareholder gave the Company access to an extensive global financial services network and the ability to diversify its debt-financing products. This consolidation of strengths transformed Standard Ünlü into Turkey's leading provider of investment services, and asset management products and services.

- ÜNLÜ Portföy Yönetimi A.Ş. (ÜNLÜ Asset Management). was established.

## 2009

- Standart Varlık and PLATO Finansal Danışmanlık Servisleri A.Ş. were set up.
- With PLATO Finansal Danışmanlık Servisleri A.Ş., a financial advisory services provider launched in 2009, the Company began providing collections management services for retail and micro SME NPL portfolios.

## 2011

- Established in 2009, Standard Varlık was acquired from Standard Bank, and its title was changed to İSTANBUL Varlık.
- The same year also saw the establishment of 212 Capital Partners, a firm set up to provide early-stage venture capital to technology, internet, and communication companies in Turkey. A joint venture in which some of the country's leading technology companies, investors and managers took part, 212 Capital Partners began supplying financial support to start-ups seeking to enter vertical markets in software, social gaming, e-commerce, mobile apps, social media and cloud computing.

## 2012/2013

- In October 2012, ÜNLÜ & Co (ÜNLÜ Finansal Yatırımlar A.Ş.) acquired a 67% stake in Standard Ünlü. With this change in its majority shareholder, the company also underwent restructuring.
- İSTANBUL Varlık achieved a 40% growth rate in its assets in two years by improving relationships with banks.

## 2014

- While maintaining its leadership in Turkey, ÜNLÜ & Co took steps towards providing regional investment services. The Singapore office was established. Concrete steps were taken towards an opening to the Middle East and regional expansion therein.
- In this period, with USD 3.7 billion in M&A deals, ÜNLÜ & Co rose to the top of Turkey's M&A league table, while intermediating in the largest foreign company acquisition ever in Turkey.

- In debt capital markets and advisory, ÜNLÜ & Co underwrote the country's biggest private-sector corporate bond issue, totaling TL 805 million, and captured a 24% market share. ÜNLÜ & Co's performance in 2014 elevated it to first place among Turkey's brokerage houses.
- The ÜNLÜ Long-Term Investment Fund, which invests in various asset classes, was launched.
- With 474.8% growth, ÜNLÜ Portföy (ÜNLÜ Asset Management) became the fastest-growing portfolio management company in Turkey in 2014.

## 2015

- The Group's business partnership with Standard Bank was also restructured.
- The brand name ÜNLÜ Finansal Yatırımlar A.Ş., which unites the Group companies under one roof, was revised to ÜNLÜ Yatırım Holding A.Ş. (ÜNLÜ & Co).
- ÜNLÜ & Co established Private Brokerage and Financial Advisory Department to provide top quality Capital Markets products and services to qualified individual investors, thus extending its service area.

## MILESTONES



**FOR 27 YEARS, ÜNLÜ & Co HAS BEEN EXPANDING ITS ACTIVITIES TO HELP DEVELOP CAPITAL MARKETS.**

### 2016

- The Wellcome Trust, one of the world's largest trusts, became a 9.9% shareholder in ÜNLÜ & Co. Having strengthened its capital structure through this partnership, ÜNLÜ & Co created resources for its regional investments. After receiving its brokerage license, UNLU Securities Inc. was launched in New York. UNLU Securities Inc. started its investment service operations as the only Turkish brokerage house in the United States.
- New fund organizations and structured debt instruments were issued as the product range continued to expand.

### 2017

- "DAHA", a product that ÜNLÜ & Co offers its experience and knowledge in the field of financial advisory to qualified individual investors, was launched.
- Over the UTrade online platforms specially designed for DAHA Investment Advisory and Brokerage Services, investors were offered the opportunity to perform transactions in domestic and foreign capital markets in a reliable, swift and practical fashion.
- ÜNLÜ The Club YouTube channel came on air, complete with next generation products for individual investors, the latest sector analyses, finance agenda, and self-development opportunities for women entrepreneurs.
- ÜNLÜ & Co's affiliate ÜNLÜ Asset Management First Real Estate Investment Fund invested a total of TL 45 million in the Nidapark Küçükyaşı project, launched by Tahincioğlu under the guarantee of Emlak Konut REIT.

### 2018

- ÜNLÜ & Co acted as joint global coordinator in the USD 538 million public offering of ŞOK Marketler, one of the biggest public offering transactions of the last decade.
- ÜNLÜ & Co issued Turkey's first convertible bond deal.
- ÜNLÜ & Co issued Turkey's first agricultural income-based asset-backed securities.

### 2019

- ÜNLÜ & Co has taken a strong step to expand its service network and resource opportunities on an international scale by opening an office in London. The Group received FCA approval in London under the name UNLU Securities UK Limited, and started to provide services in the field of debt financing consultancy to bring together global funds and Turkish companies.

## 2021

- Following successful completion of the IPO process, ÜNLÜ & Co made its debut on Borsa Istanbul.
- ÜNLÜ Menkul Değerler was appointed as market maker for the equity-linked warrants to be issued by Goldman Sachs International on Borsa Istanbul.



- As part of the Company's strategy of digitalization and expansion to a wider base, Piapiri, a new fintech venture was introduced to investors.
- As the consortium leader, ÜNLÜ & Co successfully completed the initial public offering of Hitit Bilgisayar Hizmetleri A.Ş.
- Goldman Sachs, the sole international player in the Turkish warrants market, issued 168 new warrants based on 21 underlying assets in collaboration with ÜNLÜ Menkul Değerler as the market maker, in a gong ceremony held at Borsa Istanbul on June 21, 2022.
- ÜNLÜ & Co entered into a collaboration with Phellos Financial Consultancy, a London-based, technology-driven management consulting firm, to provide advisory services in the technology sector.
- ÜNLÜ Teknoloji ve Yazılım Hizmetleri A.Ş. was established with the mission of making the solutions that investors and the sector need for financial products and services, more accessible.

## 2022 AT A GLANCE

### PIAPIRİ INTRODUCED TO INVESTORS

ÜNLÜ & Co launched its new fintech venture Piapiri in the final quarter of 2022, showcasing its digitalization and expansion strategy.

Standing out with its customizable interface and user-friendly design, Piapiri offers a powerful digital investment ecosystem with investment baskets, robotic trading signals, and reports from industry experts.

Piapiri offers users free access to real-time data on stock markets, futures and options, warrants, investment funds, exchange rates, and cryptocurrencies, all conveniently displayed on a single screen. Additionally, users can easily access comprehensive details of TEFAS funds through the platform. Featuring investment tools such as Model Portfolio, consisting of the most popular stocks, as well as the Robotic Baskets, Piapiri offers users a quick gateway to the world of investment with its "Become a Customer" function. All the users need to do is to download the app and create a free account.

### HİTİT IPO

A successful transaction in a challenging environment

The initial public offering of Hitit Bilgisayar Hizmetleri A.Ş. (Hitit Computer Services) one of the world's leading aviation technology firms, was successfully completed under the leadership of ÜNLÜ Menkul Değerler.

Despite the adverse effects of the global political tensions on the financial markets, approximately TRY 1,261 million in demand was generated between February 23 and February 25, 2022, which is nearly three times the IPO amount. The successful IPO, carried out in collaboration with 35 brokerage firms, was a testament to the trust in the Hitit brand and the effective management of ÜNLÜ & Co.

### A MAJOR MILESTONE IN GOLDMAN SACHS PARTNERSHIP

The gong was struck for Goldman Warrant at Borsa Istanbul.

Goldman Sachs, the sole international player in the Turkish warrants market, issued 168 new warrants based on 21 underlying assets in collaboration with ÜNLÜ Menkul Değerler as the market maker, in a gong ceremony held at Borsa Istanbul on June 21, 2022. This project, a major milestone in the ÜNLÜ & Co and Goldman Sachs partnership, also signifies the growing role ÜNLÜ Menkul Değerler plays in the development of the Turkish capital markets.

The project offers Turkish investors a range of new product alternatives to diversify their portfolios. Detailed information about the issued warrants can be found at [unlumenkul.com](http://unlumenkul.com) and [goldmansachs.com.tr](http://goldmansachs.com.tr).

### SPANISH FERROVIAL BECOMES PARTNER IN DALAMAN AIRPORT

ÜNLÜ & Co provided sell-side advisory in Spanish Ferrovial's partnership in Dalaman Airport.

The transaction involved a partial sale of YDA Havalimanı Yatırım ve İşletme A.Ş., which owns the operating rights of Dalaman Airport, to Ferrovial.

### EBRD BECOMES A PARTNER IN DEFACTO

ÜNLÜ & Co served as a advisory in the sale of a minority stake of DeFacto to EBRD.

ÜNLÜ & Co provided sell-side advisory in the European Bank for Reconstruction and Development's (EBRD) acquisition of a minority stake in Turkey's global fashion brand DeFacto Perakende Ticaret A.Ş. (DeFacto).

## NEW PARTNERSHIP IN M&A

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**ÜNLÜ & Co entered into a collaboration with Phellos Financial Consultancy, a London-based, technology-driven management consulting firm, to provide advisory services in the technology sector.**

Through this partnership, which is established to enable end-to-end advisory in the tech ecosystem, ÜNLÜ & Co extended its expertise in corporate mergers

and acquisitions to the technology sector.

As a sell-side advisor, ÜNLÜ & Co will provide comprehensive corporate finance services to start-ups and scale-ups, including finding potential investors to finance their growth. Furthermore, as a buy-side advisor, ÜNLÜ & Co will provide full-scale advisory services ranging from identifying tech investment opportunities

aligned with the objectives of corporate clients to detailed evaluations during the investment phase and post-investment monitoring.

The partnership between ÜNLÜ & Co and Phellos will offer corporate clients and ventures the opportunity to benefit from advisory services throughout the life cycle of the investments.

## ÜNLÜ & Co WOMEN TECHNOLOGY ENTREPRENEURS ACADEMY

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**ÜNLÜ & Co launched the Women Entrepreneurs Academy in collaboration with the Turkish Entrepreneurship Foundation (GİRVAK).**

ÜNLÜ & Co, a signatory of the Women's Empowerment Principles established in partnership with the United Nations Global Compact and UN Women, continues to excel with its initiatives aimed at empowering women. Having provided training to 100 women entrepreneurs since the launch of the ÜNLÜ & Co Women Entrepreneurs Academy in 2016, ÜNLÜ & Co introduced another joint initiative with GİRVAK, the ÜNLÜ & Co Women Technology Entrepreneurs Academy, to support and nourish the ecosystem of

women entrepreneurs, especially in the fields of technology and software. The Women Technology Entrepreneurs Academy began accepting applications in November 2022.

The ÜNLÜ & Co Women Technology Entrepreneurs Academy Program offers a total of 13 months of training. A total of 81 teams and 324 individuals applied for the program, and 18 teams selected from across Turkey have been granted the opportunity to commence their training. Among the participants, there are business ideas spanning various fields such as artificial intelligence, bioplastic production, healthcare, clean energy, education, and sustainability.

The teams that have qualified for the program will have the opportunity to gain basic entrepreneurial skills through the bootcamp and to transform their ideas into business models. The program includes various special events for participants to build their professional network that will benefit them throughout their career, as well as inspirational talks, mentor guidance, and online psychosocial support to foster courage and learning that will shape their entrepreneurial journey. The program content includes ecosystem meetings, as well as branding, digital marketing, and e-commerce trainings.

## 2022 AT A GLANCE

### JCR EURASIA UPGRADES ÜNLÜ & Co's LONG-TERM NATIONAL CREDIT RATING TO AA+

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Japan Credit Rating (JCR) Eurasia, an international rating agency, has upgraded ÜNLÜ & Co's long-term national credit rating from AA to AA+ despite the ongoing turbulence in the global economic environment.

JCR Eurasia's statement highlighted the factors contributing to the upgrade in ÜNLÜ & Co's credit rating, which include "sustainable revenue and profit generation capacity backed by well-established affiliates and consistent income generation, strong liquidity ratios fueled by high-quality asset expansion, solid equity structure supported by stock issuance premiums and profitable operations, diverse business lines and funding sources, a reputable partnership structure, and longstanding relationships with both domestic and international individual and corporate clients."

### ÜNLÜ & Co CONTINUES TO GAIN APPRECIATION FROM STAKEHOLDERS

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#### Awards in three distinct categories by EMEA Finance

ÜNLÜ & Co received three awards at the 14th Europe Banking Awards organized by EMEA Finance, a renowned financial magazine for the Europe, Middle East, and Africa markets. In addition to being named "Best M&A House - Turkey" for the second consecutive year, ÜNLÜ & Co also won the "Best Investment Bank - Turkey" and "Financial Inclusion - CEE & CIS" awards this year.

### ÜNLÜ & Co CONTINUED TO GARNER INTERNATIONAL RECOGNITION IN 2022

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Euromoney named ÜNLÜ & Co as the Market Leader in Turkey in the "Investment Banking" category.

Euromoney, a leading magazine focused on global capital markets, named ÜNLÜ & Co as the market leader in the "Investment Banking" category in its "Market Leaders" ranking.

The inclusion of ÜNLÜ & Co as a "Market Leader" was attributed to its consistent and impactful presence in capital markets, notably its achievements in M&A transactions, with the successful IPO of Hitit Bilgisayar Hizmetleri A.Ş., where ÜNLÜ & Co acted as the consortium leader, highlighting its exceptional performance.

### MERGERS & ACQUISITIONS FINANCIAL ADVISOR OF THE YEAR

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#### ÜNLÜ & Co Named "M&A Financial Advisor of the Year" by Mergermarket

ÜNLÜ & Co received the "Turkey- M&A Financial Advisor of the Year" award at the Mergermarket European M&A Awards held in London.



## ÜNLÜ THE CLUB RECEIVES GLOBEE AND INTERNATIONAL BUSINESS AWARDS

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### Gold Globee and Gold Stevie Awards

Since 2013, ÜNLÜ The Club has been working to deliver the most up-to-date information to investors in the fastest way possible. With a wide variety of content on next-gen products, industry analyses, finance updates, opportunities for women entrepreneurs, as well as expert reports from the distinguished team of ÜNLÜ & Co, ÜNLÜ The Club serves as a veritable guidebook for investors. ÜNLÜ The Club's contributions to the financial literacy of investors in financial markets have been recognized with several awards, including Gold Globee in the "Best Use of YouTube" category at the Globee Business Awards and the Gold Stevie in the "Financial and Market Data Information Solution" category at the 2022 International Awards. These international accolades affirm the quality of work undertaken by ÜNLÜ The Club in fulfilling its mission.

## ÜNLÜ & Co 2021 ANNUAL REPORT RECEIVES AWARD

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### The 2021 Annual Report Wins Three Gold Awards and the Title of "Turkey's Best Annual Report" at the ARC Awards

ÜNLÜ & Co's 2021 Annual Report received three gold awards at the ARC Awards, the world's most renowned and longstanding annual report competition. The report was recognized in Traditional Annual Reports, Chairman's/President's Letter, and Interior Design categories, and won the title of "Best of Turkey" in the Grand Winners country rankings.

## GOLDEN LEADERS AWARDS - CEO-CHRO

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### ÜNLÜ & Co won two accolades at the Golden Leader Awards.

Mahmut L. ÜNLÜ, Chairman and CEO of ÜNLÜ & Co, has been named as one of Turkey's Top 50 Most Admired CEOs at the Golden Leader Awards, which is regarded as the most prestigious leadership awards in the country. Elif Özer, Human Resources & Corporate Communications and Marketing Managing Director at ÜNLÜ & Co, was acknowledged as one of Turkey's Top 50 Most Admired CHROs.

The Golden Leader Awards, known as Turkey's most esteemed recognition for leadership, aim to create an inclusive and technology-driven award platform. After receiving over 30,000 unique votes in 2021, the Golden Leader Awards Platform saw a surge of 30% in 2022, reaching 46,615 unique votes.

## INVESTOR RELATIONS



**ÜNLÜ YATIRIM HOLDING WAS INCLUDED IN THE SCOPE OF A RESEARCH REPORT BY TWO PROMINENT BROKERAGE HOUSES IN 2022, ATTRACTING CONSIDERABLE INTEREST.**

In 2022, the Investor Relations Department continued to establish transparent and continuous communication with investors, analysts and all other stakeholders and create value through online evaluation meetings which were open to the participation of all stakeholders.

### INVESTOR RELATIONS DEPARTMENT

The majority stake of ÜNLÜ Yatırım Holding is owned by Mahmut Levent Ünlü, and as of the date of the report, 26.43% of the Company is publicly traded. There are no other publicly-traded companies among the Company's subsidiaries or affiliates.

ÜNLÜ Yatırım Holding has been in partnership with foreign and corporate companies for many years. The company has a transparent, accountable and strong corporate governance structure consisting of processes and responsible units, which aim to inform its investors on a regular basis.

Marking one of the most remarkable milestones in its history, the Company increased its capital from TL 137,730,842 to TL 175,000,000 on June 7, 2021, and offered a total of 45,000,000 shares, 37,269,158 shares issued with nominal value of TL 37,269,158 and 8,263,851 shares held by Mahmut Levent Ünlü with nominal value of TL 8,263,851, to the public.

As per article number 11 of the Corporate Governance Communiqué numbered II-17.1 of the CMB, the Company also established an Investor Relations Department within the Company to ensure communication between the Company and shareholders. This Department, affiliated with the Financial Affairs Department of the Company, conducts communication activities between the Company's management and investors.

The Investor Relations Department, which has held many investor meetings since its establishment, has organized online financial evaluation meetings open to

all analysts and investors after disclosing its end-of-period balance sheets during 2022, and has acted with utmost care to remain in close contact with investors and analysts.

The section on the Company's website, which covers Investor Relations, was updated in 2022. The content in both Turkish and English started to be offered on the website to provide foreign investors with access to more information.

### ÜNLÜ YATIRIM HOLDİNG A.Ş. EQUITY SHARE

ÜNLÜ Yatırım Holding A.Ş. offered its shares to the public for the first time on the Borsa Istanbul in June 2021. The Company's market value stood at TL 1.8 billion (USD 96.7 million) as of 31 December 2022, compared to TL 875.9 million (USD 66.8 million) on 31 December 2021. As of the same date, the Company's free float ratio stood at 26.43% with the value of the free float being TL 477.9 million. ÜNLÜ Yatırım Holding A.Ş. (UNLU) shares

were traded on the Borsa Istanbul with an average daily volume of TL 28.9 million (USD 1.7 million) in 2022 with a total trading volume of TL 7.3 billion in 2022. UNLU has stood out as once of the most liquid stocks among peer companies.

ÜNLÜ & Co shares had been traded on the Borsa Istanbul (BIST) Main Market in 2022. The shares started to be traded on the Borsa Istanbul Equity Market on the Star Market from 2 January 2023 as a result of the Company's strong financial structure, its success in maintaining its profitability and the increase in its trading volume and market value. The shares are also included in the BIST ALL (XUTUM), BIST ALL -100 (XTUMY), BIST FINANCIAL (XUMAL), BIST HOLDING AND INVESTMENT (XHOLD) and BIST ISTANBUL (XSIST) indices.

ÜNLÜ & Co received intense investor interest in 2022 when the shares yielded a positive performance. Research reports

on ÜNLÜ & Co were published by the Research Departments of two separate brokerage houses. To put this in context, out of the 456 stocks listed on the BIST, only 93 companies are followed by at least one analyst and 72 companies are followed by at least two analysts. ÜNLÜ & Co shares were followed on the BIST by virtue of their performance, the quality of ÜNLÜ & Co's management and the interest shown to it by investors in the market. As of the report date, both research reports written for the stock found considerable upside potential, while emphasizing the Company's performance in 2022 in addition to the trends in its ongoing operating profitability.

In the report published by JCR Eurasia Rating A.Ş. on 31 August 2022 regarding the Company's credit rating, ÜNLÜ Yatırım Holding's Long Term National Corporate Credit Rating was revised upwards from 'AA (tr)' to 'AA+ (tr)'.

As of 31 December 2022, foreign institutional investors held 7.71% of the shares in ÜNLÜ & Co. This ratio is one of the highest foreign investor ratios among similar companies with a market value of approximately TL 2 billion. This is an important development as it represents the long-term and institutional investor profile, who have invested in the ÜNLÜ & Co stock. In what was a year of global uncertainty as well as geopolitical risks and mounting macroeconomic uncertainty, 2022 was marked by a significant exit of international funds from the stock markets of developing countries due to the increased risks as a result of uncontrollable rises in inflation and interest rates all over the world. Despite this negative trend, the relative weight of foreign investors in ÜNLÜ & Co shares remained firm.

## MESSAGE FROM THE CHAIRMAN AND CEO



AS WE CELEBRATE TWENTY-SEVEN YEARS OF THE JOURNEY WE EMBARKED ON WITH AN UNWAVERING FAITH IN TURKEY'S FUTURE, WE CONTINUE TO MAINTAIN THE SAME PASSION WE HAD ON DAY ONE, THANKS TO OUR INNOVATIVE CORPORATE CULTURE AND OUR SKILLED WORKFORCE.

**TL 894 MILLION  
IN EQUITY**

**TL 834 MILLION  
IN TOTAL TURNOVER**

### **Dear Stakeholders,**

After a year of substantial growth made possible by ample liquidity in 2021, global economies had to tap the brakes in 2022. The high inflation inherited from 2021, coupled with the onset of the Russia-Ukraine war and the subsequent imposition of sanctions on Russia, intensified the pressure on energy and commodity prices. Tightening monetary policies and interest rate hikes by major central banks raised concerns about the possibility of an economic recession.

According to OECD forecasts, global growth, which slowed down to 3.1% in 2022, is expected to fall further, to 2.2% in 2023. This indicates the weakest performance in the past two decades, the global financial crisis of 2008 and the pandemic excluded. Global economic developments and the high inflationary spiral have put pressure on the Turkish economy throughout the year. The key economic development in Turkey, which applies policies that differ from the rest of the world, was the negative real interest rate policy of the CBRT. The policy rate, held at 14% in the first two quarters of the

year, was gradually reduced by 500 basis points from August onwards, with the aim of supporting growth. While growth was relatively preserved, the macro-prudential measures taken became the determining factor for the markets. Turkish economy continued to follow the growth trajectory with a growth performance of 6.2% in the first nine months of 2022. The strongest drivers of growth were domestic demand and net external demand. While the growth slowed down during the final months of the year due to the weakening external demand in parallel with the stagnation in EU countries, this



was partially offset by domestic demand which remained relatively high. The growth rate declined to 3.9% in the third quarter, further slowing down to 3.5% in the last quarter of 2022, and the annual growth rate stood at 5.6%.

Loose monetary policy, exchange rate increases, and the prices of energy, food, and other commodities reaching their highest levels in recent history led to inflation peaking at 85.5% in October, before falling to 64.3% at the end of the year thanks to positive base effects and accelerated liraization.

As we entered the year 2023 amidst global tight monetary policies and an ongoing energy crisis, the macroeconomic outlook is anticipated to remain largely unchanged, with significant risks still persisting. Inflation may have started to slow down, but it has also made the global recession even more apparent. The decline in external demand poses a challenge to Turkey's export-oriented economic model, as it is crucial to maintain this significant tool for financing the current account deficit. On the other hand, while the liraization strategy is employed in an effort

to stabilize the exchange rate and curb inflation, this strategy also has the side effect of weakening the competitive power of exporters. In this context, maintaining the momentum of tourism and service revenues gains particular importance in terms of the current account balance. With 2023 being an election year, it is predicted that domestic private and public consumption expenditures will take the forefront leading up to the election, and it would be prudent to evaluate several different scenarios to ascertain the potential outlook of the economy after the election.

## MESSAGE FROM THE CHAIRMAN AND CEO



**OUR STRONG GROWTH FIGURES STOOD AS  
TESTAMENT TO THE SUCCESSFUL WORK WHICH WE  
CARRIED OUT THROUGHOUT THE YEAR.**

### **Mixed reactions to the crisis from the stock market .**

Global stock markets suffered sharp losses with the outbreak of the Russia-Ukraine war in February. Additionally, as major central banks committed to the highest interest rate hikes in recent years, the resulting selling pressure perpetuated the negative trend in the rest of the year. Declining corporate profitability, fueled by increasing probability of a recession, accelerated the decline in stock prices.

The BIST 100 Index reached 5,509.16 points with a return of 196.57% in 2022, demonstrating the best performance among major stock markets worldwide by a significant margin. This increase represented the strongest surge since 1999, and the BIST 100 Index provided investors with a 112.4% return in dollar terms.

On a sector basis, all sectors represented in the BIST 100 index concluded 2022 with gains, with transportation leading the way with a massive yield of 537.5%. Borsa Istanbul, with 42 initial public offerings throughout the year, emerged as a noteworthy alternative for investors in search of returns. The high inflation and interest rate cuts by the CBRT further emphasized this trend. .

### **2022: A successful year for the company**

Despite the turbulent atmosphere of 2022, we managed to sustain our high performance and profitability by diversifying our business and venturing into new areas. We took significant steps in line with our plans, continuously increasing our revenues without compromising our long-term growth strategies.

As a company, we have experienced many crises before in our history of 27 years, and the skills and know-how we have acquired over the years have enabled us to navigate through this challenging time as well.

Our strong growth figures served as a testament to the successful work we carried out throughout the year.

In 2022, we increased our total assets by 83% to TRY 1.7 billion. Our equity reached TRY 894 million with a 47% increase, and our EBITDA amounted to TRY 347.5 million. Our comprehensive income increased by 166% to TRY 305 million, and our net profit rose by 238% to TRY 268.8 million.

As of December 31, 2022, the market value of our company stood at TRY 1.8 billion TL (USD 96.7 million). As of the same date, our company has a free float ratio of 26.43%, with 7.71% of our shares

owned by foreign institutional investors, one of the highest ratios among similar companies, reflecting our long-term and institutional investor profile.

UNLU shares, which were previously listed on the BIST Main Market in 2022, are now traded on the BIST Stars Market since January 2, 2023, thanks to our robust financial structure and profitability, and growing trading volume and market value.

In 2022, we took another significant step in shaping the investment landscape of tomorrow. We entered into a collaboration with Phellos Financial Consultancy, a London-based, technology-driven management consulting firm. Through this partnership, which is established to enable end-to-end advisory in the tech ecosystem, we extended ÜNLÜ & Co's expertise in corporate mergers and acquisitions to the technology sector.

We do not measure our success purely by financial metrics. For us, projects that reflect our corporate philosophy and increase our social impact, particularly those aimed at women's empowerment, are equally important. Through the ÜNLÜ & Co Women Entrepreneurs Academy, which we launched back in 2016, we have provided training to 100 women entrepreneurs over the past five years. A joint initiative

with the Turkish Entrepreneurship Foundation (GİRVAK), the ÜNLÜ & Co Women Technology Entrepreneurs Academy aims to support and nourish the ecosystem of women entrepreneurs, especially in the fields of technology and software.

**Dear Stakeholders,**

Since our establishment in 1996, we have been a leader and pioneer in company acquisitions and mergers.

In recent years, the number of foreign investors in the market has decreased, alongside a change in the sectors that are attractive for investors. Previous investor favorites such as consumer products and retail are seeing less and less interest, while industrial, logistics, and distribution companies see a surge in investor attention. There is also a noticeable decrease in transaction sizes. In 2022, we successfully assumed the role of corporate finance advisor in six high-profile transactions:

- Sell-side advisory in Spanish Ferrovial’s partnership in Dalaman Airport,

- Sell-side advisory in the sale of minority shares of DeFacto to EBRD,
- Sell-side advisory in the sale of Aktaş Kimya’s Special Chemical Ingredients unit to Azelis,
- Buy-side advisory in Gat Foods’ acquisition of TARGID,
- Buy-side advisory in Elba Bant’s sale to Mediterra,
- Sell-side advisory in Fourlis Group’s sale of its activities under the “Intersport” brand in Turkey to Eren Perakende,

making us one of the most active companies in the field.

In addition to our M&A (Merger and Acquisition) transactions, our consistent and effective activities in the capital markets were highlighted by the successful IPO of Hitit Bilgisayar Hizmetleri A.Ş. (“Hitit Computer Services”), one of the world’s leading aviation technology firms, where we acted as the consortium leader, despite the challenging market conditions, further distinguishing ÜNLÜ & Co in the industry.

**Unwavering support to investors through institutional sales activities**

Through our institutional sales activities, we facilitate transactions for domestic and international institutional investors looking to invest in the Turkish capital markets. We provide world-class services to a broad customer portfolio, including emerging market-oriented mutual funds, hedge funds, pension funds, and sovereign wealth funds from the United States, Europe, and Asia. While in the past we only provided transaction and research services to foreign funds, we have also added domestic portfolio management companies to our list of clients over the past three years, and expanded our stock transaction services to bonds and derivatives as well. We achieved a remarkable performance in this area in 2022, and we believe that its potential will continue to attract foreign investment going forward. Our competent team is already capable of responding to higher trading volumes as the share of foreign investors in the stock market, which currently stands at around 28%, increases.



## MESSAGE FROM THE CHAIRMAN AND CEO



**OUR EMPHASIS LIES IN DELIVERING ELEVATED VALUE TO OUR CLIENTS THROUGH PERSONALIZED INVESTMENT RECOMMENDATIONS AND FINANCIAL PRODUCTS AS WE ACTIVELY CONTRIBUTE TO THE EXPANSION OF THE TURKISH CAPITAL MARKETS.**

### **Accelerating and diversifying our trading volume in 2022 through initiatives in individual investment advisory**

We offer world-class investment advisory to individual investors, enabling them to access products that match their risk profiles. We are increasing our revenues in this growing segment. This growth is fueled by increase in the number of investors in the stock market, up from 1.5 million to 4 million.

Our emphasis lies in delivering elevated value to our clients through personalized investment recommendations and financial products as we actively contribute to the expansion of the Turkish capital markets.

As part of our DAHA Investment Advisory & Brokerage Services brand, we offer boutique investment advisory services and an extensive range of tailored products to qualified individual and corporate clients.

As part of our digitalization and expansion strategy, we have launched a new fintech venture, Piapiri. The aim of Piapiri is to provide investors with a single platform that has everything they need for their investment activities. Piapiri enables investors

to conveniently place buy/sell orders on Borsa Istanbul Stock Market as well as the Futures and Options Market (VIOP), conduct cash and collateral transactions quickly, and track their portfolio status and market data in real time. Ultimately, Piapiri is poised to democratize financial investments by enabling us to expanding the services we previously only offered to qualified investors to broader audiences.

Now, they are able to access an extensive pool of information to guide their stock investments, including short-term buy/sell recommendations from our research team, long-term investment advice, daily reports and analysis, and videos and podcasts. Piapiri also offers the Model Portfolio, a bespoke portfolio of stocks hand-picked by ÜNLÜ & Co analysts. Piapiri users can invest in the Model Portfolio with a single click.

We are also planning to create a digital ecosystem for investment featuring robotic stock baskets, robotic trading signals, and reports from industry experts. Our goal is to continuously expand the scope of Piapiri to ultimately transform it into a super app. For Piapiri, 2023 will be a year of increasing trading volumes and consolidating market position.

A key development in 2022 was the issuance of a wide range of products by Goldman Sachs, the sole international player in the Turkish warrants market, in collaboration with ÜNLÜ Menkul Değerler as the market maker.

Looking ahead, we will focus on increasing our presence and market share in the warrants market as the market's only player with a foreign partner.

### **Expanding the scope of our asset management offering**

We carry out our investments in the Non-Performing Loan (NPL) market through our subsidiary İSTANBUL Varlık, which has played a pivotal part in shaping the sector.

Our top focus as a company in 2022, a year of growing competition and increasing portfolio acquisition costs, was efficiency. Currently, we are effectively managing 38 NPL portfolios in total, consisting of retail, SME, and corporate loans. Maintaining collection efficiency in this field is one of our key objectives for 2023.

Our asset management company, ÜNLÜ Portföy (ÜNLÜ Asset Management) has maintained its growth over the past two years, offering investment opportunities tailored to every risk profile with its multi-asset strategy and variable funds.



ÜNLÜ Portföy launched two new funds in 2022, namely the Venture Capital Fund (UAR - ULI) for qualified investors interested in long-term investments in companies with high growth potential, and the dynamically managed Gold Fund.

**Our brand, our reputation...**

The monumental success we have achieved in providing advisory services in corporate mergers and acquisitions, initial public offerings, and privatizations, as well as the trusted partnerships we have established with corporate clients and global fund sources have earned ÜNLÜ & Co a well-deserved reputation worldwide.

Our achievements continue to garner recognition inside and outside Turkey.

Euromoney, a leading magazine focused on global capital markets, named ÜNLÜ & Co as the market leader in the "Investment Banking" category in its "Market Leaders" ranking.

ÜNLÜ & Co also received awards in three distinct categories at the Europe Banking Awards organized by EMEA Finance, a renowned financial magazine for the Europe, Middle East, and Africa markets:

- "Best M&A House - Turkey" for two consecutive years
- "Best Investment Bank - Turkey"
- "Financial Inclusion - CEE & CIS"

**...Our expertise, and our future.**

For us, our human resources are our most valuable asset. Since our establishment, we have facilitated numerous successful transactions through bespoke financial solutions tailored to our clients' specific needs, guided by our ambition to pioneer growth in the capital markets. Our strong research teams and expert staff, comprising the industry's finest, have played a pivotal role in our remarkable achievements. It is thanks to them that we have overcome any challenge, growing stronger together. In the upcoming period, we will continue to work in

unison and with all of our strength to play a leading role in the development of Turkey's financial markets, meeting the expectations of our clients and adding value to our country's economy in the process.

Our aspiration of becoming a financial institution that preserves its entrepreneurial spirit has also become a key factor in our success. This spirit will continue to pave the way for new partnerships, new business areas, and new business ideas in the years ahead. I would like to extend my heartfelt thank our employees, investors, and business partners whose efforts and support have made ÜNLÜ & Co the company it is today, and continue to drive our brand towards a promising future.

Sincerely,

**Mahmut L. ÜNLÜ**  
Chairman and CEO

## ÜNLÜ YATIRIM HOLDİNG BOARD OF DIRECTORS



**MAHMUT L. ÜNLÜ**

### Chair

Mahmut L. Ünlü graduated from the Mechanical Engineering Department of Georgia Institute of Technology in 1989 and received an MBA degree from Rice University, Houston in 1991. He started his career in İktisat Bankası, a Turkish merchant bank in Corporate Finance in 1991. He then moved to Yatırım Bank, Turkey's first investment bank, and set up the Bank's Corporate Finance, Research and International Capital Markets businesses subsequently serving as Assistant General Manager between 1992 and 1995. In 1996, he left Yatırım Bank to co-found Dundas ÜNLÜ, a pioneer in M&A advisory. Mr. Ünlü served as Managing Partner and latterly as the CEO and built Dundas ÜNLÜ into the leading investment advisory and asset management group in Turkey. He formed a strategic partnership with Standard Bank Group London Holdings in 2007, called "Standard ÜNLÜ" and served as the Deputy Chair and CEO. He was also a member of the International Executive Committee of Standard Bank between 2008 and 2012. In 2012, he formed ÜNLÜ & Co' to acquire 75% stake of Standard ÜNLÜ as well as to control stakes in various asset management businesses and is currently serving as the Chair and CEO. Mahmut L. Ünlü also continues to serve as the New York Chair of Turkey-U.S. Business Council (TAİK).



**CAN ÜNALAN**

### Deputy Chair

Can Ünalın graduated from the Business Administration Department of İstanbul University in 1985, majoring in finance and received an MBA degree from Marmara University in 1986. Mr. Ünalın started his banking career in İşbank Audit Department in 1986 and then joined ABN AMRO Bank between 1993 and 2006, holding various positions ranging from CRO (Chief Risk Officer), COO (Chief Operations Officer) to CEO & Board Member. Being a member of Country Credit Committee and ALCO, Mr. Ünalın actively participated in the management positions within the organization. In 2006, Mr. Ünalın joined Garanti Bank - GE Capital partnership and was a member of the Corporate and Commercial Risk Committee. Before joining ÜNLÜ & Co, Mr. Ünalın was acting as the Turkey CEO in Mubadala GE Capital. He served as General Manager of ÜNLÜ Menkul between 2013 and 2019. He is now acting as Deputy Chair of ÜNLÜ & Co.



**ŞEBNEM KALYONCUOĞLU ÜNLÜ**

### Board Member

After graduating from the Boğaziçi University Business Administration Department in 1995, Şebnem Kalyoncuoğlu Ünlü received her master's degree in International Accounting and Finance from the London School of Economics in 1996. Ünlü started her career at ABN AMRO Bank in Turkey, and served as Assistant Manager in the Structured Finance Unit of the Bank between 1996 and 1999. Joining Credit Suisse London in 1999, Ünlü assumed a role in charge of Turkey within the Emerging Markets Division. She served as Country Manager and Head of Investment Banking for Turkey at Credit Suisse London until 2006. Subsequently, Ünlü worked as Alkhair Capital Turkey's CEO. Şebnem Kalyoncuoğlu Ünlü is a currently member of ÜNLÜ & Co Board of Directors. Şebnem Kalyoncuoğlu Ünlü, who is a member of TUSİAD, YPO and Board of Trustees of Turkish Entrepreneurship Foundation (GİRVAK), also manages corporate social responsibility projects of the Company; particularly the "Women Technology Entrepreneurs Academy" which aims to strengthen the entrepreneurial ecosystem in Turkey, and to support more women participating in the business world.

**İBRAHİM ROMANO****Board Member**

İbrahim Romano graduated from Boğaziçi University, Department of Economics in 1992, and received his Master's degree from Istanbul University, Department of International Relations, in 1993. He worked as Assistant Manager at Yatırım Bank between 1994 and 1996, and as Manager at Dundas Ünlü from 1996 until 2002. Mr. Romano was later appointed Director of the Corporate Finance Department at Standard ÜNLÜ. He currently serves as Managing Director of the Corporate Finance Department at ÜNLÜ & Co. In addition, Mr. Romano is Executive Committee Member in charge of Investment Services Advisory and Board Member at ÜNLÜ & Co. He also serves as Independent Board Member at Borusan Mannesmann Boru Sanayi ve Ticaret A.Ş.

**ÖZLEM YEŞİLDERE****Independent Board Member**

Özlem Yeşildere graduated from Boğaziçi University Industrial Engineering Department and obtained a master's degree in Business Economics at the University of Manchester Institute of Science and Technology. Yeşildere worked at Procter & Gamble for 17 years in various critical roles and geographies. She served as Regional Chief Financial Officer for Philips Middle East and Turkey and Vice Chair of the Board of Directors for Philips Turkey. Having served as the CEO of Mobiliz Information Communication Technologies as of 2014, Yeşildere presided over the company's 360-degree transformation. Subsequently, within 2017 - 2019, she served as Deputy General Manager of Finance and Strategy at Koton Mağazacılık. Since December 2019, Yeşildere has been serving as Deputy General Manager in charge of Finance and Digital Transformation at Mey Diageo. Özlem Yeşildere also acts as Chairperson of the Board of Directors of YenidenBiz, an association committed to raising women's active participation in business life.

**YILDIZ GÜNAY****Independent Board Member**

Yıldız Günay completed her undergraduate education at Boğaziçi University Industrial Engineering Department (1989), and her master's degree in Economics (1992) at the same university. Ms. Günay started her career in 1990 at the Treasury Department of Citibank, assuming trading responsibilities for different asset classes, whereafter she was promoted as Treasury Marketing Unit Manager. She joined Cargill in 1995, and as Deputy General Manager, took responsibilities in the realm of financial trading units, corporate treasury, and financial operations. Subsequently, she founded Cargill - Black River Asset Management Turkey office in 2004, serving as General Manager and Cargill Turkey Member of the Board of Directors, whereby her area of responsibility eventually expanded to include Central Asian and African countries. Ms. Günay served as the General Manager of Turkish Educational Foundation (TEV) between September 2012 and August 2021, where she pioneered the institutionalization and digitalization of the Foundation, in addition to revving up its asset management capabilities.

