

# 2022 Activity Report



KREDİ GARANTİ FONU



**KREDİ GARANTİ FONU**

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

To Kredi Garanti Fonu A.Ş.'s Board of Directors

1. Opinion

We have audited the annual activity report of Kredi Guarantee Fund for the accounting period of 01 January - 31 December 2022.

In our opinion, the financial information included in the Company's annual report and the examinations of the Board of Directors using the information in the audited financial statements about the Company's situation are consistent with the audited financial statements and the information we obtained during the independent audit, in all material respects, and reflect the truth.

2. Basis of Opinion

Our independent audit was conducted in accordance with the Independent Auditing Standards (BDS), which is a part of the Turkish Auditing Standards published by the Public Oversight, Accounting and Auditing Standards Authority (KGK). Our responsibilities under these standards are explained in detail in the Independent Auditor's Responsibilities for the Independent Audit of the Annual Report of our report. We declare that we are independent in accordance with the Code of Ethics for Independent Auditors (Ethical Rules) published by KGK and the ethical provisions in the legislation on independent auditing. Other ethical responsibilities within the scope of the Code of Ethics and legislation have been fulfilled by us. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Our Auditor's Opinion on the Financial Statements

We have expressed an affirmative opinion in our auditor's report dated March 17, 2023 on the financial statements of the Company for the accounting period of 01 January - 31 December 2022.

4. Responsibility of the Board of Directors for the Annual Report

The company management is responsible for the following regarding the annual report in accordance with the 514th and 516th articles of the Turkish Commercial Code (TCC) numbered 6102.

- It prepares the annual report within the first three months following the balance sheet date and submits it to the General Assembly.
- It prepares the annual report in a way that accurately, completely, directly, accurately and honestly reflects the flow of the Company's activities for that year and its financial position in all aspects. In this report, the financial situation is evaluated according to the financial statements. The report also clearly indicates the development of the Company and the possible risks it may face. The evaluation of the board of directors regarding these issues is also included in the report.
- The annual report also includes the following:
  - Events of special importance that occur in the company after the end of the operating year,
  - The company's research and development activities,

4. Responsibility of the Board of Directors for the Annual Report (Continued)

- Financial benefits such as wages, premiums, bonuses paid to members of the board of directors and senior executives, allowances, travel, accommodation and representation expenses, in-kind and cash benefits, insurances and similar guarantees.

While preparing the annual report, the Board of Directors also takes into account the legislative arrangements made by the Ministry of Customs and Trade and related institutions.

The company prepared the annual report on March 17, 2023 and submitted it to our approval on the same date as to whether it is consistent with the independent audit report.

5. Responsibility of the Independent Auditor for the Independent Audit of the Annual Report

Our aim is to express an opinion (within the scope of the provisions of the Turkish Commercial Code) on whether the audited financial statements of the Company are consistent with the information we obtained during the audit, using the financial information in the annual report and the information contained in the audited financial statements of the board of directors.

Our independent audit was carried out in accordance with IASs (Independent Auditing Standards). These standards require compliance with ethical provisions, the financial information in the annual report and the examinations of the board of directors using the information in the audited financial statements to obtain reasonable assurance as to whether they are consistent with the information obtained during the audit.

Reform Bağımsız Denetim A.Ş.  
İstanbul, 17 March 2023

RYM<sup>o</sup>reform  
BAĞIMSIZ  
DENETİM A.Ş.  
Ceyhan GÖNEN  
Partner

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# EVALUATION OF THE SENIOR MANAGEMENT

Distinguished Stakeholders,

In 2021, despite the ongoing global impacts of the COVID-19 pandemic, the Turkish economy achieved an annual growth rate of 11.4% thanks to the measures taken to mitigate those impacts and the various support mechanisms, including the Credit Guarantee Fund. Our country also maintained growth in the aftermath of the global economic crisis, achieving significant success.