## EXECUTIVE BOARD



**UTKU ÖZAY**  
(Alternative  
Investments  
and Portfolio  
Management)

**İBRAHİM ROMANO**  
(Investment  
Services)

**SELÇUK TUNCALI**  
(Non-Performing  
Loans)

**UYGAR AKSOY**  
(Treasury)

**AYKUT SARIBIYIK**  
(Finance  
& Investor  
Relations)

**SİMGE ÜNDÜZ**  
(Corporate Finance)

**TUNÇ YILDIRIM**  
(Corporate Sales)

**MAHMUT L. ÜNLÜ**  
(Chairman and CEO)

**ELİF ÖZER**  
(Human Resources  
& Corporate  
Communications  
and Marketing)

**GAMZE AKGÜNEY**  
(DAHA Investment  
Advisory and  
Brokerage Services/  
Technology and  
Operational  
Services)

## BOARD OF DIRECTORS



**CAN ÜNALAN**  
Deputy  
Chairman

**İBRAHİM ROMANO**  
Board Member

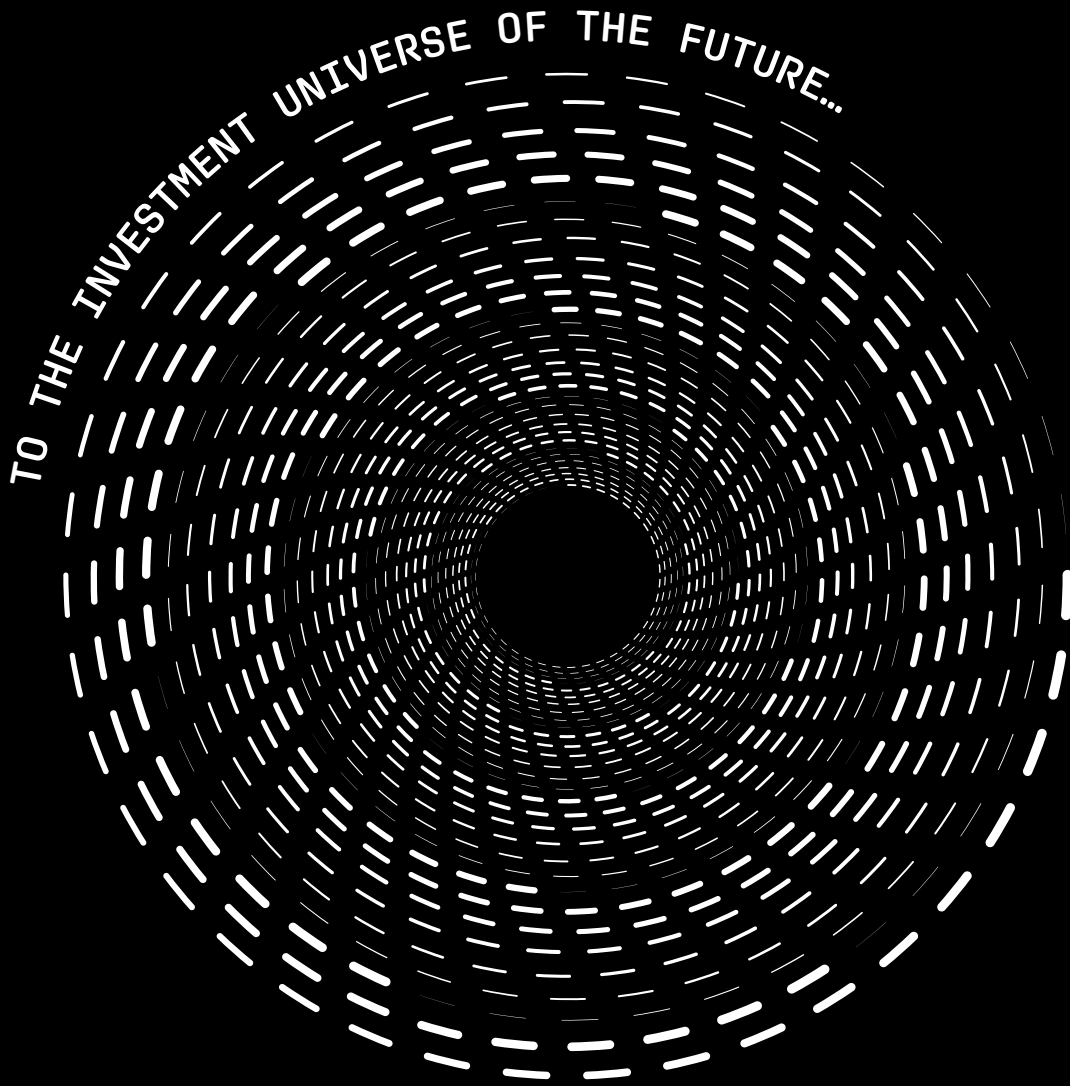
**ŞEBNEM  
KALYONCUOĞLU ÜNLÜ**  
Board Member

**MAHMUT L. ÜNLÜ**  
Chairman

**YILDIZ GÜNAY**  
Independent Board  
Member

**ÖZLEM YEŞİLDERE**  
Independent Board  
Member





# DIGITALI- ZATION: TO HELP US SHAPE THE WORLD OF INVESTMENT

We distinguish ourselves by the remarkable strides we have made in technology and digital transformation, enhancing the customer experience by simplifying investment decisions and transactions through our array of digital applications. Our user-friendly Piapiri app makes investing more accessible and seamless, offering invaluable guidance to investors in the form of investment baskets, robotic trading signals, and expert reports.

## INVESTMENT SERVICES



**ÜNLÜ & Co OFFERS ITS CUSTOMERS A WIDE RANGE OF SERVICES TO ACHIEVE THEIR GOALS. ÜNLÜ & Co CREATES VALUE FOR ITS CLIENTS THROUGH ITS COMPETENCE, SKILLS IN UNDERSTANDING MARKET CONDITIONS AND CARE FOR ITS BUSINESS.**

### INVESTMENT ADVISORY

#### Corporate Finance Advisory

- Mergers & Acquisitions
- Financial advisory for technology ventures
- Privatization advisory
- Initial/Secondary public offerings

#### Debt Advisory

- Acquisition and project finance
- Structured equity like financing
- Financial restructuring

### CAPITAL MARKETS

- Corporate brokerage services
- Domestic and foreign equity placements
- Block sales / Secondary public offerings
- Fixed-income instruments
- Research
- Treasury

### DAHA INVESTMENT ADVISORY AND BROKERAGE SERVICES

- Customized investment advisory in organized and over-the-counter markets
- Brokerage of equities (İstanbul Stock Exchange) and derivatives (VIOP)

- Structured debt instruments that offer personalized investment strategies

- Fixed-income, principal-protected, real estate, Eurobonds or stock-mutual funds and statistical arbitrage funds

- Brokerage services for the trading of over-the-counter derivatives

- Brokerage in trading on foreign exchange and CFD markets

- Brokerage for equities and derivatives trading on global markets

- Brokerage of LME Commodity risk management (hedge) transactions

- Brokerage in trading of government bonds, treasury bills, private sector bonds, and Eurobonds

- Brokerage of repo and Eurobond repo transactions

- Portfolio management services

- Corporate risk management (hedging) and advisory

- Public offerings brokerage

### INVESTMENT ADVISORY

#### Corporate Finance Advisory

Corporate Finance Advisory team aims to provide high value-added financial solutions designed to meet the requirements of its clients, and has produced countless resounding success stories in its field. As one of the main business lines of ÜNLÜ & Co, Corporate Finance Advisory has contributed significantly to emergence of a strong ÜNLÜ & Co brand equity in Turkey.

Corporate Finance Advisory services include:

- Mergers & Acquisitions
- Financial advisory services for technology ventures
- Privatization advisory
- Initial/Secondary public offerings

#### Turkey's leading mergers and acquisitions advisor

Established in 1996, ÜNLÜ & Co Group facilitated 127 successful merger and acquisition transactions until the end of the of 2022.

With its deep expertise in mergers and acquisitions across sectors, the team serves a balanced client portfolio in both buy- and sell-side advisory projects.



**68**  
TOTAL NUMBER OF  
TRANSACTIONS

USD **10.5** BILLION  
TOTAL TRANSACTION  
VALUE

Corporate Finance Team consists of an experienced staff who are the best in the sector, and they shape the financial solutions best suited to the needs and preferences of their clients within the framework of global ethical standards.

Continuously cementing its reputation with successful transactions consummated since its foundation, ÜNLÜ & Co plays a crucial role in bringing together Turkey's leading industrial organizations, service providers and manufacturers with globally prominent groups, paving the way for strategic partnerships.

**Value- and solution-oriented strategies**

ÜNLÜ & Co offers advisory and brokerage services to local companies in their IPO and secondary public offering processes. The department closely follows Turkey's leading companies, and in line with market conditions, provides the most appropriate solutions to address their financing needs.

While competing with investment banks operating on a global scale, ÜNLÜ & Co is essentially a local company; hence focuses exclusively on firms established in Turkey.

Thanks to its competence, keen grasp of local market conditions, and dedication to work, ÜNLÜ & Co creates value for its clients and has earned the well-deserved trust and respect of Turkey-based corporations.

**Achievements recognized with awards**

ÜNLÜ & Co's work has been making a difference in the field of corporate finance for the development of the capital markets in Turkey for the last 27 years. The array of awards which the Company has won in various events in the sector also stand as testament to the company's success.

ÜNLÜ & Co received the "M&A Financial Advisor of the Year in Turkey" award in Turkey at the Mergermarket European Merger and Acquisition Awards in 2021. In addition, the Company was awarded in three different categories at the Europe Banking Awards organized by EMEA Finance. Winning the "Best M&A House-Turkey" award for the second year in a row, ÜNLÜ & Co, additionally this year, won awards in the categories of "Best Investment Bank-Turkey" and "Financial Inclusion-the Central and Eastern Europe & the CIS".

As the leader in terms of number of M&A transactions in Turkey, ÜNLÜ & Co has extensive experience in a wide variety of sectors.

Striving to provide the level of service quality commensurate with that of global investment banks, ÜNLÜ & Co has become the advisor of choice for large groups and families in Turkey in many strategic large size transactions.

ÜNLÜ & Co has completed deals with a diverse set of investor groups from across the globe.

**ÜNLÜ & Co's Leading position in league tables**

The average value of the transactions concluded by ÜNLÜ & Co from its establishment to date prevails around USD 100 mn.

**2010-2022 Year-End Total # of Transactions**

ÜNLÜ & Co	68
Competitor 1	62
Competitor 2	58
Competitor 3	51
Competitor 4	27

**2010-2022 Year-End Total Value of Transactions (USD billion)**

Competitor 1	13.0
ÜNLÜ & Co	10.5
Competitor 2	9.5
Competitor 3	6.8
Competitor 4	6.6

*Between 1 January 2010 and 31 January 2022*

*Excluding computer services, computer software, energy/utilities, financial services, government - privatizations, internet/e-commerce and real estate sectors (2) Excluding audit companies*

*Source: Mergermarket*

## INVESTMENT SERVICES

**6 TRANSACTIONS**  
NUMBER OF TRANSACTIONS ÜNLÜ  
& Co COMPLETED IN 2022

**UNRIVALED**  
KNOW-HOW, EXPERIENCE  
AND FINANCIAL EXPERTISE

### IN 2022, A GLANCE AT THE TURKISH MERGERS AND ACQUISITIONS MARKET

In 2022, 129 M&A transactions announced in Turkey. Only 43 of these transactions were facilitated by advisors. Total value of the 66 transactions for which the value had been disclosed stood at approximately USD 15 billion.

#### Transactions Advised by ÜNLÜ & Co Corporate Finance Advisory Department in 2022

Target Company	Sector	Acquiring Company	Stake sold	ÜNLÜ & Co Advisory Services
DeFacto	Retail	EBRD	Minority shares	Sell-side Advisor
Intersport	Retail	Eren Perakende	100%	Sell-side Advisor
Aktaş	Chemicals	Azelis	100% (sale of business line)	Sell-side Advisor
Targid	Food	Gat Foods	100%	Buy-side Advisor
Dalaman Airport	Infrastructure	Ferrovial	60%	Sell-side Advisor
Elba Bant	Industrials	Mediterra	100%	Sell-side Advisor

ÜNLÜ & Co Corporate Finance Department delivered an impressive performance in 2022 as well, acting as advisor in the successful completion of six high-profile transactions.

Highlights of the completed transactions can be found below:

**ÜNLÜ & Co acted as the sell-side advisor to DeFacto in the sale of its minority shares to the EBRD.**

ÜNLÜ & Co acted as the exclusive financial advisor of DeFacto, one of the Turkey's leading fashion retail companies, in the sale of its minority shares to EBRD (European Bank of Reconstruction and Development).

**ÜNLÜ & Co acted as the sell-side advisor of Furlis Group on the sale of its Intersport operations in Turkey, to Eren Perakende.**

ÜNLÜ & Co acted as the sell-side advisor of Furlis Group, in the sale of its subsidiary Intersport Atletik Mağazacılık ve Dış Ticaret Anonim Şirketi, operating under "Intersport" and the "The Athlete's Foot" brands in Turkey to Eren Perakende.

**ÜNLÜ & Co acted as the sell-side advisor in the sale of Aktaş Kimya's "Lubricants Distribution" unit to Azelis.**

ÜNLÜ & Co acted as the sell-side advisor of Aktaş Kimya, Turkey's leading chemical storage and trading company, in the sale of its

Special Chemical Ingredients unit to Belgium-based Azelis.

**ÜNLÜ & Co acted as the buy-side advisor in the acquisition of TARGID by Gat Foods.**

ÜNLÜ & Co acted as the buy-side advisor of Gat Goods, in the acquisition of TARGID, a Turkey-based fruit processor and concentrate producer.

**ÜNLÜ & Co acted as the sell-side advisor in the partial sale of the Dalaman Airport to Ferrovial.**

ÜNLÜ & Co acted as the sell-side advisor of the YDA Group in the sale of a 60% stake in Dalaman Airport to the Spain-based Ferrovial Group.



**BEING AN INDEPENDENT COMPANY WITH NO ORGANIC LINKS TO ANY BANK OR FINANCIAL ENTITY IN TURKEY DIFFERENTIATES ÜNLÜ & Co IN THE COMPETITION.**

**ÜNLÜ & Co acted as the sell-side advisor in the sale of Elba Bant to Mediterra.**

ÜNLÜ & Co acted as the sell-side advisor in the sale of Elba Bant Sanayi A.Ş., Turkey's leading company in the production of protective film, adhesive tape and stretch film products, to private equity fund Mediterra Capital.

**SUCCESSFULLY COMPLETED TRANSACTIONS IN THE IPO (INITIAL PUBLIC OFFERING) MARKET**

The initial public offering of Hitit Bilgisayar Hizmetleri, one of the world's leading aviation technology companies, was successfully completed with ÜNLÜ Menkul Değerler A.Ş. acting as the consortium leader. In a period when financial markets were being buffeted by global political tensions, a total of TL 1,261 million demand was collected between 23 and 25 February 2022, with the IPO approximately three times oversubscribed.

**DEBT CAPITAL MARKETS AND ADVISORY**

With its know-how, experience, and unrivaled financial expertise, ÜNLÜ & Co Debt Capital Markets and Advisory Team is one of the leading service providers in

the ever-changing and evolving field of debt capital markets. The focus of its activities is to provide structured solutions to meet the financing needs of its clients and to offer alternative financing sources. It presents structured solutions to address the financing needs of companies in two main areas, namely advisory and brokerage of securities in debt capital markets.

ÜNLÜ & Co Debt Capital Markets and Advisory comprises a team with expertise in accurate and timely assessment of clients' financing needs, and in providing the necessary financing under the most suitable structures and conditions, resulting in long-term solution partnerships with clients.

The department provides a wide range of financial advisory services to its clients. These services include all kinds of debt financing structuring, issuance, acquisition and restructuring of existing debts, including;

- project finance,
- acquisition finance,
- structured subordinated loans (mezzanine loans),
- financial restructuring transactions.

**A BRIDGE BETWEEN CLIENTS AND GLOBAL FUNDING SOURCES**

Being an independent company with no organic links to any bank or financial entity in Turkey differentiates ÜNLÜ & Co in the competition. ÜNLÜ & Co positions itself at arm's length to all domestic and foreign sources of finance, and does not allow conflicts of interest. Thus, it is able to act with a service approach that upholds the interests of clients in their pursuit of financing under the most favorable terms and conditions.

ÜNLÜ & Co acts as a bridge between corporate clients and global funding sources. Since its establishment, it has arranged debt financing in excess of USD 10 billion from various sources to its clients.

ÜNLÜ & Co aims to carry out financial restructuring and meet the various capital needs of its clients. The company has focused on expanding its Private Debt Financing funds network and providing resources to the Turkish companies through UNLU Securities UK Limited.

## INVESTMENT SERVICES

**20 YEARS**  
EXPERIENCE OF THE  
INSTITUTIONAL SALES TEAM

**THE MOST  
SUITABLE**  
SOLUTIONS TO  
FINANCE NEEDS

### Institutional Sales

The ÜNLÜ & Co Institutional Sales Department brokers the transactions of domestic and foreign institutional investors seeking to invest in the Turkish capital markets. Providing services to international standards, the department is expanding its extensive client base consisting of securities investment funds, hedge funds, pension funds and asset funds which are based in the US, Europe and Asia, with a focus on emerging markets.

The main areas of operation where the department is focused on in Turkey are pension funds, family offices and insurance companies. The department offers an increasingly diversified range of products. Operating in cooperation with the Research team, Institutional Sales Department provides clients with in-depth securities analysis and investment advice, while contributing to market strategy formulation on the basis of macroeconomic and political developments. The staff of six has an average experience of nearly 20 years, which sets the Department apart from the

competition. This extensive experience helps the sales team provide investors with value-added analysis of developments on the ground, during a time of shrinking dedicated sales coverage by global investment banks.

The Institutional Sales team continued to organize roadshows in 2022, bringing the senior management of Turkish companies together with foreign and domestic institutional investors. In addition, it continued to successfully serve its customers by working with the Research Department in an integrated manner.

### Block Sales and Public Offerings

ÜNLÜ & Co provides advisory and brokerage services in initial public offerings, secondary public offerings, block sales and capital increases performed on the Borsa Istanbul. Our teams monitor Turkey's leading companies closely. Accordingly, they direct their efforts to produce the most suitable solutions to meet the financing needs of these companies in line with market conditions and to ensure that the transactions are completed.

### Research

ÜNLÜ & Co Research Department produces reports based on objective analysis, on the premise that making informed investment decisions by domestic and foreign investors is possible with access to accurate market information. Drawn up by the Department's expert staff, the reports provide the latest information and investment ideas on sectors and companies in Turkey, in light of national and global, political and economic developments.

### The most accurate and reliable means of identifying market-moving developments

With the world-class thematic reports it produces, ÜNLÜ & Co's Research Department seeks to present investors with a distilled understanding of complex data on economics and markets, while providing them with the timely and accurate information they need.

ÜNLÜ & Co's dynamic perspective on reports is based on the monitoring and reporting of investment opportunities offered by a range of companies.

Throughout the year, the **RESEARCH DEPARTMENT** monitored 48 companies which accounted for 72% of the total market capitalization of the BIST-100 Index.

In 2022, the Research Department's team of five highly skilled analysts followed 16 sectors and 48 companies. The 48 companies covered by the Research Department account for 72% of the total market value of the Borsa Istanbul 100 Index. The Department produced reports based on independent analyses of stocks and provided investors buy-sell recommendations.

All Research Department reports offering stock analyses, sector analyses and economic analyses are published in English and Turkish, after undergoing a rigorous compliance check. The reports, meeting high internationally approved standards, are distributed electronically to foreign and domestic investors.

With its rich content, high quality reports and publications, the Research Department aims to provide investors with accurate advice based on new investment ideas and extensive analyses.

**Fast and effective information flow**

*Model Portfolio*

A report highlighting the top-recommended companies and trade ideas in the stock market

*Sector and Company Reports*

A report containing investment recommendations and detailed analysis of the 16 sectors covered and companies in those sectors

*Macroeconomic Insight*

A report analyzing monthly macroeconomic data with future outlook and forecasts

*Istanbul Calling*

A daily bulletin that includes economic and political developments, as well as current company and sector news, blended with comments by the Research team

Excluding daily bulletins, the Research Department published a total of about 80 reports in 2022.

ÜNLÜ & Co Research Department contributes to investor meetings (roadshows) organized for non-resident corporate investors with its in-depth analyses and presentations. Together with the Institutional Sales Department, the Research Department organizes travel programs for institutional fund managers from abroad, who come to visit public companies they follow.

**Treasury**

The Treasury Department effectively manages the Group's balance sheet, and conducts studies in order to develop products that meet the needs of various departments.

ÜNLÜ & Co Treasury Department's main duties include:

- Effective asset/liability management in line with company strategies,
- Finding alternative investment and funding channels by tracking markets and macroeconomic indicators,
- Developing new products,
- Optimizing risks and costs,
- Relationship management with banks and other financial institutions,
- Keeping track of internal obligations.

## INVESTMENT SERVICES

### IN THE USA UNLU SECURITIES INC

The Treasury Department has access to a wide range of investment resources thanks to ÜNLÜ & Co's extensive experience in financial markets. The Department applies an effective capital management approach and invests in all types of capital market instruments, most notably Turkish assets, in line with the Group's market view and balance sheet composition. Other products provided include;

- Government bonds, Treasury bills, Private bonds, Financial Bonds, Sukuk, Asset-backed securities, and Eurobonds,
- Repo/Reverse repo and money markets,
- Forward contracts,
- Foreign exchange transactions,
- Over-the-counter derivative products (forwards, futures, options, and swaps),
- Structured debt instruments,
- Stocks and stock indices,
- Commodities.

The Treasury works in coordination with the Group's other departments, primarily DAHA and Institutional Sales, and continues to develop innovative products. ÜNLÜ & Co's horizontal organization and ability to access information rapidly facilitates fast decision-making processes, which bolsters the effectiveness of the Department and ensures

differentiation in its field of activity and from its peers. The strong relationships ÜNLÜ & Co has established with a multitude of business partners, both in Turkey and abroad, is a key factor to augment the Treasury Department's investment options and price discovery capabilities.

Within the framework of the contract signed with Goldman Sachs International, ÜNLÜ Menkul Değerler A.Ş. operates as a brokerage house and Market Maker for Warrants and Certificates issued by Goldman Sachs. Within this framework, the Treasury Department manages the issuance application processes of warrants and ensures that Warrants and Certificates are offered to the public on the Borsa Istanbul A.Ş., the Structured Products and Funds Market within the framework of the method of sale on the stock exchange. Its other duties include ensuring uninterrupted quotation transmission of warrants, providing after-sales support to investors and managing relations with regulators.

#### UNLU SECURITIES INC

UNLU Securities Inc., established by ÜNLÜ & Co to provide services to investors in the United States, was authorized by the FINRA (Financial Industry Regulatory Authority) in 2016. Through the company established in New

### IN THE UK UNLU SECURITIES UK LIMITED

York, institutional investors in the United States are provided services in all authorized business lines. Given that US funds account for a significant part of publicly traded shares on the Borsa Istanbul Stock Market held by foreign corporate investors, UNLU Securities Inc. plays an important role in Turkey's capital markets. This office facilitates an active contact of the institutional sales, research, and capital markets departments with US investors, providing significant opportunities.

#### UNLU Securities UK Limited

UNLU Securities UK Limited was founded in 2018 to expand ÜNLÜ & Co's service and resource network globally. Authorized in the United Kingdom in 2019 by the Financial Conduct Authority, the organization regulating and supervising financial services in the UK, UNLU Securities UK Limited has positioned itself to provide three main business functions, namely Debt Financing, Capital Markets, and Corporate Finance.

Based in London, UNLU Securities UK Limited is focused primarily on debt financing as of its establishment, in line with ÜNLÜ & Co's strategic priorities. The company also aims to establish a distribution network of alternative investors to meet the various capital needs of ÜNLÜ & Co's clients.





**DAHA ADDRESSES THE FINANCIAL NEEDS OF ITS INVESTORS IN THE REALM OF INVESTMENT ADVISORY WITH A HOLISTIC APPROACH.**

Having attracted Private Market investors focusing on different strategies, the Alternative Asset Management industry has grown rapidly over the last ten years. The industry is expected to post relatively limited growth in 2023 due to the high interest rates and limited growth on a global scale. However, the strong institutional investor interest which compensates such volatilities, which are not unusual in the markets, remains unabated in the long run.

Private Debt Financing stands out as the segment expected to notch up the fastest growth rate among Alternative Assets, with a compound annual rate of 17.4% projected for 2021-2026. Sustained expansion of the global asset management market creates opportunities across a wide range of investment segments. UNLU Securities UK Limited continues to capitalize on this favorable backdrop to position itself as a distribution platform in the widest sense, and to meet various capital needs of its clients. Consequently, it aims to lend further capacity and depth to the services of ÜNLÜ & Co, contributing to the Group's vision of being a world-class service provider.

**DAHA INVESTMENT ADVISORY AND BROKERAGE SERVICES**

ÜNLÜ & Co established DAHA Investment Advisory and Brokerage Services Department in 2017 to provide financial advisory and brokerage services for capital markets to qualified individual and institutional investors. DAHA addresses the financial needs of its investors in the realm of investment advisory with a holistic approach. It offers tailor-made investment recommendations, considering the risk profiles, goals, revenue-expense balances and asset status of qualified investors.

The services offered by DAHA Investment Advisory and Brokerage Services are as follows:

- Customized investment advisory in organized and over-the-counter markets,
- Brokerage of equities (Borsa Istanbul), and Futures and Options Market (VIOP),
- Structured debt instruments that offer personalized investment strategies,
- Variable, Eurobonds, gold, stocks, real estate, venture capital and the targeted absolute return hedge funds and statistical arbitrage funds
- Brokerage services for trading of over-the-counter derivatives,
- Brokerage for trading at leveraged foreign exchange and CFD markets,

- Brokerage of equities and derivatives trading in global markets,
- Brokerage of LME Commodity risk management (hedge) transactions,
- Brokerage of government bonds, treasury bills, private sector bonds and Eurobonds trading,
- Brokerage of repo and Eurobond repo transactions
- Portfolio management services,
- Corporate risk management (hedge) and advisory,
- Public offering brokerage.

In addition to its Head Office, DAHA continues to serve its customers through its branches on Bağdat Avenue in Istanbul, and in Ankara and Izmir. The Antalya Branch will also open its doors in 2023. Having achieved a 55% expansion in the number of customers it serves over the last year, the volume of its managed assets increased by 76% and revenues by 186% over the same period.

**A journey of digitalization that steers the sector**

ÜNLÜ & Co launched the "Digital Transformation Project" in the last quarter of 2020. With the project, the company has started extensive work to roll out digitalization throughout the organization. The digitalization process is aimed at optimizing business processes by enriching contact points with the customers.

## INVESTMENT SERVICES

As a result of this work, ÜNLÜ & Co commissioned improvements and automations in operational processes. Within the scope of the project, ÜNLÜ & Co became one of the first institutions in the sector to roll out remote account opening through video call.

ÜNLÜ & Co implemented Piapiri, a new fintech venture, within the framework of its strategy of digitalization and expanding to a wider base.

Piapiri is an app that is easy to use and can be personalized. With Piapiri, investors may easily submit buy and sell orders to the Borsa Istanbul Stock Market and the Futures and Options Market (VIOP), perform cash and guarantee transactions quickly and monitor portfolio status and market data instantly. Investors may access valuable information including the ÜNLÜ & Co Research team's short-term buy/sell recommendations, long-term investment advice, daily reports and analysis, videos and podcasts. Piapiri offers a digital ecosystem for investment with investment baskets, robotic trading signals and reports from industry experts.

It is easy to download Piapiri from app stores. A customer may open an account quickly by video call through the "Become a Customer" step or by through the courier model.

Piapiri offers the following advantages:

- Investors may personalize their homepage according to their investor profile using a variety of modules and create their own control panel. Also, it is possible to arrange tabs and columns within the app to easily access the areas they use the most.
- Free access to real-time data on stock markets, futures and options, warrants, mutual funds, exchange rates, and cryptocurrencies, all conveniently displayed on a single screen.
- Access comprehensive details of TEFAS funds, and compare them based on fund performance, management fees, and sizes.
- With Piapiri, it is also possible to participate in public offerings.
- Create customized watchlists and view real-time stock market, futures and options, warrants, mutual funds, exchange rate, and cryptocurrency data, depending on the investor's preference.
- Investors may embark on their investment journey swiftly with the Model Portfolio, a bespoke portfolio of stocks created and



continuously updated by the diligent work of ÜNLÜ & Co analysts. It is possible to access the Model Portfolio through Piapiri and invest in with a single click.

- Investors may open an account on Piapiri free of charge; and there is no account management fee. They may open an account quickly with video call through "Become a Customer" function or through the courier model.
- Piapiri aims to offer a significant contribution to the financial literacy of investors by helping investors become better equipped with a wealth of analysis, reports, news, videos and podcasts, free of charge.

### DAHA Research Services

Within the scope of DAHA Financial Advisory Services provided by the Research Department, individual and institutional investors - with different risk and return preferences - are offered services on stock markets, as well as on financial instruments such as parities, fixed-income securities, international stocks and gold, with short-, medium- and long-term perspectives, helping them manage their assets in a way most suited to their needs. The monthly investment baskets



Under the strategy of digitalization and expanding to a wider base, ÜNLÜ & Co implemented Piapiri, a new fintech venture.

report is produced regularly, and TL and foreign currency investment strategies, including Balanced-Dynamic-Attack investment baskets, are shared with customers based on different risk preferences.

**ÜNLÜ & Co'mment:** This clear, concise daily bulletin published each morning covers current developments in domestic and foreign markets, potential market impacts, product-based recommendations, and selected stock information.

**U-Alert:** A short note covering market monitoring and information notes, sector notes, macro analysis, and outstanding shares and strategy suggestions.

**Investment Baskets:** A monthly investment basket report is published regularly. Investment strategies in TL and foreign currency, including Balanced-Dynamic-Attack investment baskets created in accordance with different risk appetites are shared with customers.

**U-Tech:** Considering market dynamics, this product includes ÜNLÜ & Co's recommendations on the Borsa Istanbul and Derivatives Exchange that are attractive in the

short term and in accordance with the Company's trade strategies. The positions offered by U-Tech are continuously monitored and information is provided via e-mail in case of possible profit taking or stop-loss.

**Foreign Markets Today:** In this daily bulletin published in the mornings, possible market ramifications of major current developments abroad and stock information are provided in a short, clear, and understandable format.

**U-Call:** U-Call, which is prepared without being tied to a certain period, includes trade suggestions for the stocks that stand out technically in foreign markets. These suggestions are constantly monitored. Our investors are informed of any potential profit sales or stop-loss by e-mail.

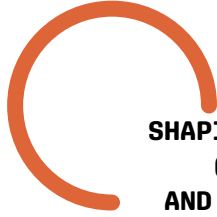
Under the leadership of the Research Department, monthly webinars are organized for individual and institutional investors. Current market developments and market expectations are posted on a daily basis via the Piapiri app.

**Weekly Dividend Table:** Weekly posts are made containing information about the relevant payments of the companies that will pay dividends in the US markets.

### Foreign Markets- UTrade International and UTradeFX

With its experienced teams and modern online platforms, DAHA Investment Advisory and Brokerage Services provides brokerage services to investors in domestic and foreign capital markets. Through UTrade International, ÜNLÜ & Co's platform providing access to international markets, investors are able to follow numerous stock exchanges across the globe, and engage in trading of stocks and futures contracts safely and easily. Under the UTradeFX brand, investors are provided with the opportunity to carry out leveraged and CFD (contract for difference) transactions through 24-hour access to forex markets.

## ASSET MANAGEMENT SERVICES



**SHAPING ITS OPERATIONS IN THE NON-PERFORMING LOAN (NPL) MARKET BASED ON EFFICIENCY, FLEXIBILITY AND TRUST, ÜNLÜ & Co PRODUCES FAST, CREATIVE AND EFFECTIVE SOLUTIONS IN THE NON-PERFORMING LOAN COLLECTION PROCESSES.**

### NON-PERFORMING LOAN (NPL) MANAGEMENT

- Non-Performing Loans (NPL) Management
- Restructuring

### ALTERNATIVE INVESTMENTS

#### 212 CAPITAL-TECHNOLOGY FUND I

- Internet, mobile, e-commerce venture capital
- Turkey's pioneering technology-focused equity fund

### FUND AND PORTFOLIO MANAGEMENT

- Mutual funds
- Hedge funds
- Arbitrage funds
- Real estate investment funds
- Discretionary funds
- Venture capital funds

### Non-Performing Loans (NPL) Management

ÜNLÜ & Co also carries out work which adds value in the non-performing loans (NPL) market, where it has been operating since 2003. ÜNLÜ & Co provides value-added services in the non-performing loans (NPL) market, where it has been active since 2003. The Company realizes its

NPL investments via İSTANBUL Varlık, a subsidiary that has become one of the leading asset management companies in Turkey within a short time frame.

Predicating its NPL market activities on the triple pillars of efficiency, flexibility and reliability for the past 19 years, ÜNLÜ & Co produces fast, creative and effective solutions in NPL collections with its extensive staff and strong capital.

Steadily improving collection performance through effective management of NPL portfolios, ÜNLÜ & Co continues to support its clients with a tailored and constructive approach, with a view to channeling them back to the economy.

### İSTANBUL Varlık

With the Group's foreign partnership having ended, İSTANBUL Varlık has been operating as a local brand with 100% local capital.

Capitalizing on ÜNLÜ & Co's synergy, İSTANBUL Varlık gets one step closer to its clients with effective solutions, reflecting a sound grasp of local market conditions. Amid mounting retail NPLs in the aftermath of the 2008 crisis, İSTANBUL Varlık's retail and micro-SME NPL management capacity has also been improved.

Having invested more than TL 368 million since its establishment, İSTANBUL Varlık effectively manages a total of 38 NPL portfolios, consisting of retail, SME, and corporate loans.

### Alternative Investments

ÜNLÜ Alternative Asset Management (ÜNLÜ Alternatives) was established in 2007 to advise funds conceived to undertake investments exclusively in Turkey. Since its establishment, it has provided advisory services to funds focusing on private equity as well as those with more diversified investment portfolios. Fund 1 (Private Equity), established in 2006 as a private equity fund with the partnership of domestic and foreign investors, undertook investments worth in excess of USD 100 million. At the end of 2020, Fund 1 completed its exit from all investments, and carried out a successful liquidation. Established in 2014, Alternative Investment Fund focuses on long-term investments in shares of public or private companies, non-performing loans, infrastructure and real estate asset classes. The fund, which invested around USD 110 million since inception, has been continuing its activities successful sale transactions executed in 2022.

**510,000**  
NUMBER OF CUSTOMERS AT  
İSTANBUL VARLIK

**23**  
NUMBER OF FUNDS  
MANAGED BY ÜNLÜ  
ASSET MANAGEMENT

**TL 2.4 BILLION**  
VOLUME OF FUNDS  
MANAGED BY ÜNLÜ ASSET  
MANAGEMENT

### 212 Capital

In Turkey, several factors have been conducive to the development of the Internet and technology. A number of factors including demographic data (large young population; areas of interest); elevated Internet and mobile usage ratio; developing Internet and e-commerce ecosystem; emerging risk-capital ecosystem; and robust online and offline consumer habits have all come together to render Turkey an increasingly attractive prospect.

ÜNLÜ & Co has been a founding partner of 212 Ltd, which offers advisory services to 212 Capital Partners I (212), a fund providing venture capital to leading technology and internet companies in Turkey at the establishment stage.

212 Capital Partners remains to be one of the largest funds to provide support to companies looking to establish a venture in a vertical market, such as software, social games, e-commerce, mobile, social media and cloud computing.

### ÜNLÜ Asset Management

Providing qualified portfolio management services to corporate and individual investors with its experienced and expert staff, ÜNLÜ Portföy Yönetimi A.Ş. (ÜNLÜ Asset Management) is one of the leading asset management companies in Turkey with its wide product range and expertise in investment management.

### Asset management that produces high added value and provides stable returns

In line with ÜNLÜ & Co's strategic goals, ÜNLÜ Portföy (ÜNLÜ Asset Management) is increasingly stepping up its fund activities, which are aimed predominately at individual and corporate qualified investors. ÜNLÜ Asset Management aims to provide exclusive portfolio management services based on fair pricing, in order to deliver high added value to investors, in line with their risk-return preferences. It has expanded its product range with variable, stock, and debt instruments, hedge funds, arbitrage funds, gold fund, venture capital funds, real estate investment funds, and discretionary funds.

In 2022, ÜNLÜ Asset Management attained a product range that meets the needs of investors with its existing funds, as well as newly set up funds. ÜNLÜ Asset Management offered various options to investors in the field of asset management, while raising the size of the funds it manages. ÜNLÜ Asset Management managed 23 funds as of 2022 with a total fund size of TL 2.4 billion.

### Products that address every risk profile

ÜNLÜ Asset Management's variable funds, based on a multi-asset strategy, were established for investors with low and medium risk profiles, who tend to channel their savings to deposits and other similar traditional instruments. Investing in variable funds, investors aim to generate a rate of return that exceeds that on deposits.

The company also offered investors the opportunity to invest in global markets with its (ULH) fund, which carries out investments by synthesizing Global Macroeconomic Analysis, National Market Analysis and Company Analysis with the "Risk Algorithm" method.

In 2022, the ÜNLÜ Asset Management established three new funds; ÜNLÜ Asset Management Gold Fund (UP1) and ÜNLÜ Asset Management Venture Capital Investment Funds (UAR - ULI) for qualified investors, who seek to undertake long-term investments in companies which offer high growth potential. The company provided investors with a unique fund management service with its effective and professionally managed range of fund products.

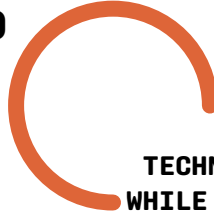
## ASSET MANAGEMENT SERVICES

### ÜNLÜ Asset Management Investment Products

Investment Tool Type	Investment Tool Name	Investment Strategy
Variable Funds	ÜNLÜ Asset Management First Variable Fund (SUA)	SUA Fund is designed as an alternative to deposits for low-risk appetite investors with medium-to-long-term investment horizons. It aims to generate a consistent positive return, providing an income that is meaningfully above that of deposits.
	ÜNLÜ Asset Management Second Variable Fund n (SUB)	SUB is a Dynamic Variable fund, targeting a high return, with greater risk and volatility vs. deposits.
	ÜNLÜ Asset Management Third Variable Fund (SUC)	SUC Fund is an actively managed fund, with a high return target. The objective is to generate a return that exceeds that of deposits and to rank high on the list of variable funds.
Equity Fund (Equity Intensive Fund)	ÜNLÜ Asset Management Equity (TL) Fund (UPH)	UPH Fund offers an investment alternative with high return and relatively high volatility for investors planning to make long-term investments in the Turkish stock market.
Money Market Fund	ÜNLÜ Asset Management Money Market (TL) Fund (UPP)	Managed with a low risk profile, UPP Fund aims to generate stable returns, and provides the possibility of cashing in on a daily basis.
Foreign Exchange Funds	ÜNLÜ Asset Management Fourth Hedge (FX) Fund UPD	Fund prices are in TL and USD. UPD is suitable for investors seeking an alternative to time deposits for their FX savings. Fund units may be sold to individual and institutional investors complying with the CMB's "qualified investor" definition.
	ÜNLÜ Asset Management Targeted Absolute Return Hedge Fund (USY)	The Fund is suitable for qualified investors seeking medium-to-long-term returns, and opting for FX-denominated asset investments in global markets.
Hedge funds	ÜNLÜ Asset Management Ninth Hedge Fund (UYH)	In line with the investment forecast, the Fund aims to provide equity gains in TL and increase its portfolio value by investing in capital market instruments, other investment instruments deemed appropriate by the Board, financial transactions and contracts and securities.
	ÜNLÜ Asset Management Tenth Hedge Fund (ULH)	A fund which carries out investments by synthesizing Global Macroeconomic Analysis, National Market Analysis and Company Analysis with the "Risk Algorithm" method in Global Markets.

Real Estate Investment Funds	ÜNLÜ Asset Management First Real Estate Investment Fund (UPG)	Investing in real estate projects promising lucrative returns, the Fund offers an attractive return opportunity to investors wishing to invest in the real estate sector.
	ÜNLÜ Asset Management Second Real Estate Investment Fund (UG2)	The Fund offers a lucrative return possibility to qualified investors who are interested particularly in office projects, yet are not inclined to deal with transactions such as buying, selling, maintaining, and renting real estate.
Venture Capital Investment Funds	ÜNLÜ Asset Management First Venture Capital Investment Fund (UJG)	The fund is suitable for qualified investors opting for long-term investments. The fund's investment strategy entails becoming, through capital or share transfer, a partner of high-growth-potential joint-stock and limited liability companies that are not publicly traded, that need to strengthen their financial structure; or establishing venture companies.
	ÜNLÜ Asset Management İdacapital Venture Capital Fund (ULI)	The primary investment objective of the Fund is to offer investment opportunities to early-stage tech-based start-ups, or ventures with innovative business models which are based in Turkey and which require capital.
	ÜNLÜ Asset Management R&D Venture Capital Fund (UAR)	The Fund aims to become a partner in non-public joint stock and limited companies with high growth potential, which need to strengthen their financial structure. It does this through capital transfer or share transfer, or being the founder of venture companies.
Statistical Arbitrage Funds	ÜNLÜ Asset Management Statistical Arbitrage Hedge Fund (UJA)	Aiming to exploit price mismatches in the market for yield maximization using technological infrastructure (algorithm), the fund takes simultaneous long and short positions in assets with price mismatches. The fund conducts transactions at a low risk level in order to provide returns which exceed the deposit. It aims to increase returns at times of increasing volatility in the markets thanks to its technology.
	ÜNLÜ Asset Management Second Statistical Arbitrage Hedge Fund (UZY)	These are funds incepted specifically for an institution, person, or members of a family, in line with the given investors' risk and return expectations.
Discretionary Funds		ÜNLÜ Asset Management offers to establish tailor made discretionary funds to investors with investment strategies in line with clients preferences, risk tolerance and restrictions.
Precious Metals Fund	ÜNLÜ Asset Management Gold Fund (UP1)	In accordance with the fund's investment strategy, at least 80% of the fund's total value is invested in the gold and gold-based money and capital market instruments which are continuously traded on the stock exchange, gold-based deposit and participation accounts, and the exchange-traded fund participation shares, which are established to monitor gold-based indices. The fund is traded on TEFAS.

## OPERATIONS AND TECHNOLOGY SERVICES



**ÜNLÜ & Co MOVED FORWARD IN THE REALM OF TECHNOLOGY AND OPERATIONAL SERVICES IN 2022, WHILE MAINTAINING ITS EFFICIENCY- AND CLIENT-CENTERED SERVICE PERSPECTIVE. THANKS TO RAPID AND AGILE OPERATIONAL PROCESSES ENABLED BY TECHNOLOGICAL INVESTMENTS, WORK EFFICIENCY IMPROVED WELL BEYOND TARGETS.**

### OPERATIONS

In addition to daily routine activities, the Operations Department delivered the following competitive services with a focus on service quality:

- Operational activities related to Investment Service products were carried out successfully
- Operational processes of institutional investor transactions were conducted with above-sector-success on Borsa İstanbul Wholesale Market.
- Capital increase and partnership transactions of publicly-traded companies were actively supported.
- Activities were carried on Borsa İstanbul within the scope of market making.

### FINANCIAL AFFAIRS AND PROCUREMENT

- Comprehensive communiqué reviews on Capital Adequacy Ratios were carried out. Credit limits were expanded.
- After the public offering, the accounting software was revised in parallel with the importance placed on the activity and expansion.
- Tax and legal notifications and accounting processes of our new subsidiary, established to operate in Software and Technology services, were organized.
- Within the scope of digitalization, the work processes of the expense reporting project were scrutinized in accordance with in-house procedures and brought to the final stage.

### INFORMATION TECHNOLOGIES AND R&D STUDIES

- Technical infrastructure regulations, capacity and performance management and maintenance/ support services were delivered on schedule and increasing needs of business units were met, in order to ensure that services provided to business units and their customers are carried out effectively and efficiently.
- In parallel with the continuous restructuring processes and new investments in external services received by the Information Technologies (IT) Department, the IT department spending was approximately 10% below the amount budgeted for 2022.
- Company's operations were carried out without interruption through effective execution of IT services, despite the increasing number of investors and transaction volume in capital markets.

**NEW  
INVESTMENTS  
STRENGTHENING THE  
INFRASTRUCTURE**

**DIGITAL  
CONTENT AND INCREASE  
IN QUALITY**

- A wide range of investments were carried out during 2022 in capacity and performance needs of IT infrastructure to meet the Company's needs over the next 5 years. New investments have been undertaken in server infrastructure, database infrastructure, storage capacity and critical security devices which will pave the way for enhancements in capacity and performance.
- An additional cabinet was installed in order to meet the increasing needs for performance and capacity in the DMA (Direct Market Access) and High Frequency Transactions (HFT) on the ÜNLÜ & Co BIST co-location infrastructure. Ultra-low latency communication devices have started to be used in the BIST co-location infrastructure.
- In addition to the technical investments in infrastructure, through which corporate customers transmit orders from the International Order Collection Networks, projects were commissioned with new service providers in order to provide them with the opportunity to perform uninterrupted transactions. In order to provide more flexible service to such customers, virtualization infrastructure was provided and the capacity of customers that can be hosted was increased.
- A host of projects were initiated by the business units within the scope of Digital Transformation to provide further digital services to ÜNLÜ & Co customers.
- Significant improvements and diversifications were achieved in service quality by increasing the number and content of digital services awarded to customers.
- Works for the development of the new mobile application, considered to be the main platform of projects within the scope of digital transformation, have been finalized.
- Process automation enhancements were continued, in order to use the workforce more efficiently and increase effectiveness of cross-departmental interactions.
- In order to address the needs driven by ÜNLÜ & Co's ever-growing electronic services, further staff was added to the IT Organization.



## CORPORATE COMMUNICATIONS AND MARKETING



**ÜNLÜ & Co AIMS TO REINFORCE ITS PIONEERING CORPORATE IMAGE PREDICATED ON 27 YEARS OF ACTIVITIES; CONTRIBUTE TO THE SECTOR WITH ITS ASSESSMENTS, AND SHARE MAJOR DEVELOPMENTS RELATED TO THE GROUP MOST ACCURATELY AND TRANSPARENTLY WITH THE PUBLIC.**

With value creation for the Turkish economy, the financial sector, and its stakeholders at the core of its efforts, ÜNLÜ & Co keenly promotes its extensive product and service portfolio through internal and external means of communication. Through the corporate communications activities it pursues to support its marketing strategies, ÜNLÜ & Co aims to manage interactions with all stakeholders in the most effective manner.

While ÜNLÜ & Co sustains its growth momentum, fueled by relentless work, an entrepreneurial spirit, and market experience; Corporate Communications and Marketing Department contributes to reputation management by promoting the added value created by the Company over many years to the public, via communication and marketing activities.

Corporate Communications and Marketing Department operates under the headings of "Press and Public Relations," "Internal Communication," "Event Management," "Corporate Social Responsibility," "Corporate Identity and Brand Management," and "Advertising, Promotion and Digital Marketing."

### PRESS AND PUBLIC RELATIONS

ÜNLÜ & Co aims to reinforce its pioneering corporate image with its activities; contribute to the sector with its assessments, and share major developments related to the Group most accurately and transparently with the public. In line with this strategy, ÜNLÜ & Co's Executive Management and seasoned managers regularly offer their opinions and assessments on traditional and digital media outlets throughout the year. All stakeholders are informed promptly and extensively about the activities carried out by the Group; consummated investment service transactions; awards for which ÜNLÜ & Co has been deemed worthy; and other notable developments.

### INTERNAL COMMUNICATION

Corporate Communications and Marketing Department is responsible for regularly notifying all ÜNLÜ & Co employees on important developments regarding the activities of the Group; organizations and collaborations of which ÜNLÜ & Co is a stakeholder; and projects which ÜNLÜ & Co has taken part in or developed.

### EVENT MANAGEMENT

All events held for ÜNLÜ & Co employees or intended for external audiences are based on a strategy and business plan tailored to the target audience, in compliance with the corporate culture and values.

### CORPORATE IDENTITY AND BRAND MANAGEMENT

The Corporate Communications and Marketing Department undertakes brand management and corporate identity activities, guided by ÜNLÜ & Co's vision, mission and values.



**GİRVAK**  
FELLOWUP INSPIRATION  
MEETINGS

USD **607** million  
INVESTMENT RECEIVED  
BY ENDEAVOR TURKEY  
VENTURES

**ADVERTISING, PROMOTION AND  
DIGITAL MARKETING**

Products and services offered by business units within ÜNLÜ & Co Group must be effectively promoted on the right platforms, and to the right audience. Visual material prepared in this context is used in the Company's communication channels, such as website and social media platforms; as well as in advertising and promotion activities across diverse platforms, most notably in digital marketing, hence contributing to the attainment of strategic business goals.

**CORPORATE SOCIAL  
RESPONSIBILITY**

To generate an enduring effect and change, ÜNLÜ & Co supports sustainable initiatives in three main domains, namely entrepreneurship, women, and education. In addition to corporate contributions and sponsorships provided to corporate social responsibility projects, ÜNLÜ & Co employees also make personal contributions, as mentors and by providing training and seminars in the framework of these projects to raise social awareness.

**ENTREPRENEURSHIP**

**The ÜNLÜ & Co Women  
Technology Entrepreneurs  
Academy**

Launched in 2016, the ÜNLÜ & Co Women Entrepreneurs Academy was successfully completed. The ÜNLÜ & Co Women Technology Entrepreneurs Academy was established in cooperation with the Turkish Entrepreneurship Foundation (GİRVAK) in January 2023. Applications were received during the last quarter of 2022. ÜNLÜ & Co Women Technology Entrepreneurs Academy aims to support and expand the ecosystem of women entrepreneurs, especially in the fields of technology and software.

The ÜNLÜ & Co Women Technology Entrepreneurs Academy Program involves a total of 13 months of training. The teams qualifying for the program have the chance to develop their coding and technology competencies through the training and gain the opportunity to touch all areas they need to turn their ideas into successful ventures.

The Bootcamp program allows them to gain basic entrepreneurial skills and transform their ideas into a business model. Moreover, participants will have the opportunity to establish a network, which they can use in their professional lives, through the special events to be organized. Furthermore, the participants will gain the encouragement and training they need in their entrepreneurial journeys thanks to the inspirational conversations, the mentors that guide them and the online psychosocial support they will receive. The Program also includes ecosystem meetings, branding, digital marketing and e-commerce trainings.

**Turkish Entrepreneurship  
Foundation (GİRVAK)**

Founded by business people and opinion leaders who know the importance of entrepreneurship and believe that it is the key to change, GİRVAK works with the aim of spreading the culture of entrepreneurship and making entrepreneurship a career option among young people.

## CORPORATE COMMUNICATIONS AND MARKETING

### KAGİDER STRONG SUPPORT FOR WOMEN ENTREPRENEURS

### 18 TEAMS THE ÜNLÜ & Co WOMEN TECHNOLOGY ENTREPRENEURS ACADEMY

ÜNLÜ & Co Board Member Ms. Şebnem Kalyoncuoğlu Ünlü is also a member of Board of Trustees of GİRVAK Foundation. She shares her experiences with young people and guides them at the GİRVAK FellowUp inspiration meetings. ÜNLÜ & Co and GİRVAK continue their work by joining forces with the ÜNLÜ & Co Women Technology Entrepreneurs Academy to support women entrepreneurs in the field of technology and increase employment.

[www.girisimcilikvakfi.org](http://www.girisimcilikvakfi.org)

#### Endeavor

Established in 1997 in New York, and in 2007 in Turkey, Endeavor is one of the longest-standing organizations in Turkey with a focus on entrepreneurship. As a leading entrepreneurship network on a global scale, Endeavor pioneers the "Effective Entrepreneurship" movement across the world; and continues to identify and support entrepreneurs establishing ScaleUp companies. Operating in nearly 40 markets, Endeavor has more than 3,200 mentors and more than 1,700 enterprises in its global network. Among the 71 Turkish companies culled by Endeavor are successful enterprises such as Yemeksepeti,

Insider, Gram Games, as well as the recently sold Peak Games, iyzico and Foriba. Endeavor Turkey Initiatives have attracted USD 607 million in funds, and the exits reached USD 3.3 billion in total. Aiming to present a unique journey to every entrepreneur entering the selection process, Endeavor offers entrepreneurs its local mentor network from day one, and its global mentor network following the selection.

[www.endeavor.org.tr](http://www.endeavor.org.tr)

#### Women Entrepreneurs Association of Turkey (KAGİDER)

KAGİDER is a non-governmental organization aimed at strengthening women entrepreneurs. The organization aims to empower women not only economically, but also socially and politically.

Since its establishment, KAGİDER has been developing and conducting projects and working for this purpose with a wide range of stakeholders in the public and private sector as well as NGOs at local, national and international levels. KAGİDER, which has around 400 members, is engaged in training and mentorship activities towards economically empowering and strengthening women

entrepreneurs. KAGİDER advocates equal opportunities for men and women, related to which it is engaged in a number of activities.

[www.kagider.org](http://www.kagider.org)

[www.geleceginkadinliderleri.org](http://www.geleceginkadinliderleri.org)

#### SUPPORTING WOMEN'S EMPLOYMENT

Supporting women's participation in business at all levels of the Group has been a priority for ÜNLÜ & Co since its establishment. ÜNLÜ & Co plans to continue supporting women in all areas and raising awareness on gender equality.

#### HeForShe

Launched in 2010 by "UN Global Compact and "UN Gender Equality and Women's Empowerment Unit," Women's Empowerment Principles are aimed at empowering women to take part in life, in all sectors and at all levels.

ÜNLÜ & Co believes that increased presence by women in economic life is imperative for sustainable growth and social welfare. Addressing women's issues and supporting women in all aspects of life rests at the core of ÜNLÜ & Co's corporate social responsibility approach. ÜNLÜ & Co has been among supporters

Launched in 2016, 100 women entrepreneurs graduated from the ÜNLÜ & Co Women Entrepreneurs Academy in its 5th year.

of the “HeForShe” initiative, in the framework of UN Women’s Empowerment Principles, since 2016.

### United Nations Women’s Empowerment Principles

As a signatory to the UN Women’s Empowerment Principles, ÜNLÜ & Co has made seven central commitments:

- Providing high-level corporate leadership for gender equality,
- Treating all men and women fairly at the workplace, respecting human rights and principles of non-discrimination, and supporting these principles,
- Ensuring health, security and prosperity for all women and men,
- Supporting women through education, courses, and professional development opportunities,
- Implementing entrepreneurial development, supply chain and marketing methods that empower women,
- Encouraging equality through social initiatives and support,

- Measuring development to ensure gender equality, and reporting it publicly.

### Women on Board Association Turkey

Established in January 2017, Women on Board Association Turkey (WBAT) aims to promote social development by increasing female representation on boards of directors.

WBAT operates with the mission of assuming an advocacy role before all stakeholders for the social and economic benefits of equal gender representation on boards of directors, and helping women’s development in this regard.

Mahmut L Ünlü has been contributing to the Women on Board of Directors Program as mentor for five semesters since 2012, continuing to perform mentoring works with the mentee designated for him within the scope of the 5th term. Simge Ündüz, Gamze Akgüney, and Evnur Elif Özer are the WBAT mentees to have participated in the 2nd, 4th and 5th terms of the program, respectively.

[www.yonetimkurulundakadin.org](http://www.yonetimkurulundakadin.org)

### Esas Sosyal (Esas Social)-First Chance Program with Şevket Sabancı Vision

Conceived as a solution model to address educated youth unemployment in Turkey, “First Chance Program with Şevket Sabancı Vision,” awards young university graduates with their first employment opportunity, enabling them to gain experience by working full-time for 12 months at non-governmental organizations (NGOs). The program, from which graduates of universities less known to employers benefit, aims to raise awareness about opportunity equality, diversity, and inclusiveness in youth employment. Since 2020, ÜNLÜ & Co has been supporting young people as a Corporate Supporter of the program, and making contributions to enable them to gain experience prior to graduation.

[www.ilkfirsat.org](http://www.ilkfirsat.org)

## CORPORATE COMMUNICATIONS AND MARKETING

### YKKD FOR EQUAL REPRESENTATION

### KORUNCUK FOUNDATION EMPOWERING GIRLS TO STUDY

#### EDUCATION

##### **Koç University Anatolian Scholarship Program**

The Anatolian Scholarship Program was initiated by Koç University in 2011 to provide high quality education opportunities to students from underprivileged backgrounds, who are not eligible for a full scholarship under the public national scholarship system but who are high achievers and exceptional individuals in all regards. The Program continues and grows with the contributions of grantors.

ÜNLÜ & Co is a member of this program that enables young people to access high quality education. A student, who was awarded a scholarship by the group in this context, successfully graduated from Koç University Computer Engineering and Archaeology & Art History departments with a double major in 2020. The student is continuing with the Informatics Program master's degree at the Technical University of Munich, while working at Siemens Healthineers Germany office.

In 2020, ÜNLÜ & Co started to support a new Anatolian Scholarship holder. Entitled to study at Koç University, Department of Industrial Engineering, the scholarship holder

has completed English Preparatory class and is currently at the second undergraduate year.

[anadolubursiyerleri.ku.edu.tr](http://anadolubursiyerleri.ku.edu.tr)

##### **Robert College Scholarship Program**

Robert College Scholarship Program provides life-long educational support to students with the backing of Robert College graduates and volunteers.

Since 2014, ÜNLÜ & Co has contributed to this area to ensure that young people receive a high quality education and grow up as individuals beneficial to their society and country. A "lifetime" scholarship was established on behalf of ÜNLÜ & Co.

[webportal.robcol.k12.tr](http://webportal.robcol.k12.tr)

##### **The Duke of Edinburgh Fellowship Program**

The Duke of Edinburgh's International Award Fellowship is a personal development program for young people. The Program aims to equip young people with the skills that would enable them to stand out in the society where they live and across the world. Launched in 1987, the Program has 400 active grantors and members from 42 countries.

ÜNLÜ & Co has been supporting the Award Fellowship program since 2015. A "lifetime" scholarship has been established on behalf of ÜNLÜ & Co.

[intaward.org](http://intaward.org)

##### **Turkish Foundation for Children in Need of Protection (Koruncuk Foundation)**

Koruncuk Foundation aims to provide shelter, care, and access to education at Koruncukköy, starting from secondary school until the age of 18, to girls who have a desire to study but whose education prospects are in peril. It empowers "Koruncuks," together with their families, by promoting their individual development through arts, sports, and cultural activities. The Foundation supports Koruncuks who grew up in Koruncukköyler and turned 18, throughout their university education according to their preferences, until they become individuals with a profession.

With its regular annual support, ÜNLÜ & Co contributes to empowering girls to become members of society who can express themselves, and are aware of their rights.

[www.koruncuk.org](http://www.koruncuk.org)

Since 2015, ÜNLÜ & Co has been supporting the Award Fellowship program.





## HUMAN RESOURCES



**THE HUMAN RESOURCES DEPARTMENT ACTS ON THE PREMISE THAT ATTRACTING, DEVELOPING, AND RETAINING TALENT WITHIN THE INSTITUTION CAN ONLY BE ACHIEVED THROUGH SUCCESSFUL AND CONTEMPORARY HR PRACTICES. BY KEEPING UP WITH RAPIDLY CHANGING DEMANDS AND INTERNALIZING THE CONCEPT OF AGILE HUMAN RESOURCES, THE HUMAN RESOURCES DEPARTMENT DIRECTS ITS PROCESSES WITH A STRATEGY THAT PUTS EMPLOYEES AT THE HEART OF WHAT IT DOES.**

Viewing competent human resources as a strategic imperative for the attainment of corporate objectives, ÜNLÜ & Co aims to create a fair and transparent working environment that is responsive to the needs and expectations, as well as the training and development of its workforce.

At ÜNLÜ & Co, we believe that the values espoused as principal guidelines will carry all our staff forward with a strong family spirit.

“Engaged,” “Entrepreneurial,” “Leader,” “One Team,” “Socially Conscious,” and “Client-centric” are the values that define all members of the ÜNLÜ & Co family, and reflect the changing, developing, and ever-evolving corporate culture.

Senior management assumes the role of cultural ambassadors in the internalization of values within the organization. Employees are reminded of the corporate culture with the “Values Day”, which is celebrated with various activities within the Company every year.

Aligned with our values - the cornerstones of our corporate culture - are our competencies, which define, on the one hand, our mode of performing our work, and on the other, serve as a roadmap of how to develop ourselves as we navigate our career journey.

Competencies that are expected of all ÜNLÜ & Co employees include:

- Assuming an active role in relationship network development,
- Leading development and change,
- Being client-oriented,
- Achieving together,
- Progressing with a target- and result-oriented mindset,
- Being agile and flexible in management and decision-making processes.

The Human Resources Department is comprised of recruitment and talent management, business partnership, and compensation and benefits functions.

### ÜNLÜ & Co EMPLOYEE PROFILE

With an employee tally of 486 as of year-end 2022, ÜNLÜ & Co brings young talents together with seasoned investment banking services and asset management professionals under the same umbrella.

ÜNLÜ & Co key employee statistics are as follows:

- 51% female; 49% male
- Average age: 35.1
- Average tenure: 3.8 years
- 73% have a bachelor’s degree; 21% have a master’s or doctorate degree.

At ÜNLÜ & Co, a management approach that promotes women’s participation in business life and supports women’s

career development is upheld. Consequently, ensuring equality for women in recruitments, promotion processes, and strategic role designations, has been a priority for the Company in recent years.

The percentage of women holding positions of manager or above at ÜNLÜ & Co has reached 43%, which represents an unrivalled achievement for the Company.

At ÜNLÜ & Co, measures have been taken and implemented to prevent discrimination, inequality, human rights violations, forced work and child labor.

### DEVELOPMENTS IN 2022

ÜNLÜ & Co has quickly adapted to new developments in the ever-changing business world. The company has sought to keep up-to-date with the technological developments, to instantly review changing business needs, to help professionals in each department adapt to change and to support the young generation’s rapid adaptation to the world of business.

ÜNLÜ & Co is an organization that adapts to the changing and developing world, which is forever learning and which implements its experience rapidly. While carrying the institution into the future, the company has focused on developing and transforming many different areas of Human Resources by prioritizing creative practices, projects designed with an innovative perspective and technology.

## STRONG

CHANGING, DEVELOPING  
AND DYNAMIC COMPANY  
CULTURE

## HYBRID MODEL

A FOCUS ON EFFICIENCY  
AND EMPLOYEE  
SATISFACTION

Within the scope of "Predictive Analytics for Continuous Improvement", questionnaires, practices, dashboard systems and reports which guide the employees with the data based on the organizational structure of the Company, the positions and the criteria determined were designed and implemented. The company is in a position to achieve faster improvements with the results obtained through this method, with reports increasing the awareness of the senior management and paving the way for more agile decision-making processes.

Prioritizing employee satisfaction, ÜNLÜ & Co carries out many different activities within the organization to reflect the value it places on human resources. Meetings are held on a regular basis to accelerate the adaptation processes of the newly recruited employees and to address any difficulties they may experience in this process. In order to increase the loyalty of existing employees to the institution and to continuously maintain a profile of satisfied employees, "ÜNLÜ BI'mola" activities are held at certain times throughout the year where the company seeks to make the employees feel that the Company is on their side with an insight-oriented, highly interactive and human-touching perspective.

Areas of responsibility are determined for both the senior management and employees in the employer branding activities, with roles in areas such as brand

promotion activities, campus activities and social responsibility projects. They were given responsibilities in the university and online Finance Camp activities held throughout the year, thus ensuring that they became a part of the project and the work.

Designed with a focus on efficiency and employee satisfaction, the hybrid working model has been implemented as a standard way of working. Within the scope of this model, all employees were able to work out of the office for eight days a month in the first period of 2022, provided that they remained in their city of residence. They worked out of the office for four days a month in the remaining second period. In addition, in the summer of 2022, employees were offered the opportunity to work from anywhere they wished for three weeks.

With the digitalization of processes, performance evaluation, questionnaire management, suggestion management activities have been managed more effectively and online, thus increasing efficiency.

### PERFORMANCE EVALUATION

Employees undergo performance evaluations in a fair and transparent manner in the Performance Management Process at ÜNLÜ & Co, supported by concrete and measurable criteria.

The comprehensive evaluation method measures the extent

to which employees met the objectives, how they use their competencies in reaching these objectives and the extent they promote to the Company's values.

After collecting the sustainable performance and competency results of the employees, an integrated work is carried out to obtain a comprehensive result regarding personal performance. The final performance result will direct the employee's remuneration and benefits, career and development plans. Thus, employees' behavioral competencies and their expectations are evaluated holistically, and development areas are determined and action plans created accordingly.

### CAREER AND DEVELOPMENT PATHS

Directing the careers and development of employees is a crucial part of realizing ÜNLÜ & Co's goals. With the strategic perspective, the Human Resources Department supports this process as a business partner. The Human Resources Department attaches priority to ensure that existing employees are correctly positioned where they will be most effective. The department also prioritizes this positioning work in the manner most ideal to ensure the development of career plans in the medium-long term.

The experience, competence and technical know-how of employees is evaluated in the context of the future continuity

## HUMAN RESOURCES

**130**  
TOTAL HOURS OF  
TRAINING

**12**  
HOURS OF TRAINING  
PER PERSON

of the organization, and backup plans are made for the positions. Development programs are implemented to ensure that employees are prepared for the foreseen positions .

### ORIENTATION PROGRAM

The Human Resources digitalization work plays an important role in the changing ways of doing business with the new working order. The work on digitalization carried its importance to the highest level this year. A comprehensive orientation program was designed in order to ensure that each new employee joining ÜNLÜ & Co is able to quickly adapt to the institution and integrate themselves into the work effectively.

This program aims to adapt new employees to the corporate culture and integrate the organization and the employee together. This program was transferred to a completely digital environment within ÜNLÜ Digital Academy. In the "Welcome Orientation Program", which is designed with a gaming infrastructure and providing interaction, employees may both have fun during the process and absorb the corporate culture and organization much more rapidly.

### EMPLOYEE TRAINING

Setting out with the perspective of "development for change, change for development", the Human Resources Department plans the trainings depending on the experience, position and needs of employees. Trainings are managed based on the roadmap created in line with the feedback and expectations of the managers.

The driving force of this development and journey of transformation is ÜNLÜ Digital Academy. The Academy offers a flexible development platform which employees may access easily anywhere, anytime and from any device. Various training programs and activities are organized through the ÜNLÜ Digital Academy for all ÜNLÜ & Co employees, even their relatives and children, and employees are offered the opportunity to work remotely.

The Human Resources Department aims to design personalized training programs in different categories in order to guide the development of employees with ÜNLÜ Digital Academy.

An extensive training catalogue is offered which aims to be of interest for all employees and meet their needs. The catalogue includes different types of content such as training videos, extensive library infrastructure, information on leadership, development, competence and actual information on the digital training portal.

### ÜNLÜ & Co PROJECTS INTERNSHIP PROGRAM

The "ÜNLÜ & Co Projects Internship Program" named as "Future Finance Generation" is an executive development program, which includes new undergraduates and post-graduates. The program was held online in 2022 with 117 applications out of a total of 683 applicants found to qualify to join the program. The company met candidates in the online digital talent camp. The students participated in the group case study and evaluation after a full day which included a speech from the Chairman, interviews with the HR team and instructive presentations. The students then entered mentor interviews with the employees who had been recruited through the previous executive development program. An HR interview was held with candidates who had been shortlisted in the case study evaluation. Department managers met the candidates who had qualified to join the program.

Eight interns who completed their education at leading universities in our country started to work in six different departments at the Company in March. After carrying out their internships in the relevant unit for two months, six people joined ÜNLÜ & Co within the scope of the evaluation. During the year, their development was highly considered and they were supported with their studies.

In 2022, ÜNLÜ & Co attended lectures at leading universities and took part in campus activities.



**486**  
TOTAL NUMBER OF  
EMPLOYEES

**51%**  
WOMEN

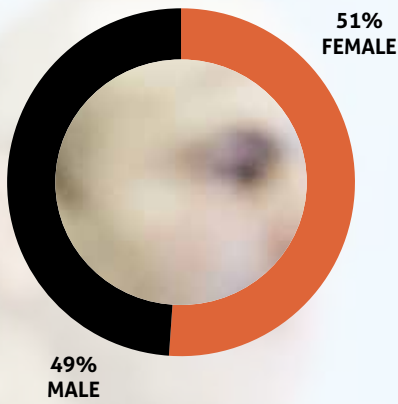
**35.1**  
AVERAGE AGE

**3.8 YEARS**  
AVERAGE YEARS OF  
SENIORITY

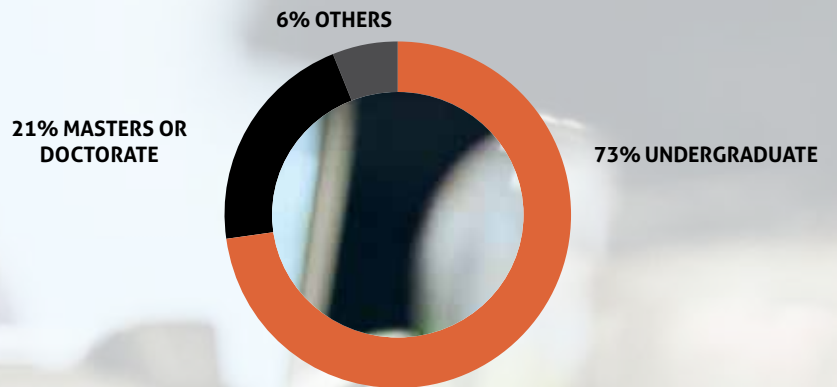
**73%** WITH AN  
UNDERGRADUATE DEGREE

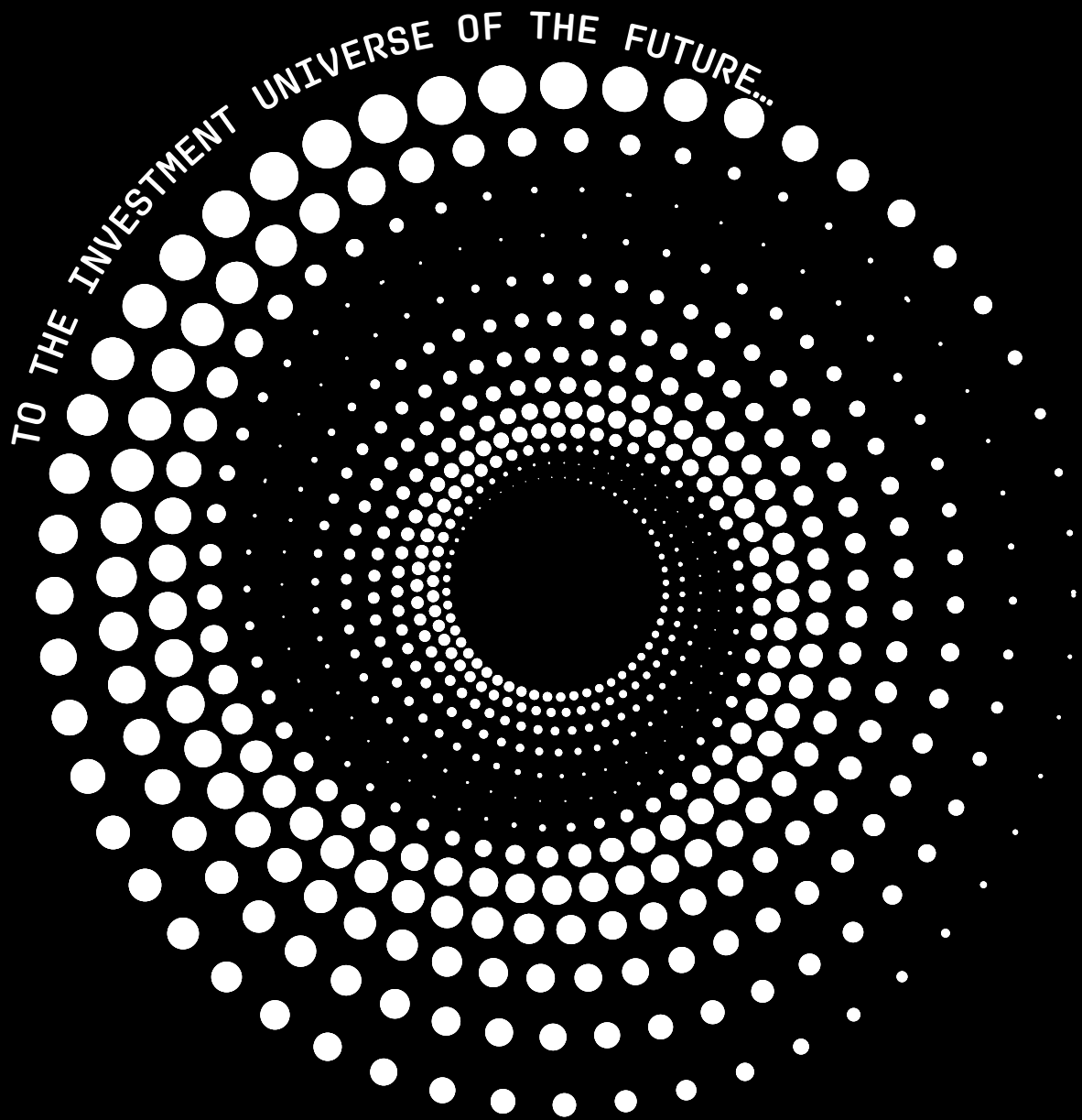
**21%** WITH A MASTERS  
DEGREE OR A DOCTORATE

GENDER BREAKDOWN  
(%)



EDUCATIONAL STATUS BREAKDOWN  
(%)

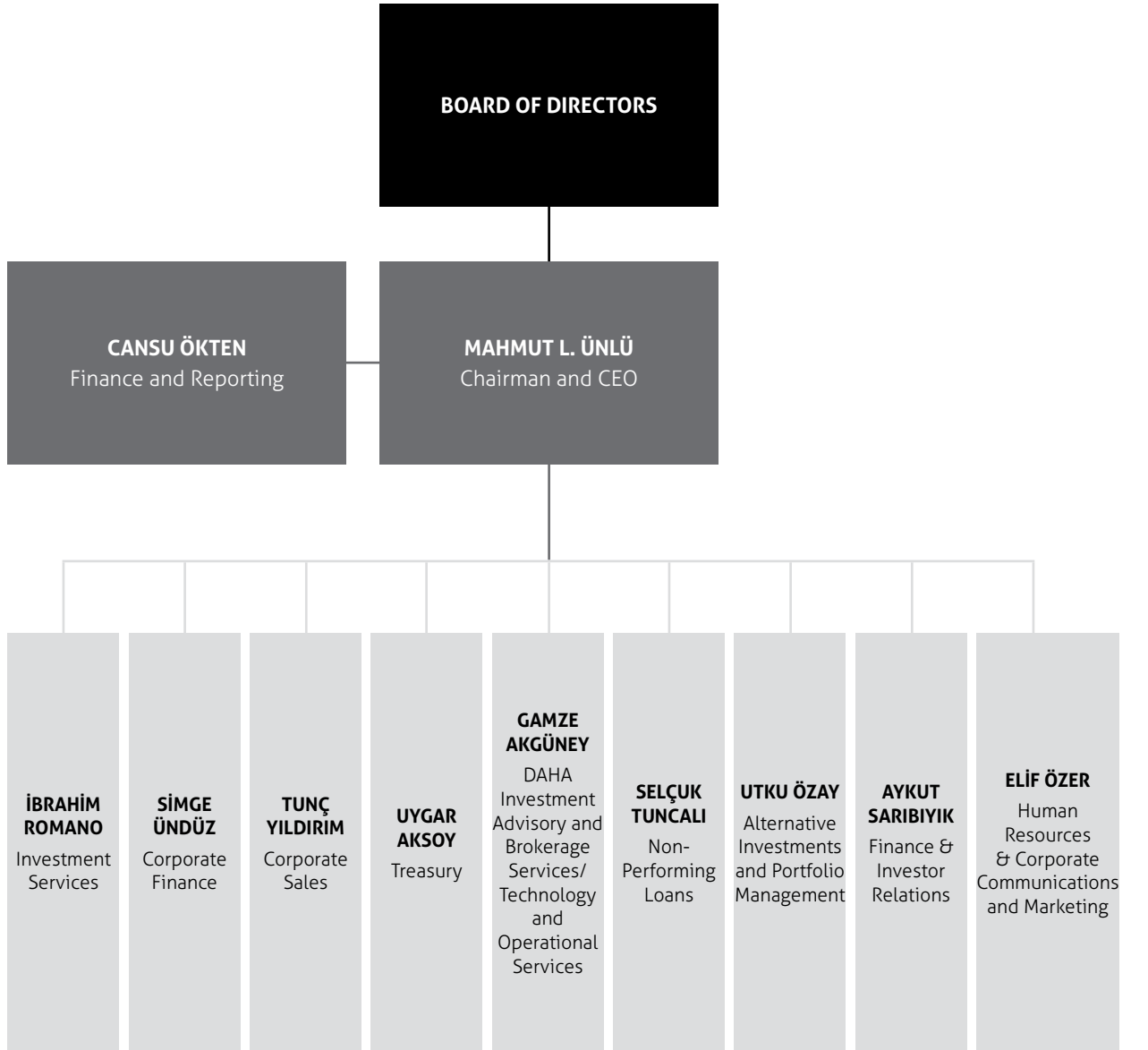




# DIGITALI- ZATION - TO CEMENT OUR SUS- TAINABLE SUCCESS

We keep pace with the times by effectively capitalizing on the opportunities presented by digitalization in the field of investment, an area where we have already made our mark with market-leading applications. With our timely and accurate solutions coupled with operational excellence, we continue to be the preferred choice among investors.

## ORGANIZATIONAL CHART



## **FINANCIAL RIGHTS GRANTED TO BOARD MEMBERS AND SENIOR EXECUTIVES**

Within the scope of the Capital Markets Board regulations, the Company's "Remuneration Policy," which includes all types of rights, benefits, and payments granted to members of the Board of Directors and senior executives, and the criteria used to determine thereof, was adopted by the Company's Board of Directors resolution dated 13.07.2021 and numbered 2021/38, posted on the Company's corporate website, and subsequently submitted for the information of the shareholders as a separate agenda item at the Ordinary General Assembly meeting for the 2020 accounting period dated 10.08.2021, enabling them to provide their opinions.

In the footnotes of the financial statements, payments made to members of the Board of Directors and senior executives are disclosed to the public collectively, consistent with general practices.

The Company does not engage in practices that will lead to conflicts of interest such as lending money, extending loans, and granting guarantees for the benefit of members of the Board of Directors and senior executives.

## INTERNAL SYSTEMS

ÜNLÜ & Co's actual area of activity involves operating in different sectors through its subsidiaries and affiliates; making investments in these various sectors and business lines; establishing collaborations and partnerships; as well as assisting and managing those subsidiaries. Therefore, the Company is indirectly subject to various regulations of different authorities that oversee diverse sectors. In this framework, Internal Systems organizations have been established and put into operation on a subsidiary basis within ÜNLÜ & Co Group, in compliance with the relevant legislation.

Internal Systems at ÜNLÜ & Co Group consist of Internal Audit, Internal Control, Compliance, and Risk Management organizations. These units, under the ultimate responsibility of the Company's Board of Directors, carry out the necessary measurement, evaluation, and reporting activities.

### RISK MANAGEMENT AT ÜNLÜ & Co GROUP

ÜNLÜ & Co's risk management approach covers the identification, measurement, evaluation, monitoring and mitigation of risks that it may be exposed to/is exposed to through its activities and subsidiaries, by working independently of executive units.

Basically, the Risk Management Department carries out proactive control and management activities for the market, credit, liquidity, and operational risk classes; and takes measures to mitigate, manage, or avert these risks.

Within the Group, it is the responsibility of the Risk Management Unit to communicate these risks, and, if necessary, take measures to mitigate the risks in question, while responsibility and accountability for taking these risks rests with executive business lines. ÜNLÜ & Co group aims for business lines and subsidiaries to perceive internal risks; mitigate the risks in line with the Group's risk tolerance; and thus draw up return and profitability plans in corporate and commercial decisions by considering them in conjunction with the risks taken.

In the context of Internal Systems, the duties of the Company's Board of Directors include setting a general limit for risks to be taken, based on ÜNLÜ & Co Group's risk appetite; defining ÜNLÜ & Co's risk limits and ensuring the monitoring and control of these limits; and taking the necessary actions through executive committees and/or committees subordinate to the board of directors, established to ensure these objectives. In this framework, pursuant to the Capital Markets Board's Corporate Governance Communiqué (II-17.1), an Early Detection of Risk Committee has been established by the Board of Directors to identify strategic, operational, financial, and all other risks that may endanger the existence, development, and continuity of the Company; implement necessary measures and remedial actions to that end; and manage the risks. The Risk Management Department makes significant contributions to the activities of the Early Detection of Risk Committee through its systematic and orderly works throughout the year.

### INTERNAL AUDIT AT ÜNLÜ & Co GROUP

Reporting to the Board of Directors, ÜNLÜ & Co Internal Audit Department carries out risk-based audit works covering all activities of the Group, taking into account statutory requirements, corporate internal objectives, and established policies and procedures of the Institution. At ÜNLÜ & Co Group, internal audit is viewed as an independent and objective advisory and assurance function aimed at improving the Group's activities and adding value to the Group. With this understanding, ÜNLÜ & Co Internal Audit Unit carries out systematic, organized, and disciplined works throughout the year to evaluate the effectiveness and to enhance the Group's risk management, control, and governance processes. As such, the Internal Audit Unit supports and assists the Group in achieving its business goals.

## **INTERNAL CONTROL AT ÜNLÜ & Co GROUP**

The purpose of ÜNLÜ & Co Internal Control system is primarily to protect the assets of the Company and its customers. In this context, Internal Control Unit seeks to ensure that all businesses and transactions within the Group, including outlying organizations, are carried out in accordance with the Group's corporate governance strategy and policies; that the processes and activities are performed in compliance with current legislation and rules; detect and prevent errors, fraud and irregularities that may jeopardize the integrity and reliability of the Group's account and record order; and ascertain that measures are taken to preclude the repetition of such errors and omissions.

## **COMPLIANCE WITH THE LEGISLATION AT ÜNLÜ & Co GROUP**

Management and monitoring of compliance risk, defined as the risk of being subject to legal sanctions, financial loss or loss of reputation as a result of non-compliance with applicable laws, regulations, codes of conduct or good practice standards, is carried out with the guidance of the Compliance Department.

Compliance Department develops policies for compliance risks that ÜNLÜ & Co Group companies may be exposed to; and regularly reviews and updates these policies in parallel with changes in legislation, operations and market conditions, and monitors their implementation.

Within the framework of its risk-based approach, ÜNLÜ & Co regularly reviews all businesses and high compliance risks that it is exposed to; and based on the findings, responds with remedial measures.

Committed to acting fairly and honestly, while also minding the interests of its clients and the integrity of the market as it conducts its compliance activities, ÜNLÜ & Co takes necessary administrative measures by creating an organizational structure to preclude potential conflicts of interest.

The Compliance Department also fulfils the obligations of ÜNLÜ & Co Group to comply with legislation on the Prevention of Laundering Proceeds of Crime, Financing of Terrorism, and Prevention of Terrorism Financing. The Department reports the results of the checks and risk monitoring to the Board of Directors on a regular basis.

As they perform their duties, ÜNLÜ & Co Group employees consider the Handbook on Compliance with Regulatory Authorities and the codes of conduct, which incorporates all the policies of ÜNLÜ & Co. Regular training and seminars are held on this topic within the Group.

## **STUDIES CONDUCTED IN RELATION TO INTERNAL CONTROL AND RISK MANAGEMENT**

ÜNLÜ Yatırım Holding A.Ş., a group of companies / different business activities, has implemented its Internal Systems function on a subsidiary basis in accordance with different legislation and obligations in the sub-sectors in which it operates. Meanwhile, after its IPO in 2021, the Company also embarked on a strategic initiative to enhance its compliance with corporate governance principles; and incorporated some actions into its strategic plans to raise the Company's corporate governance compliance to a best-practice level. In this framework, the Company plans to establish a higher Internal Systems Unit at the holding level that will coordinate all Internal Systems activities carried out at the Company's subsidiaries; ensure that these activities are carried out harmoniously; and present related reports to the Company's Board of Directors.

## **AMENDMENTS TO THE ARTICLES OF ASSOCIATION MADE DURING THE OPERATING YEAR**

None.

The current version of our Articles of Association is on our corporate website [https://www.unluco.com/assets/unlu\\_co/upload/files/Ek\\_1\\_Esas\\_Sozlesme-1398.pdf](https://www.unluco.com/assets/unlu_co/upload/files/Ek_1_Esas_Sozlesme-1398.pdf) and at the Public Disclosure Platform (KAP).

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## **DONATION POLICY**

There is a provision in the Articles of Association allowing our Company to make donations.

Our Company may make donations and contributions based on Board of Directors resolutions, within the scope of corporate social responsibility practices, within limits determined by the General Assembly, and without compromising its field of operation, provided that the donations in question do not contravene the concealed gain transfer regulations of the Capital Markets Law; necessary material disclosures are made; and shareholders are notified at the General Assembly about the donations made during the year.

It is essential that distributable profit generated as a result of the Company's activities is maximized to ensure the protection of shareholders' rights; and donations and contributions that diverge from this principle are avoided. No donation may be made in an amount exceeding the upper limit established by the General Assembly, and donations made within an accounting period are added to the net distributable profit base for the relevant accounting period.

Donations and contributions can be made in cash and/or in kind.

The Board of Directors is responsible for the implementation, refinement, and follow-up of this donation policy.

Shareholders are notified of amendments to be made to this Policy at the General Assembly meetings of the relevant accounting period.



## REMUNERATION POLICY

This remuneration policy defines the remuneration system and practices of our Board members and senior executives who have administrative responsibility within the scope of Capital Markets Board regulations.

In the remuneration of Board members and senior executives, the sector in which the Company operates, macroeconomic data, salary levels prevailing in the market, the magnitude and long-term goals of the Company are taken into account. The Board of Directors is advised on the basis of research and studies conducted by the Corporate Governance Committee.

### I) MEMBERS OF THE BOARD OF DIRECTORS

Members of the Board of Directors of our Company are paid a Board membership salary determined by the General Assembly on an annual basis.

When setting the remuneration levels of members of the Board of Directors, factors such as whether he/she is a managing director, executive director, responsibility he/she assumes in decision-making processes, knowledge, skills, competence, experience level he/she should have, the time he/she spends, the cost he /she incurs are taken into account; and comparisons are made with the remuneration levels of Board members of similar companies in the sector.

In remuneration of Independent Board members, care is taken to ensure that the remuneration is at a level that protects the independence of the members, payments based on stock options or the Company's performance, dividend payments are not made; no loans are given and no credit is extended to independent Board members. Expenses (i.e. transportation, telephone, insurance, etc.) incurred by members of the Board of Directors, in parallel with the contributions they make to the Company, may be covered by the Company.