While the world has left behind the initial impacts of the COVID-19 pandemic and has started to recover, the global economic balance has once again changed, this time due to the Russia-Ukraine war that broke out at the beginning of 2022, the deepening problems in the supply chain, and the fluctuations in the demand, supply and costs of raw materials, especially energy. The mentioned fluctuations have had inflationary effects on agricultural production, and thus, on food prices. Accordingly, the world is facing a struggle against rapid inflation.

Historical peaks were observed in global inflation in 2022, and these effects of the economic turmoil have been reflected also on the Turkish economy. Exchange rate volatility, which is one of the main issues affecting the business world and economic balance in Türkiye, combined with the global increase in commodity prices, has resulted in a higher inflationary pressure on the country.

In the harsh economic climate of 2022, efforts were made to minimize the inflationary pressures through economic programs implemented across the country, drawing upon the strong structure of the finance and banking sector, and the strategies of non-governmental organizations and public authorities. Despite the negative global effects, the Turkish economy maintained its growth momentum and achieved an annual growth rate of 5.6% in 2022. We are confident that the Turkish economy will grow stronger in 2023 by taking firm steps, building on the experience of the economy administration and the business world.

As our country's most effective guarantee provider, facilitating the access of SMEs to financing, we remain aware of our responsibilities in ensuring continuity of production and exports and our

contributions to the green transformation – in short, our support of economic growth and development – and continue our efforts accordingly.

In 2022, with a view to increasing investments, production, exports and employment, and in support of the technological transformation, the Credit Guarantee Fund contributed to the full-capacity operation of economic enterprises by supporting the selective access of SMEs, farmers and women entrepreneurs.

We also contributed to the development of new policies and support mechanisms so as to reduce inflationary pressure, minimize the fluctuations in exchange rates and ensure that loans are converted into investments.

Accordingly, we issued equity-backed guarantees to the tune of TRY 2,370 million, and TRY 67,234 million in Treasury-backed guarantees.

In the 1994–2022 period, a total of TRY 23,377 million worth of equity-backed guarantees were issued to 73,361 applicant SMEs,

while between 2010 and 2022, a total of TRY 722,050 million worth Treasury-backed guarantees were issued to 834,771 applicant SMEs.

The Credit Guarantee Fund will continue to support the steps taken to help the Turkish economy achieve its goals through the application of appropriate strategies and strong economic programs. We will continue to contribute to Türkiye's future by supporting production through the applications and programs we have developed with our partners, the banking sector and the real sector, and especially the Ministry of Treasury and Finance. I would like to thank all our employees and stakeholders for their dedication, and extend my gratitude to the esteemed members of our Board of Directors.

Sincerely yours,

**Erdoğan ÖZEGEN**

Chairman of the Board of Directors



Distinguished Stakeholders,

After entering 2022 with positive expectations, the world was soon saddled with an energy crisis that started with the outbreak of the Russia-Ukraine war, inflationary pressure and a global recession. Mirroring our efforts in 2021, when the agenda was dominated by the struggle against the impacts of the COVID-19 pandemic, we acted with determination in every field also in 2022.

All stakeholders in the country, including public bodies, the private sector and NGOs, continued their efforts in full awareness of their responsibilities. With a view to contributing to the social and economic development of our country, we stood by our national enterprises by providing them financial support.

A loan program based on Treasury-backed guarantees, put into practice under the leadership of the Ministry of Treasury and Finance and based on our synergy with the finance sector, played a great role in this regard. From 2009 until year-end 2022, we provided commercial loans to the tune of TRY 834 billion to 835,000 enterprises. In 2022, we provided TRY 79 billion in KGF-guaranteed loans to 36,000 enterprises through our support packages. To eliminate the adverse impacts of the economic fluctuations caused by the developments in global markets, we continued to support our producers through economic programs and support packages, and strived to do our part in ensuring the access of entrepreneurs, as the dynamic power of our country, to financing. In line with this goal, we launched the Türkiye Women in Business (TurWIB) Program in cooperation with the European Bank for Reconstruction and Development.