### II. SENIOR EXECUTIVES AND EMPLOYEES

The senior executives and employees of our Company are paid the amount determined by the remuneration evaluation committee and approved by the Board of Directors in January every year.

When determining the "Senior Executives and Employees Remuneration Policy" of our Company, criteria such as the structure and competitive conditions of the sector at which the Company operates, salary surveys, ongoing activity, the prevalence of activity points, the level of knowledge required to sustain the activities, and the number of employees are taken into account.

Our Company considers the employees' individual contributions to the Company's performance. As a result of year-end performance evaluations conducted in accordance with the targets set at the beginning of each accounting period, the Company pays performance premiums based on the ranks and titles of eligible employees, and the Company's performance and the individual performance for that year.

The salaries of senior executives and employees are determined considering the knowledge, skills, competence, experience, cost incurred, scope of responsibility, and problem-solving criteria required by the duty, within the framework of the Company's business diversity and volume. Thus, a remuneration policy that is fair within the Company, and competitive on a market basis, is ensured.

## REMUNERATION POLICY

In this framework, salaries and other benefits provided to senior executives and employees at our Company are detailed below.

- Salary: 12 salaries per year
- Premium: Performance premium
- Training: Provided to support employees' professional and personal development
- Benefits:
  - Food - Shopping - Gasoline support (applied on the basis of employee preference)
  - Private health insurance
  - Leaves
- Annual Paid Leave
- Wedding Leave
- Maternity Leave
- Moving Leave
- Bereavement Leave
- Administrative Leave
- Facilities provided to employees on a duty basis:
  - Car Allocation (Only to Board members)
  - Mobile Phone and Payment of Bills
  - Gasoline support

All elements of the salaries are personal and confidential. It is solely within the knowledge of the employee, his/her managers, and the Department of Human Resources. It is essential that the employee pays maximum attention to confidentiality and does not share this information with third parties or other Company Employees.

The total amounts determined as per the above principles and paid to Senior Executives and Board members during the year are reported to the shareholders at the following General Assembly meeting, in accordance with the provisions of the relevant legislation; and disclosed to the public within the framework of financial reports.

Human Resources and the Board of Directors are responsible for the implementation, refinement, and follow-up of this Remuneration Policy. All questions related to the implementation principles and procedures of this policy should be addressed to the Human Resources Department.

## INDEPENDENCE STATEMENTS OF BOARD MEMBERS

### ÜNLÜ YATIRIM HOLDİNG A.Ş. INDEPENDENCE STATEMENT OF BOARD MEMBER

I hereby declare that, with respect to ÜNLÜ Yatırım Holding A.Ş. (the "Company");

- No employment relationship in an executive position with important duties and responsibilities has been established within the past five years between me, my spouse and my relatives by blood or by marriage up to second degree and the Company, partnerships which the Company controls the management of or has material influence over or shareholders who control the management of or have material influence over the Company and legal entities which these shareholders control the management of; nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,
- Within the last five years, I have not been a shareholder (5% or more), nor held an executive position with significant duties and responsibilities, nor served as a Board member in any company from which the Company procures goods or services from or sells goods or services to in significant volumes, within the framework of contracts executed between them, during the periods these products or services were sold or purchased, including particularly those companies providing auditing (including tax audit, legal audit and internal audit), rating and consultancy services to the Company,
- I have the professional education, knowledge and experience necessary to duly undertake the duties I shall assume due to my position as an independent Board member,
- I was not working/ will not work full-time in public institutions or organizations (except for university faculty membership, in accordance with applicable legislation) as of the date I was nominated and, if I am elected, during my tenure,
- I am considered a resident in Turkey according to the Income Tax Law (n.193) dated 31/12/1960,
- I have strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company's operations, maintaining my neutrality in possible conflicts of interest between the Company and its shareholders, and decide independently by taking into consideration the rights of stakeholders,
- I will dedicate adequate time to the affairs of the Company to be able to monitor the conduct of the Company's operations and to duly perform my duties at the Company,
- I have not acted as Board Member for more than six years within the last ten years at the Board of Directors of the Company,
- I am not serving as an independent board member at more than three companies controlled by the Company or by shareholders having management control over the Company, and at more than five listed companies in total,
- I am not registered and declared on behalf of a legal entity elected as a member of the Board of Directors,
- I will immediately notify the Company's Board of Directors and resign from my position in case of an occurrence that removes my independence.

Mine Yıldız Günay

## INDEPENDENCE STATEMENTS OF BOARD MEMBERS

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- Within the last five years, I have not been a shareholder (5% or more), nor held an executive position with significant duties and responsibilities, nor served as a Board member in any company from which the Company procures goods or services from or sells goods or services to in significant volumes, within the framework of contracts executed between them, during the periods these products or services were sold or purchased, including particularly those companies providing auditing (including tax audit, legal audit and internal audit), rating and consultancy services to the Company,
- I have the professional education, knowledge and experience necessary to duly undertake the duties I shall assume due to my position as an independent Board member,
- I was not working/ will not work full-time in public institutions or organizations (except for university faculty membership, in accordance with applicable legislation) as of the date I was nominated and, if I am elected, during my tenure,
- I am considered a resident in Turkey according to the Income Tax Law (n.193) dated 31/12/1960,
- I have strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company's operations, maintaining my neutrality in possible conflicts of interest between the Company and its shareholders, and decide independently by taking into consideration the rights of stakeholders,
- I will dedicate adequate time to the affairs of the Company to be able to monitor the conduct of the Company's operations and to duly perform my duties at the Company,
- I have not acted as Board Member for more than six years within the last ten years at the Board of Directors of the Company,
- I am not serving as an independent board member at more than three companies controlled by the Company or by shareholders having management control over the Company, and at more than five listed companies in total,
- I am not registered and declared on behalf of a legal entity elected as a member of the Board of Directors,
- I will immediately notify the Company's Board of Directors and resign from my position in case of an occurrence that removes my independence.

Özlem Yeşildere

## LEGAL EXPLANATIONS

### Capital and Shareholding Structure

The shares of our Company are divided into Group A and B. Each Group A registered share has 5 voting rights at the General Assembly. However, in decisions regarding amendments to Articles of Association, release, and filing of a liability lawsuit, Group A shares have five voting rights, and Group B shares have one voting right.

Voting rights of our shareholders, considering the privileged shares, are tabulated below:

Shareholder	Share in Capital (TL)	Share in Capital (%)	Voting Right Ratio (%)
MAHMUT LEVENT ÜNLÜ	113,235,595	64.71	84.38
THE WELLCOME TRUST LIMITED AS THE TRUSTEE OF THE WELLCOME TRUST	13,498,188	7.71	3.41
OTHER	48,266,217	27.58	12.21
<b>TOTAL</b>	<b>175,000,000</b>	<b>100</b>	<b>100</b>

### Information about significant changes in the shares of subsidiaries in the financial fixed assets of ÜNLÜ Yatırım Holding A.Ş. in 2022

In determining the controlling power, existing and convertible voting rights, directly or indirectly, are taken into account. The financial statements of the subsidiaries are presented in consolidated financial statements, from the establishment date to the termination date of controlling power.

The following table presents all direct and indirect subsidiaries, and other companies under consolidation as of 31 December 2022 and 2021, along with their share ratios:

Company Name	Country	Functional Currency	Main area of activity and its section	Ultimate Share	
				31 December 2022	31 December 2021
<b>Subsidiaries</b>					
ÜNLÜ Menkul Değerler A.Ş. ("ÜNLÜ Menkul") <sup>(1)</sup>	Turkey	TL	Brokerage services	100.00%	100.00%
ÜNLÜ Portföy Yönetimi A.Ş. ("ÜNLÜ Portföy")	Turkey	TL	Portfolio management	100.00%	100.00%
Plato Finansal Danışmanlık Servisleri A.Ş. ("Plato Finans") <sup>(2)</sup>	Turkey	TL	Financial advisory	--	98.21%
İstanbul Varlık Yönetim A.Ş. ("İstanbul Varlık") <sup>(2)</sup>	Turkey	TL	Asset management	100.00%	100.00%
ÜNLÜ Securities Inc. ("ÜNLÜ Securities US") <sup>(1)</sup>	USA	USD	Brokerage services	100.00%	100.00%
ÜNLÜ Securities UK Limited ("ÜNLÜ Securities UK") <sup>(1)</sup>	UK	GBP	Brokerage services	100.00%	100.00%
ÜNLÜ Alternative Asset Management Ltd. ("UAAM")	Man Island	USD	Financial advisory	100.00%	100.00%
Turkish Alternative Investments Limited ("TAIL") <sup>(3)</sup>	Guernsey	TL	Investment company	100.00%	100.00%
ÜNLÜ Portföy Dokuzuncu Serbest (TL) Fon <sup>(4)</sup>	Turkey	TL	Fund	95.00%	--
ÜNLÜ Yazılım ve Teknoloji Hizmetleri A.Ş. ("ÜNLÜ Yazılım")	Turkey	TL	Software services	100.00%	--
<b>Subsidiaries valued by the equity method</b>					
ÜNLÜ LT Investments Limited Partnership ("ÜNLÜ LT") <sup>(3)</sup>	Guernsey	TL	Venture capital	4.76%	4.76%
212 Limited (Cayman Island)	Cayman Islands	USD	Venture capital	32.5%	32.5%

(1) ÜNLÜ Menkul has a 100% stake in both ÜNLÜ Securities Inc. and ÜNLÜ Securities UK Limited.

(2) With the decision of the Board of Directors dated 26 September 2022, and numbered 19, Plato Finansal Danışmanlık Hizmetleri A.Ş., registered with registry number 708921-0 at the Istanbul Trade Registry Office, was merged with İSTANBUL Varlık Yönetim A.Ş., by taking over as a universal successor through dissolution without liquidation, together with all assets and liabilities, on the basis of the balance sheet and records dated 30 June 2022.

(3) TAIL owns 4.76% of ÜNLÜ LT (31 December 2021: 4.76%).

(4) Fund established by ÜNLÜ Portföy Yönetimi A.Ş.

## LEGAL EXPLANATIONS

### **Information about Extraordinary General Assembly Meeting Held During the Year, If Any**

None.

### **Organizational Changes During the Year**

The current organizational structure of ÜNLÜ Yatırım Holding A.Ş. is presented on the relevant page of the annual report. In 2022, the following organizational changes took place:

The Managing Director in charge of the Corporate Finance department, Ms. Simge Ündüz, was appointed as a member of the Executive Board. The Managing Director responsible for the Corporate Sales department, Mr. Tunç Yıldırım, was appointed as a member of the Executive Board.

### **Disclosure on prohibition of transactions and competition with the Company for Senior Executives**

There are no transactions performed by members of the Board of Directors on their behalf or on behalf of someone else that contravene the prohibition of transactions with the Company. There are no transactions that infringe the prohibition of competition by members of the Board of Directors.

### **Subsidiary Report**

Pursuant to Article 199 of the Turkish Commercial Code No.6102, ÜNLÜ Yatırım Holding A.Ş. Board of Directors is responsible for issuing a report within the first 3 months of the operating year about the relations between the Company's controlling shareholder and the affiliates of the controlling shareholder in the previous operating year; and include the conclusion part of this report in the Annual Report.

In the Report dated 8 March 2023, prepared by ÜNLÜ Yatırım Holding A.Ş. Board of Directors, the following was stated: "It has been concluded that with respect to all transactions carried out between ÜNLÜ Yatırım Holding A.Ş. and its controlling shareholder and the subsidiaries of the controlling shareholder in 2022; in each transaction executed or measure taken or avoided, the consideration received was appropriate as per the conditions and circumstances then known to us; there were no measures that should have been taken or avoided that could give rise to damages to be suffered by ÜNLÜ Yatırım Holding A.Ş., and accordingly, there were no measures or actions to be taken for balancing purposes."

### **Information about the Company's acquisition of its own shares**

There were no additional share acquisitions in 2022.

### **Lawsuits filed against the Company that may affect the Company's financial position and activities, as well as their possible consequences**

Including those related to environmental, social, and corporate governance issues, there is no lawsuit filed against our Company material enough to affect the financial standing and activities of our Company.

### **Administrative or legal sanctions imposed on the Company or its executives due to actions in violation of the law**

There are no administrative or legal sanctions imposed on the Company or its executives due to actions in violation of the law.

### **Information on regulatory amendments with potentially material impact on the Company's activities**

ÜNLÜ Yatırım Holding A.Ş.'s actual field of activity involves operating in different sectors through participations and subsidiaries, making investments in these different sectors and business lines, establishing collaborations and partnerships, and helping these participations and managing them. In this framework, through its subsidiaries, the Company is subject to various regulations by several institutions that regulate and supervise financial sectors.

In 2022, the following significant legislative changes have been introduced in capital markets brokerage services, fund management, and asset management business lines, wherein the Company operates indirectly:

- 13 January 2022 – the CMB - Principle Decision numbered 2/56 dated 13 January 2022 on the establishment of the lists of Institutions Authorized to Value Assets Other than Real Estate in the Capital Market and Institutions Authorized to Valuation of Machinery and Equipment in the Capital Market.
- 8 February 2022 – the CMB - Communiqué on Remote Identification Methods to be Used by Brokerage Institutions and Portfolio Management Companies and Establishment of Contractual Relations in Electronic Media (III-42.1)
- 8 February 2022 - the CMB - Communiqué Amending the Communiqué on Documents and Recording Order Regarding Investment Services and Activities and Ancillary Services (III-45.1.b)

It was necessary to carry out changes to the document recording the order of investment services and activities by taking into account the risks arising from the use of remote identification and distance contracting services, the availability of new control areas for technological infrastructure, management components of information systems and new recording factors such as video used in customer identification.

- 9 March 2022-TCMA (Turkish Capital Markets Association)- General Letter No. 860 on the Decision on the Implementation of the Document Recording Communiqué

Capital Markets Board letter on the implementation of the provisions regarding verification of identity and transaction security of the Communiqué No. III-45.1 on Documents and Recording Order Regarding Investment Services and Activities and Ancillary Services

- 9 August 2022- Revenue Administration - General Communiqué on Bringing Certain Assets into the Economy (Serial No: 1)
- 17 November 2022 – the Ministry of Treasury and Finance - MASAK (Financial Crimes Investigation Board of Turkey) General Communiqué on measures regarding Publicly Exposed Persons ("PEP") (Sequence No: 21)
- 17 November 2022 – TCMA - Gold-Backed Mint Certificates Started Trading on the Borsa Istanbul
- 30 November 2022 - Announcement No. 12921 on Amendments in Market Making Rules and Other Operating Principles on the BIST - VIOP

In addition to these important changes, since the Company is a publicly-traded company whose shares are traded on Borsa Istanbul, it is also subject to the regulations of the Capital Markets Legislation and regulations of the Capital Markets Board.

### **Information on conflicts of interest between the Company and service providers such as investment advisors and rating agencies, and measures taken by the Company to prevent such conflicts of interest**

There have been no issues that could lead to conflicts of interest between the Company and the institutions from which it receives services such as investment advisory and rating.



## LEGAL EXPLANATIONS

### Information on amendments to the Articles of Association made during the operating year

None.

### Evaluation under Article 376 of the Turkish Commercial Code

Whether or not the Company's capital is uncovered as per Article 376 of the Turkish Commercial Code has been evaluated. Accordingly, it has been established that as of 31 December 2022, the Company's issued capital is TL 175,000,000; and that the shareholders' equity of TL 894,379,616 owned by the parent company as of the same date exceedingly protects the Company's assets. The Company's debt structure in proportion to its shareholders' equity was also deemed convenient for the continuation of its activities in a sound manner.

### Developments that Occurred After the End of the Accounting Period

An earthquake struck the south-eastern part of Turkey which has severely affected many of our provinces. Given that the exact severity of the earthquake, which caused death and injury to thousands of people, is currently uncertain, work is continuing to measure its impact on the Company's operations and financial condition.

On 7 February 2023, the Capital Markets Board granted permission for the opening a branch in Muratpaşa/Antalya under the title of "ÜNLÜ Menkul Değerler A.Ş. Antalya Branch". Work in preparation of the opening of the branch has got underway.

The company applied to the Capital Markets Board for permission to increase the registered capital ceiling of our Subsidiary, ÜNLÜ Portföy Yönetimi A.Ş., from TL 10,000,000 to TL 50,000,000 on 8 March 2023.

The decision was taken to increase the issued capital of our Subsidiary, ÜNLÜ Yazılım ve Teknoloji Hizmetleri A.Ş. from TL 1,000,000 to TL 5,000,000. This was registered and announced in issue number 10772 of the Turkish Trade Registry Gazette dated 3 March 2023.

The regulation abolishing the retirement age requirement for employees who entered employment before 8 September 1999 was published in the Official Gazette on 3 March 2023. Accordingly, those who completed the prerequisite number of premium days and the insurance period among the relevant employees gained entitlement to retire. This arrangement is expected to have an impact on the timing and probability of settlement of severance payments. Work to measure the effects of the relevant regulation on the Group's financial position or performance is ongoing.

The Board of Directors took a decision on 15.02.2023 to determine the maximum amount of funds as TL 35,000,000 and to determine that shares not exceeding a maximum of 5,000,000 be repurchased over a period not exceeding 3 months, with the funds to be allocated from the shareholders' equity of our Company, in order to support healthy price formation of the Company stock value in the stock market. The decision took into account the principal decision of the Capital Markets Legislation and the Capital Markets Board with regard to the stock repurchase transactions, as set out in bulletin numbered 2023/10 dated 14 February 2023. In this context, shares with a nominal value of TL 100,000 representing 0.057% of the capital of Ünlü Yatırım Holding A.Ş. were repurchased.

### Private and Public Audits Conducted in 2022

One limited tax inspection and Central Counterparty member inspection carried out by Takasbank was completed at ÜNLÜ Menkul Değerler A.Ş., a subsidiary of ÜNLÜ Yatırım Holding A.Ş., in 2022.

### Donations and aids

The donations made by the Company in 2022 amounted to TL 563,680.

## CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

Within the scope of Capital Markets Board's (CMB) decision dated 10.01.2019 and numbered 2/49 and CMB Corporate Governance Communiqué numbered SPK II-17.1, the format to be used by companies required to prepare a Corporate Governance Principles Compliance Report was redefined.

Our company's shares started to be traded on the Star Market from 7 June 2021. Corporate Governance Compliance Reporting for the period 1 January 2021 - 31 December 2021 and 1 January 2022 - 31 December 2022 was prepared in the form of a "Corporate Governance Compliance Report (URF)" and "Corporate Governance Information Form (KYBF)" in accordance with the aforementioned format and published on the Public Disclosure platform. The aforementioned notifications regarding the year 2022 may be accessed from the links at <https://www.kap.org.tr/Bildirim/1122486> and <https://www.kap.org.tr/Bildirim/1122484>.

Our company complied with the mandatory principles of the CMB Corporate Governance Principles during its public offering process in 2021 and in 2022, and demonstrated maximum care in complying with the non-obligatory principles. Work continues to ensure compliance. Necessary work to ensure that the current English version of the Company's website is exactly the same as the Turkish version was completed in 2022.

The following are the main principles that have not yet been fully complied with as of 31 December 2022 from among discretionary Corporate Governance Principles as per the regulation. The principles that have not yet been implemented have not led to any conflicts of interest among stakeholders.

Regarding principle numbered 1.3.10., a separate agenda item is included in the general assembly agenda for donations made. Only details of donations of high amounts are explained in the general assembly information document, taking into account the materiality limit.

Concerning principle no. 1.3.11, announcements regarding the general assembly meeting are in accordance with legal regulations and no additional invitations are sent. On the other hand, there is no prohibition impeding stakeholders' participation without taking the floor in general assembly meetings, provided that they notify their participation.

Concerning principle no. 1.4.2, voting rights have been granted in our Articles of Association, as set out in the "Legal Explanations" section of the Annual Report. Considering that the said voting rights also existed at the initial public offering of the Company and that there are no voting rights that will make a difference in terms of the representation of the holders of public shares in the management, no change is planned to the structure in question.

Concerning principle no. 1.5.2; minority rights have not been awarded to those with less than one-twentieth of the capital in the Articles of Association; however, in parallel with general practices, rights are awarded within the framework of general provisions in legal regulations on minority shareholders. No requests have been received from investors about this issue, and there are no plans for a change in this regard anytime soon.

Concerning principle no. 1.7.1., principles for the transfer of shares have been regulated in Article 9 of our Articles of Association, where restrictions have been imposed on the transfer of group A shares that are not traded on the stock exchange, though there are no practices that make it difficult or provisions that restrict the transfer of group B shares that are traded on the stock exchange. Since current restrictions are intended for the transfer of non-public privileged shares, no changes are planned in the future.

Concerning principle no. 3.2.1., there is no provision in the internal regulation of the Company or the Articles of Association for the participation of stakeholders, mainly employees of the Company, in the Company's management. Developing an arrangement to address this issue will be considered in the coming periods. On the other hand, recommendations for improvement are being received through internal communication and information meetings from employees. At the stage of making the Company's decisions, the opinions of middle- and senior-level managers are solicited, when necessary, and solution-focused assessments are made.

## CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

Concerning principle no. 3.3.5., important decisions that may affect the Company's employees (such as performance and remuneration) are announced to the employees. However, the Company's employees are not members of any trade unions.

Concerning principle no. 4.1.2., there is an agenda for the Company's Board of Directors meetings, though no minutes are kept. Therefore, this principle is partially complied with. From a Corporate Governance standpoint, no conflicts of interest or adverse situations have been observed in practice to date, and continuation of the same practice is planned for the coming period.

Concerning principle no. 4.2.3., the Company's subsidiaries have internal control systems in accordance with the legislation to which they are subject; however, the Company does not have a separate internal control system. Nevertheless, the Company has already initiated the preparations for establishing an internal control system.

Concerning principle no. 4.2.5., since the Company commands the competence, extensive knowledge, and experience in its areas of activity, the duties of Chair of the Board of Directors and CEO (General Manager) are performed by the same person.

Concerning principle no. 4.4.2., although there is no such regulation on the functioning of the board of directors, necessary information and documents are sent to the members before the meeting.

Concerning principle no. 4.4.5., there has been a long-standing practice in our Company regarding how Board of Directors meetings are to be held, though there is no specific written regulation on this matter.

Concerning principle no. 4.4.7., given the significant contributions of the sectoral experiences of members of the Board of Directors to our Company, no restrictions have been imposed on their assuming other positions outside the Company. The resumes of members of the Board of Directors are included in our annual report. Considering the effective works of the Board of Directors, no changes to this practice, which conceivably raises no corporate governance issues, are envisaged in the short term.

Concerning principle no. 4.5.5., given that chairpersons of the committees must be independent members; all members of the audit committee must be independent members; the chief executive officer/general manager cannot serve at the committees, and considering the knowledge and experience of members of the board of directors, some of our board members are assigned to more than one committee. In view of the effective functioning of the committees, to which Board members contribute with their knowledge and experience, the current committee structure is viewed conducive to efficient work, implying no need for revisions in the short term.

Concerning principle no. 4.6.1., the annual report of the Company's Board of Directors provides explanations as to whether the targets set in previous periods have been achieved. There is no separate performance evaluation. No adverse situation has been experienced as a result of the current practice, and no changes are planned to this practice in the coming period.

Concerning principle no. 4.6.5., salaries and all other benefits provided to members of the Board of Directors and managers with administrative responsibilities are disclosed to the public through the annual report. The payments made are disclosed collectively to the public, in line with the general practice.

## STATEMENT OF COMPLIANCE WITH SUSTAINABILITY PRINCIPLES

In accordance with the "Sustainability Principles Compliance Framework" published by the Capital Markets Board (CMB), compliance with the sustainability principles for newly publicly offered companies should be included in the following year's annual report, including data of the year following the public offering. In this framework, our efforts to comply with sustainability principles are, for the first time, included in the annual report for the year 2022, following the year 2021 when the Company went public.

While performing its sustainability activities, our company pays attention to compliance with the basic principles specified in the CMB's Sustainability Principles Compliance Framework, closely monitors best practices in this field and carries out its activities with the aim of the highest level of compliance possible with generally accepted best practices in this field.

The activities carried out in the field of sustainability are primarily aimed at compliance with the principles specified in the non-mandatory "Sustainability Principles Compliance Framework" prepared by the CMB with the principle of "comply or explain".

Our company is planning to step up its work on sustainability in order to evaluate the Environmental, Social and Economical impacts of the Company's activities and to comply with the standards in this field, in order to ensure maximum compliance with principles which have not yet been fully complied with, contributing to the goal of creating sustainable value.

The report setting out our company's compliance with the Sustainability Principles Compliance Framework for the 2022 operating period was published on the Public Disclosure Platform, and the report can be accessed from the link below.

Sustainability Principles Compliance Report: <https://www.kap.org.tr/tr/Bildirim/1122487>

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## RELATIONS WITH SHAREHOLDERS AND INVESTOR RELATIONS

Information on relations with shareholders and investor relations is given under the "Investor Relations" section of this report.

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## GENERAL ASSEMBLY MEETINGS

The Company's Annual General Meeting (AGM) for 2021 was held at the Company's head office at the address of Ahi Evran Street, Polaris Plaza B Blok, No: 21, Floor: 1 – 34485 – Maslak, Sarıyer, İSTANBUL on 25 February 2022, in accordance with the applicable legislation, articles of association and in accordance with other internal company regulations. The AGM, which can be attended electronically through the Electronic General Assembly System (EGAS), in addition to physical participation, was held with a meeting quorum of 73.253%.

The call for the 2021 Annual General Meeting was made at the Turkish Trade Registry Gazette, the CRA's Electronic General Assembly System (EGKS), the PDP, and on the Company's website ([www.unluco.com](http://www.unluco.com)), where the date, place, and agenda of the meeting were indicated at least 3 weeks before the meeting date, within the legal time limit. Upon announcement of the general assembly meeting, the notifications and disclosures that the Company must make in accordance with the legislation, as well as the General Assembly Information Document prepared pursuant to principle no. 1.3.1. of the Corporate Governance Principles, implementation of which is compulsory, were published on the PDP, the Company's website, and the CRA's Electronic General Assembly System.

No Extraordinary General Meeting took place in 2022.

## INFORMATION ON BOARD OF DIRECTORS

### Structure and Activities of the Board of Directors

<b>Members of the Board of Directors</b>	<b>Duty - Executive/Non-Executive/Independent Member</b>
Mahmut Levent Ünlü	Chair of the Board of Directors - CEO- Executive
Can Ünalın	Vice Chair of the Board of Directors - Non-executive
Şebnem Kalyoncuoğlu Ünlü	Member of the Board of Directors - Non-executive
İbrahim Romano	Member of the Board of Directors - Executive
Özlem Yeşildere	Member of the Board of Directors - Non-Executive - Independent Member
Mine Yıldız Günay	Member of the Board of Directors - Non-Executive - Independent Member

As per the provisions of the Corporate Governance Communiqué, the duties of the Nomination Committee are performed by the Corporate Governance Committee. Ms. Özlem Yeşildere and Ms. Mine Yıldız Günay were elected as Independent Board members at the Ordinary General Assembly of our Company held on 10.08.2021. The Board of Directors met 15 times in 2022 and a total of 20 decisions were taken at the meetings in question. Members have largely participated in the meetings. Meeting attendance and convocations are essentially called upon when required by the Company's business, and the Board of Directors subsequently convenes.

### Number, Structure, and Independence of the Committees Established under the Board of Directors

<b>Audit Committee Members</b>	<b>Duty at the Committee - Qualifications (Executive/Non-Executive/Independent Member)</b>
Özlem Yeşildere	Committee Chair
Mine Yıldız Günay	Committee Member

<b>Corporate Governance Committee Members</b>	<b>Duty at the Committee - Qualifications (Executive/Non-Executive/Independent Member)</b>
Mine Yıldız Günay	Committee Chair
Özlem Yeşildere	Committee Member
(*) Süleyman Aykut Sarıbiyık	Committee Member - Executive Member

(\*) Within the framework of Article 11 of the Corporate Governance Communiqué numbered SPK II-17.1, the Investor Relations Department Manager was assigned to the Corporate Governance Committee.

<b>Early Detection of Risk Committee Members</b>	<b>Duty at the Committee - Qualifications (Executive/Non-Executive/Independent Member)</b>
Mine Yıldız Günay	Committee Chair
Özlem Yeşildere	Committee Member
Can Ünalın	Committee Member

### Duties and Working Principles Related to Board of Directors Committees

Duties and working principles related to Board of Directors Committees have been published and disclosed to the public at the Public Disclosure Platform, and the "Investor Relations" page at [www.unluco.com](http://www.unluco.com).

### Corporate Governance and the Committees Operating under the Board of Directors

Detailed explanations about Corporate Governance and the Committees Operating under the Board of Directors are provided in this Annual Report, under the title "Corporate Governance and Committees Operating under the Board of Directors."

### Information on Duties Performed by Board Members and Executives

Since our Company belongs to the Third Group based on the list published by the Capital Markets Board within the scope of the Corporate Governance Communiqué, 2 Independent Board Members are sufficient. As such, there are 2 Independent Board Members in our Company. Due to the requirement of assigning committee chairpersons as independent board members, Ms. Mine Yıldız Günay is the chairperson of the Corporate Governance Committee and the Early Detection of Risk Committee, while Ms. Özlem Yeşildere is the chairperson of the Audit Committee.

### Duties Performed by Board Members and Executives outside the Company

Members of the Board of Directors	Current Duties Outside the Company
İbrahim Romano	Borusan Mannesmann Boru Sanayi ve Ticaret A.Ş.- Independent Board Member
Şebnem Kalyoncuoğlu Ünlü	Akfen Yenilenebilir Enerji A.Ş. - Independent Board Member
Özlem Yeşildere	Mey İçki Sanayi ve Ticaret A.Ş.- Director of Finance and Digital Transformation, Chairperson of the Board of Directors of YenidenBiz Association

## CORPORATE GOVERNANCE AND COMMITTEES OPERATING UNDER THE BOARD OF DIRECTORS

To ensure that the Board of Directors soundly performs its duties and responsibilities, the Company has established the "Audit Committee," "Early Risk Detection Committee," and "Corporate Governance Committee," in accordance with the "Corporate Governance Communiqué" numbered II-17.1, prepared for compliance with Capital Markets Law (CML) No. 6362. In addition, the Company in accordance with the relevant articles of the communiqué has not established a "Nomination Committee" or a "Remuneration Committee" and has decided that the Corporate Governance Committee undertake the duties these committees should perform.

The Company has passed Board of Directors Resolutions regarding scope of duties, working principles, and members of these committees working under the Board of Directors and disclosed them on the Public Disclosure Platform (PDP), in accordance with the communiqué.

The organizational structures, chairpersons, and members of these committees are as follows:

- Due care was exercised not to entrust the Chief Executive Officer of the Company with duties on these committees.
- In 2022, all Committees under the Board of Directors fulfilled their duties and responsibilities within the scope of the Corporate Governance Principles and their own working principles.
- These committees operating under the Board of Directors were convened in accordance with their work plans, each of which was determined separately.
- All committees sought the opinions of the Company's managers as well, when necessary, during their meetings and works.
- All three committees submitted their evaluation reports, which contain information about the works they carried out during the year, to the Board of Directors, at regular intervals. The Board of Directors believes that the expected benefit has been derived from the works of the Board of Directors Committees.
- The activities of the Audit Committee, the Early Detection of Risk Committee, and the Corporate Governance Committee operating under the Board of Directors are detailed below.

### **Working Principles and Activities of the Audit Committee**

Working principles of the Audit Committee are available on the Company's website.

Information about the activities of the Committee is summarized below:

The Audit Committee oversees the compliance of the Company's accounting and reporting systems with applicable laws and regulations, public disclosure of financial information, and the effective functioning of the independent audit and internal control system.

This Committee convenes at least four times a year and at least once quarterly.

The Committee reports minutes of meeting resolutions to the Board of Directors.

On 10.08.2021, the Board of Directors decided that the Audit Committee should consist of 2 independent members of the Board of Directors, thereby appointing Ms. Özlem Yeşildere as chairperson, and Ms. Mine Yıldız Günay as member.

In 2022, the Audit Committee held a meeting where audit-related activities, especially compliance with tax regulations, were evaluated; and passed two resolutions presenting its written opinions on independent auditor selection, and fairness and accuracy of the annual and interim financial reports to be disclosed to the public and compliance thereof with the accounting principles applicable to the Company.



### **Working Principles and Activities of the Corporate Governance Committee**

Working principles of the Corporate Governance Committee are available on the Company's website.

The Corporate Governance Committee establishes whether corporate governance principles are being implemented; if not, determines the reasons thereof, as well as the conflicts of interest arising from any lack of full compliance with these principles; and makes recommendations to the Board of Directors to improve the corporate governance practices.

The Committee convened six end-of-term meetings in 2022.

On 10.08.2021, the Board of Directors decided that the Corporate Governance Committee should consist of 3 members, thereby appointing independent Board member Mine Yıldız Günay as chairperson; and Özlem Yeşildere and Süleyman Aykut Sarıbiyık as members.

In 2022, the Corporate Governance Committee:

- Evaluated the Company's corporate governance practices and the Corporate Governance Principles Compliance Report,
- Presented information to the Board of Directors about the activities of the Investor Relations Department,
- Received information from the Human Resources Directorate regarding the remuneration of members of the Board of Directors and senior managers, and benefits provided thereto,
- Submitted its recommendations and suggestions on such issues to the Board of Directors.

### **Working Principles and Activities of the Early Detection of Risk Committee**

Working principles of the Early Detection of Risk Committee are available on the Company's website.

The Board of Directors decided that this committee, established on 10.08.2021 as per a decision to this effect, should consist of two members, thereby appointing Mine Yıldız Günay, an independent member of the Board of Directors, as chairperson; and Özlem Yeşildere as member. The Company's Chief Financial Officer is permanently invited to this committee's works.

In 2022, Early Detection of Risk Committee:

- Convened twice in order to obtain information and evaluate early detection, evaluation, calculation of the effects and possibilities of all kinds of strategic, operational, financial, legal, and other risks that may endanger the existence, development, and continuity of the Company; managing, reporting these risks in accordance with the Company's corporate risk-taking profile; implementing the necessary measures related to the identified risks, ensuring that they are taken into account in decision-making mechanisms, and creating and integrating effective internal control systems to that effect.
- Conducted studies to evaluate the Company's information security policy and measures that can be adopted.
- Submitted studies to the Board of Directors under these topics, providing its recommendations and suggestions.

In the report prepared by EY Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. on 8 March 2023, it was concluded that ÜNLÜ Yatırım Holding's early risk detection system and Risk Management Committee were sufficient, in all significant aspects, within the framework of Article 378 of the Turkish Commercial Code.



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Güney Bağımsız Denetim ve SMMM A. Ş.  
Maslak Mah. Eski Büyükdere Cad.  
Orjin Maslak İş Merkezi No: 27 D: 57  
34485 Sarıyer/İstanbul TÜRKİYE

Tel: +90 212 315 3000  
Fax: +90 212 230 8291  
ey.com  
Ticaret Sicil No : 479920  
Mersis No: 0-4350-3032-6000017

## AUDITOR'S REPORT ON EARLY RISK DETECTION SYSTEM AND COMMITTEE

To the Board of Directors of ÜNLÜ Yatırım Holding A.Ş.,

We have audited the early risk detection system and committee established by ÜNLÜ Yatırım Holding Anonim Şirketi.

### Responsibility of the Board of Directors

Under subparagraph 1 of Article 378 of the Turkish Commercial Code ("TCC") No. 6102, the Board of Directors is required to form an expert committee, and to run and develop the necessary system for early identification of causes that jeopardize the existence, development, and continuity of the company; applying the necessary measures and remedies in this regard; and managing the related risks.

### Responsibility of the independent Audit Firm

Our responsibility is to reach a conclusion, based on our audit, on the early risk detection system and committee. Our audit was conducted in accordance with TCC and "Principles on Independent Auditor's Report on the Early Risk Detection System and Committee" issued by the Public Oversight, Accounting and Auditing Standards Authority. Those Principles require us to identify whether the company established the early risk detection system and committee or not; and if established, require us to assess whether or not the system and committee are functioning within the framework of Article 378 of TCC. The pertinence of the remedies with respect to risks suggested by the early risk detection committee and the applications implemented by the management in response to risks are not within the scope of our audit.

### Information Early Risk Detection System and Committee

The Company established an early risk detection system and a committee. The committee consists of 3 members. Within the January 1 – December 31, 2022 period, the Committee submitted to the Board of Directors the reports it prepared for early detection of factors that endanger the existence and development of the Company; implementation of necessary measures and remedies thereto; and risk management.



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### Conclusion

Based on our audit, it has been concluded that the early risk detection system and committee of ÜNLÜ Yatırım Holding Anonim Şirketi are sufficient, in all significant aspects, in accordance with Article 378 of TCC.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited



Enre Çelik SMMM  
Partner

March 8, 2023  
Istanbul, Turkey

## CREDIT RATING

The company was assessed by JCR Eurasia in the report published on 31 August 2022.

In summary, the report assessed the following issues of the Company to be positive.

- Sustainable revenue and profit generation capacity with well-positioned subsidiaries and stable 'recurring income' generation,
- Robust liquidity metrics supported by high quality asset growth,
- A strong equity structure supported by stock issuance premiums and profitable operations,
- Diversified business lines and borrowing sources,
- A reputable partnership structure and deeply rooted relations with domestic and foreign individual and corporate customers,
- Significant sector experience and high level of compliance with Corporate Governance Principles,

In addition, the following issues were also mentioned in the same report:

- The fragility of risk appetite towards emerging markets and the intensive competition in the financial services sector,
- The relatively high sensitivity of the NPL management sector to legal regulations,
- Geopolitical risks and macroeconomic uncertainties which increase global uncertainties

In consideration of the above issues, the Long-Term National Institution Credit Rating for "Ünlü Yatırım Holding A.Ş." was revised from 'AA (tr)' to 'AA+ (tr)'. All other ratings are as follows.

Long Term National Institution Credit Rating	AA+ (tr) / (Stable Outlook)
Short Term National Institution Credit Rating	J1+ (tr) / (Stable Outlook)
Long Term International Foreign Currency Institution Credit Rating	BB / (Negative Outlook)
Long Term International Local Currency Institution Credit Rating	BB / (Negative Outlook)
Long Term National Issuance Rating	-
Short Term National Issuance Rating	-

## DIVIDEND DISTRIBUTION POLICY

Our Company's "dividend policy" is determined in accordance with the provisions of the Turkish Commercial Code, the Capital Market legislation, the Tax legislation, and other relevant legal legislation, as well as the decision taken at the General Assembly upon the proposal of the Board of Directors pursuant to the provisions of the Articles of Association of our Company.

The Company aims to distribute up to 25% of its distributable net profit in cash and/or shares. This policy shall be based on other funding requirements for future investments, industrial conditions, and the Company's financial situation. This policy shall be reviewed each year by the Board of Directors, taking into account domestic and global economic conditions, medium and long-term corporate growth and investment strategies and the cash needs of the Company.

The General Assembly makes a resolution specific to each financial year regarding dividends; profit distribution proposal is announced to the public in compliance with the regulations, and made accessible on the Company website. The proposal shall be accepted or rejected by the General Assembly. The dividends are equally distributed to all shares in the relevant accounting period, without taking issue and acquisition dates thereof into consideration.

Dividend distribution starts at a date that shall be set by the Board on the condition of having the authorization of the General Assembly, no later than the end of the year of the General Assembly meeting.

The Company shall consider whether to make advance dividend payments or distribute them in instalments of equal or varying amounts.

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## DIVIDEND DISTRIBUTION OFFER

Within the scope of the Company's articles of association and profit distribution policy and in accordance with the dividend distribution proposal table prepared for the relevant accounting period as of 09/06/2022, the decision was taken at the Company's Board of Directors meeting convened on 27 April 2022 to propose the distribution of a gross profit of TL 17,500,000.00 (TL 15,750,000.00), which corresponds to 22.45% of the total distributable net profit for the 2021 accounting period, and a gross cash dividend of TL 0.1000 (net TL 0.0900) per TL 1 nominally valued share to shareholders in cash within the framework of the principles stipulated in the legislation, to the Annual General Meeting for the 2021 accounting period together with the dividend distribution proposal table in the annex of the decision by discussion, and submit the proposal to the approval of the shareholders. The dividend distribution proposal was approved in the 2021 Annual General Meeting.

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## AGENDA OF THE ANNUAL GENERAL MEETING

The company's Annual General Meeting (AGM) for the 2022 operating period is planned to be held by the end of June 2023. The agenda of the AGM has not yet been determined. Necessary announcements regarding the AGM will be made in accordance with the relevant legislation.



Güney Bağımsız Denetim ve SMMM A.Ş.  
Maslak Mah. Eski Büyükdere Cad.  
Orjin Maslak İş Merkezi No: 27  
Daire: 57 34485 Sarıyer  
İstanbul - Türkiye

Tel: +90 212 315 3000  
Fax: +90 212 230 8291  
ey.com  
Ticaret Sicil No : 479920  
Mersis No: 0-4350-3032-6000017

(Convenience translation of a report originally issued in Turkish)

## INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the General Assembly of ÜNLÜ Yatırım Holding Anonim Şirketi

### 1) Opinion

We have audited the annual report of ÜNLÜ Yatırım Holding Anonim Şirketi ("the Company") and its subsidiaries ("the Group") for the period of January 1- December 31, 2022.

In our opinion, the consolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated financial statements and the information we obtained during the audit.

### 2) Basis for Opinion

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards (InAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Report* section of our report. We are independent of the Group in accordance with the *Code of Ethics for Independent Auditors* (Code of Ethics) as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3) Our Auditor's Opinion on the Full Set Consolidated Financial Statements

We have expressed an unqualified opinion in our auditor's report dated March 8, 2023 on the full set consolidated financial statements of the Group for the period of January 1- December 31, 2022.

### 4) The Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") of the Capital Market Board ("CMB"), the management of the Group is responsible for the following items:

- a) Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- b) Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.
- c) The annual report also includes the matters below:
  - Subsequent events occurred after the end of the fiscal year which have significance,
  - The research and development activities of the Group,
  - Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.





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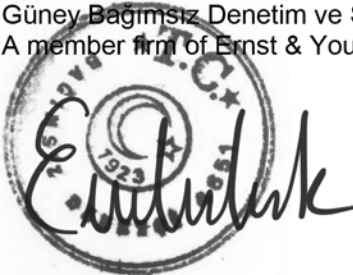
#### 5) Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the consolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's audited consolidated financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with InAS and the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated financial statements.

The name of the engagement partner who supervised and concluded this audit is Emre Çelik.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited



Emre Çelik, SMMM  
Partner

March 10, 2023  
İstanbul, Türkiye



## STATEMENT OF RESPONSIBILITY OF BOD REGARDING THE ANNUAL REPORT

**STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS REGARDING THE ANNUAL REPORT OF 2022 PREPARED IN ACCORDANCE WITH ARTICLE 9 OF THE SECOND PART OF CAPITAL MARKETS BOARD'S COMMUNIQUÉ ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS**

**RESOLUTION DATE: 10.03.2023**

**RESOLUTION NUMBER: 2023 / 08**

Annual Report for 01.01.2022 - 31.12.2022 prepared in accordance with the Communiqué No: II. 14.1 on Principles of Financial Reporting in Capital Markets ("Communiqué") by the Capital Markets Board ("CMB") and the Turkish Commercial Code approved by our Company's Board of Directors and the Audit Committee is enclosed.

We hereby accept and acknowledge that:

- a) The Annual Report for 01.01.2022 - 31.12.2022 is prepared by us,
- b) Based on the information that we have within the scope of our duties and responsibilities, the Annual Report together with the consolidated financial statements does not contain any inaccuracy in all material respects and is free of omissions that may be regarded as misleading as of the issue date,
- c) Based on the information that we have within the scope of our duties and responsibilities, Financial Statements prepared in accordance with the Communiqué present fairly the assets, liabilities, financial position, profit and loss, the progress and the performance of the business and financial status of the Company as well as of the companies included in the scope of consolidation together with the material risks and uncertainties.

Regards,

**ÜNLÜ YATIRIM HOLDİNG A.Ş.**

Özlem YEŞİLDERE  
Audit Committee Chair

Mine Yıldız GÜNAY  
Audit Committee Member

Gülden AKDEMİR  
Managing Director of Financial and Administrative  
Affairs

Can ÜNALAN  
Deputy Chairman of the Board of Directors

# STATEMENT OF RESPONSIBILITY OF BOD REGARDING THE FINANCIAL STATEMENTS

**STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS REGARDING THE APPROVAL OF THE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH ARTICLE 9 OF THE SECOND PART OF CAPITAL MARKETS BOARD'S COMMUNIQUÉ ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS**

**RESOLUTION DATE: 08.03.2023**

**RESOLUTION NUMBER: 2023 / 07**

The consolidated financial statements for 01.01.2022 - 31.12.2022 prepared in accordance with the Communiqué No: II. 14.1 on Principles of Financial Reporting in Capital Markets ("Communiqué") by the Capital Markets Board ("CMB") and in line with the formats determined by the Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS/TFRS") and the CMB approved by our Company's Board of Directors and the Audit Committee is enclosed.

We hereby accept and acknowledge that:

1. The consolidated financial statements for 01.01.2022 - 31.12.2022 have been reviewed by us;
2. Based on the information that we have within the scope of our duties and responsibilities, the consolidated financial statements does not contain any inaccuracy in all material respects and is free of omissions that may be regarded as misleading as of the issue date;
3. Based on the information that we have within the scope of our duties and responsibilities, the consolidated financial statements prepared in line with the applicable financial reporting standards present fairly the assets, liabilities, financial position and profit and loss and the financial status of the Company as well as of the companies included in the scope of consolidation together with the material risks and uncertainties and we are responsible for this statement.

Regards,

**ÜNLÜ YATIRIM HOLDİNG A.Ş.**

Özlem YEŞİLDERE  
Audit Committee Chair

Mine Yıldız GÜNAY  
Audit Committee Member

Gülden AKDEMİR  
Managing Director of Financial and Administrative  
Affairs

Can ÜNALAN  
Deputy Chairman of the Board of Directors

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

**CONSOLIDATED FINANCIAL STATEMENTS AS AT AND  
FOR THE YEAR ENDED 31 DECEMBER 2022 WITH  
INDEPENDENT AUDITORS' REPORT THERON**

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



Genel Yönetim Denetim ve Şuham A.Ş.  
Mimar Mah. Esra Beyazdere Cad.  
Oran Mahallesi Katmerli Sok. No: 17  
Daire: 57 34495 Sarıyer  
İstanbul - Türkiye

Tel: +90 212 315 3000  
Faks: +90 212 240 5291  
EY.com  
Ticaret Sicil No: 479920  
Mersis No: 0435046326000017

## INDEPENDENT AUDITOR'S REPORT

To the General Assembly of ÜNLÜ Yatırım Holding Anonim Şirketi

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

#### 1) Opinion

We have audited the consolidated financial statements of ÜNLÜ Yatırım Holding Anonim Şirketi (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards (TFRS).

#### 2) Basis for Opinion

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards (InAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 3) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

FINANCIAL INFORMATION



Key Audit Matter	How our audit addressed the key audit matter
<p><b>Determination carrying value of non-performing loans</b></p> <p>As of 31 December 2022 the Group has non-performing loans accounted under trade receivables account with total net present value of TL 224.832.145 (31 December 2021: TL222.679.036); disclosure related to non-performing loans is explained in note 8 of the accompanying consolidated financial statements.</p> <p>The reasons that we focused on this area during our audit are; materiality of non-performing loan amount and significant judgments, assumptions and estimates used by the Group Management in determining the future projections of non-performing loans and the discount rates used in the net present value calculations. Since the management’s estimates and assumptions can significantly affect the amount of non-performing loans in the statement of financial position, this area has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> <li>- Within the scope of the audit we carried out within this framework, we evaluated the judgements used by the Group in estimating and revising the future projections and the policies regarding the updates of these estimations when necessary</li> <li>- Within the scope of our audit, we obtained supporting evidences while having discussions with Group management and performed reviews on these documents. We recalculated net present values accounted in financial statements by using the discount rates determined at initial recognition.</li> <li>- In addition, we evaluated the sufficiency of the explanations in the disclosures that are the part of the consolidated financial statements.</li> </ul>

**4) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

**5) Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and InAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and InAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## **B) Report on Other Legal and Regulatory Requirements**

- 1) Auditors' report on Risk Management System and Committee prepared in accordance with paragraph 4 of Article 398 of Turkish Commercial Code ("TCC") 6102 is submitted to the Board of Directors of the Company on March 8, 2023.
- 2) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2022 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.
- 3) In accordance with paragraph 4 of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The name of the engagement partner who supervised and concluded this audit is Emre Çelik.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited

Emre Çelik, SMMM  
Partner  
8 March 2023  
Istanbul, Turkey



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FINANCIAL INFORMATION

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited 31 December 2022	Audited 31 December 2021
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	264.458.178	271.357.158
Financial investments	6	505.175.109	107.463.865
Derivatives instruments	30	10.399.016	36.513.410
Trade receivables	8	519.226.371	214.018.646
- Trade receivables due from related parties	4	7.231.857	3.311.653
- Trade receivables due from other parties	8	511.994.514	210.706.993
Other receivables	9	150.915.829	64.164.314
- Other receivables due from related parties	4	642.672	1.132.326
- Other receivables due from other parties	9	150.273.157	63.031.988
Prepaid expenses	11	11.885.658	6.957.712
Current tax-related assets	27	1.416.723	--
Other current assets	12	2.854.845	1.337.656
<b>SUBTOTAL</b>		<b>1.466.331.729</b>	<b>701.812.761</b>
Assets held for sale	13	202.198	557.947
<b>TOTAL CURRENT ASSETS</b>		<b>1.466.533.927</b>	<b>702.370.708</b>
<b>Non-current assets</b>			
Financial investments	6	1.517.254	1.517.254
Investments accounted through equity method	7	16.548.737	15.613.749
Trade receivables	8	161.222.326	162.463.189
Other receivables	9	--	264.197
Property and equipment	15	20.751.168	12.883.081
Rights of use	17	4.380.562	7.472.452
Intangible assets		43.596.382	36.207.584
- Goodwill	16	29.198.326	29.198.326
- Other intangible assets	16	14.398.056	7.009.258
Other non-current assets		24.948	11.979
Deferred tax assets	27	1.570.266	162.310
<b>TOTAL NON-CURRENT ASSETS</b>		<b>249.611.643</b>	<b>236.595.795</b>
<b>TOTAL ASSETS</b>		<b>1.716.145.570</b>	<b>938.966.503</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited	Audited
	Notes	31 December 2022	31 December 2021
<b>LIABILITIES</b>			
<b>Short term liabilities</b>			
Short term liabilities	14	546.345.945	99.171.275
Short term portion of long term liabilities	14	22.667.554	46.548.060
- Short term liabilities due to related parties	4	--	--
- Short term liabilities due to other parties	14	22.667.554	46.548.060
Leasing payables	14	4.338.299	3.863.555
Other financial liabilities	14	7.767.417	8.808.073
Derivatives instruments	30	7.735.239	35.447.142
Trade payables	8	11.816.362	9.187.629
- Trade payables due to other parties	8	11.816.362	9.187.629
Other payables	9	27.779.133	17.291.585
- Other payables due to related parties	4	3.193.360	1.604.100
- Other payables due to other parties	9	24.585.773	15.687.485
Short term liabilities for employee benefits	10	73.148.184	32.625.763
Short term provisions		20.072.371	7.204.147
- Provisions for employee benefits	20	18.573.603	5.428.348
- Other Provisions	18	1.498.768	1.775.799
Tax payable for the period	27	9.410.092	10.519.685
Deferred income		506.716	34.660
<b>TOTAL SHORT TERM LIABILITIES</b>		<b>731.587.312</b>	<b>270.701.574</b>
<b>Long term liabilities</b>			
Long term liabilities	14	26.372.745	24.862.782
- Long term financial liabilities due to other parties	14	26.372.745	24.862.782
Leasing payables	14	1.124.897	4.580.334
Long term provisions		4.776.418	2.369.149
- Provisions for employee benefits	20	4.776.418	2.369.149
Deferred tax liabilities	27	57.904.582	29.601.821
<b>TOTAL LONG TERM LIABILITIES</b>		<b>90.178.642</b>	<b>61.414.086</b>

FINANCIAL INFORMATION

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		<b>Audited</b>	<b>Audited</b>
	<b>Notes</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>Equity attributable to owners of the parent</b>		<b>894.379.616</b>	<b>606.856.779</b>
Share capital	21	175.000.000	175.000.000
Share premium	21	210.450.971	210.450.971
Repurchased shares	21	(4.020.977)	(4.020.977)
Other comprehensive expenses that will not be reclassified to profit or loss		(1.698.117)	(346.835)
- Remeasurement (losses)/profit of defined benefit plans	21	(1.698.117)	(346.835)
Other comprehensive income that will be reclassified to profit or loss		89.820.089	52.269.082
- Foreign Currency translation differences	21	50.635.368	36.625.448
- Revaluation gain on financial assets at fair value through other comprehensive income	21	39.184.721	15.643.634
Retained earnings	21	156.004.538	93.861.359
Net income for the period		268.823.112	79.643.179
<b>Non-controlling interests</b>	<b>32</b>	<b>--</b>	<b>(5.936)</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>894.379.616</b>	<b>606.850.843</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1.716.145.570</b>	<b>938.966.503</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited 1 January - 31 December 2022	Audited 1 January - 31 December 2021
	Notes		
<b>PROFIT OR LOSS</b>			
Financial sector activities revenue	22	10.468.221.098	5.009.492.660
Cost of financial sector activities (-)	22	(9.775.725.499)	(4.709.238.818)
<b>Gross profit from financial sector activities</b>		<b>692.495.599</b>	<b>300.253.842</b>
Marketing, selling and distribution expenses (-)	23	(40.534.381)	(19.551.426)
General administrative expenses (-)	23	(443.052.566)	(226.057.853)
Other operating income	24	5.616.026	1.936.162
Other operating expense (-)	24	(714.507)	(898.226)
<b>Operating profit</b>		<b>213.810.171</b>	<b>55.682.499</b>
Gain on investments for using the equity method	4,7	13.394.878	5.078.113
Income from investing activities	25	160.040.935	28.434.242
Expense from investing activities (-)	25	(52.953.208)	(3.619.068)
<b>Profit before financial income</b>		<b>334.292.776</b>	<b>85.575.786</b>
Financial income	26	248.616.283	189.936.508
Financial expenses (-)	26	(232.243.115)	(165.102.776)
<b>Profit before tax</b>		<b>350.665.944</b>	<b>110.409.518</b>
<b>Tax expense</b>			
- Tax expense for the period	27	(60.755.357)	(30.814.089)
- Deferred tax income/(expense)	27	(21.087.475)	22.820
<b>Profit</b>		<b>268.823.112</b>	<b>79.618.249</b>
<b>Profit attributable to:</b>			
Equity holders of the parent		268.823.112	79.643.179
Non-controlling interests		--	(24.930)
<b>Net income for the period</b>		<b>268.823.112</b>	<b>79.618.249</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to profit or loss</b>		<b>(1.351.282)</b>	<b>(35.056)</b>
Remeasurement gains of defined benefit plans	20	(1.801.709)	(42.067)
Deferred tax income	27	450.427	7.011
<b>Items that will be reclassified to profit or loss</b>		<b>37.551.007</b>	<b>34.883.780</b>
Change in fair value of financial assets at fair value through other comprehensive income	21	29.798.844	12.790.384
Change in fair value of financial assets at fair value through other comprehensive income, tax effect		(6.257.757)	(2.558.077)
Currency translation differences	21	14.009.920	24.651.473
Currency translation differences tax effect	21	--	--
<b>Other comprehensive income/(expense)</b>		<b>36.199.725</b>	<b>34.848.724</b>
<b>Total comprehensive income</b>		<b>305.022.837</b>	<b>114.466.973</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent		305.022.837	114.491.903
Non-controlling interests		--	(24.930)
<b>Total comprehensive income</b>		<b>305.022.837</b>	<b>114.466.973</b>

The accompanying explanations and notes form an integral part of these consolidated financial statements.

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

Audited attributable to owners of the parent						
						Other accumulated comprehensive income not to be classified in profit or loss
	Notes	Paid capital	Share premium	Repurchased shares	Share premium	Remeasurement losses/profits of defined benefit plans
<b>1 January 2021</b>		<b>137.730.842</b>	--	<b>(4.020.977)</b>	--	<b>(311.779)</b>
Capital increase <sup>(*)</sup>		37.269.158	--	--	--	--
Transfers		--	--	--	--	--
Increase due to share-based transactions <sup>(*)</sup>		--	210.450.971	--	--	--
Net income for the period		--	--	--	--	--
Other comprehensive income		--	--	--	--	(35.056)
<b>31 December 2021</b>		<b>175.000.000</b>	<b>210.450.971</b>	<b>(4.020.977)</b>	--	<b>(346.835)</b>
<b>1 January 2022</b>		<b>175.000.000</b>	<b>210.450.971</b>	<b>(4.020.977)</b>	--	<b>(346.835)</b>
Transfers		--	--	--	--	--
Net income for the period		--	--	--	--	--
Other comprehensive income		--	--	--	--	(1.351.282)
Dividend distributed		--	--	--	--	--
<b>31 December 2022</b>		<b>175.000.000</b>	<b>210.450.971</b>	<b>(4.020.977)</b>	--	<b>(1.698.117)</b>

The public offering of the shares of ÜNLÜ Yatırım Holding A.Ş. ("Group") took place on the Borsa Istanbul Primary Market between May 31 and June 1, 2021 with the "Fixed Price Bookbuilding Method".

<sup>(\*)</sup> 37.269.158 shares with a nominal value of 37.269.158 TL to be shared due to the increase in the capital of ÜNLÜ Investment Holding from 137.730.842 TL to 175.000.000 TL and 8.263 shares with a nominal value of 8.263.851 TL owned by Mahmut Levent Ünlü, one of his current shareholder. 45.533.009 shares with a total nominal value of TL 45.533.009, were issued to the public offering. Share premiums amounting to TL 219.888.032 have been added to the share premiums as a result of the transactions the Company has achieved during the public offering process. The net effect of the increase occurred due to share-based transactions by deducting the transaction costs of 9.437.061 TL arising from the public offering process transactions is 210.450.971 TL.

**Audited attributable to owners of the parent**

Other accumulated comprehensive income to be classified in profit or loss		Total Retained Earnings						
Revaluation gain on financial assets at fair value through other comprehensive income	Currency translation differences	Restricted reserves	Retained earnings	Net income for the period	Equity of the parent	Non-controlling interests	Total	
5.411.327	11.973.975	14.833.619	17.755.014	61.272.726	244.644.747	18.994	244.663.741	
--	--	--	--	--	37.269.158	--	37.269.158	
--	--	2.289.930	58.982.796	(61.272.726)	--	--	--	
--	--	--	--	--	210.450.971	--	210.450.971	
--	--	--	--	79.643.179	79.643.179	(24.930)	79.618.249	
10.232.307	24.651.473	--	--	--	34.848.724	--	34.848.724	
<b>15.643.634</b>	<b>36.625.448</b>	<b>17.123.549</b>	<b>76.737.810</b>	<b>79.643.179</b>	<b>606.856.779</b>	<b>(5.936)</b>	<b>606.850.843</b>	
<b>15.643.634</b>	<b>36.625.448</b>	<b>17.123.549</b>	<b>76.737.810</b>	<b>79.643.179</b>	<b>606.856.779</b>	<b>(5.936)</b>	<b>606.850.843</b>	
--	--	2.381.835	77.261.344	(79.643.179)	--	--	--	
--	--	--	--	268.823.112	268.823.112	5.936	268.829.048	
23.541.087	14.009.920	--	--	--	36.199.725	--	36.199.725	
--	--	--	(17.500.000)	--	(17.500.000)	--	(17.500.000)	
<b>39.184.721</b>	<b>50.635.368</b>	<b>19.505.384</b>	<b>136.499.154</b>	<b>268.823.112</b>	<b>894.379.616</b>	<b>--</b>	<b>894.379.616</b>	



FINANCIAL INFORMATION

ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited	Audited
	Not	1 January - 31 December 2022	1 January - 31 December 2021
<b>A. Cash flows (used in)/from operating activities</b>		<b>1.504.907</b>	<b>30.904.265</b>
<b>Net profit for the period</b>		<b>268.823.112</b>	<b>79.643.179</b>
<b>Adjustments for to reconcile net income to net cash provided by operating activities</b>		<b>138.382.774</b>	<b>41.495.323</b>
Adjustments for depreciation and amortization	15,16,17	13.004.777	10.005.095
Adjustments for provisions		15.595.278	1.375.092
<i>Adjustments for provision for employee benefits</i>		15.872.309	3.214.653
<i>Adjustments for lawsuit provisions</i>	18	(277.031)	337.259
<i>Adjustments for other provisions</i>		--	(2.176.820)
Adjustments for interest income and expenses		34.476.519	5.535.446
Effect of exchange rate changes on cash and cash equivalents		(15.342.383)	(4.617.914)
Adjustments for fair value gain/(loss)		8.805.751	(1.593.665)
Adjustments for tax expense		81.842.832	30.791.269
<b>Operating profit before changes in assets and liabilities</b>		<b>(405.700.979)</b>	<b>(90.234.237)</b>
Adjustments for (increase)/decrease in trade receivables	8	(303.966.862)	(69.224.517)
- <i>Decrease in trade receivables due from related parties</i>	4	(3.920.204)	(426.597)
- <i>(Increase)/decrease in trade receivables due from other parties</i>	8	(300.046.658)	(68.797.920)
Adjustments for (increase)/decrease in other receivables	9	(86.487.318)	(18.839.052)
- <i>Decrease in other receivables due from related parties</i>	4	489.654	(871.318)
- <i>(Increase)/decrease in other receivables due from other parties</i>	9	(86.976.972)	(17.967.734)
Adjustments for (increase)/decrease in other current assets		(6.458.104)	(1.206.470)
Adjustments for (decrease)/increase in trade payables		2.628.733	2.387.899
Adjustments for decrease in other payables		33.669.687	19.777.698
- <i>Decrease in other payables due to related parties</i>		24.771.399	12.752.988
- <i>(Decrease)/increase in other payables due to other parties</i>		8.898.288	7.024.710
Adjustments for increase/(decrease) in other liabilities		20.316.052	5.882.543
Employment benefits paid	20	(2.121.494)	(7.459.190)
Taxes paid/refunded		(63.281.673)	(21.553.148)
<b>B. Cash flows used in investing activities</b>		<b>(356.309.730)</b>	<b>(21.725.560)</b>
Dividend received	26	353.871	199.680
Interest received		34.545.360	27.858.265
Changes in financial investments		(367.912.400)	(34.401.272)
Cash inflows from sales of non-current assets held for sale		--	--
Purchase of property and equipment	15	(12.245.005)	(9.186.487)
Purchase of intangible assets	16	(11.051.556)	(6.195.746)
<b>C. Cash flows from/(used in) financing activities</b>		<b>332.563.394</b>	<b>116.444.751</b>
Capital increase		--	37.269.158
Cash inflows from issuing shares, net		--	210.450.971
Cash from financial borrowings		32.601.092.263	1.501.041.687
Cash outflows from debt payments		(32.177.327.834)	(1.595.327.283)
Interest paid		(66.303.982)	(30.561.318)
Cash outflows from financial leasing transactions		(7.397.053)	(6.428.464)
Dividends Distributed		(17.500.000)	--
<b>D. The effect of change in foreign exchange rates on cash and cash equivalents</b>		<b>15.342.383</b>	<b>32.833.203</b>
<b>Net increase in cash and cash equivalents (A+B+C+D)</b>		<b>(6.899.046)</b>	<b>158.456.659</b>
<b>E. Cash and cash equivalents at the beginning of the period</b>		<b>271.054.085</b>	<b>112.597.426</b>
<b>Cash and cash equivalents at the end of the period (A+B+C+D+E)</b>	5	<b>264.155.039</b>	<b>271.054.085</b>

The accompanying explanations and notes form an integral part of these consolidated financial statements.

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 1 ORGANISATION AND NATURE OF OPERATIONS

The establishment of ÜNLÜ Yatırım Holding A.Ş. ("the Company") (Formerly known as "ÜNLÜ Finansal Yatırımlar A.Ş.") was registered on 3 October 2011 and came into effect after Articles of Association were published in the Trade Registry Gazette No. 7915 dated 6 October 2011.

ÜNLÜ Yatırım Holding A.Ş.'s main purposes are to; use its funds to establish new equity companies to engage in investment, financing, organization, and other common service field activities with established or to-be-established companies, organize its activities related to these issues and make commercial investments by participating in the relevant companies' management process, make the necessary attempts to establish partnerships with these companies or third parties, do research and provide consultancy services to its affiliated companies about financial issues, excluding tax-related issues, especially about local and international finance market regulations, but not including investment consulting specified in capital markets regulations, and also about technical matters, planning, programming, budgeting, project design, financial and organizational matters, and firm values, collect investable funds and make use of these funds by investing them in other securities, along with the equity shares that have the capacity and potential to make a profit and which the equity companies have issued or will issue, and provide financing and credit from sources outside the group and engage in the other activities specified in the Articles of Association.

The address of the Company is; Ahi Evran Cad. Polaris Plaza B Blok No: 21 Kat: 1 34485 Maslak, Sarıyer İstanbul.

The company applied to the Capital Markets Board on 7 January 2021 for the amendment of the Articles of Association, with the permission of the Capital Markets Board dated 5 March 2021 and numbered E-29833736-110.03.03-2937 and the Ministry of Commerce dated 8 March 2021 and E-50035491. Following the letter numbered -431.04-00062112491, the amendment to the Articles of Association was approved at the Extraordinary General Assembly held on 10.03.2021 and registered and announced in the Turkish Trade Registry Gazette dated March 19, 2021 and numbered 10291. In addition to the changes in other articles of the Articles of Association, the Company; registered capital system and the registered capital ceiling is TL. It has been determined as 650,000,000, and the existing paid-in capital is TL 137,730,842 divided into share groups as follows. Group A Share nominal: TL 55.092.337 wholly owned by Mahmut Levent ÜNLÜ and its ratio to the paid-in capital is 31.48%. Group B Share nominal: TL 52,748.258 Mahmut Levent ÜNLÜ, its share in the capital is 30.14%. Group B Share nominal: TL 67,159,405 Other shareholders, its ratio to the capital is 38,37%.

Within the public offering plans, ÜNLÜ Yatırım Holding A.Ş. applied to the Capital Markets Board for the Public Offering Prospectus on March 12, 2021, with the permission of the Capital Markets Board dated 27.05.2021 and numbered E-29833736-105.01.01.01-6608, as a result of the IPO, which was carried out with the "Fixed Price Bookbuilding" method between 31.05.2021 and 01.06.2021, capital at a price of TL 6,90 each. A total of 45.533.009 Group "B" shares were sold, of which 37.269.158 shares were offered to the public through the sale of shareholders, and 8.263.851 shares were offered to the public through the sale of partner Mahmut Levent Ünlü. Group "B" shares offered to the public Borsa İstanbul A.Ş. It started to be traded on "Star Market" on 07.06.2021.

Direct subsidiaries of the Company are ÜNLÜ Menkul Değerler A.Ş. ("ÜNLÜ Menkul"), ÜNLÜ Portföy Yönetimi A.Ş. ("ÜNLÜ Portföy"), İstanbul Varlık Yönetim A.Ş. ("İstanbul Varlık"), UNLU Alternative Asset Management Limited ("UAAM"), Mena Finansal Yatırımlar A.Ş. ("Mena Finans"), Turkish Alternative Investments Limited ("TAIL") and UPE Investments Ltd. ("UPE") details of all direct and indirect subsidiaries were given in the note 2.C.(a).

ÜNLÜ Menkul Değerler A.Ş. was established under the name of Işıklar Menkul Kıymetler A.Ş. on 28 December 1990 in order to carry out operations related to capital markets, in accordance with the Capital Market Law and relevant legislation. After the acquisition of Işıklar Menkul Kıymetler A.Ş. by the shareholders of Dundas ÜNLÜ & Co. Ltd. on 5 June 2012, its name changed to "Dundas ÜNLÜ Menkul Değerler A.Ş. The name was registered on 28 June 2002 and went into effect after being published in the Trade Registry Gazette No. 5609 on 8 August 2002.

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 1 ORGANISATION AND NATURE OF OPERATIONS (Continued)

The Capital Markets Board accepted Dundas ÜNLÜ Menkul Değerler A.Ş.'s application for share transfer on 9 August 2007. The share transfer process was completed as of 31 August 2007. In addition, it was resolved to change the trade name of Dundas ÜNLÜ Menkul to "Standard ÜNLÜ Menkul Değerler A.Ş."

As a result of, respectively the permission of Capital Markets Board permission No. 2012/35 dated 29 August 2012 and the Extraordinary General Assembly meeting on 30 October 2012, 59.033.300 of Mahmut Levent Ünlü's shares in ÜNLÜ Menkul Değerler A.Ş. and 179.399.700 shares owned by Standard Bank London Holdings Limited, the Company's majority shareholder, were transferred to ÜNLÜ Finansal Yatırımlar A.Ş. In addition, the Company's name was changed to "ÜNLÜ Menkul Değerler A.Ş." in its Articles of Association.

With regard to Board of Director's decision dated 24 August 2015 numbered 2015/22 of ÜNLÜ Menkul, ÜNLÜ Menkul's shareholder Standard Bank Group Limited transferred its 25% of shares with nominal amount of TL 2.500.000 each 1 kurus total 250.000.000 registered shares to ÜNLÜ Yatırım Holding A.Ş. The relevant decision was approved at a meeting of the CMB dated 2 October 2015.

ÜNLÜ Portföy (formerly known as Standard ÜNLÜ Portföy Yönetimi A.Ş.) was established in order to carry out activities related to portfolio management in accordance with the Capital Markets Law and related legislation and the company was registered on 27 October 2006 and announced with the trade registry gazette numbered 6674 dated 2 November 2006. ÜNLÜ Yatırım Holding A.Ş., which is the indirect parent company of the ÜNLÜ Portföy purchased 5.000.000 share certificates amounting to TL 5.000.000 nominal value which is owned by ÜNLÜ Menkul Değerler A.Ş., representing the entire amount of the Company's capital with all their rights and obligations on 13 April 2017. As of 23 November 2021, within the capital ceiling of 10.000.000 TL, the issued capital of the Company is increased from 5.000.000 TL to 1.000.000 TL by 16,6667%, to 6.000.000 TL; It has been decided to cover the entire capital of TL 1.000.000 increased from Other Capital Reserves.

Capital of İstanbul Varlık and its subsidiaries Plato Finans and Plato Teknoloji which belong to ÜNLÜ Menkul Değerler A.Ş. with amount of TL 10.000.000 which has TL 10.000.000 nominal capital amount has been transferred to ÜNLÜ Yatırım Holding A.Ş. which registry number of 792072 with cash paid amount of TL 16.999.996 as the date of 5 August 2016. Related transfer transaction has been registered İstanbul Registry of Commerce as the date of 11 August 2016, related announcement had been made in Turkish Trade Registry Gazette with numbered 9139, as the date of 17 August 2016. Within the year 2017, the capital of İstanbul Varlık has been paid up to 10.000.000 TL and it has been increased to 20.000.000 TL by being provided from extraordinary reserve funds. İstanbul Varlık paid capital amounting to TL 20.000.000 is increased to TL 30.000.000 paid fully from extraordinary reserves in 2019 with date 07.18.2019 and was published in Turkey Trade Registry Gazette No. 9871. In 2021, the capital of İstanbul Varlık has been paid up to 30.000.000 TL was increased to 50.000.000 TL by being provided from extraordinary reserve funds and published in the Turkish Trade Registry Gazette dated 02.09.2021 and numbered 10400.

Capital of Du Finans which belong to ÜNLÜ Menkul Değerler A.Ş. with amount of TL 250.000 which has TL 250.000 nominal capital amount has been transferred to ÜNLÜ Yatırım Holding A.Ş. which registry number of 792072 with cash paid amount of TL 250.000 as the date of 19 August 2016. According to the decision of the Board of Directors dated 21 November 2016 numbered 2016/24, it was decided that Du Finans' shares would be transferred to İstanbul Varlık together with all assets and liabilities. In accordance with the Board of Directors decision dated 21 November 2016 and numbered 2016/24, it has been decided to transfer Du Finans' shares, together with all its assets and liabilities, to İstanbul Varlık. DU Finansal Danışmanlık Hizmetleri A.Ş., which is registered with the registry number 586635 in the İstanbul Trade Registry Office with the decision of the Board of Directors dated 15 December 2021 and numbered 24, will be dissolved without liquidation on the balance sheet and records dated 30 September 2021, together with all its assets and liabilities. It has been decided to merge with the Company by taking over as the complete successor.

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 1 ORGANISATION AND NATURE OF OPERATIONS (Continued)

UAAM was established on the Isle of Man in 2006. It operates at 33-37 Athol Street Isle of Man. UAAM provides financial consultancy services. As of 1 October 2012, all shares owned by UAAM had been acquired by ÜNLÜ Yatırım Holding A.Ş.

In liquidation Mena was established in Turkey on 5 July 2012 and operates at Ahi Evran Cad, Polaris Plaza B Blok No: 21 Kat: 1 34398 Maslak, Sarıyer Istanbul. Mena provides financial consultancy services. The Company is the founding shareholders of Mena with 99.99% ownership share. As of 17 March 2014, Mena Finans nominal shares amounting total TL 74,999 were transferred to Şebnem Kalyoncuoğlu Ünlü, and the share rate of the Company decreased to 74.99%. Mena Finans was liquated with the General Assembly Decision dated September 22, 2020 in accordance with the TCC and was published in the trade registry newspaper dated October 8, 2020 numbered 10177.

TAIL was established in Guernsey on 15 August 2014. It operates at 1 Royal Plaza Royal Avenue St Peter Port Guernsey, GY1 2HL. TAIL provides financial consulting services. ÜNLÜ Yatırım Holding A.Ş. is the founder of TAIL, and owns 100% of its shares.

In accordance with the decision of the Board of Directors dated September 20, 2021, an application was made to the Banking Regulation and Supervision Agency on September 20, 2021, in order to obtain the necessary permissions for the establishment of an Investment Bank with a capital of TL 300.000.000, in which the capital of TL 299.999.996 will be participated by 99.9996%.

For the purposes of the consolidated financial statements, ÜNLÜ Yatırım Holding A.Ş. and its subsidiaries are together referred to as "the Group". As at 31 December 2022, there are 486 (31 December 2021: 476) employees in the Group.

The consolidated financial statements for the year ended 31 December 2022 were approved by the Board of Directors on 8 March 2023.

ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

#### A. BASIS OF PRESENTATION

##### (a) Financial reporting standards and statement of Compliance to TFRS

The Company keeps and prepares its statutory books and statutory financial statements in accordance with the accounting principles set by the Turkish Commercial Code ("TCC") and tax legislation.

The accompanying consolidated financial statements have been prepared in accordance with the provisions of the Capital Markets Board ("CMB"), Series II, 14.1 "Principles of Financial Reporting in the Capital Markets" ("Communiqué") published in the Official Gazette dated 13 June 2013 and numbered 28676.

Companies reporting in accordance with the CMB regulations apply the Turkish Accounting Standards/Turkish Financial Reporting Standards and their annexes and comments ("TAS/TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("KGK"), in accordance with Article 5 of the Communiqué.

The consolidated financial statements are based on the Group's legal records and are expressed in Turkish Lira ("TL"), and have been prepared by subjecting to some adjustments and classification changes in order to adequately present the Group's position in accordance with TAS/TFRS published by KGK.

The consolidated financial statements and notes of the Group are presented in accordance with the formats provided by POA with the announcement dated 7 June 2019 in Turkish Trade Registry Gazette with numbered 30794, including the compulsory disclosures. Consolidated financial statements have been prepared on the basis of historical cost, except for derivative instruments and financial investments shown at fair value.

According to TAS 29 Financial Reporting Standard in Hyperinflationary Economies, enterprises whose functional currency is the currency of a hyperinflationary economy report their financial statements according to the purchasing power of money at the end of the reporting period. TAS 29 defines characteristics that may indicate that an economy is a hyperinflationary economy. At the same time, all entities reporting in the currency of a hyperinflationary economy in accordance with IAS 29 are required to apply this Standard from the same date. For this reason, as stated in TAS 29, it is expected that all businesses will start to implement TAS 29 at the same time, with the announcement to be made by the Public Oversight Accounting and Auditing Standards Authority in order to ensure consistency in practice across the country. However, POA has not made a statement regarding whether an adjustment will be made within the scope of TAS 29 in the consolidated financial statements for the accounting period ending on 31 December 2022. Therefore, TAS 29 has not been applied and no inflation adjustment has been made in the consolidated financial statements as of 31 December 2022.

##### Additional paragraph for convenience translation to English

The differences between the accounting principles, as described in the preceding paragraphs, and the accounting principles generally accepted in countries, in which the accompanying unconsolidated financial statements are to be distributed, and International Financial Reporting Standards ("IFRS"), may have significant influence on the accompanying unconsolidated financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position and results of operations in accordance with the accounting principles generally accepted in such countries other than Turkey and IFRS.

##### The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of December 31, 2022 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2022 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### A. BASIS OF PRESENTATION (Continued)

**i) The new standards, amendments and interpretations which are effective as at January 1, 2022 are as follows:**

##### **Amendments to TFRS 3 - Reference to the Conceptual Framework**

In July 2020, POA issued amendments to TFRS 3 Business combinations. The amendments are intended to replace to a reference to a previous version of the Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing requirements of TFRS 3. At the same time, the amendments add a new paragraph to TFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. The amendments must be applied prospectively. The amendments did not have a significant impact on the financial position or performance of the Group.

##### **Amendments to TAS 16 - Proceeds before intended use**

In July 2020, POA issued amendments to TAS 16 Property, plant and equipment. The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and costs of producing those items, in profit or loss. The amendments must be applied retrospectively only to items of PP&E made available for use on or after beginning of the earliest period presented when the entity first applies the amendment. The amendments did not have a significant impact on the financial position or performance of the Group.

##### **Amendments to TAS 37 - Onerous contracts - Costs of Fulfilling a Contract**

In July 2020, POA issued amendments to TAS 37 Provisions, Contingent Liabilities and Contingent assets. The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making and also apply a "directly related cost approach". Amendments must be applied prospectively to contracts for which an entity has not fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). The amendments did not have a significant impact on the financial position or performance of the Group.

##### **Annual Improvements - 2018-2020 Cycle**

In July 2020, POA issued Annual Improvements to TFRS Standards 2018-2020 Cycle, amending the followings:

- *TFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter: The amendment permits a subsidiary to measure cumulative translation differences using the amounts reported by the parent. The amendment is also applied to an associate or joint venture.*
- *TFRS 9 Financial Instruments - Fees in the "10 per cent test" for derecognition of financial liabilities: The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either borrower or lender on the other's behalf.*
- *TAS 41 Agriculture - Taxation in fair value measurements: The amendment removes the requirement in paragraph 22 of TAS 41 that entities exclude cash flows for taxation when measuring fair value of assets within the scope of TAS 41.*



ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### **2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

#### **A. BASIS OF PRESENTATION (Continued)**

##### **ii) Standards issued but not yet effective and not early adopted**

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

##### **Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group will wait until the final amendment to assess the impacts of the changes.

##### **TFRS 17 - The new Standard for insurance contracts**

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. TFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2023; early application is permitted. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

##### **Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities**

In January 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective for periods beginning on or after 1 January 2024. The amendments must be applied retrospectively in accordance with TAS 8. Early application is permitted. However, an entity that applies the 2020 amendments early is also required to apply the 2023 amendments, and vice versa. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.



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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### A. BASIS OF PRESENTATION (Continued)

##### ii) Standarts issued but not yet effective and not early adopted (Continued)

##### Amendments to TAS 8 - Definition of Accounting Estimates

In August 2021, POA issued amendments to TAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments issued to TAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the POA. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Earlier application is permitted. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

##### Amendments to TAS 1 - Disclosure of Accounting Policies

In August 2021, POA issued amendments to TAS 1, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments issued to TAS 1 are effective for annual periods beginning on or after 1 January 2023. In the absence of a definition of the term 'significant' in TFRS, the POA decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in TFRS and is widely understood by the users of financial statements, according to the POA. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

##### Amendments to TAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In August 2021, POA issued amendments to TAS 12, which narrow the scope of the initial recognition exception under TAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments issued to TAS 12 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### A. BASIS OF PRESENTATION (Continued)

##### ii) Standarts issued but not yet effective and not early adopted (Continued)

##### Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

##### (b) Functional and presentation currency

The consolidated financial statements of the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency(USD, Euro, GBP)). The consolidated financial statements are presented in Group's reporting currency TL. (Note 2C.a)

##### (c) Offsetting

Financial assets and liabilities are offset and the net amount reported in the financial statements when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

##### (d) Going Concern

The Group prepared its consolidated financial statements based on going concern principle.

##### (e) Comparative information and reclassified of prior year's financial statements

To allow the determination of financial status and performance trends, the Group's consolidated financial statements have been prepared in comparison with the previous period. Comparative information is reclassified when necessary in order to comply with the presentation of the current period consolidated financial statements.

### B. CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

If the changes in accounting estimates are related to only one period, they are reflected to the financial statements in the current period in which the change is made; if they are related to the future period, they are reflected to the financial statements both in the current period in which the change is made and in the future period anticipatorily, as to be taken into consideration in determining the net profit or loss for the future period.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies followed in the preparation of consolidated financial statements are summarized as follows.

##### (a) Basis of consolidation

##### Subsidiaries

The consolidated financial statements of the Company include its subsidiaries, which it controls directly or indirectly. This control is normally evidenced when the Company owns control power, either directly or indirectly, over company's share capital and is able to govern the financial and operating policies of an enterprise so as to benefit from its activities.

This control power is determined based on current and convertible voting rights. The financial statements of the subsidiaries are consolidated from the beginning of the control power over the subsidiaries to end of that power.

The table below shows all subsidiaries and other companies within the scope of consolidation, and provides their share ratios as of 31 December 2022 and 2021:

Name of the company	Country	Functional Currency	Main activity and service line	Final share ratio	
				31 December 2022	31 December 2021
<b>Subsidiaries</b>					
ÜNLÜ Menkul Değerler A.Ş. ("ÜNLÜ Menkul") <sup>(1)</sup>	Turkey	TRY	Brokerage services	100,00%	100,00%
ÜNLÜ Portföy Yönetimi A.Ş. ("ÜNLÜ Portföy")	Turkey	TRY	Portfolio management	100,00%	100,00%
Plato Finansal Danışmanlık Servisleri A.Ş. ("Plato Finans") <sup>(2)</sup>	Turkey	TRY	Financial consulting	--	98,21%
İstanbul Varlık Yönetim A.Ş. ("İstanbul Varlık") <sup>(2)</sup>	Turkey	TRY	Asset management	100,00%	100,00%
ÜNLÜ Securities Inc. ("ÜNLÜ Securities US") <sup>(1)</sup>	U.S.A	USD	Brokerage services	100,00%	100,00%
ÜNLÜ Securities UK Limited ("ÜNLÜ Securities UK") <sup>(1)</sup>	UK	GBP	Brokerage services	100,00%	100,00%
ÜNLÜ Alternative Asset Management Ltd. ("UAAM")	Isle of Man	USD	Financial consulting	100,00%	100,00%
Turkish Alternative Investments Limited ("TAIL") <sup>(3)</sup>	Guernsey	TRY	Investment company	100,00%	100,00%
ÜNLÜ Portföy Dokuzuncu Serbest (TL) Fon <sup>(4)</sup>	Turkey	TRY	Fund	95,00%	--
ÜNLÜ Yazılım ve Teknoloji Hizmetleri A.Ş. ("ÜNLÜ Yazılım")	Turkey	TRY	Software Services	100,00%	--
<b>Associates accounted with equity pick-up method</b>					
ÜNLÜ LT Investments Limited Partnership ("ÜNLÜ LT") <sup>(3)</sup>	Guernsey	TRY	Venture capital	4,76%	4,76%
212 Limited (Cayman Island)	Cayman Island	USD	Venture capital	32,5%	32,5%

<sup>(1)</sup> ÜNLÜ Menkul has 100% share in UNLU Securities Inc and UNLU Securities UK Limited.

<sup>(2)</sup> With the decision of its Board of Directors of dated September 26, 2022 and numbered 19, Plato Finansal Danışmanlık Servisleri A.Ş., registered in the Istanbul Trade Registry Directorate with registration number 708921-0, was merged with İstanbul Varlık Yönetim A.Ş. by taking over all its assets and liabilities as a full successor through dissolution without liquidation based on the balance sheet and records dated June 30, 2022.