This year, as we celebrate the centennial of our Republic, we will continue our efforts to strengthen our already-effective working system through digitalization, benefiting from innovation and technology. Building on our young and dynamic human resources, KGF's main focus will be to support the real sector in the most effective manner through the provision of equity-backed and Treasury-backed guarantees and foreign resources. As an institution, we will continue to act in line with the economic goals of our country and to take innovative steps to support the access to financing of companies that produce and create added value. I would like to thank our Board of Directors, my esteemed colleagues and our valuable stakeholders for their unwavering support in all of the projects we have implemented.

Sincerely yours,

**Erdal ERDEM**  
General Manager



# Board of Directors



1. ERDOĞAN ÖZEGEN  
Chairman of the Board of Directors

2. HASAN BASRİ KURT  
Vice Chairman of the Board of Directors

3. ERDAL ERDEM  
General Manager

4. ONUR GÖK  
Member of the Board of Directors

5. MAHMUT MÜCAHİT FİNDIKLI  
Member of the Board of Directors

6. MÜCAHİT DUMAN  
Member of the Board of Directors

7. RECEP ALİ ERDOĞAN  
Member of the Board of Directors

8. NECDET KARADENİZ  
Member of the Board of Directors

9. ÖMER SERDAR  
Member of the Board of Directors

10. ŞÜKRÜ TUĞBAY KUMOĞLU  
Member of the Board of Directors





# Members of the Board of Directors and their Biographies



## ERDOĞAN ÖZEGEN

### Chairman of the Board of Directors

Erdoğan Özegen was born in Niğde on 29 November, 1965

He graduated from the Public Administration Department of the Faculty of Economics.

He presided as Deputy of Niğde for the 22nd, 25th and 26th terms, and has held various political positions, being a member of the Agriculture, Forestry and Rural Affairs Commission and the Health, Family, Labour and Social Affairs Commission; a member of the Parliamentary Group Board, a member of the Bureau of the Turkish Grand National Assembly (TBMM) - Assembly Chief of Administration, President of the International Commission of the Assembly, President of the Turkish Group of the Parliamentary Assembly of the Mediterranean, and General Secretary of Turkey-China Friendship Group.

He has served as the Chairman of the Board of Directors of the Niğde Commodity Exchange, as a member of the Agricultural Council of the Union of Chambers and Commodity Exchanges of Turkey (TOBB), as Chief Advisor on Corporate Relations in TOBB, as a member of the TOBB Strategy Development High Council, as Deputy Chairman of the Executive Board of TOBB ETÜ Hospital, as a member of the Council of the Ankara Chamber of Commerce (ATO), and as a member of various Social and Cultural Assistance Associations, such as the TOBB Education and Culture Foundation (TOBEV).

He is currently a member of the General Administrative Council of TOBB, a founder and member of the Board of Trustees of GS1 Turkey, a member of the High Council of TOBB Strategy, a founder and member of the Selimiye Foundation for the Protection of Monuments (SISEV) and the Board of Trustees.

He is married and has three children.

## HASAN BASRİ KURT

### Vice Chairman of the Board of Directors

Hasan Basri Kurt was born in Samsun on 20 April, 1978.

He is a political scientist, and holds bachelor's and master's degrees in International Relations.

He has held different managerial positions in the Istanbul Metropolitan Municipality, and worked as a Business Development Manager, Social Services Projects Manager and Project Coordination Manager in Sağlık A.Ş. – a subsidiary of Istanbul Metropolitan Municipality – managing various projects in such areas as home care, women's health and the disabled. He led the Social Aid Coupon project, under which people in need are able to shop directly from markets.

He has been a founding partner and a board member of various companies, working as a freelance entrepreneur in the fields of IT, food and construction.

He was elected as the Deputy for Samsun for the 25th and 26th terms as an AK Party candidate.

He served as a member of the AK Party Group Board of Directors, and was a Secretary Member of the Foreign Affairs Committee of the Turkish Grand National Assembly (TBMM). During his term as a deputy, he worked specifically in the fisheries and medical sectors.