<sup>(3)</sup> TAIL owns 4.76% share of ÜNLÜ LT (31 December 2021: 4.76%).

<sup>(4)</sup> It is a fund founded by ÜNLÜ Portfolio Management A.Ş.

ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (a) Basis of consolidation (Continued)

Financial status tables, profit or loss and other comprehensive income tables of all subsidiaries are fully consolidated and the carrying values of the subsidiaries owned by the Company are netted with the shareholder's capital.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Non-controlling interest transactions that do not result in a loss of control for the parent company are recognised under equity. These transactions are made between shareholders. The difference between the net book value of the subsidiary's gained assets and the fair value of the price paid to gain the said assets is recognised under the equity. Non-controlling interests and profit or loss resulting from the sales are categorized under equity. The effective and direct partnership rates and financial information of the subsidiaries within the scope of consolidation are as follows:

#### 31 December 2022

Name	Effective holding ratio	Total Assets	Total Equity	Profit/(loss) for the period
ÜN LÜ Menkul Değerler A.Ş. (consolidated)	100,00%	721.853.687	219.261.126	95.984.870
ÜN LÜ Portföy Yönetimi A.Ş.	100,00%	22.848.957	15.950.223	2.793.246
ÜN LÜ Yazılım ve Teknoloji Hizmetleri A.Ş. ("ÜN LÜ Yazılım")	100,00%	551.983	449.773	(50.227)
İstanbul Varlık Yönetim A.Ş.	100,00%	372.564.188	154.750.927	79.306.393
ÜN LÜ Alternative Asset Management Ltd.	100,00%	32.708.488	31.086.596	(4.258.274)
Turkish Alternative Investments Limited	100,00%	17.200.377	8.544.643	10.676.172
ÜN LÜ Portföy Dokuzuncu Serbest (TL) Fon	95,00%	394.456.501	394.184.726	21.988.714

#### 31 December 2021

Name	Effective holding ratio	Total Assets	Total Equity	Profit/(loss) for the period
ÜN LÜ Menkul Değerler A.Ş. (consolidated)	100,00%	299.317.605	100.998.237	16.475.333
ÜN LÜ Portföy Yönetimi A.Ş.	100,00%	12.588.518	9.183.114	2.381.835
Plato Finansal Danışmanlık Servisleri A.Ş.	98,21%	2.930.099	(334.654)	(1.393.685)
İstanbul Varlık Yönetim A.Ş.	100,00%	280.684.311	86.045.635	32.984.648
ÜN LÜ Alternative Asset Management Ltd.	100,00%	39.793.463	38.868.260	(2.302.185)
Turkish Alternative Investments Limited	100,00%	15.736.830	(2.131.529)	737.991
ÜN LÜ Yazılım ve Teknoloji Hizmetleri A.Ş. ("ÜN LÜ Yazılım")	--	--	--	--
ÜN LÜ Portföy Dokuzuncu Serbest (TL) Fon	--	--	--	--

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (b) Revenue recognition

The Group assigns a product or service to a customer and fulfills the performance obligation or brings the revenue to the consolidated financial statements. The asset is transferred as soon as the asset is checked or passed.

The Group transfers the revenue to the financial statements based on the following five principles:

- Identify the contract(s) with a customer
- Identify the separate performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the separate performance obligations
- Recognise revenue when (or as) the entity satisfies a performance obligation

The Group recognizes a contract with its customer as revenue when all of the following conditions are met:

- The parties to the Convention have ratified the contract (in accordance with written, oral or other commercial practices) and undertakes to carry out their acts,
- Identify the rights of each party regarding the goods or services to be transferred,
- Payment terms can be defined for the goods or services to be transferred,
- The contract is essentially commercial,
- The Group is likely to charge a fee for the goods or services to be transferred to the customer.
- In merger and acquisition transactions, the agreement of the parties and the signing of a share transfer agreement within one week of the reporting date at the most is determined as a criterion for recording the service income as revenue and accounts within this scope.

At the beginning of the contract, the Group evaluates the goods or services it has committed in the contract with the customer and defines each commitment to transfer it to the customer as a separate performance obligation. The Group also determines whether, at the start of the contract, the Group fulfills each performance obligation over time or at a certain time of time.

When another party intervenes in the provision of goods or services to the customer, the Group determines that it has a performance obligation to provide the goods or services of the nature of the commitment (noble) or to mediate such goods or services provided by the other party (proxy). The Group is a principal if the goods or services are checked before handing over those goods or services to the customer. In such case, when it fulfills (or brings) the performance of the performance, it takes the revenue to the financial statements as much as the gross amount of the consideration expected to be paid in return for the transferred goods or services. The Group is acting as a proxy if the performance obligation is mediated by another party to provide the goods or services specified, and does not reflect the revenue to the consolidated financial statements for the performance obligation.

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### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (b) Revenue recognition (Continued)

Accordingly, securities purchase and sales profits/losses are recognized in the consolidated income statement on the date the relevant sales order is placed, related purchases and sales are shown in gross in the income statement. Commission income of transactions with customer assets based on customer orders are recognized under service income.

##### *i. Incomes and costs from securities trading transactions*

Securities purchase and sale incomes/costs are accounted in the consolidated income statement on the date the relevant purchase-sale order is placed.

##### *ii. Corporate finance income*

The Group has determined the signing of a share transfer agreement within one week following the agreement of the parties and the maximum reporting date in merger and acquisition transactions as a criterion for recording the service income as revenue and accounts within this scope. Consulting income is recognized in profit or loss, taking into account the progress level at the end of the reporting period.

##### *iii. Portfolio management income*

Fund management fees and portfolio management commissions of portfolios created to carry out trading transactions in capital markets on behalf of clients are recognized as income under the "Portfolio management income" item on an accrual basis.

##### *iv. Incomes from overdue receivables*

The Group calculates and records the net present values of expected collection projections of overdue receivables, using the effective interest rate determined on the date of purchase, in the valuation of loan portfolios purchased. Interest income calculated over the book values of loan portfolios using the effective interest rate adjusted according to the credit determined at the first purchase of the loan portfolios is recognized as income under the item "Income from non-performing receivables". The Group recognizes transaction costs that can be directly attributed to the acquisition of portfolios by deducting from the amount collected, as an revenue under the "Incomes from overdue receivables" item when the collection is realized.

##### *v. Income from brokerage*

Transaction fees and commissions are generally reflected in the profit or loss statement on the date they are collected or paid. Stock transaction commissions are accounted by netting with commission returns. Dividend income from stock investments are recorded when shareholders are entitled to receive dividends. Interest income is recognized in the income statement in the relevant period on an accrual basis. Interest income includes coupons earned on fixed income investment instruments and incomes arising from the valuation of discounted government bonds on internal discount basis.

##### *vi. Other financial income*

Other financial income that is not included in the income items titled above are recognized as income under the item "Other financial income" on an accrual basis.

##### *vii. Consulting income and costs*

Consulting income and costs are recorded on an accrual basis over the fair value of the amount received or to be received, when the service is provided, the income amount can be measured reliably and it is highly probable that the economic benefits related to the transaction will be obtained by the Group.

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### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (c) Trade receivables

In cases where the trade receivables are not impaired for certain reasons (except for a realized impairment loss) within the scope of the impairment calculations of trade receivables, which are recognised for at amortized cost in the financial statements and which do not contain a significant financing component (less than 1 year), provisions for losses relating to the trade receivables are measured at an amount equal to "life-time expected credit losses". In the event of the collections of the doubtful receivables whether the whole amount or the some part of it, after the booking of the provision for the doubtful receivables, the collected amount is deducted from the doubtful receivables provision and recorded as other operating income. Following the booking of provision for doubtful receivables, the collected amount is deducted from the doubtful receivable provision and recorded in other income in case of collecting all or part of the doubtful receivable amount.

At the reporting date, the group recognizes as a loss allowance only the total changes in lifetime expected credit losses since initial recognition for credit-impaired financial assets when purchased or created.

At each reporting date, the group recognizes the amount of the change in lifetime expected credit losses as an impairment gain or loss in profit or loss. Positive changes in lifetime expected credit losses are recognized as an impairment gain, even if the lifetime expected credit losses are less than the expected credit losses estimated at initial recognition of the asset.

The Group's loans provided to the borrower by providing cash directly are classified as trade receivables by the Group. All loans given are reflected to the financial statements after the cash amount is allocated to the borrower.

##### (d) Financial assets

The Group shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets shall be recognized and derecognized, as applicable, using trade date accounting or settlement date accounting. Purchase and sale transactions of securities are accounted at the settlement date. The classification of financial instruments at initial recognition depends on the contractual conditions and the relevant business model. Except for the assets in the scope of TFRS 15 Revenue from contracts with customers, at initial recognition, the Bank measures financial asset or financial liabilities at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit/loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. On which category a financial instruments shall be classified at initial recognition depends on both the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group's financial assets and liabilities within the scope of TFRS 9 are shown below:

##### Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit/loss are financial assets that are either acquired for generating a profit from short term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and measured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.



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### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (d) Financial assets (Continued)

###### Financial Assets at Fair Value Through Other Comprehensive Income:

Financial assets at fair value through other comprehensive income are financial assets other than those classified as trade and other receivables, investment securities held to maturity and financial assets at fair value through profit or loss.

Financial assets at fair value through other comprehensive income are measured at fair value subsequent to their initial recognition. However, if the fair value of available for sale investment securities cannot be reliably measured, then those Financial assets at fair value through other comprehensive income with fixed maturity are measured at amortised cost by using effective interest rate model and those available for sale investment securities without fixed maturity are measured by using fair value pricing models or discounted cash flow techniques. Unrecognized gains or losses derived from the changes in fair value of financial assets at fair value through other comprehensive income and the difference between their fair value and the discounted values calculated per effective interest rate method are recorded in "Fair value reserve" under equity. At the disposal of available for sale investment securities, value increases/decreases recorded in the fair value reserve under equity are transferred to profit or loss.

###### Financial assets measured at amortized cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost. Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from financial assets measured at amortized cost is accounted in income statement.

###### Financial assets to be valued at cost

Financial assets measured at cost consist of long-term financial assets whose fair value cannot be reliably assessed. These assets are measured at their cost. Group shares that are not quoted in the stock exchange and whose value cannot be measured reasonably is expected to be held in the long term are shown under this item.

###### Impairment/expected loss provision for financial assets

The Group calculates and recognizes provision for expected losses for life by applying the simplified method to all financial assets except the fair value difference reflected to profit/loss. At each reporting date, it is assessed whether there has been a significant increase in the credit risk of the financial instrument within the scope of impairment since the first time it is included in the financial statements. This assessment takes into account the change in the default risk of the financial instrument. The expected loss allowance estimate is unbiased, weighted by probabilities and includes supportable information about past events, current circumstances and forecasts for future economic conditions.

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### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (d) Financial assets (Continued)

###### Impairment/expected loss provision for financial asset

For all financial assets, except for trade receivables where the carrying amount is reduced through the use of a provision account, the impairment loss is directly deducted from the carrying amount of the financial asset. If the trade receivable cannot be collected, the amount is deducted from the provision account. Changes in the allowance account are recognized in profit or loss for the period. If the impairment loss is reduced in the following period, except for the equity instruments at fair value through the other comprehensive income, and the decrease can be attributed to an event occurring after the impairment loss is recognized, the impairment loss that was previously recognized is not accounted for when the impairment loss is never recognized. It is canceled in the income statement.

Any increase in the fair value of equity instruments at fair value through profit or loss is recognized directly in equity. The Group makes the valuation of the loan portfolios it purchases by using the future collection projections. Amounts discounted by using the effective interest rate method are calculated on these projections and related loans are valued in this way. The valuation methods of the Group's non-performing loans, which are level 3 financial assets, are reviewed by valuation experts at every reporting period. Under TFRS 9, if a financial asset is acquired in default or there is evidence of impairment at initial recognition, for example, if it is acquired at a deep discount rate, the impairment loss on such assets is reflected in the expected cash flows over the life of the asset calculated using the effective interest rate that accommodates the expected credit loss provision at initial recognition. In this context, while calculating the effective interest rate during the initial recognition of the non-performing receivable portfolios acquired by the Company, the lifetime expected credit loss is included in the expected cash flows over the estimated life of the asset (e.g., 10 years). In the reporting periods following the acquisition date of the non-performing loan portfolios acquired by the Group, the changes to the lifetime expected loss allowance amounts are calculated with the Expected Credit Loss Model ("ECL") model. In terms of loans evaluated together within the scope of the ECL model, loans with common risk characteristics are segmented. As for the risk groups evaluated within the scope of ECL assessment and measurement methods, Probability of Default (PD) and Loss Given Default (LGD) are determined using data obtained from the Group's existing non-performing loan portfolios. The Lifetime Expected Credit Loss Amount for any debt is calculated as the product of the Probability of Default and the Loss Given Default Rate (PD x LGD).

##### (e) Explanations on netting of financial assets

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when, the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

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## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### **2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

#### **C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **(f) Trade payables**

Trade payables refer to the obligatory payments for the goods and services obtained by the suppliers for the ordinary activities of the company. If the time period for the trade receivables to be paid is one year or less (or if it is longer, but is within the normal operating cycle of the company), these receivables are classified as short term liabilities. If not, they are classified as long term liabilities.

Trade payables are recorded with their fair values and recognized in the accounts of the following periods, through use of the effective interest rate method over discounted value, by allocation of a provision for impairment (Note 8).

##### **(f) Explanations on forward and option contracts and other derivative instruments**

In accordance with the "Financial Assets" ("TFRS 9"); the forward foreign currency purchases/sales transactions and swap transactions, which are not considered as hedging instruments, are classified as derivative instruments at fair value through profit or loss. Derivative financial instruments are measured at fair value.

The fair values of the forward foreign currency purchases/sales transactions at fair value through profit or loss are measured with the internal pricing models by taking the expectations from the market into account. The change in the fair values is recorded through the period's profit or loss.

##### **(h) Explanations on assets held for sale, disposal groups and discontinued operations**

Assets that meet the criteria to be classified as held for sale and disposal groups are measured at the lower of its carrying amount and fair value less costs to sell. Depreciation of such assets is ceased and they are presented separately in the balance sheet. In order to classify a tangible fixed asset as held for sale, the asset (or the disposal group) should be available for an immediate sale in its present condition subject to the terms of any regular sales of such assets (or such disposal groups) and the sale should be highly probable. For a highly probable sale, the appropriate level of management must be committed to a plan to sell the asset (or the disposal group), and an active programme to complete the plan should be initiated to locate a customer (Note 13). It is also required that the sales of these assets should be expected as an accounting of finalized sale within the year after the classification. Necessary transactions should have done for the completion of sale and the possibility of significant changes on the plan or cancellation of the plan should be assessed as low. Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset from being classified as held for sale if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset.

A discontinued operation is a part of the Group's business classified as sold or held-for-sale. The operating results of the discontinued operations are disclosed separately in income statement. Assets held for sale consist of tangible assets acquired due to overdue loans.

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (i) Property and equipment

Property and equipment are carried at cost less accumulated depreciation (Note 15).

Depreciation is provided on restated amounts of property and equipment using the straight-line method based on the useful lives of such assets, the estimated useful lives of assets are as it is shown below:

Office equipment	5 years
Furniture and fixtures	3 - 5 years
Other tangible assets	5 years
Lease assets	2-3 years
Leasehold improvements	Shorter of 5 years or period of lease

Estimated useful life and depreciation method are reviewed every year to identify the effects of the changes in estimations and the changes in estimations are entered into accounts.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

Gains and losses on the disposal of property and equipment are determined in reference to their carrying amounts and are taken into account in determining operating profit.

##### (j) Intangible assets

Intangible assets comprise acquired intellectual property, information systems and computer software. They are recorded at acquisition cost and amortized on a straight-line basis over their estimated economic lives for a period not exceeding three to five years from the date of acquisition. To determine the change effect in estimation of the estimated useful lives and depreciation method is considered every year and recognised accordingly to changes in these estimations (Note 16).

Where an indication of impairment exists, the carrying amount of any intangible asset is assessed and written down immediately to its recoverable amount.

##### (k) Financial liabilities

Except for the liabilities related to financial instruments which are defined as financial liabilities held for trading and classified at their fair values, financial liabilities are recognized at their acquisition costs including the transaction cost and appraised at their discounted values calculated through "effective interest rate method" in the subsequent periods. All financial expenses are recorded in the income statement and other comprehensive income statement in the period when they arise.

##### (l) Foreign exchange transactions

Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. As of 31 December 2022, foreign currency at the end of the period for EUR transactions is TL 19.9349, for USD transactions, it is TL 18.6983, for GBP transactions, it is TL 22.4892 (31 December 2021: EUR: 15.0867, USD: 13.3290, GBP: 17.9667).

Any foreign exchange transactions which had converted to Turkish currency will be disclosed in "Foreign exchange gain/loss" item which is held in income statement.

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### **2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

#### **C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **(l) Foreign exchange transactions (Continued)**

With respect to the consolidated financial statements, assets and liabilities of the subsidiaries in foreign currency have been translated into TL with the closing exchange rate at the balance sheet date. Profit/Loss items of the subsidiaries have been translated into TL with average exchange rate of the reporting period. The resulting translation differences amounted to net TL 50.635.368 is recognized in "Currency translation differences" account under the equity in the balance sheet (31 December 2021: TL 36.625.448 foreign currency gain).

##### **(m) Provisions, contingent liabilities and assets**

In accordance with the Turkish Accounting Standard 37 ("TAS 37") "Provisions, Contingent Assets and Liabilities", Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Possible assets or obligations that arise 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 Group are not included in the financial statements and treated as "Contingent assets or liabilities" (Note 18).

Contingent assets generally arise from unplanned or other unexpected events that bear the probability of inflow of economic benefits to the Group. Contingent assets are not shown on the financial statements, since they may imply accounting of an income that will never be gained. Contingent assets are disclosed in financial statement disclosures, if the inflow of the economic benefits to the Group is probable. Contingent assets are subject to continuous evaluation in order to reflect the effect of developments in contingent assets to financial statements accurately. In case that the probability of inflow of the economic benefit to the Company is almost certain, the related asset and the income generated from the asset are reflected to the financial statements of the regarding period.

##### **(n) Finance leases (where the Group is "lessee")**

Assets acquired under finance lease agreements are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payment. Leased assets are included in the property and equipment and depreciation on the leased asset is charged to income on a straight-line basis over the useful life of the asset.

If there is a decrease in the value of assets acquired through financial leasing and the expected future benefit from the assets is lower than the book value of the asset, the leased assets are valued with their net realizable value. Depreciation is calculated for assets acquired through financial lease in accordance with the principles applied for tangible fixed assets.

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (n) Finance leases (where the Group is "lessee") (Continued)

###### Right to use assets

The Group recognizes the right-of-use assets on the date the lease commences (for example, as of the date when the asset is eligible for use). Right of use assets are calculated by deducting accumulated depreciation and impairment losses from the cost value. If the financial lease payables are revalued, this figure is corrected.

The cost of the right-of-use asset includes:

- (a) the initial measurement of the lease obligation,
- (b) the amount obtained by deducting all lease incentives received from all lease payments made on or before the effective date of the lease, and
- (c) all initial direct costs incurred by the Group.

Unless the transfer of the underlying asset to the Group at the end of the lease term is reasonably finalized, the Group depreciates the right of use from the effective date of the lease to the end of the useful life of the underlying asset.

Right-of-use assets are subject to impairment assessment.

###### Leasing Obligations

The Group measures the lease obligation at the present value of the unpaid lease payments on the date that the lease commences.

Lease payments included in the measurement of the lease obligation on the date that the lease actually commences consists of the following payments to be made for the right of use of the underlying asset during the lease period and not paid on the actual lease date:

- (a) Fixed payments,
- (b) Variable lease payments based on an index or rate, the first measurement made using an index or rate on the actual date of the lease.
- (c) Amounts expected to be paid by the Group under residual value commitments
- (d) the use price of this option and, if the Group is reasonably certain that it will use the
- (e) fines for termination of the lease if the lease shows that the Group will use an option to terminate the lease.

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or condition that triggered the payment occurred.

The Group revises the revised discount rate for the remainder of the lease term, if the implicit interest rate in the lease can be easily determined; the Group 's alternative borrowing interest rate at the date of the revaluation.

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (n) Finance leases (where the Group is "lessee") (Continued)

After the effective date of the lease, the Group measures the lease obligation as follows:

- (a) increase the carrying amount to reflect the interest on the lease obligation; and
- (b) Decreases the carrying amount to reflect the lease payments made.

In addition, in the event of a change in the lease term, in essence a change in fixed lease payments or a change in the assessment of the option to buy the underlying asset, the value of the lease obligations is remeasured.

The right of use calculated for leasing agreements is accounted under "Property, plant and equipment" account.

The interest expense on the lease obligation is accounted under "Finance expenses" and the depreciation expense of the usage right asset is accounted under "Depreciation expenses and Amortization" account.

The duration of the agreements related to operating leases and the discount rates applied are as follows:

Assets subject to operational leasing	Contract period (Year)	Discount rate (%)
Buildings	1-5 year	TL -27,31/-19,60
Buildings	1-2 year	GBP -0,75/-0,80
Vehicles	1-3 year	TL - 19,60

##### (o) Subsequent events

Subsequent events cover any events which arise between the reporting date and the balance sheet date, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed. The Group adjusts its consolidated financial statements if such subsequent events arise which require an adjustment to the financial statements (Note 34).

##### (p) Related parties

- a) A person or a close member of that person's family is related to a reporting entity if that person:
  - (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity;
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (o) Subsequent events (Continued)

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group,
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Related party transactions are transactions in which resources, services and liabilities are transferred between related parties, regardless of whether they are charged for a price. In line with the purpose of the financial statements, shareholders, key management personnel and board members, their families and companies controlled by or affiliated with them, affiliates and partnerships are accepted and expressed as related parties.

##### (r) Taxes calculated over corporation income

###### **Corporate tax**

Corporate tax is calculated according to the Tax Procedural Law, and tax expenses except corporate tax are recognized in operating expenses (Note 27).

Corporate earnings are subject to 20% corporate tax. However, the corporate tax rate which is 20% pursuant to the temporary article 13 added to the Corporate Tax Law; It will be applied at the rate of 25% for corporate earnings in 2021 and 23% for corporate earnings in 2022. This rate is applied to the tax base to be found as a result of the addition of the expenses that are not accepted as deductible in accordance with the tax laws to the commercial income of the corporations, and the exceptions (such as the participation earnings exception) and other reductions (such as investment incentives) in the tax laws. No further tax is paid if the profit is not distributed.



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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (r) Taxes calculated over corporation income (Continued)

###### **Corporate tax (Continued)**

With the Law No. 7256 on the Restructuring of Certain Receivables and Amendments to Certain Laws published in the Official Gazette dated 17.11.2020 and numbered 31307, the institutions whose shares representing at least 20% of the capital are offered to the public for the first time in the Borsa Istanbul Equity Market. The corporate tax rate to be applied to corporate earnings will be applied with a discount of two (2) points for five accounting periods, starting from the accounting period in which the shares are offered to the public for the first time.

Turkish tax legislation does not allow the parent company to file its subsidiaries and affiliates on its consolidated financial statements. Therefore, provisions for taxes reflected in these consolidated financial statements have been calculated separately for all companies included in the full consolidation. It is deducted when there is a legal right to set off current tax assets against current tax liabilities or if such assets and liabilities are associated with income tax collected by the same tax authority. With the "Law Amending the Tax Procedure Law and the Corporate Tax Law", which was accepted on the agenda of the Turkish Grand National Assembly on January 20, 2022, the application of inflation accounting was postponed starting from the balance sheet dated December 31, 2023.

###### **Deferred tax**

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The rates enacted, or substantively enacted, at the balance sheet date are used to determine deferred income tax (Note 27).

The deferred tax assets and the deferred tax liabilities can be netted off only if there is a legal right in this respect according to the tax legislation of the country they are dependent on. Deferred tax liabilities and assets are recognized when it is probable that the future economic benefit resulting from the reversal of temporary differences will flow to or from the Company. Deferred tax assets resulting from temporary differences in the recognition of expense for income tax and financial reporting purposes are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. Deferred tax charges except for the ones that are recognised under the equity in the form of other reserves and the current tax balances accrued for the related reporting periods are directly recognized as income or expense in the statement of income.

The effective corporate tax rate as of 31 December 2022 is 21-25%, tax rate is used 21-25% for temporary differences that are expected to be realized/closed in the current period, 21-25% for temporary differences that are expected to occur/close in 2022, and 20-25% for temporary differences that are expected to occur/close after 2022 (As of December 31, 2021: The effective corporate tax rate is 25%, tax rate is used 25% for temporary differences that are expected to be realized/closed in the current period, 23% for temporary differences that are expected to occur/close in 2022, and 20% for temporary differences that are expected to occur/close after 2022).

###### **Transfer pricing**

The article no. 13 of the Corporate Tax Law describes the issue of transfer pricing under the title of "disguised profit distribution" by way of transfer pricing. "The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing" published at 18 November 2007, explains the application related issues on this topic.

According to this communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm's length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

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### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (s) Employee benefits

The Group accounts liabilities related to severance pay, vacation rights and other benefits for employees according to the clause "Turkish Accounting Standard related to Employee Benefits" ("TAS 19") and classifies as "Provisions for employee benefits" at the balance sheet.

The Group is liable to pay a collective amount of payment to the employees dismissed except for the cause of retirement or resignation and significant course of actions according to Labor Law in Turkey. Provision for employment termination benefit is determined according to the law and specific actuarial estimations and reflected in the financial statements (Note 20).

According to the current Labor Law in Turkey, in case a contract of employment is terminated for any reason, the Group is obliged to pay the employee or right owners the fee of accrued but unused annual leave as regards to the remuneration on the contract's termination date.

Turkish Accounting Standards 19 ("TAS 19"), Employee Termination Benefits, was revised as of 1 January 2013. In this context, actuarial gain/loss related to employee termination benefit provision is classified under other comprehensive income.

Due to the permission given about the amendment applied to the previous period financials under the title of related standard "Transition and effective date", the Company has recognised actuarial gains and losses under the "Other comprehensive income", and other accumulated gains and losses were presented under equity in the name of "Actuarial losses from employee termination benefits" in the statement of financial position within the related period.

##### (t) Explanations on loans and borrowings

Financial liabilities except financial liabilities held for trading valued at fair value, are initially recognized at cost including the transaction costs. Subsequent to initial recognition, borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings.

##### (u) Cash flow statement

For the purposes of cash flow statement, the Group considers cash due from banks with maturity periods of less than three months and mutual funds with a maturity of no more than three months (Note 5).

##### (v) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group performs the goodwill impairment test at 31 December. Impairment losses on goodwill could not be reversed; Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold (Note 16).

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

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### 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### C. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (y) Earning per share

Earnings per share disclosed in these statements of income are determined by dividing net profit by the weighted average number of shares that have been outstanding during the year concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period (Note 28).

#### D. SIGNIFICANT ACCOUNTING ASSESSMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Note 8 - Trade receivables and payables
- Note 15 - Property and equipment
- Note 16 - Intangible assets
- Note 17 - Rights of use
- Note 18 - Provisions, contingent assets and liabilities
- Note 20 - Provision for employee benefits
- Note 22 - Cost of sales
- Note 27 - Tax assets and liabilities

Receivables to be liquidated: The financial assets of the Group, which are composed of non-performing receivables for goods purchased, are reflected in the balance sheet with their cost values and in order to determine their carrying values in the balance sheet, important projections, assumptions, and evaluations are made regarding the future estimated collections. Changes that might arise in these projections and assumptions.

### 3 SEGMENT REPORTING

Reporting of operating segments is organized on competent authority of activities based on uniformity. The executive committee, which is responsible for decision making of regarding the business activities of the decisions about resources to be allocated to the competent authority of department and evaluating performance of the department, is determined as competent authority for decision-making mechanism regarding to the company's activities.

Group's subsidiaries, ÜNLÜ Menkul, UNLU Securities INC and UNLU Securities UK Limited, engaged in brokerage activities in the capital markets. UAAM gives financial consultancy service and DU Finans, Plato Finans and İstanbul Varlık give asset management service. The Group's other subsidiary, Ünlü Portföy, operates in corporate and individual portfolio management segment. TAIL operate in investment sector; and the Company operate in investment holding services.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

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### 3 SEGMENT REPORTING (Continued)

As at 31 December 2022 and 2021, segment reporting is prepared based on the brokerage, portfolio management activities and consultancy services.

31 December 2022	Brokerage, corporate finance and portfolio management services	Asset management consultancy and services	Private equity	Investment holding services	Eliminations <sup>(*)</sup>	Total
<b>Financial sector activities revenue</b>	<b>10.132.837.194</b>	<b>290.268.067</b>	-	<b>51.676.981</b>	<b>(6.561.144)</b>	<b>10.468.221.098</b>
Income from securities trading transactions	9.851.941.583	-	-	-	-	9.851.941.583
Income from brokerage	197.629.173	-	-	-	-	197.629.173
Income from non-performing Loans	--	287.031.660	-	-	-	287.031.660
Warrant income	22.710.225	-	-	-	-	22.710.225
Public offering commission income	13.571.972	-	-	-	-	13.571.972
Corporate finance income	13.160.699	-	-	51.676.981	-	64.837.680
Consulting income	-	3.236.407	-	-	-	3.236.407
Portfolio management incomes	10.308.676	-	-	-	-	10.308.676
Other financial incomes	23.552.329	-	-	-	(6.561.144)	16.991.185
Discounts from financial income (-)	(37.463)	--	--	--	--	(37.463)
<b>Cost of financial sector activities</b>	<b>(9.775.725.499)</b>	-	-	-	-	<b>(9.775.725.499)</b>
Cost of securities trading transactions (-)	(9.775.725.499)	--	--	--	--	(9.775.725.499)
Cost of consulting income (-)	--	--	--	--	--	--
<b>Gross profit</b>	<b>357.111.695</b>	<b>290.268.067</b>	--	<b>51.676.981</b>	<b>(6.561.144)</b>	<b>692.495.599</b>
General administrative, marketing, selling and distribution expense	(232.993.763)	(172.364.971)	(569.982)	(86.493.207)	8.834.976	(483.586.947)
Other operating income/expenses, net	885.921	3.416.122	-	2.873.308	(2.273.832)	4.901.519
<b>Operating profit/(loss)</b>	<b>125.003.853</b>	<b>121.319.218</b>	<b>(569.982)</b>	<b>(31.942.918)</b>	--	<b>213.810.171</b>
Share of profit of investment accounted through equity method	-	-	13.394.878	-	-	13.394.878
Income from operation activities	13.116.735	8.786.489	-	138.137.711	-	160.040.935
Expense from operation activities	(11.123.880)	(721.327)	-	(41.108.001)	-	(52.953.208)
<b>Profit/(loss) before Financial expenses</b>	<b>126.996.708</b>	<b>129.384.380</b>	<b>12.824.896</b>	<b>65.086.792</b>	--	<b>334.292.776</b>
Financial income	69.268.291	12.657.400	148.019	176.978.358	(10.435.785)	248.616.283
Financial expenses	(159.538.695)	(27.679.826)	(2.366.389)	(53.093.990)	10.435.785	(232.243.115)
<b>Profit before tax</b>	<b>36.726.304</b>	<b>114.361.954</b>	<b>10.606.526</b>	<b>188.971.160</b>	--	<b>350.665.944</b>
Tax expense	(32.950.035)	(12.812.866)	-	(14.992.456)	-	(60.755.357)
Deferred tax income/(expense)	(3.250.888)	(18.501.781)	-	665.194	-	(21.087.475)
<b>Net profit</b>	<b>525.381</b>	<b>83.047.307</b>	<b>10.606.526</b>	<b>174.643.898</b>	--	<b>268.823.112</b>
<b>Other comprehensive income/(expense)</b>	<b>2.815.710</b>	<b>11.194.210</b>	-	<b>22.189.805</b>	-	<b>36.199.725</b>
<b>Total comprehensive income/(expense)</b>	<b>3.341.091</b>	<b>94.241.517</b>	<b>10.606.526</b>	<b>196.833.703</b>	--	<b>305.022.837</b>
<b>Operating segment assets (31 December 2021)</b>	<b>760.375.026</b>	<b>405.272.676</b>	<b>17.200.377</b>	<b>632.857.358</b>	<b>(99.559.867)</b>	<b>1.716.145.570</b>
<b>Operating segment liabilities (31 December 2021)</b>	<b>525.163.677</b>	<b>220.683.752</b>	<b>8.655.734</b>	<b>111.210.566</b>	<b>(43.947.775)</b>	<b>821.765.954</b>

<sup>(\*)</sup> As of 31 December 2022, it consists of intra-group financial advisory income/expenses of TL 6.561.144 and intra-group interest income/expenses of TL 10.435.785.(2021: it consists of intra-group financial advisory income/expenses of TL 1.432.050 and intra-group interest income/expenses of TL 9.888.122)

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**3 SEGMENT REPORTING (Continued)**

31 December 2021	Brokerage, corporate finance and portfolio management services	Asset management consultancy and services	Private equity	Investment holding services	Eliminations <sup>(*)</sup>	Total
<b>Financial sector activities revenue</b>	<b>4.836.731.144</b>	<b>145.199.009</b>	--	<b>28.994.557</b>	<b>(1.432.050)</b>	<b>5.009.492.660</b>
Income from securities trading transactions	4.723.655.991	--	--	--	--	4.723.655.991
Income from brokerage	77.811.118	--	--	--	--	77.811.118
Income from non-performing Loans	--	142.847.170	--	--	--	142.847.170
Corporate finance income	11.795.295	--	--	28.994.557	--	40.789.852
Consulting income	--	1.591.655	--	--	--	1.591.655
Portfolio management incomes	6.470.597	--	--	--	--	6.470.597
Other financial incomes	17.023.397	760.184	--	--	(1.432.050)	16.351.531
Discounts from financial income (-)	(25.254)	--	--	--	--	(25.254)
<b>Cost of financial sector activities</b>	<b>(4.709.238.818)</b>	--	--	--	--	<b>(4.709.238.818)</b>
Cost of securities trading transactions (-)	(4.709.238.818)	--	--	--	--	(4.709.238.818)
Cost of consulting income (-)	--	--	--	--	--	--
<b>Gross profit</b>	<b>127.492.326</b>	<b>145.199.009</b>	--	<b>28.994.557</b>	<b>(1.432.050)</b>	<b>300.253.842</b>
General administrative, marketing, selling and distribution expense	(114.864.094)	(85.649.391)	(333.521)	(47.056.309)	2.294.036	(245.609.279)
Other operating income/expenses, net	617.470	956.696	(309.515)	635.271	(861.986)	1.037.936
<b>Operating profit/(loss)</b>	<b>13.245.702</b>	<b>60.506.314</b>	<b>(643.036)</b>	<b>(17.426.481)</b>	--	<b>55.682.499</b>
Share of profit of investment accounted through equity method	--	--	4.934.150	143.963	--	5.078.113
Income from operation activities	9.082.403	1.722.262	--	17.629.577	--	28.434.242
Expense from operation activities	(3.233.379)	(290.742)	--	(94.947)	--	(3.619.068)
<b>Profit/(loss) before financial expenses</b>	<b>19.094.726</b>	<b>61.937.834</b>	<b>4.291.114</b>	<b>252.112</b>	--	<b>85.575.786</b>
Financial income	117.973.989	3.756.951	599.890	77.493.800	(9.888.122)	189.936.508
Financial expenses	(108.336.503)	(26.432.727)	(4.462.528)	(35.759.140)	9.888.122	(165.102.776)
<b>Profit before tax</b>	<b>28.732.212</b>	<b>39.262.058</b>	<b>428.476</b>	<b>41.986.772</b>	--	<b>110.409.518</b>
Tax expense	(12.093.160)	(7.948.487)	--	(10.772.442)	--	(30.814.089)
Deferred tax income/(expense)	2.218.116	(2.001.249)	--	(194.047)	--	22.820
<b>Net profit</b>	<b>18.857.168</b>	<b>29.312.322</b>	<b>428.476</b>	<b>31.020.283</b>	--	<b>79.618.249</b>
<b>Other comprehensive income/ (expense)</b>	<b>3.998.830</b>	<b>20.583.496</b>	--	<b>10.266.398</b>	--	<b>34.848.724</b>
<b>Total comprehensive income/ (expense)</b>	<b>22.855.998</b>	<b>49.895.818</b>	<b>428.476</b>	<b>41.286.681</b>	--	<b>114.466.973</b>
<b>Operating segment assets (31 December 2020)</b>	<b>311.906.123</b>	<b>323.407.873</b>	<b>15.736.830</b>	<b>441.145.655</b>	<b>(153.229.978)</b>	<b>938.966.503</b>
<b>Operating segment liabilities (31 December 2020)</b>	<b>201.724.772</b>	<b>198.828.632</b>	<b>17.868.359</b>	<b>35.811.832</b>	<b>(122.117.935)</b>	<b>332.115.660</b>

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### 4 BALANCES AND TRANSACTIONS WITH RELATED PARTIES

#### a) Balances with related parties

Financial investments	31 December 2022	31 December 2021
<b>Financial assets at fair value through profit or loss <sup>(2)</sup></b>		
- ÜNLÜ Portföy Para Piyasası (TL) Fonu	37.044.870	--
- ÜNLÜ Portföy İkinci İstatistik Arbitraj Serbest Fon	6.335.704	--
- ÜNLÜ Portföy Ar-Ge Girişim Sermayesi Yatırım Fonu	2.001.757	--
- ÜNLÜ Portföy Birinci Girişim Sermayesi Yatırım Fonu <sup>(1)</sup>	1.266.844	655.864
- ÜNLÜ Portföy Üçüncü Değişken Fon <sup>(1)</sup>	--	2.887.523
<b>Total</b>	<b>46.649.175</b>	<b>3.543.387</b>
<b>Receivables</b>		
<b>Trade receivables (Note 8)</b>		
ÜNLÜ Portföy İkinci İstatistiksel Arbitraj Serbest Fon <sup>(1)</sup>	2.415.430	3.440
ÜNLÜ Portföy İkinci Gayrimenkul Yatırım Fonu <sup>(1)</sup>	2.338.882	1.636.141
ÜNLÜ Portföy Birinci Gayrimenkul Yatırım Fonu <sup>(1)</sup>	1.231.508	953.218
ÜNLÜ Portföy İdacapital İvmelendirme Girişim Sermayesi Yat. Fonu <sup>(1)</sup>	245.254	-
ÜNLÜ Portföy Dokuzuncu Serbest (TL) Fon <sup>(1)</sup>	188.158	-
ÜNLÜ Portföy Birinci Değişken Fon <sup>(1)</sup>	149.406	206.951
ÜNLÜ Portföy Dördüncü Serbest Fon <sup>(1)</sup>	129.495	61.479
ÜNLÜ Portföy Hisse Senedi Fonu <sup>(1)</sup>	85.844	67.025
ÜNLÜ Portföy Para Piyasası Fonu <sup>(1)</sup>	69.838	94.976
ÜNLÜ Portföy Mutlak Getiri Hedefli Serbest Fon <sup>(1)</sup>	68.027	55.277
ÜNLÜ Portföy Beşinci Serbest Özel Fon <sup>(1)</sup>	62.985	52.292
ÜNLÜ Portföy Yedinci Serbest Özel Fon <sup>(1)</sup>	59.765	39.963
ÜNLÜ Portföy Birinci Girişim Sermayesi Yatırım Fonu <sup>(1)</sup>	52.358	28.515
ÜNLÜ Portföy Üçüncü Değişken Fon <sup>(1)</sup>	27.830	36.064
ÜNLÜ Portföy Sekizinci Serbest (Döviz) Fon <sup>(1)</sup>	24.117	774
ÜNLÜ Portföy Altıncı Serbest Özel Fon <sup>(1)</sup>	18.269	12.132
ÜNLÜ Portföy İstatistiksel Arbitraj Serbest Fon <sup>(1)</sup>	18.225	46.253
ÜNLÜ Portföy Boncuk Serbest Özel Fon <sup>(1)</sup>	17.812	710
ÜNLÜ Portföy Birinci Hisse Senedi Serbest Fonu <sup>(1)</sup>	13.695	774
ÜNLÜ Portföy İkinci Değişken Fon <sup>(1)</sup>	7.642	8.262
ÜNLÜ Portföy AR-GE Girişim Serm. Yat.Fon <sup>(1)</sup>	4.092	-
ÜNLÜ Portföy Altın Fonu <sup>(1)</sup>	3.225	-
ÜNLÜ Portföy Zümrüt Hisse Senedi Serbest Özel Fon <sup>(1)</sup>	-	5.258
ÜNLÜ Portföy Has-Kar Serbest Özel Fon <sup>(1)</sup>	-	710
Other	-	1.439
<b>Total</b>	<b>7.231.857</b>	<b>3.311.653</b>

<sup>(1)</sup> These are the investment funds of which the partner of the Group is the founder.

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 4 BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

#### a) Balances with related parties (Continued)

	31 December 2022	31 December 2021
<b>Other receivables (Note 9)</b>		
- Receivables from personnel	514.936	1.132.326
- Receivables from related parties	127.736	--
<b>Total</b>	<b>642.672</b>	<b>1.132.326</b>
<b>Short term other payables (Note 9, 10)</b>		
- Payables to personnel within the scope of benefits	38.230.846	17.455.976
- Borsa İstanbul A.Ş. <sup>(1)(*)</sup>	3.059.871	1.546.140
- Other payables to personnel	85.628	57.960
- Other payables to related parties	47.861	--
<b>Total</b>	<b>41.424.206</b>	<b>19.060.076</b>

<sup>(1)</sup> These are the investment funds of which the partner of the Group is the founder.

<sup>(\*)</sup> The balance is composed of policy and contract expense reflections.