He was appointed President of the Small and Medium Enterprises Development Organization of Turkey (KOSGEB) while working as the General Manager in charge of Management Services in the Ministry of Industry and Technology. Kurt speaks English and is married with two children.

## ERDAL ERDEM

### General Manager

Erdal Erdem was born in Çankırı in 1971. He graduated from Afyon Kocatepe University Department of Finance in 1993 and earned his master's degree from Beykent University. He started his career at Faisal Finans Kurumu (Faisal Financial Institution) in 1995 and served as Assistant Marketing Specialist in the participation banking sector. After working in the Project Marketing Group Directorate and Credit Service Directorate, he served as the

Assistant General Manager in charge of Credit Monitoring, Legal Affairs and Credit Evaluation Units. Between 2012-2014, he served as the member of the Board of Directors of the Republic of Türkiye Ziraat Bank Inc. and the Credit Committee, the vice-chair of the Board of Directors of Ziraat Leasing Inc. and a member of the Board of Directors of Ziraat Bank Moscow. Between 2014-2017, he served as the Assistant General Manager of Halk Bank in charge of SME Banking Marketing, Financial Management and Planning, and Acting Assistant General Manager in charge of Human Resources and Quality Organization. He also served as the chair of the Board of Directors of Factoring Inc. and a member of the Board of Directors of Halk Bank Serbia. Between 2017-2020, he served as the Assistant General Manager and the General Manager of Şekerbank SME Banking. Between November 2020-February 2022, he served as the Acting Chair of the Board of Directors of Kardemir Inc. Erdem has been serving as a member of the Board of Directors of the Development and Investment Bank of Turkey since July 2020 and also as the Chair of the Corporate Governance Committee. He has been appointed as the General Manager of the Credit Guarantee Fund as of February 8, 2022.

## ONUR GÖK

### Member of the Board of Directors

Onur Gök started his professional career as an Assistant Tax Inspector in 2011, and attained the title of Tax Inspector after successfully passing the proficiency exam by virtue of a Decree signed by three officials and published in the Official Gazette dated 01.07.2015, numbered 29403. He held an administrative position on the Tax Inspection Board between September 2017 and April 2018, and during this period he worked as the rapporteur of the Central Report Evaluation Committee under the Office of the President of the Board, and served also as a member of the "Legislation Unit" of the Office of the President of the Board.

He was appointed Deputy Secretary General of the Tax Council in April 2018 with the approval of the

Ministry and served in this position until March 2019. He participated in the preparation of the Income and Corporate Tax Reforms, and has taken part in working groups related to the Istanbul Finance Center and tax reforms.

He served as the Vice Chairman of the Tax Inspection Board from April 2019 to June 2021, and between January 2020 and July 2021 he served as the Secretary General of the Tax Council of the Republic of Türkiye Ministry of Treasury and Finance.

He has been working as a Ministerial Advisor in the Turkish Ministry of Treasury and Finance since December 2021 and as the Acting General Manager for Financial Markets and Foreign Exchange since June 10, 2022.

## RECEP ALİ ERDOĞAN

### Member of the Board of Directors

Born in Istanbul on 01.07.1980, Recep Ali ERDOĞAN has graduated from Department of Public Administration at Anadolu University and consequently he took master's degree in Business Administration.

In 2002, he started his career at KOSGEB Boğaziçi University Technology Development Directorate and resumed his duty as assistant specialist in the Budget and Performance Service of Strategy Development and Financial Services Department at KOSGEB from 2007 to 2010. He served as Legal Affairs Manager and In-Service Training Manager between 2010 and 2014.

From 2014 to 2016, he served as Head of Human Resources Department and Head of SME Finance Department at KOSGEB. He has been carrying out his duty as Vice Chairman of KOSGEB Administration since 09.06.2017. He is also the President of the Association for the Cooperation and Solidarity Alliance for the Members of Small and Medium Scale Enterprises Development and Support and is a Board Member in Federation of School Sports.