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### 4 BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

#### b) Transactions with related parties

	1 January - 31 December 2022	1 January - 31 December 2021
<b>Income from related parties</b>		
<b>Service income (Commission income) <sup>(4)</sup></b>		
ÜNLÜ Portföy İkinci İstatistiksel Arbitraj Serbest Fon <sup>(1)</sup>	6.193.156	4.633
Ünlü Portföy İkinci Gayrimenkul Yatırım Fonu <sup>(1)</sup>	2.338.882	1.636.141
Ünlü Portföy Birinci Değişken Fon <sup>(1)</sup>	1.630.392	2.548.143
Ünlü Portföy Birinci Gayrimenkul Yatırım Fonu <sup>(1)</sup>	1.231.508	953.218
Ünlü Portföy Dördüncü Serbest Fon <sup>(1)</sup>	1.185.939	369.310
ÜNLÜ Portföy İdacapital İvmelendirme Girişim Sermayesi Yatırım Fonu	1.002.261	
Ünlü Portföy Beşinci Serbest Özel Fon <sup>(1)</sup>	684.118	360.807
Ünlü Portföy Mutlak Getiri Hedefli Serbest Fon <sup>(1)</sup>	677.887	432.113
Ünlü Portföy Hisse Senedi Fonu <sup>(1)</sup>	633.760	525.926
Ünlü Portföy Para Piyasası Fonu <sup>(1)</sup>	620.837	584.489
Ünlü Portföy Has-Kar Serbest Özel Fon <sup>(1)</sup>	573.688	-
Ünlü Portföy Yedinci Serbest Özel Fon <sup>(1)</sup>	550.568	237.601
Ünlü Portföy Dokuzuncu Serbest (TL) Fon <sup>(1)</sup>	479.610	-
ÜNLÜ Portföy İstatistiksel Arbitraj Serbest Fon <sup>(1)</sup>	365.788	154.262
Ünlü Portföy Üçüncü Değişken Fon <sup>(1)</sup>	264.373	656.823
Ünlü Portföy Boncuk Serbest Özel Fon <sup>(1)</sup>	225.468	-
Ünlü Portföy Sekizinci Serbest (Döviz) Fon <sup>(1)</sup>	225.135	-
ÜNLÜ Portföy Zümrüt Hisse Senedi Serbest Özel Fon <sup>(1)</sup>	221.239	4.332
Ünlü Portföy Altıncı Serbest (Döviz) Özel Fon <sup>(1)</sup>	172.640	25.191
ÜNLÜ Portföy Birinci Girişim Sermayesi Yatırım Fonu <sup>(1)</sup>	170.905	49.518
Ünlü Portföy Birinci Hisse Senedi Serbest Fon <sup>(1)</sup>	118.996	-
Ünlü Portföy İkinci Değişken Fon <sup>(1)</sup>	69.257	67.538
Ünlü Portföy Ar-Ge Girişim Sermayesi Yatırım Fonu <sup>(1)</sup>	4.092	-
Ünlü Portföy Altın Fonu <sup>(1)</sup>	3.226	3.973
Ünlü LT Investments Limited Partnership	(2.474.778)	4.465
<b>Total</b>	<b>17.168.947</b>	<b>8.618.483</b>
<b>Income from investments accounted through equity method</b>		
- ÜNLÜ LT <sup>(3)</sup>	13.314.134	4.940.218
- 212 Limited <sup>(2)</sup>	80.744	137.895
<b>Total</b>	<b>13.394.878</b>	<b>5.078.113</b>

<sup>(1)</sup> These are the investment funds of which the partner of the Group is the manager.

<sup>(2)</sup> Group's subsidiary

<sup>(3)</sup> It is the subsidiary of the group's partner.

<sup>(4)</sup> It consists of fund management fee income.



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### 4 BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

#### b) Transactions with related parties (Continued)

	1 January - 31 December 2022	1 January - 31 December 2021
<b>Expenses to related parties</b>		
<b>General and administrative expenses (Note 23)</b>		
- Şebnem Kalyoncuoğlu Ünlü <sup>(2)</sup>	502.814	372.569
<b>Financial expenses</b>		
- Standard Bank South Africa <sup>(1)(*)</sup>	--	71.313
<b>Total</b>	<b>502.814</b>	<b>443.882</b>

<sup>(1)</sup> The company is a partner of the groups partner.

<sup>(2)</sup> She is a member of the board of directors of the group.

<sup>(\*)</sup> Within the financing expenses, there are interest expense of the loan taken by the Group and foreign exchange difference expenses related to the loan.

#### c) Salaries and other benefits paid to Board of Directors and top management:

Top management consists of general manager, vice general managers, directors and other top management members. For the year ended 31 December 2022, the total amount of salary and other benefits provided to the top management by the Group is TL 117.468.820 (1 January - 31 December 2021: TL 61.463.393).

### 5 CASH AND CASH EQUIVALENTS

	31 December 2022	31 December 2021
Cash	7.909	27.499
Cash at banks	256.454.336	262.642.434
- Demand deposit	86.900.830	32.349.594
- Time deposit	169.553.506	230.292.840
Futures and options market guarantees	7.767.417	8.575.795
Receivables from reverse repurchase agreements <sup>(1)</sup>	228.516	111.430
<b>Total</b>	<b>264.458.178</b>	<b>271.357.158</b>

<sup>(1)</sup> As of 31 December 2022, the maturity of reverse repurchase agreements amounting to TL 228.516 is less than one month and the average interest rate of reverse repurchase agreements is 10,30% (31 December 2021: TL 111.430, 18%)

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### 5 CASH AND CASH EQUIVALENTS (Continued)

Cash and cash equivalents of the Group are shown in cash flow statements in 31 December 2022 and 2021 by deducing interest accruals and customer deposits:

	1 January - 31 December 2022	1 January - 31 December 2021
Cash and cash equivalents	264.458.178	271.357.158
Interest accruals (-)	(169.406)	(182.356)
Restricted deposit (-)	(133.733)	(120.717)
<b>Total</b>	<b>264.155.039</b>	<b>271.054.085</b>

As at 31 December 2022 and 2021, the interest rates and maturity of the time deposits are as follows

Currency	31 December 2022		
	Original amount	Amount (TL)	Interest rate (%)
TL	161.341.699	161.341.699	6,50-32,00
USD	439.174	8.211.807	1,10-4,00
<b>Total</b>		<b>169.553.506</b>	

Currency	31 December 2021		
	Original amount	Amount (TL)	Interest rate (%)
TL	190.888.137	190.888.137	7,00-25,50
USD	2.956.314	39.404.703	1,00
<b>Total</b>		<b>230.292.840</b>	

FINANCIAL INFORMATION

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### 6 FINANCIAL INVESTMENTS

#### Short term financial investments

	31 December 2022	31 December 2021
Financial assets at fair value through profit or loss	456.302.082	88.389.682
Financial assets at fair value through other comprehensive income	48.873.027	19.074.183
<b>Total</b>	<b>505.175.109</b>	<b>107.463.865</b>

As at 31 December 2022 and 2021, financial assets at fair value through profit or loss are as follows:

	31 December 2022		
	Nominal	Fair value	Interest rate (%)
Eurobond	--	262.374.562	3,25-25,00%
Fx protected deposit	--	101.774.939	15,00%
Investment funds	--	67.524.854	--
Bank bonus	5.000.000	7.111.155	13,43-13,59%
Asset backed securities	6.000.000	6.257.888	29,54-39,42%
Shares	--	5.149.737	--
Private sector corporate bonds	--	4.123.227	1,00-33,12%
Government bonds	2.000.000	1.985.720	17,79-18,33%
<b>Total</b>		<b>456.302.082</b>	
	31 December 2021		
	Nominal	Fair value	Interest rate (%)
Eurobond	--	53.100.249	6,00-10,80
Investment funds	--	13.600.062	--
Shares	--	9.367.943	--
Private sector bonds	--	8.059.300	18,64-22,49
Government Bonds	4.520.000	4.262.128	9,84-11,70
<b>Total</b>		<b>88.389.682</b>	

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 6 FINANCIAL INVESTMENTS (Continued)

#### Short term financial investments (Continued)

As at 31 December 2022 and 2021, securities given as collateral are as follows (Note 18):

	31 December 2022		31 December 2021	
	Nominal value	Fair value	Nominal value	Fair value
Government bonds	2.000.000	1.985.720	550.000	518.100
<b>Total</b>	<b>2.000.000</b>	<b>1.985.720</b>	<b>550.000</b>	<b>518.100</b>

As at 31 December 2022 and 2021, details of financial assets at fair value through other comprehensive income are as follows:

	31 December 2022		31 December 2021	
	Share (%)	Share amount (TL)	Share (%)	Share amount (TL)
212 Capital Partners I Coöperatief U.A. <sup>(1)</sup>	3,31	48.873.027	3,31	19.074.183
<b>Total</b>		<b>48.873.027</b>		<b>19.074.183</b>

<sup>(1)</sup> As of 31 December 2022, 212 Capital Partners I Coöperatief UA, one of the shares that the Company classified as financial assets with a fair value difference of 3.31% reflected on other comprehensive income, will be subject to increase in the future periods, the total commitment amount for all shareholders It is 30.200.000 USD. 212 Capital Partners I Coöperatief U.A. has made commitment payments on different dates until 2021 and ÜNLÜ Yatırım Holding A.Ş. participated in these payments with a total of USD 1.000.000 from January 2011 to December 31, 2022 (31 December 2021: Ünlü Yatırım Holding A.Ş. participated in these payments with a total of USD 1.000.000 from January 2011 to December 31, 2021) (Note 18).

#### Long term financial investments

	31 December 2022	31 December 2021
<b>Financial assets at fair value through other Comprehensive income</b>		
Shares certificate not listed on the stock market	1.517.254	1.517.254
- Borsa İstanbul A.Ş. ("BİST") <sup>(1)</sup>	1.517.254	1.517.254
<b>Total</b>	<b>1.517.254</b>	<b>1.517.254</b>

<sup>(1)</sup> The shares are not subject to valuation since the price has not been announced by Borsa İstanbul AŞ in the current period.

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### 7 INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

#### Investments in associates

	31 December 2022	31 December 2021
ÜNLÜ LT <sup>(1)</sup>	16.110.017	15.117.900
212 Limited (Cayman Island) <sup>(2)</sup>	438.720	495.849
<b>Total</b>	<b>16.548.737</b>	<b>15.613.749</b>

<sup>(1)</sup> As of 31 December 2022, TAIL's commitment amount in ÜNLÜ LT Investments Limited Partnership, which is classified as investments valued with the equity method in TAIL's financials, is USD 6.000.000 (2021: USD 6.000.000) corresponding to 4,76% (2021: 4,76%) of total commitments. TAIL has made total payments of USD 5.166.666 as of 31 December 2022 (2021: USD 5.166.666) (Note 18).

<sup>(2)</sup> As of December 31, 2022 It is an investment classified as investments valued by equity method, in which the Group has a share of 32,50% (2021: 32,50%)

Associates	Main activity	31 December 2022	31 December 2021
		Share %	Share %
ÜNLÜ LT	Private equity	4,76	4,76
212 Limited	Private equity	32,50	32,50

Summary of the financial information on ÜNLÜ LT is provided below:

	31 December 2022	31 December 2021
Financial investments	335.698.380	286.783.166
Cash and cash equivalents	3.596.974	31.478.803
Trade and other payables(-)	(849.513)	(659.036)
<b>Net assets</b>	<b>338.445.741</b>	<b>317.602.933</b>
Share in net assets of the associate	16.110.017	15.117.900
<b>Total share of the Company in the net assets of the subsidiaries</b>	<b>16.110.017</b>	<b>15.117.900</b>
	<b>1 January -</b>	<b>1 January -</b>
	<b>31 December 2022</b>	<b>31 December 2021</b>
Increase/(decrease) in value of financial assets	284.614.014	104.752.941
Other income/(expense)	(4.905.323)	(3.606.917)
<b>Net income/(loss) for the period</b>	<b>279.708.691</b>	<b>101.146.024</b>
<b>Company's total share of net period profit</b>	<b>13.314.134</b>	<b>4.814.551</b>

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### 8 TRADE RECEIVABLES AND PAYABLES

	31 December 2022	31 December 2021
<b>Short term trade receivables</b>		
Receivables from customers on credit <sup>(2)</sup>	399.194.582	132.665.935
Overdue receivables <sup>(1)</sup>	63.609.819	60.215.847
Receivables form customer	29.873.946	3.823.560
Receivables on consultancy services	13.160.699	9.834.421
<i>Receivables on consultancy services <sup>(3)</sup></i>	<i>13.160.699</i>	<i>9.834.421</i>
Receivables from leveraged buy and sell transactions	6.148.566	4.147.510
Trade receivables due from related parties (Note 4)	7.231.857	3.311.653
Other	6.902	19.720
<b>Total</b>	<b>519.226.371</b>	<b>214.018.646</b>

#### Long term trade receivables

Overdue receivables <sup>(1)</sup>	161.222.326	162.463.189
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<b>Total</b>	<b>161.222.326</b>	<b>162.463.189</b>
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<sup>(1)</sup> The Group, reflects the non-performing loans and receivables purchased by Istanbul Varlık to its financial statements with the values of expected collection estimates discounted by effective interest method. The Group reflects these purchased loans and receivables to the consolidated financial statements with the discounted values of expected collection estimates using the effective interest method. Book value of non-performing loans is TL 224.832.145 (December 31, 2021: 222.679.036) as of December 31, 2022. In accordance with TFRS 9, there is no impairment occurring after the purchase Group loan portfolio amounting to a total of 4.160.346.000 TL from banks and finance companies in Turkey has purchased by paying 368.137.000 TL (December 31, 2021: loan portfolio in the amount of 4.009.211.000 amount purchased by paying 350.137.000 TL).

<sup>(2)</sup> As of 31 December 2022, the interest rate applied by the Group to loans extended to its customers is between 45,26% and 10,26% (31 December 2021: 29.16% - 14.16%). As of 31 December 2022, the Group has received guarantees from its customers with a fair value of TL 719.478.136 (31 December 2021: TL 241.107.786) for the loans granted.

<sup>(3)</sup> As of 31 December 2022, a portion of TL 13.160.699 consists of consultancy services that the Group has completed in 2022 and fulfilled its performance obligations in accordance with TFRS 15, but has not yet been invoiced. (31 December 2021: TL 9.834.4321)

	31 December 2022	31 December 2021
<b>Short term trade payables</b>		
Miscellaneous payables <sup>(*)</sup>	5.825.966	7.010.653
Expense accruals <sup>(**)</sup>	2.535.673	2.139.448
Other trade payables	3.454.723	37.528
<b>Total</b>	<b>11.816.362</b>	<b>9.187.629</b>

<sup>(\*)</sup>Miscellaneous payables arise from the Group's debts as a result of its commercial activities with other companies.

<sup>(\*\*)</sup>Expense accruals account consists of fund management fee refunds and other expense accruals.

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### 9 OTHER RECEIVABLES AND PAYABLES

	31 December 2022	31 December 2021
<b>Short term other receivables</b>		
Stock guarantee given to Takasbank	75.531.565	9.586.339
Guarantees given to Trade Tech Alpha LTD and IG Markets LTD	38.053.405	42.159.854
Other deposits and guarantees given	18.904.174	8.543.945
Guarantees given to derivatives market	16.798.339	2.262.116
Other receivables due from related parties (Note 4)	642.672	1.132.326
Other	985.674	479.734
<b>Total</b>	<b>150.915.829</b>	<b>64.164.314</b>

### Other long term receivables

Deposits and guarantees given	--	264.197
<b>Total</b>	<b>--</b>	<b>264.197</b>

	31 December 2022	31 December 2021
<b>Other short term payables</b>		
Other payables to suppliers <sup>(*)</sup>	12.414.447	6.154.928
Taxes and funds payables	11.193.747	8.770.562
Other payables to related parties (Note 4)	3.193.360	1.604.100
Other	977.579	761.995
<b>Total</b>	<b>27.779.133</b>	<b>17.291.585</b>

<sup>(\*)</sup>Other payables to vendors result from the Group's other non-core payables with other entities.

### 10 PAYABLES WITHIN THE SCOPE OF EMPLOYEE BENEFITS

	31 December 2022	31 December 2021
<b>Payables within the scope of employee benefits</b>		
Due to personnel (Note 4)	38.230.846	17.455.976
Taxes and funds payables	27.621.781	13.054.991
Social security premiums payable	7.295.557	2.114.796
<b>Total</b>	<b>73.148.184</b>	<b>32.625.763</b>

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### 11 PREPAID EXPENSES

	31 December 2022	31 December 2021
<b>Short term prepaid expenses</b>		
Prepaid expenses <sup>(1)</sup>	10.109.635	4.720.040
Advances given	1.776.023	2.237.672
<b>Total</b>	<b>11.885.658</b>	<b>6.957.712</b>

<sup>(1)</sup>Prepaid expenses consist of future health insurance, data processing and data publication expenses.

### 12 OTHER ASSETS AND LIABILITIES

	31 December 2022	31 December 2021
<b>Other current assets</b>		
Deposits given	2.814.295	805.715
Deferred VAT	40.550	531.941
<b>Total</b>	<b>2.854.845</b>	<b>1.337.656</b>

### 13 ASSETS HELD FOR SALE AND DISPOSAL GROUPS

	31 December 2022	31 December 2021
Assets held for sale <sup>(1)</sup>	202.198	557.947
<b>Total</b>	<b>202.198</b>	<b>557.947</b>

<sup>(1)</sup> TL 202.198 of assets held for sale consists of the vehicles and real estates acquired during the collection of loans by İstanbul Varlık (31 December 2021: TL 557.947).

Movement of assets held for sale and disposal groups is as follows:

	31 December 2022	31 December 2021
<b>Assets held for sale and disposal groups</b>		
Beginning of the period	557.947	122.099
Purchases during the period	--	435.848
Sales made during the period <sup>(1)</sup>	(355.749)	--
<b>Total</b>	<b>202.198</b>	<b>557.947</b>



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### 14 SHORT AND LONG-TERM LIABILITIES AND LEASING PAYABLES

	31 December 2022	31 December 2021
<b>Short term liabilities</b>		
Bank loans	310.616.165	53.450.741
Payables to Stock Exchange Money Market <sup>(1)</sup>	150.082.190	45.720.534
Issued securities	85.647.590	--
Leveraged trading transactions reserve collateral	7.767.417	8.808.073
Leasing payables	4.338.299	3.863.555
<b>Total</b>	<b>558.451.661</b>	<b>111.842.903</b>
<b>Short portion of long term liabilities</b>		
Bank loans	22.667.554	46.548.060
<b>Total</b>	<b>22.667.554</b>	<b>46.548.060</b>
<b>Long term liabilities</b>		
Bank loans	26.372.745	24.862.782
Leasing payables	1.124.897	4.580.334
<b>Total</b>	<b>27.497.642</b>	<b>29.443.116</b>

<sup>(1)</sup> As of 31 December 2022, the maturity of debts to the Exchange Money Market is less than one month and the interest rate is 10,00% (31 December 2021: 17,00%).

The details of the loans are as follows:

Currency of loans	31 December 2022		
	Original amount	Amount (TL)	Interest rate (%)
TL	359.656.464	359.656.464	13,44-27,60
<b>Total</b>		<b>359.656.464</b>	
Currency of loans	31 December 2021		
	Original amount	Amount (TL)	Interest rate (%)
TL	124.861.583	124.861.583	18-21,50
<b>Total</b>		<b>124.861.583</b>	

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### 14 SHORT AND LONG-TERM LIABILITIES AND LEASING PAYABLES (Continued)

Repayment due dates of the loans are as follows:

	31 December 2022	31 December 2021
Within 1 year	333.283.719	99.998.801
Within 1-2 years	14.312.406	13.933.931
Within 2-3 years	5.724.066	8.496.748
Within 3-4 years	4.147.966	2.432.103
Longer than 4 years	2.188.307	--
<b>Total</b>	<b>359.656.464</b>	<b>124.861.583</b>

Movement tables of loans are as follows:

	2022	2021
As of 1 January	124.860.625	224.564.997
Additions received during the period	32.478.427.655	1.498.551.079
Principal and interest paid during the period	(32.243.631.816)	(1.599.825.986)
Foreign exchange difference (profit)/loss	--	1.571.493
<b>31 December</b>	<b>359.656.464</b>	<b>124.861.583</b>

The details of leasing payables are as follows:

	31 December 2022	31 December 2021
<b>Leasing payables</b>		
Less than 1 year	4.338.299	3.863.555
1-3 years	1.124.897	4.580.334
<b>Total</b>	<b>5.463.196</b>	<b>8.443.889</b>

The movement table of leasing payables is as follows;

	2022	2021
1 January	8.443.889	11.722.084
Additions	1.872.569	1.794.803
Interest expenses	2.677.326	1.256.551
Foreign exchange difference (profit)/loss	(133.535)	98.915
Payments related to leases	(7.397.053)	(6.428.464)
<b>31 December</b>	<b>5.463.196</b>	<b>8.443.889</b>

The average borrowing cost used by the Group in TFRS 16 calculations is the highest 27.31% and the lowest 19.60% for TL, the highest is 0.80% and the lowest is 0.75% for the GBP.

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### 15 PROPERTY AND EQUIPMENT

<b>31 December 2022</b>	<b>Office equipment</b>	<b>Vehicles</b>	<b>Furniture and fixtures</b>	<b>Other tangible asset</b>	<b>Special costs</b>	<b>Total</b>
Net book value, 1 January 2022	4.171.698	5.738.509	1.865.246	104.574	1.003.054	12.883.081
Additions	3.319.250	4.352.338	4.553.417	--	20.000	12.245.005
Disposals (net)	--	--	--	--	--	--
Depreciation charge	(1.546.585)	(1.663.686)	(845.313)	(22.901)	(298.433)	(4.376.918)
<b>Net book value</b>	<b>5.944.363</b>	<b>8.427.161</b>	<b>5.573.350</b>	<b>81.673</b>	<b>724.621</b>	<b>20.751.168</b>
Cost	14.415.608	10.390.773	11.178.826	509.613	4.986.752	41.481.572
Accumulated depreciation	(8.471.245)	(1.963.612)	(5.605.476)	(427.940)	(4.262.131)	(20.730.404)
<b>Net book value</b>	<b>5.944.363</b>	<b>8.427.161</b>	<b>5.573.350</b>	<b>81.673</b>	<b>724.621</b>	<b>20.751.168</b>
<b>31 December 2021</b>	<b>Office equipment</b>	<b>Vehicles</b>	<b>Furniture and fixtures</b>	<b>Other tangible asset</b>	<b>Special costs</b>	<b>Total</b>
Net book value, 1 January 2021	2.132.964	86.400	2.325.825	127.475	1.602.380	6.275.044
Additions	3.059.710	5.882.915	230.162	--	13.700	9.186.487
Disposals (net)	--	--	--	--	--	--
Depreciation charge	(1.020.976)	(230.806)	(690.741)	(22.901)	(613.026)	(2.578.450)
<b>Net book value</b>	<b>4.171.698</b>	<b>5.738.509</b>	<b>1.865.246</b>	<b>104.574</b>	<b>1.003.054</b>	<b>12.883.081</b>
Cost	11.096.358	6.038.435	6.625.409	509.613	4.966.753	29.236.568
Accumulated depreciation	(6.924.660)	(299.926)	(4.760.163)	(405.039)	(3.963.699)	(16.353.487)
<b>Net book value</b>	<b>4.171.698</b>	<b>5.738.509</b>	<b>1.865.246</b>	<b>104.574</b>	<b>1.003.054</b>	<b>12.883.081</b>

As of 31 December 2022, the Group has pledges on vehicles amounting to TL 9.304.193 (31 December 2021: TL 5.686.669).

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### 16 INTANGIBLE ASSETS

#### A. OTHER INTANGIBLE ASSETS

	1 January 2022	Additions	Disposals	31 December 2022
Cost	14.595.426	11.051.556	--	25.646.982
Accumulated amortization	(7.586.168)	(3.662.758)	--	(11.248.926)
<b>Net book value <sup>(*)</sup></b>	<b>7.009.258</b>	<b>7.388.798</b>	<b>--</b>	<b>14.398.056</b>
	1 January 2021	Additions	Disposals	31 December 2021
Cost	8.399.680	6.195.746	--	14.595.426
Accumulated amortization	(4.805.119)	(2.781.049)	--	(7.586.168)
<b>Net book value <sup>(*)</sup></b>	<b>3.594.561</b>	<b>3.414.697</b>	<b>--</b>	<b>7.009.258</b>

<sup>(\*)</sup> Intangible assets consist of computer software, program licenses and other rights.

As at 31 December 2022 and 2021, the Group does not have any internally generated intangible assets.

#### B. GOODWILL

Goodwill in accounting is an intangible asset that arises when a buyer acquires an existing business. Goodwill represents assets that are not separately identifiable. Under TFRS, goodwill is never amortized, because it is considered to have an indefinite useful life. Instead, management is responsible for valuing goodwill every year and to determine if an impairment is required. Impairment provisions in goodwill are not canceled. Gains or losses resulting from the disposal of the business also include the book value of the goodwill associated with the business sold.

- i. The transfer of ÜNLÜ Menkul Değerler A.Ş.'s 142.216.490 units of shares of a total of 179.399.700 units of shares with a value of 1 (one) kurus each, that constitutes 53% of the Company, that is owned by Standard Bank London Holdings Limited on 2012, and 59.033.300 units of shares which constitute 22% of the Company with a value of 1 (one) kurus each owned by Mahmut Levent Ünlü, to ÜNLÜ Yatırım Holding A.Ş. (formerly known as "ÜNLÜ Finansal Yatırımlar A.Ş.") 94,51% of whose shares are owned by Mahmut Levent Ünlü, via the share transfer agreement dated 10 April 2012 was approved by CMB on 29 August 2012. The Company became controlling shareholder by buying 268.333.000 units of shares of ÜNLÜ Menkul which constitutes 53% of ÜNLÜ Menkul's total nominal value of 142.216.490 shares, from Standard Bank London Holdings as of 30 October 2012.
- ii. As of 1 November 2012, the Company purchased 100% of UNLU Alternative Asset Management that constitutes 6.686 units of shares by acquiring 3.615 units of shares that constitutes 67% from Standard Bank PLC, 2.199 units of shares that constitute 22% from Mahmut Levent Ünlü, and remaining 1.115 units of shares that constitute 11% from three different shareholders.
- iii. As of 24 August 2015, ÜNLÜ Yatırım Holding A.Ş. acquired 250.000.000 shares of ÜNLÜ Menkul each having 1 Kurus ("Kr") nominal value to TL 2.500.000 which constitute of 25% the Company from Standard Bank Group Limited through a share transfer agreement and owned the whole of ÜNLÜ Menkul.

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### 16 INTANGIBLE ASSETS (Continued)

#### B. GOODWILL (Continued)

The acquisition transaction is accounted in consolidated financial statements by purchasing method in accordance with TFRS 3 Business Combinations Standard. As a result of the related recognition, goodwill amounting to TL 29.198.326 was recognized in the consolidated financial statements.

The Group applies an impairment test to the assets recorded as goodwill items on each 31 December. The impairment test is based on a 7-year TRY based projection between 1 January 2023 and 31 December 2029. Six-year discount rate used in future cash flow estimations has been determined as 23% in the calculation model of the fair value. As of 31 December 2022, the Group reviewed its valuation methods, analysed future revenue expectations and applied goodwill impairment test on these expectations using discounted cash flow method, with the conclusion to that no impairment has been identified (31 December 2021: No impairment has been identified).

### 17 RIGHTS OF USE ASSETS

The movement table of the Group's right of use assets as of December 31, 2022 and 2021 is as follows:

<b>31 December 2022</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Total</b>
<b>Cost</b>			
1 January 2022	17.162.595	390.205	17.552.800
Additions	1.728.886	144.325	1.873.211
Disposals	--	--	--
<b>Closing</b>	<b>18.891.481</b>	<b>534.530</b>	<b>19.426.011</b>
<b>Accumulated depreciations</b>			
1 January 2022	(9.792.791)	(287.557)	(10.080.348)
Period depreciation	(4.853.379)	(111.722)	(4.965.101)
Disposals	-	-	-
<b>Closing</b>	<b>(14.646.170)</b>	<b>(399.279)</b>	<b>(15.045.449)</b>
<b>Net book value as of 31 December 2022</b>	<b>4.245.311</b>	<b>135.251</b>	<b>4.380.562</b>

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### 17 RIGHTS OF USE ASSETS (Continued)

31 December 2021	Buildings	Vehicles	Total
<b>Cost</b>			
1 January 2021	15.699.127	2.670.736	18.369.863
Additions	1.463.468	329.395	1.792.863
Disposals	--	(2.609.926)	(2.609.926)
<b>Closing</b>	<b>17.162.595</b>	<b>390.205</b>	<b>17.552.800</b>
<b>Accumulated depreciations</b>			
1 January 2021	(6.006.808)	(2.037.870)	(8.044.678)
Period depreciation	(3.785.983)	(859.613)	(4.645.596)
Disposals	--	2.609.926	2.609.926
<b>Closing</b>	<b>(9.792.791)</b>	<b>(287.557)</b>	<b>(10.080.348)</b>
<b>Net book value as of 31 December 2021</b>	<b>7.369.804</b>	<b>102.648</b>	<b>7.472.452</b>

### 18 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

#### (i) Short term provisions

	31 December 2022	31 December 2021
Provisions for lawsuits <sup>(1)</sup>	1.498.768	1.775.799
<b>Total</b>	<b>1.498.768</b>	<b>1.775.799</b>

<sup>(1)</sup> As of 31 December 2022, the provision amounting to TL 1.498.768 (31 December 2021: TL 1.775.799) was set aside for 100% of possible future liabilities regarding the reemployment and other lawsuits filed against the Group.

Provision for lawsuits movement for the period ended 31 December 2022 and 2021 is as follows:

	31 December 2022	31 December 2021
<b>Provision for lawsuits</b>		
Beginning of the period	1.775.799	1.438.540
Provision for the period	--	668.107
Reversal provision for the period	(277.031)	(330.848)
<b>End of the period</b>	<b>1.498.768</b>	<b>1.775.799</b>

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### 18 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

#### (ii) Assets kept on behalf of customers

	31 December 2022	31 December 2021
Investment funds	3.014.460.197	2.965.788.104
Common stocks	1.843.217.196	2.288.014.054
Eurobond	1.563.397.721	380.248.000
Private sector corporate bond, treasury bills and government bonds	305.082.445	217.768.000
Warrant	1.480.927	1.059.656
Structured debt instruments	62.500	312.503

#### (iii) Letter of guarantees given

The breakdown of the guarantees, pledges, mortgages and sureties ("TRIK") given by the Group as of December 31, 2022 and 2021 are as follows in original currencies:

	31 December 2022			TL
	TL Equivalent	USD	Euro	
A. The total amount of GPMs given on behalf of their own legal entity	236.376.852	1.229.350	--	213.390.097
B. The total amount of GPMs that are given in favor of the partnerships included in the scope of full consolidation	--	--	--	--
C. The total amount of GPMs given by third parties for borrowing purposes for the purpose of carrying out their ordinary commercial activities	37.940.447	--	--	37.940.447
D. The total amount of other GPMs given	--	--	--	--
i) The total amount of GPMs that the main partner has given	--	--	--	--
ii) The total amount of GPMs for which other group companies not included in the scope of items B and C have given	--	--	--	--
iii) The total amount of TRIs that the 3rd person who does not fall within the scope of C article	--	--	--	--
<b>Total</b>	<b>274.317.299</b>	<b>1.229.350</b>		<b>251.330.544</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 18 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

#### (iii) Letter of guarantees given (Continued)

	31 December 2021			
	TL Equivalent	USD	Euro	TL
A. The total amount of GPMs given on behalf of their own legal entity	84.769.962	1.250.000	--	68.108.712
B. The total amount of GPMs that are given in favor of the partnerships included in the scope of full consolidation	92.749	--	--	92.749
C. The total amount of GPMs given by third parties for borrowing purposes for the purpose of carrying out their ordinary commercial activities	32.303.384	--	--	32.303.384
D. The total amount of other GPMs given				
i) The total amount of GPMs that the main partner has given	--	--	--	--
ii) The total amount of GPMs for which other group companies not included in the scope of items B and C have given	--	--	--	--
iii) The total amount of TRIs that the 3rd person who does not fall within the scope of C article	--	--	--	--
<b>Total</b>	<b>117.166.095</b>	<b>1.250.000</b>	<b>--</b>	<b>100.504.845</b>

#### (iv) Contingent liabilities

As of 31 December 2022, the total commitment amount for all shareholders of ÜNLÜ LT Investments Limited Partnership, one of the shares of the Company's subsidiary TAIL, which is classified as investments valued by the equity method with a share ratio of 4.76% (2021: 4.76%) 6.000.000 USD (2021: 6.000.000 USD) and as of 2022, 5.166.666 USD of this has been paid (2021: 5.166.666 USD) (Note 7).

As of 31 December 2022, 62.500 Euro of 250.000 Euro commitment amount for 212 Regional Fund II, which is one of the investments of Ünlü Yatırım Holding whose fair value difference will be reflected in the profit/loss statement in accordance with TFRS 9, has been paid on 31 December 2022. (2021: 42.993 Euro) The total commitment amount of Ünlü Yatırım Holding for investment 212 II - A SERIES OF 212I, LLC, which is 100.000 USD, was paid on 17 December 2020 (Note 7).

As of 31 December 2021, 117.399 Euro of 500.000 Euro commitment amount for Revo Capital Fund II B.V., which is one of the investments of Ünlü Yatırım Holding whose fair value difference will be reflected in the profit/loss statement in accordance with TFRS 9, has been paid on 2022. (2021: 126.000.)



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### 19 CONTINGENCIES AND COMMITMENTS

#### Explanations regarding derivatives

As of 31 December 2022, there are no future contracts.

<b>31 December 2021</b>				
<b>Contract definition</b>	<b>Maturity</b>	<b>Position</b>	<b>Number of contracts</b>	<b>Nominal value</b>
F_USDTRY0221 (Future)	26 February 2022	Short	1580	1.580.000
<b>Net position</b>				<b>1.580.000</b>

### 20 PROVISION FOR EMPLOYEE BENEFITS

	<b>31 December 2022</b>	<b>31 December 2021x</b>
<b>Short term employee benefits</b>		
Bonus provision	6.841.841	124.085
Unused vacation provision	11.731.762	5.304.263
<b>Total</b>	<b>18.573.603</b>	<b>5.428.348</b>
<b>Long term employee benefits</b>		
Provision for employment termination benefits	4.776.418	2.369.149
<b>Total</b>	<b>4.776.418</b>	<b>2.369.149</b>

#### Provisions for employment termination benefits

The provision for employment termination benefits is reserved in line with the explanations below. Under the Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). The liability is not funded, as there is no funding requirement. The provision has been calculated by estimating the present value of the future probable obligation arising from the retirement of employees. The present value of the Group's probable liability is calculated using the assumptions in the following table.

	<b>31 December 2022</b>	<b>31 December 2021</b>
Discount rate (%)	2,53	3,15
Turnover rate to estimate the probability of retirement (%)	69,97	77,41

The basic assumption is that the determined value for every working year increases proportional to inflation. Using this assumption, the existing discount ratio shows the real ratio, unaffected by inflation. Therefore, the maximum amount of employment termination benefits of the Group is determined every six months and is calculated using the maximum amount of TL 15.371 which is valid since 1 January 2022 (31 December 2021: TL 8.285).

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 20 PROVISION FOR EMPLOYEE BENEFITS (Continued)

#### Provisions for employment termination benefits (Continued)

Movements in the bonus provision for the year ended 31 December 2022 and 2021 are as follows:

	31 December 2022	31 December 2021
Beginning of the period	124.085	5.839.802
Provision during the period	6.841.841	21.622
Payment during the period (-)	(124.085)	(5.737.339)
<b>End of the period</b>	<b>6.841.841</b>	<b>124.085</b>

Movements in the provision for unused vacation for the year ended 31 December 2022 and 2021 are as follows:

	31 December 2022	31 December 2021
Beginning of the period	5.304.263	3.889.119
Provision during the period	7.274.325	2.012.665
Usage during the period (-)	(846.826)	(597.521)
<b>End of the period</b>	<b>11.731.762</b>	<b>5.304.263</b>

Movements in the provision for employment termination benefits for the year ended 31 December 2022 and 2021 are as follows:

	31 December 2022	31 December 2021
Beginning of the period	2.369.149	2.271.046
Service cost	1.100.873	836.228
Interest cost	655.270	344.138
Actuarial gain/(loss)	1.801.709	42.067
Payment during the period (-)	(1.150.583)	(1.124.330)
<b>End of the period</b>	<b>4.776.418</b>	<b>2.369.149</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 21 SHAREHOLDERS' EQUITY

#### Share capital

As of 31 December 2022 and 2021, share capital structure of the parent Company is as follows:

Name of the Shareholder	31 December 2022			31 December 2021		
	Group	Amount (TL)	Share (%)	Group	Amount (TL)	Share (%)
Mahmut Levent Ünlü	A	55.092.337	31,48	A	55.092.337	31,48
Mahmut Levent Ünlü	B	58.143.258	33,23	B	58.143.258	33,23
The Wellcome Trust Ltd. as Trustee of the Wellcome Trust	B	13.498.188	7,71	B	13.498.188	7,71
Others	B	48.266.217	27,58	B	48.266.217	27,58
<b>Total</b>		<b>175.000.000</b>	<b>100,00</b>		<b>175.000.000</b>	<b>100,00</b>

Emission premiums amounting to TL 219,888,032 have been added to the share issue premiums as a result of the transactions the Company has achieved during the public offering process. Transaction costs amounting to TL 9,437,061 arising from the public offering process transactions have been deducted, and the net effect of the increase due to share-based transactions is TL 210,450,971.

With the decision of the Ordinary General Assembly dated 4 September 2012, the capital of ÜNLÜ Yatırım Holding A.Ş. (formerly known as "ÜNLÜ Finansal Yatırımlar A.Ş.") was raised to TL 32,000,000 from TL 50,000. Capital increase had been fully covered by Mahmut Levent Ünlü. This capital increase decision had been registered on 11 September 2012 and published on Trade Registry Gazette numbered 8154 dated 17 September 2012.

As a result of the Ordinary General Assembly meeting held on 23 May 2014, the paid-in capital of the Company was increased from TL 32,000,000 to TL 32,153,606, and Article 6 of the Company's Articles of Association was changed. This capital increase was made by issuing shares at a premium, Mahmut Levent Ünlü and Kamil Attila Köksal waived their pre-emptive rights. This capital increase decision had been registered on 3 June 2014 and published on Trade Registry Gazette numbered 8586 dated 9 June 2014.

As a result of the Ordinary General Assembly meeting held on 29 September 2015, the paid-in capital of the Company was increased from TL 32,153,606 to TL 32,182,966 and Article 6 of the Company's Articles of Association was changed. This capital increase was made by issuing shares at a premium, and Mahmut Levent Ünlü, İbrahim Romano, Tahir Selçuk Tuncalı, Kamil Attila Köksal, Kağan Çevik, Tunç Yıldırım, Mehmet Batur Özyar, Vedat Mizrahi and Mehmet Sezgin waived their pre-emptive rights. This capital increase decision had been registered on 30 September 2015 and published on Trade Registry Gazette numbered 8918 dated 5 October 2015.

As a result of the Ordinary General Assembly meeting held on 20 October 2015, the paid-in capital of the Company was increased from TL 32,182,966 to TL 33,858,378 and Article 6 of the Company's Articles of Association was changed. Excess of TL 1,675,412 increased in capital total amount of TL 22,732,588 was added to the statutory reserves as share premium. In this capital increase, all current shareholders of the Company waived their pre-emptive rights, and all of the increase amount was paid by Standard Bank Group Ltd. This capital increase decision had been registered on 21 October 2015 and published on Trade Registry Gazette numbered 8934 dated 27 October 2015.

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 21 SHAREHOLDERS' EQUITY (Continued)

As a result of the Extraordinary General Assembly held on 12 February 2016, the paid-in capital of the Company increased from TL 33,858,378 to TL 37,578,666 and the 6th article of the Company's Articles of Association which is related with capital was changed. All of the capital increase is paid by The Wellcome Trust Limited as Trustee of the Wellcome Trust. The portion pledged by The Wellcome Trust Limited as Trustee of the Wellcome Trust and exceed TL 3,720,288 of the capital amounting to TL 48,455,772 is paid in cash and fully by The Wellcome Trust Limited as Trustee of the Wellcome Trust has been added to the legal reserves as a stock premium.

The shareholders of the company Standard Bank Group Limited, Mahmut Levent Ünlü, Kagan Çevik, Tunç Yıldırım, Mehmet Batur Özyar, Simge Ündüz, Can Ünalın, İbrahim Romano, Tahir Selçuk Tuncalı, Vedat Mizrahi, Hakan Ansen, Mehmet Sait Sezgin, Demet Kargın and Kamil Attila Köksal were not included in the capital increase by giving up their privileged rights. This capital increase decision had been registered on 17 February 2016 and published on Trade Registry Gazette numbered 9017 dated 23 February 2016.

As a result of the Ordinary General Assembly meeting of 2015 held on 29 June 2016, the Company's paid-in capital was increased from TL 37,578,666 to TL 37,663,341 and the article 6 of the Company's Articles of Association was amended. This capital increase decision had been registered on 13 July 2016 and published on Trade Registry Gazette numbered 9118 dated 19 July 2016.

As a result of the Ordinary General Assembly meeting of 2016 held on December 19, 2017, the Company's paid-in capital was increased from TL 37,663,341 to TL 37,960,531 and the article 6 of the Company's Articles of Association was amended. This capital increase decision had been registered on 20 December 2017 and published on Trade Registry Gazette numbered 9481 dated 26 December 2017.

As a result of the Ordinary General Assembly meeting of 2017 held on December 25, 2018, the Company's paid-in capital was increased from TL 37,960,531 to TL 137,730,842 and the article 6 of the Company's Articles of Association was amended. This capital increase decision has been registered on 27 December 2018 and published on Trade Registry Gazette numbered 9737 dated 3 January 2019. The entire amount of the increase is comprised of the freely available internal resources in the financial statements of the Company, the funds allowed by the legislation to be added to the capital, and the extraordinary reserves.

Within the public offering plans, ÜNLÜ Yatırım Holding A.Ş. applied to the Capital Markets Board for the Public Offering Prospectus on March 12, 2021, with the permission of the Capital Markets Board dated 27.05.2021 and numbered E-29833736-105.01.01.01-6608, as a result of the IPO, which was carried out with the "Fixed Price Bookbuilding" method between 31.05.2021 and 01.06.2021, capital at a price of TL 6.90 each. A total of 45,533,009 Group "B" shares were sold, of which 37,269,158 shares were offered to the public through the sale of shareholders, and 8,263,851 shares were offered to the public through the sale of partner Mahmut Levent Ünlü.

Group "B" shares offered to the public Borsa İstanbul A.Ş. It started to be traded on "Star Market" on 07.06.2021.

Mahmut Levent Ünlü who is the one of the shareholder of the company, Ünlü Yatırım Holding A.Ş. as a result of the price stability transactions related to the stocks, between 07/06/2021 and 06/07/2021, the company made purchases with a total nominal amount of TL 5.395.000 at a price range of TL 4,78 - 6,90. With this transaction, Ünlü Yatırım Holding A.Ş. share in the capital has reached 64.70% as of 06.07.2021.

Tahir Selçuk Tuncalı who is the one of the shareholders of the company, Ünlü Yatırım Holding A.Ş. regarding their shares; He has made purchases with a total nominal amount of 100.000 TL from the price range of TL 4,83 - 4,87. As a result of this transaction, his share in Ünlü Yatırım Holding A.Ş. has reached 0.25% as of 09.09.2021.

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 21 SHAREHOLDERS' EQUITY (Continued)

One of the shareholders of the company, Simge Ündüz, Ünlü Yatırım Holding A.Ş. regarding their shares; It has made purchases with a total nominal amount of 81.250 TL from the price range of TL 5,15 - 6,03. As a result of this transaction, its share in Ünlü Yatırım Holding A.Ş. has reached 0,24% as of 30.12.2021.

#### Repurchased shares

In case the shares recorded as capital are bought back, the purchase price including the amount of the costs associated with the repurchase after deducting the tax effect is recognized as a decrease in equities.

The fair value of the repurchased shares is TL 4.020.977 as of the statement of financial position (31 December 2021: TL 4.020.977).

#### Other comprehensive income

Due to on TAS 19 standard, the Group has actuarial loss amounting to TL 1.698.117 (31 December 2021: TL 346.835 actuarial gain) of net tax comes from employee termination benefit provision.

Currency translation profit amounting to net TL 50.635.368 (31 December 2021: TL 36.625.448 currency translation profit) which is booked to "Currency translation differences" under shareholders' equity is due to exchange of equity items of the subsidiaries subject to consolidation with period-end closing exchange rates and profit and loss items with annual average exchange rates.

As of 31 December 2022 and 2021, the movement table for foreign currency translation differences is as follows:

	2022	2021
<b>1 January</b>	<b>36.625.448</b>	<b>11.973.975</b>
Foreign currency translation differences	14.009.920	24.651.473
<b>31 December</b>	<b>50.635.368</b>	<b>36.625.448</b>

As of 31 December 2022 and 2021, the movement table of the difference in revaluation gains of financial assets at fair value through other comprehensive income is as follows:

	2022	2021
1 January	15.643.634	5.411.327
Value increases, net	23.541.087	10.232.307
<b>31 December</b>	<b>39.184.721</b>	<b>15.643.634</b>

#### Retain Earnings

As of 31 December 2022, the details of the Group's retained earnings are as follows:

	2022	2021
Restricted reserves	19.505.384	17.123.549
Other reserves	44.553.056	44.553.056
Retained earnings	91.946.098	32.184.754
<b>Total</b>	<b>156.004.538</b>	<b>93.861.359</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 22 FINANCIAL SECTOR ACTIVITIES REVENUE AND COST

	1 January - 31 December 2022	1 January - 31 December 2021
<b>Income from securities trading transactions</b>	<b>9.851.941.583</b>	<b>4.723.655.991</b>
Sales of eurobond	9.434.267.817	4.287.857.184
Sales of government bonds	275.674.703	277.735.482
Sales of common stocks	52.932.806	80.047.220
Sales of financial bonds	34.819.426	44.571.509
Sales of private sector bonds	34.686.762	19.583.409
Sales of investment fund	19.560.069	13.861.187
<b>Income from non performing loans <sup>(1)</sup></b>	<b>287.031.660</b>	<b>142.847.170</b>
<b>Corporate finance income</b>	<b>64.837.680</b>	<b>40.789.852</b>
<b>Portfolio management income</b>	<b>10.308.676</b>	<b>6.470.597</b>
<b>Brokerage income</b>	<b>233.911.370</b>	<b>77.811.118</b>
Interest income from loans		
Domestic stock sales brokerage commission	67.974.316	22.292.066
Foreign stock sales and brokerage commission	56.499.340	21.113.377
Commission on forward and future transactions	37.862.337	17.694.298
Warrant income	30.938.586	12.676.292
IPO brokerage commissions	22.710.225	--
Profits from leveraged trading transactions	13.571.972	--
Commission on custody transactions	2.800.922	2.872.905
Exchange transaction and custody commission	1.533.672	1.162.180
<b>Consulting income</b>	<b>3.236.407</b>	<b>1.591.655</b>
<b>Other financial income</b>	<b>16.991.185</b>	<b>16.351.531</b>
Foreign transaction income	7.177.756	8.788.925
Other service income	9.813.429	7.562.606
<b>Discounts from financial income (-)</b>	<b>(37.463)</b>	<b>(25.254)</b>
Financial service discounts (-)	(37.463)	(25.254)
<b>Financial sector activities revenue</b>	<b>10.468.221.098</b>	<b>5.009.492.660</b>
<b>Cost of securities trading transactions</b>	<b>(9.775.725.499)</b>	<b>(4.709.238.818)</b>
Cost of eurobond (-)	(9.360.420.712)	(4.272.835.412)
Cost of government bonds (-)	(273.647.056)	(277.608.504)
Cost of common stocks (-)	(52.618.526)	(80.957.875)
Cost of financial bonds (-)	(34.813.643)	(44.514.715)
Cost of private sector bonds (-)	(34.670.001)	(19.471.666)
Cost of investment fund (-)	(19.555.561)	(13.850.646)
<b>Financial sector activities cost</b>	<b>(9.775.725.499)</b>	<b>(4.709.238.818)</b>
<b>Gross profit from financial sector activities</b>	<b>692.495.599</b>	<b>300.253.842</b>

<sup>(1)</sup> Income from non-performing receivables consists of the revenues of the Group's subsidiary, Istanbul Varlık, from the collections of non-performing receivables and the interest income calculated over the recorded book values of the loan portfolios using the effective interest rate adjusted according to the loan determined at the first purchase. The Group recognizes transaction costs that can be directly attributed to the acquisition of portfolios by deducting from the amount collected, as an revenue under the "Incomes from overdue receivables" item when the collection is realized. Financing expenses of loans used to finance these non-performing loans are shown in the financial expenses footnote (Note 26).

FINANCIAL INFORMATION

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 23 EXPENSES BY NATURE

	1 January - 31 December 2022	1 January - 31 December 2021
<b>Marketing, sales and distribution expenses</b>		
Marketing and distribution expenses	30.751.730	13.948.292
Advertisement and publicity expenses	6.777.593	4.747.712
Representation expenses	3.005.058	855.422
<b>Total</b>	<b>40.534.381</b>	<b>19.551.426</b>
<b>General administrative expenses</b>		
Personnel expenses	266.182.431	134.677.463
Attorney, consultancy and audit expenses	65.908.127	32.405.375
Tax and sundry expenses	46.508.982	17.538.914
Data line rental expense	15.143.090	7.711.116
Depreciation and amortization expenses (Note 15, 16 ve 17)	13.004.777	10.005.095
Information technology expenses	7.192.964	6.927.947
Office building administrative expenses	4.499.161	2.159.428
Communication expenses	3.445.328	1.669.213
Travel expenses	2.556.675	783.092
Vehicle expenses	1.143.910	1.048.869
Rent expenses	474.661	1.277.842
Other general administrative expenses	16.992.460	9.853.499
<b>Total</b>	<b>443.052.566</b>	<b>226.057.853</b>

### 24 OTHER OPERATING INCOME AND EXPENSE

	1 January - 31 December 2022	1 January - 31 December 2021
<b>Other operating income</b>		
Sales of non-current assets held for sale	1.061.713	137.357
Reversal of prior period provisions	970.911	1.015.659
Fixed asset sales	355.749	--
Social security premium grants	331.373	--
Other service income	2.896.280	783.146
<b>Total</b>	<b>5.616.026</b>	<b>1.936.162</b>
<b>Other operating expense</b>		
Base increase payments	714.507	457.504
Compensation and lawsuit payments	--	119.631
Other	--	321.091
<b>Total</b>	<b>714.507</b>	<b>898.226</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

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### 25 INCOMES AND EXPENSES FROM INVESTING ACTIVITIES

	1 January - 31 December 2022	1 January - 31 December 2021
<b>Income from investing activities</b>		
Profit on sales of financial assets	102.272.716	11.070.618
Profit on financial assets at fair value through profit or loss	57.768.219	17.363.624
<b>Total</b>	<b>160.040.935</b>	<b>28.434.242</b>
	1 January - 31 December 2022	1 January - 31 December 2021
<b>Expense from investing activities</b>		
Loss on sales of financial assets	41.829.328	681.390
Loss on financial assets at fair value through profit or loss	11.123.880	2.937.678
<b>Total</b>	<b>52.953.208</b>	<b>3.619.068</b>

### 26 FINANCIAL INCOMES AND EXPENSES

	1 January - 31 December 2022	1 January - 31 December 2021
Derivative market operations income	154.237.468	96.440.313
Foreign exchange gain	59.351.806	65.565.696
Interest income	34.532.410	27.730.819
Dividend income	353.871	--
Other	140.728	199.680
<b>Total</b>	<b>248.616.283</b>	<b>189.936.508</b>
	1 January - 31 December 2022	1 January - 31 December 2021
Derivative market operations expense	142.685.016	96.349.446
Interest expenses <sup>(1)</sup>	39.105.097	25.237.308
Issued debt instruments interest expenses	15.699.710	3.960.826
Interest expenses paid to Money Markets	14.578.558	4.068.131
Foreign exchange losses	12.754.132	32.002.597
Other expenses	7.420.602	3.484.468
<b>Total</b>	<b>232.243.115</b>	<b>165.102.776</b>

<sup>(1)</sup> Interest expenses include TL 20.083.339 (31 December 2021: TL 24.827.202) of borrowing interest expenses that are used for financing of receivables to be liquidated of the Company's direct subsidiary İstanbul Varlık.



ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

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### 27 TAX ASSETS AND LIABILITIES

Corporate earnings are subject to 20% corporate tax. However, the corporate tax rate which is 20% pursuant to the temporary article 13 added to the Corporate Tax Law; It will be applied at the rate of 25% for corporate earnings in 2021 and 23% for corporate earnings in 2022. With the Law No. 7256 on the Restructuring of Certain Receivables and Amendments to Certain Laws published in the Official Gazette dated 17.11.2020 and numbered 31307, the institutions whose shares representing at least 20% of the capital are offered to the public for the first time in the Borsa Istanbul Equity Market. The corporate tax rate to be applied to corporate earnings will be applied with a discount of two (2) points for five accounting periods, starting from the accounting period in which the shares are offered to the public for the first time. This rate is applied to the tax base to be found as a result of the addition of the expenses that are not accepted as a deduction in accordance with the tax laws to the commercial income of the corporations and the exceptions (such as the participation earnings exception) and other reductions (such as investment incentives) in the tax laws. No further tax is paid if the profit is not distributed.

With the "Law Amending the Tax Procedure Law and the Corporate Tax Law", which was accepted on the agenda of the Turkish Grand National Assembly on January 20, 2022, the application of inflation accounting was postponed starting from the balance sheet dated December 31, 2023. The corporate tax rate is calculated on the total income of the companies after adjusting for certain disallowable expenses, exempt income and other allowances. No further tax is payable unless the profit is distributed. Dividends paid to non-resident corporations, which have a place of business in Turkey or to resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

A 75% portion of the capital gains derived from the sale of equity investments and immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special account under shareholder's equity for five years. However, with the amendment made by Law no:7061, this ratio has been raised from 75% to 50% in terms of immovable and this ratio will be used as 50% in tax declarations to be prepared from 2018.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods. In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Tax returns are required to be filled and delivered to the related tax office until the evening of the 25th of the fourth month following the balance sheet date. Tax returns are open for five years from the beginning of the year following the date of filing during which period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

	<b>1 January - 31 December 2022</b>	<b>1 January - 31 December 2021</b>
Current year tax expense	(60.755.357)	(30.814.089)
Prepaid tax (-)	52.761.988	20.294.404
<b>Total tax (liability)/asset</b>	<b>(7.993.369)</b>	<b>(10.519.685)</b>
	<b>1 January - 31 December 2022</b>	<b>1 January - 31 December 2021</b>
Current year tax expense	(60.755.357)	(30.814.089)
Deferred tax expense	(21.087.475)	22.820
<b>Total tax expense</b>	<b>(81.842.832)</b>	<b>(30.791.269)</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 27 TAX ASSETS AND LIABILITIES (Continued)

The breakdown of cumulative temporary differences and the related deferred tax assets and liabilities as of 31 December 2022 and 31 December 2021, calculated using the enacted tax rates, are as follows:

	Temporary differences		Deferred tax assets/(liabilities)	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Provision for employment termination benefit and vacation pay liability	19.722.622	7.673.412	4.745.007	1.538.173
Lawsuit provision	1.498.768	1.775.799	374.901	355.159
Leasing obligations	866.160	721.122	203.184	144.226
Financial instruments valuation difference	844.624	--	211.156	--
Other	32.361	--	6.796	--
<b>Deferred tax assets</b>			<b>5.541.044</b>	<b>2.037.558</b>
Loans and receivables valuation differences	(166.595.503)	(112.660.051)	(41.648.877)	(23.089.924)
Value increase in financial assets	(58.804.153)	(22.659.691)	(11.175.721)	(4.365.480)
Income accruals	(19.493.757)	(9.834.421)	(4.873.439)	(2.262.003)
TAS-Legal tax base exchange rate differences	--	(2.421.824)	--	(583.692)
Difference between tax base and carrying value of tangible and intangible assets	(6.959.252)	(2.730.749)	(1.661.013)	(546.150)
Valuation differences in derivative instruments	(2.663.777)	(1.066.268)	(665.944)	(245.242)
Profit from investments activities	(432.271)	(489.799)	(86.454)	(97.960)
Other	(8.208.321)	(1.384.774)	(1.763.912)	(286.618)
<b>Deferred tax liabilities</b>			<b>(61.875.360)</b>	<b>(31.477.069)</b>
<b>Net-off</b>			<b>(56.334.316)</b>	<b>(29.439.511)</b>
<b>Deferred tax assets</b>			<b>1.570.266</b>	<b>162.310</b>
<b>Deferred tax liabilities</b>			<b>57.904.582</b>	<b>29.601.821</b>

Movement of deferred tax assets and liabilities as of 31 December 2022 and 2021 is as follows:

	2022	2021
Beginning of the period January,1	(29.439.511)	(26.911.265)
Recognised in income statement	(21.087.475)	22.820
Recognised in other comprehensive income	(5.807.330)	(2.551.066)
<b>End of the period December, 31</b>	<b>(56.334.316)</b>	<b>(29.439.511)</b>

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 27 TAX ASSETS AND LIABILITIES (Continued)

The reconciliation of current tax expense and profit for the period is as follows:

	31 December 2022	31 December 2021
Profit before tax	350.665.944	110.409.518
Income tax at the applicable tax rate of 23%/22%	(73.639.848)	(25.394.189)
Current period tax losses on which no deferred tax is calculated	3.473.156	1.340.485
Derecognition of previously recognised tax losses	--	(265.407)
Non-deductible expenses	(13.503.118)	(1.952.024)
Effects of investments in tax exempt countries	1.604.475	359.765
Other effects	222.503	(4.879.899)
<b>Current year tax expense</b>	<b>(81.842.832)</b>	<b>(30.791.269)</b>

### *Deferred tax that is not recognised in the financial statements*

As of 31 December 2022, deferred tax asset calculated on deductible financial losses is calculated on the condition that it is probable that financial losses will be utilized by obtaining sufficient taxable profit in the near future and it is probable that financial losses will be eliminated.

As of 31 December 2022, ÜNLÜ Securities Inc and ÜNLÜ Securities UK Ltd. subsidiary of the Company has TL 22.000.269 accumulated losses. As of 31 December 2022, ÜNLÜ Securities Inc and Ünlü Securities UK Ltd.'s tax losses carried forward and last deduction date is as follows:

	Carry forward tax losses <sup>(1)</sup>	Last deduction date
2019	3.571.067	31 December 2024
2020	3.420.647	31 December 2025
2021	5.348.496	31 December 2026
2022	9.660.059	31 December 2027
<b>Total</b>	<b>22.000.269</b>	

ÜNLÜ Menkul and its subsidiaries reviewed the business plan as of December 31, 2022 and estimated the risk of not being able to use the financial losses amounting to TL 22.000.269, which can be deducted in the coming years, and as of December 31, 2022, no deferred tax was calculated on the aforementioned accumulated financial losses with the precautionary principle (December 31, 2021: 13.816.488 TL).

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 28 EARNINGS PER SHARE

Earnings per share are calculated through division of net profit to weighted average number of shares:

	31 December 2022	31 December 2021
<b>Adi</b>		
1. Profit from operations attributable to owners of the parent	268.823.112	79.643.179
2. Weighted average number of ordinary shares in issue	175.000.000	159.071.264
<b>3. Earnings per share</b>	<b>1,536</b>	<b>0,501</b>

### 29 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

#### **(i) Information on credit risk**

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment.

ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 29 FINANCIAL RISK MANAGEMENT (Continued)

#### (i) Information on credit risk (continued)

31 December 2022	Receivables					
	Trade receivables		Other receivables		Bank deposits <sup>(1)</sup>	Financial investments <sup>(2)</sup>
	Related parties	Other parties <sup>(3)</sup>	Related parties	Other parties		
<b>Maximum credit risk exposure as of the financial statements date (A+B+C+D)</b>	<b>7.231.857</b>	<b>673.216.840</b>	<b>642.672</b>	<b>150.273.157</b>	<b>264.450.269</b>	<b>451.152.345</b>
Maximum credit risk under guaranteed through net collateral, or etc.	--	--	--	--	--	--
A. Net carrying value of financial assets which are neither impaired nor overdue	7.231.857	448.384.695	642.672	150.273.157	264.450.269	451.152.345
B. Net carrying value of impaired assets collateralized portion of the net exposure	--	224.832.145	--	--	--	--
C. Net book value of assets exposed to impairment loss	--	--	--	--	--	--
- Overdue (gross book value)	--	--	--	--	--	--
- Impairment loss (-)	--	--	--	--	--	--
- The part under guaranteed through net collateral, or etc.	--	--	--	--	--	--
- Not overdue (gross book value)	--	--	--	--	--	--
- Impairment loss (-)	--	--	--	--	--	--
- The part under guaranteed through net collateral, or etc.	--	--	--	--	--	--
D. Off-balance sheet items exposed to credit risk	--	--	--	--	--	--

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 29 FINANCIAL RISK MANAGEMENT (Continued)

#### (i) Information on credit risk (continued)

	Receivables					
	Trade receivables		Other receivables		Bank deposits <sup>(1)</sup>	Financial investments <sup>(2)</sup>
31 December 2021	Related parties	Other parties <sup>(3)</sup>	Related parties	Other parties		
<b>Maximum credit risk exposure as of the financial statements date (A+B+C+D)</b>	<b>3.311.653</b>	<b>373.170.182</b>	<b>1.132.326</b>	<b>63.296.185</b>	<b>271.329.659</b>	<b>79.021.739</b>
Maximum credit risk under guaranteed through net collateral, or etc.						
A. Net carrying value of financial assets which are neither impaired nor overdue	3.311.653	150.491.146	1.132.326	63.296.185	271.329.659	79.021.739
B. Net carrying value of impaired assets collateralized portion of the net exposure	--	222.679.036	--	--	--	--
C. Net book value of assets exposed to impairment loss	--	--	--	--	--	--
- Overdue (gross book value)	--	--	--	--	--	--
- Impairment loss (-)	--	--	--	--	--	--
- The part under guaranteed through net collateral, or etc.	--	--	--	--	--	--
- Not overdue (gross book value)	--	--	--	--	--	--
- Impairment loss (-)	--	--	--	--	--	--
- The part under guaranteed through net collateral, or etc.	--	--	--	--	--	--
D. Off-balance sheet items exposed to credit risk	--	--	--	--	--	--

<sup>(1)</sup> Money market operations receivables, VIOP warrants, receivables from reverse repo contracts and Type B liquid funds are included.

<sup>(2)</sup> Share certificates are not included.

<sup>(3)</sup> Consist of non-performing loan receivables

For the purpose of the table above, collaterals and other guarantees which increase the collectability of the financial asset are not taken into account.

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ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 29 FINANCIAL RISK MANAGEMENT (Continued)

#### (ii) Information on liquidity risk

Liquidity risk is the inability of the Group to match the net funding requirements with sufficient liquidity. A decrease in funding sources mainly due to market instability or a decrease in credit risk results in liquidity risk. The Group manages the liquidity risk by maintaining sufficient cash and other liquid assets in order to fund the current and prospective debt requirements.

As at 31 December 2022, the Group have TL 10.399.016 receivables from derivative instruments and 7.735.239 payables from derivative instruments (31 December 2021: TL 36.513.410 receivables from derivative instruments and TL 35.447.142 payables from derivative instruments). The following table presents the cash flows payable by the Group under other financial liabilities according to their remaining contractual maturities as of 31 December 2022 and 31 December 2021:

31 December 2022	Carrying value	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	Total contractual cash outflows
Financial liabilities	603.153.661	337.540.618	113.737.886	163.807.998	24.250.934	<b>639.337.436</b>
Leasing payables	5.463.196	257.003	777.506	3.927.919	1.388.833	<b>6.351.261</b>
Trade payables	11.816.362	--	11.816.362	--	--	<b>11.816.362</b>
Payables from employee benefits	73.148.184	73.148.184	--	--	--	<b>73.148.184</b>
Other payables	27.779.133	27.779.133	--	--	--	<b>27.779.133</b>
Other liabilities	9.410.092	--	9.410.092	--	--	<b>9.410.092</b>
<b>Total</b>	<b>730.770.628</b>	<b>438.724.938</b>	<b>135.741.846</b>	<b>167.735.917</b>	<b>25.639.767</b>	<b>767.842.468</b>
Derivative cash inflows	10.399.016	1.992.735.402	324.399.317	19.377.615	--	<b>2.336.512.334</b>
Derivative cash outflows	(7.735.239)	(1.999.232.985)	(323.557.925)	(19.138.123)	--	<b>(2.341.929.033)</b>
<b>Total</b>	<b>733.434.405</b>	<b>432.227.355</b>	<b>136.583.238</b>	<b>167.975.409</b>	<b>25.639.767</b>	<b>762.425.769</b>
31 December 2021	Carrying value	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	Total contractual cash outflows
Financial liabilities	179.390.190	71.356.476	41.778.990	57.522.643	36.335.865	<b>206.993.974</b>
Leasing payables	8.443.889	406.320	812.640	3.572.078	4.987.816	<b>9.778.854</b>
Trade payables	9.187.629	--	9.187.629	--	--	<b>9.187.629</b>
Payables from employee benefits	32.625.763	32.625.763	--	--	--	<b>32.625.763</b>
Other payables	17.291.585	17.291.585	--	--	--	<b>17.291.585</b>
Other liabilities	10.519.685	10.519.685	--	--	--	<b>10.519.685</b>
<b>Total</b>	<b>257.458.741</b>	<b>132.199.829</b>	<b>51.779.259</b>	<b>61.094.721</b>	<b>41.323.681</b>	<b>286.397.490</b>
Derivative cash inflows	36.513.410	190.704.766	28.882.363	223.974.441	-	<b>443.561.570</b>
Derivative cash outflows	(35.447.142)	(190.486.177)	(28.766.503)	(218.057.924)	-	<b>(437.310.604)</b>
<b>Total</b>	<b>258.525.009</b>	<b>132.418.418</b>	<b>51.895.119</b>	<b>67.011.238</b>	<b>41.323.681</b>	<b>292.648.456</b>

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### 29 FINANCIAL RISK MANAGEMENT (Continued)

#### (iii) Information on market risk

##### Foreign currency risk

Assets and liabilities denominated in foreign currency held by the Group as at 31 December 2022 and 31 December 2021 in original currency and total TL equivalents are as follows:

	31 December 2022			
	TL equivalent (functional currency)	USD	Euro	Other
1. Trade receivables	1.032.111	37.741	5.093	10.000
2a. Monetary financial assets	77.461.212	3.691.273	183.944	212.270
2b. Non-monetary financial assets	--	--	--	--
3. Other	68.229.977	3.618.800	22.821	4.875
<b>4. CURRENT ASSETS</b>	<b>146.723.300</b>	<b>7.347.814</b>	<b>211.858</b>	<b>227.145</b>
5. Trade receivables	--	--	--	--
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
<b>8. NON-CURRENT ASSETS</b>	--	--	--	--
<b>9. TOTAL ASSETS</b>	<b>146.723.300</b>	<b>7.347.814</b>	<b>211.858</b>	<b>227.145</b>
10. Trade payables	(15.218.449)	(517.333)	(155.709)	(108.548)
11. Financial Liabilities	--	--	--	--
12a. Other Monetary Liabilities	(3.058.716)	(112.983)	--	(42.070)
12b. Other Non-monetary Liabilities	--	--	--	--
<b>13. SHORT TERM LIABILITIES</b>	<b>(18.277.165)</b>	<b>(630.316)</b>	<b>(155.709)</b>	<b>(150.618)</b>
14. Trade payables	--	--	--	--
15. Financial Liabilities	--	--	--	--
16a. Other Monetary Liabilities	--	--	--	--
16b. Other Non-monetary Liabilities	--	--	--	--
<b>17. LONG TERM LIABILITIES</b>	--	--	--	--
<b>18. TOTAL LIABILITIES</b>	<b>(18.277.165)</b>	<b>(630.316)</b>	<b>(155.709)</b>	<b>(150.618)</b>
19. Off-balance sheet derivative instruments net position (19a-19b)	(91.816.405)	(2.512.339)	(2.249.319)	-
19a. Derivative assets	1.140.696.483	56.468.035	4.155.347	89.100
19b. Derivative liabilities	(1.232.512.888)	(58.980.374)	(6.404.666)	(89.100)
<b>20. Net foreign currency position</b>	<b>(110.093.570)</b>	<b>(3.142.655)</b>	<b>(2.405.028)</b>	<b>(150.618)</b>
<b>21. Net foreign currency position of monetary items position (1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>36.629.730</b>	<b>4.205.159</b>	<b>(2.193.170)</b>	<b>76.527</b>
<b>22. Financial instruments used for currency hedging total fair value</b>	--	--	--	--
<b>23. Amount of hedged portion of foreign currency assets</b>	--	--	--	--
<b>24. Amount of hedged portion of foreign currency liabilities</b>	--	--	--	--



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**29 FINANCIAL RISK MANAGEMENT (Continued)**

**(iii) Information on market risk (Continued)**

**Foreign currency risk (Continued)**

	31 December 2021			
	TL equivalent (functional currency)	USD	Euro	Other
1. Trade receivables	126.717	9.507	--	--
2a. Monetary financial assets	61.277.097	4.327.098	237.823	737
2b. Non-monetary financial assets	--	--	--	--
3. Other	62.824.390	4.686.409	11.682	10.185
<b>4. CURRENT ASSETS</b>	<b>124.228.204</b>	<b>9.023.014</b>	<b>249.505</b>	<b>10.922</b>
5. Trade receivables	--	--	--	--
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
<b>8. NON-CURRENT ASSETS</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>9. TOTAL ASSETS</b>	<b>124.228.204</b>	<b>9.023.014</b>	<b>249.505</b>	<b>10.922</b>
10. Trade payables	(798.101)	(39.320)	(4.634)	(11.360)
11. Financial Liabilities	--	--	--	--
12a. Other Monetary Liabilities	(2.680.692)	(92.174)	(93.555)	(2.263)
12b. Other Non-monetary Liabilities	--	--	--	--
<b>13. SHORT TERM LIABILITIES</b>	<b>(3.478.793)</b>	<b>(131.494)</b>	<b>(98.189)</b>	<b>(13.623)</b>
14. Trade payables	--	--	--	--
15. Financial Liabilities	--	--	--	--
16a. Other Monetary Liabilities	--	--	--	--
16b. Other Non-monetary Liabilities	--	--	--	--
<b>17. LONG TERM LIABILITIES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>18. TOTAL LIABILITIES</b>	<b>(3.478.793)</b>	<b>(131.494)</b>	<b>(98.189)</b>	<b>(13.623)</b>
19. Off-balance sheet derivative instruments net position (19a-19b)	11.996.100	900.000	-	-
19a. Derivative assets	248.362.280	8.615.000	8.290.000	471.105
19b. Derivative liabilities	(236.366.180)	(7.715.000)	(8.290.000)	(471.105)
<b>20. Net foreign currency position</b>	<b>8.517.307</b>	<b>768.506</b>	<b>(98.189)</b>	<b>(13.623)</b>
<b>21. Net foreign currency position of monetary items position (1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>132.745.511</b>	<b>9.791.520</b>	<b>151.316</b>	<b>(2.701)</b>
<b>22. Financial instruments used for currency hedging total fair value</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>23. Amount of hedged portion of foreign currency assets</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>24. Amount of hedged portion of foreign currency liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

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### 29 FINANCIAL RISK MANAGEMENT (Continued)

#### (iii) Information on market risk (Continued)

#### Foreign currency risk (Continued)

#### Foreign currency sensitivity analysis

	Profit/loss		Shareholders' equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
<b>31 December 2022</b>				
10% change in USD foreign currency rate				
1. USD net asset/(liability)	7.862.932	(7.862.932)	7.862.932	(7.862.932)
2. Hedged portion against USD risk (-)	--	--	--	--
<b>3. Net effect of USD (1+2)</b>	<b>7.862.932</b>	<b>(7.862.932)</b>	<b>7.862.932</b>	<b>(7.862.932)</b>
10% change in EUR foreign currency rate				
4. EUR net asset/(liability)	(4.372.061)	4.372.061	(4.372.061)	4.372.061
5. Hedged portion against EUR risk (-)	--	--	--	--
<b>6. Net effect of EUR (4+5)</b>	<b>(4.372.061)</b>	<b>4.372.061</b>	<b>(4.372.061)</b>	<b>4.372.061</b>
10% change in GBP foreign currency rate				
7. GBP net asset/(liability)	172.103	(172.103)	172.103	(172.103)
8. Hedged portion against GBP risk (-)	--	--	--	--
<b>9. Net effect of GBP (7+8)</b>	<b>246.884</b>	<b>(172.103)</b>	<b>172.103</b>	<b>(172.103)</b>
<b>TOTAL (3+6+9)</b>	<b>3.662.974</b>	<b>(3.662.974)</b>	<b>3.662.974</b>	<b>(3.662.974)</b>

ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 29 FINANCIAL RISK MANAGEMENT (Continued)

#### (iii) Information on market risk (Continued)

#### Foreign currency risk (Continued)

	Profit/loss		Shareholders' equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
<b>31 December 2021</b>				
10% change in USD foreign currency rate				
1. USD net asset/(liability)	13.051.118	(13.051.118)	13.051.118	(13.051.118)
2. Hedged portion against USD risk (-)	--	--	--	--
<b>3. Net effect of USD (1+2)</b>	<b>13.051.118</b>	<b>(13.051.118)</b>	<b>13.051.118</b>	<b>(13.051.118)</b>
10% change in EUR foreign currency rate				
4. EUR net asset/(liability)	228.286	(228.286)	228.286	(228.286)
5. Hedged portion against EUR risk (-)	--	--	--	--
<b>6. Net effect of EUR (4+5)</b>	<b>228.286</b>	<b>(228.286)</b>	<b>228.286</b>	<b>(228.286)</b>
10% change in GBP foreign currency rate				
7. GBP net asset/(liability)	(4.852)	4.852	(4.852)	4.852
8. Hedged portion against GBP risk (-)	--	--	--	--
<b>9. Net effect of GBP (7+8)</b>	<b>(4.852)</b>	<b>4.852</b>	<b>(4.852)</b>	<b>4.852</b>
<b>TOTAL (3+6+9)</b>	<b>13.274.552</b>	<b>(13.274.552)</b>	<b>13.274.552</b>	<b>(13.274.552)</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 29 FINANCIAL RISK MANAGEMENT (Continued)

#### (iii) Information on market risk (Continued)

##### Interest rate risk

According to the daily market conditions, the Group invests its cash as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, reverse repurchase agreements, or bank deposits.

Interest rate profile

	31 December 2022	31 December 2021
<b>Fixed rate financial instruments</b>		
Financial assets		
Financial assets at fair value through profit or loss		
Eurobonds	262.374.562	53.100.249
Fx-protected deposit	101.774.939	--
Bank Bond	7.111.155	--
Government bonds	1.985.720	4.262.128
Private sector bonds	4.123.227	8.059.300
Asset backed securities	6.257.888	--
Time deposits and receivables from reverse repurchase agreements	177.549.439	238.980.065
Financial liabilities		
Financial liabilities	356.263.172	119.111.999
Lease obligations	5.463.196	8.443.889
Payables to Money Markets	150.082.190	45.720.534
<b>Floating rate financial instruments</b>		
Financial liabilities		
Financial liabilities	3.393.292	5.749.584
Issued securities	85.647.590	--

The profit before tax of the Group from the financial asset valuation will decrease by TL 1.548.165 (31 December 2021: TL 1.253.757) and increase by TL 1.548.165 (31 December 2021: TL 1.253.757) in the case of 100 basis point decrease/increase in TL market interest rates with all other factors remaining constant as of 31 December 2022.

ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 29 FINANCIAL RISK MANAGEMENT (Continued)

#### (iii) Information on market risk (Continued)

##### Price risk

Stock price risk; is the risk that the market value of stocks will decrease as a result of the change in the stock index levels and the value of the relevant stock.

The effect of the changes in fair values (provided that all other variables are constant) on the profit/(loss) of the Group (tax effect) as a result of a possible 10% depreciation of stocks and mutual funds traded in BIST and measured with their market values. except) as follows:

	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>Income Statement</b>	<b>Income Statement</b>
Financial assets at fair value through profit or loss	7.267.459	936.794
<b>Total, net</b>	<b>7.267.459</b>	<b>936.794</b>

#### (iv) Capital risk management

The Group manages the capital with decreasing investment risk to the lowest level with portfolio diversification. The Group's main objective is to add value to each partner and trying to increase and protect the value of the portfolio. In order to provide this value-added, the Company invests in high-yield securities and other financial instruments, monitors financial markets and institutions, developments related to the partnership and takes the necessary measures related to portfolio management.

The Group aims to increase its profit by using the balance of debt and equity in the most efficient way while trying to ensure the continuity of its activities in capital management.

The company monitors the capital using the ratio of net financial debt/total equity. Net financial debt is calculated by deducting the total of financial debts (including long and short term financial debts) from cash and cash equivalents. This ratio is calculated by dividing the net financial debt by the total equity in the balance sheet.

	<b>31 December 2022</b>	<b>31 December 2021</b>
Total liabilities	603.153.661	179.390.190
Liabilities from leasing transactions	5.463.196	8.443.889
Minus: Cash and Cash equivalents (Note 5)	(264.458.178)	(271.357.158)
<b>Net financial liability</b>	<b>344.158.679</b>	<b>(83.523.079)</b>
Total equity	894.379.616	606.850.843
<b>Net financial liability/equity ratio</b>	<b>0,38</b>	<b>(0,14)</b>

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 30 DERIVATIVE INSTRUMENTS

As of 31 December 2022 and 31 December 2021 details of derivative instruments are follows:

	31 December 2022	
	Assets	Liabilities
Option operations	503.940	(450.130)
Warrant operations	--	(423.652)
Swap operations	687.538	(506.760)
Forward operations	9.207.538	(6.354.697)
<b>Total</b>	<b>10.399.016</b>	<b>(7.735.239)</b>
	31 December 2021	
	Assets	Liabilities
Forward operations	36.513.204	(35.189.119)
Option operations	206	(190.368)
Warrant operations	--	(67.655)
<b>Total</b>	<b>36.513.410</b>	<b>(35.447.142)</b>

### 31 FINANCIAL INSTRUMENTS

#### *Fair value of the financial instruments*

Despite of the obligatory sale and the close-out, the fair value describes the amount of the financial instrument for its purchase and sell, to the consent process of related sides. Under this circumstance, the quoted market price reflects the fair value, most appropriately.

The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market Exchange.

Despite of the financial lease receivables and borrowings, the fair values of short-term assets and liabilities have been estimated close to their book values since the impact of the discount is irrelevant for the fair value.

ÜN LÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 31 FINANCIAL INSTRUMENTS (Continued)

#### Fair value of the financial instruments (Continued)

The fair values and carrying values of financial assets and liabilities of the Group are as follows:

	31 December 2022	
	Carrying value	Fair value
<b>Financial assets</b>		
Banks	264.458.178	264.458.178
Trade receivables <sup>(*)</sup>	680.448.697	663.360.697
Financial investments	506.692.363	506.692.363
Other receivables	150.915.829	150.915.829
<b>Financial liabilities</b>		
Financial liabilities <sup>(*)</sup> <sup>(**)</sup>	603.153.661	606.666.559
Payables from lease transactions	5.463.196	5.299.196
	31 December 2021	
	Carrying value	Fair value
<b>Financial assets</b>		
Banks	271.329.659	271.329.659
Trade receivables <sup>(*)</sup>	376.481.835	343.463.835
Financial investments	108.981.119	108.981.119
Other receivables	64.428.511	64.428.511
<b>Financial liabilities</b>		
Financial liabilities <sup>(*)</sup> <sup>(**)</sup>	179.390.190	175.753.428
Payables from lease transactions	8.443.889	8.275.011

<sup>(\*)</sup>The risk premium was taken into account as 6% in the fair value calculation of the trade receivables account, and the risk premium as 2% in the fair value calculation of the financial liabilities account (31 December 2021: 5% in the fair value calculation of the trade receivables account, the risk premium as 2% in the fair value calculation of the financial liabilities account). The Group calculated the fair values by discounting the undiscounted estimated cash flows by including the risk premiums stated above on the market interest rates.

<sup>(\*\*)</sup> Debts and leveraged trading transactions collateral obligations are not included in the Stock Exchange Money Market.

#### Fair value hierarchy

The fair values of financial asset and liabilities have been determined as follows:

- First level: Financial assets and liabilities are valued at the stock exchange price in an active market for exactly the same assets and liabilities.
- Second level: Financial assets and liabilities are valued with the inputs used to determine a directly or indirectly observable price other than the stock market price of the relevant asset or liability mentioned in Level 1.
- Third level: Financial assets and liabilities are valued with inputs that cannot be based on data observable in the market and used to determine the fair value of the asset or liability.

ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 31 FINANCIAL INSTRUMENTS (Continued)

#### Fair value of the financial instruments (Continued)

31 December 2022	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	83.908.973	372.393.109	--	<b>456.302.082</b>
Financial assets at fair value through other comprehensive income <sup>(1)</sup>	--	48.873.027	--	<b>48.873.027</b>
Financial assets measured at amortized cost	--	--	663.360.697	<b>663.360.697</b>
Financial liabilities	--	--	606.666.559	<b>606.666.559</b>
Derivative instruments	--	2.663.777	--	<b>2.663.777</b>
31 December 2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	27.230.133	61.159.549	--	<b>88.389.682</b>
Financial assets at fair value through other comprehensive income <sup>(1)</sup>	--	19.074.183	--	<b>19.074.183</b>
Financial assets measured at amortized cost	--	--	343.463.835	<b>343.463.835</b>
Financial liabilities	--	--	175.753.428	<b>175.753.428</b>
Derivative instruments	--	1.066.268	--	<b>1.066.268</b>

<sup>(1)</sup> BIST shares classified by the Group as financial assets at fair value through other comprehensive income are valued based on the bid price declared by BIST and are shown in Level 2. In addition, 212 Capital Partners is classified in Level 2.

### 32 DISCLOSURES OF INTERESTS IN OTHER ENTITIES

	Non-controlling interest share percentage	Non-controlling interest share profit/(loss)	Accumulated non-controlling interests	Unpaid capital by non-controlling interests	Dividend paid ton on controlling interests
31 December 2022					
Plato Finans	--	--	--	--	--
<b>Total</b>	--	--	--	--	--
31 December 2020					
Plato Finans	1,79%	(24.930)	(5.936)	--	--
<b>Total</b>		<b>(24.930)</b>	<b>(5.936)</b>	--	--



ÜNLÜ YATIRIM HOLDING A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

### 33 FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR'S

In accordance with the decision of POA dated 26.03.2021, the fees for the reporting period regarding the services received from the independent auditor or independent audit firm are given in the table below. The fees for services rendered to the Company's subsidiaries and jointly controlled partnerships, as well as to the Parent Company, are included in the fees stated as VAT excluded;

	31 December 2022	31 December 2021
Independent audit fee for the reporting period	3.553.577	2.242.823
Other assurance services and other non-audit fees	55.000	110.000
<b>Total</b>	<b>3.608.577</b>	<b>2.352.823</b>

### 34 SUBSEQUENT EVENTS

An earthquake occurred in the southeastern part of Turkey that affected many of our provinces. Since the ultimate severity of this earthquake, which caused the death and injury of thousands of people, is currently uncertain, efforts to measure the impact on the Company's operations and financial condition continue.

On February 7, 2023, at Muratpaşa/Antalya address, "ÜNLÜ Menkul Değerler A.Ş. The permission to open a branch under the title of "Antalya Branch" has been obtained from the Capital Markets Board and the branch opening works have been started.

On 08.03.2023, an application was made to the Capital Markets Board for permission in order to increase the registered capital ceiling of our Subsidiary ÜNLÜ Portföy Yönetimi A.Ş. from TL10.000.000 to TL 50.000.000.

It was decided to increase the issued capital of our Subsidiary ÜNLÜ Yazılım ve Teknoloji Hizmetleri A.Ş. from TL 1.000.000 to TL 5.000.000 and the situation was registered and announced in the Turkish Trade Registry Gazette dated 03.03.2023 and numbered 10772. has been done.

The regulation abolishing the retirement age requirement for employees who entered employment before 8 September 1999 was published in the Official Gazette on 3 March 2023. Accordingly, those who completed the number of premium days and insurance period among the relevant employees were entitled to retire. This arrangement is expected to have an impact on the timing and probability of settlement of severance payments. Studies to measure the effects of the said regulation on the Group's financial position or performance are ongoing.

Taking into account the resolution of the Board of Directors on the Capital Markets Legislation and the Capital Markets Board's bulletin dated 14.02.2023 and numbered 2023/10, on 15.02.2023, the resolution of the Board of Directors regarding the share repurchase transactions, the maximum value of the Company's shares was determined in order to support the formation of a healthy price in the share market. It has been decided that the maximum amount of funds will be determined as 35.000.000 TL and the maximum number of shares to be purchased will not exceed 5.000.000, valid for a period of 3 months, and that the funds to be allocated will be met from our Company's equity. In this context, shares with a nominal value of TL 100,000, representing 0.057% of the capital of Ünlü Yatırım Holding A.Ş. were repurchased.





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