He is married and father of two children

# Members of the Board of Directors and their Biographies



## MAHMUT MÜCAHİT FINDIKLI Member of Board of Directors

Born on August 15, 1957 in Malatya, Mücahit Fındıklı, son of Hasan Tahsin and Kamuran, is a graduate of the Electrical Engineering Department of Fırat University. He served as a contractor for many years, and held the post of Chairman of the Board of Malatya Chamber of Commerce and Industry. He was a member of the Union of Chambers and Commodity Exchanges of Türkiye (TOBB); served as Chairman of the Board of UMAT TÜRK A.Ş., which is an affiliate of TOBB; established and served as the Chairman of the Board of Directors of the Customs and Tourism Enterprises Joint Stock Company (GTİAŞ); was elected Deputy for Malatya standing for the Justice and Development Party (AKP) in the 23rd and 24th legislative terms; and served as the Chairman of the Parliamentary Committee on Industry, Trade, Energy, Natural Resources, Information and Technology. Since 2015, he has been serving as the Deputy Chairman of Economic Affairs within AKP. He speaks intermediate-level English, and is married with three children.

## ÖMER SERDAR Member of Board of Directors

Born in the Palu district of Elazığ in 1963, Ömer Serdar graduated from Faculty of Law of Istanbul University and started his professional career in 1991 as an attorney. His career includes periods as the General Secretary of the Bar Association and a Delegate of the Union of Bar Associations, while in his political life he has served as a Provincial Head of the Welfare Party (RP) and as the Deputy Chairman of the Motherland Party (ANAP). In addition to his political roles, he has worked for various NGOs and published articles in art and literature journals.

In the general elections of November 1, 2016, he was elected as Deputy for Elazığ standing for the Justice and Development Party (AKP) for the 26th legislative term. In the first legislative year, he served as a member of the

Presidency Council of Parliament and a member of the Culture, Art and Publishing Board of Parliament. In the second legislative year of the 26th term, he was elected Chairman of the Parliamentary Committee on Human Rights Inquiries. The actions taken by the Committee during his chairmanship included: The establishment of a "Sub-Committee on the Investigation of Rights Violations and Grievances During the 28 February Process". Under the umbrella of this sub-committee, he was involved in the review and reporting of claims made by members of the public who were negatively affected by the 28 February post-modern coup, and who suffered various losses of rights. The establishment of the "Sub-Committee on the Examination of Islamophobia in Western Countries". Under the umbrella of this sub-committee, he was involved in investigations of Islamophobia in foreign countries and the compilation of related reports. The establishment of the "Sub-Committee on Migration and Integration" for investigating and examination of Refugee Problems, and the related necessary reporting.

He is currently serving within the AKP as the Deputy Head of Political and Legal Affairs. He is married and has two children.

## MÜCAHİT DUMAN Member of Board of Directors

Born in 1983 in Ankara, Mücahit Duman graduated from the Industrial Engineering Department of Middle East Technical University (METU).

He started his career at the Turkish Patent Institute, and then served as a Finance and Contracting Expert within the Central Finance and Contracting Unit. In 2008, he started working in the Undersecretariat of the Treasury. Note: Pursuant to the permission granted by the KGF General Assembly, Board Members are not engaged in any activities – conducted either on their behalf or on behalf of others – that are subject to prohibitions of

competition.

After serving as an Assistant Expert and then as an Expert within the Treasury, he accepted a temporary position on the Parliamentary Committee on Informatics and Internet Research.

Between 2013 and 2016, he served as the Deputy Head of Department in charge of Information Management and e-Transformation, as well as Internal Control and Risk Management, in the Department of Strategy Development of the Undersecretariat of the Treasury. While in this post, he took over the management and design of many projects on strategic management, process management, performance management, risk management, business analysis, corporate communications, information management and decision support systems. Thereafter, in the General Directorate of Financial Markets and Foreign Exchange, he served as the Head of Financial Market Policies and the Coordination Department responsible for financial stability, participatory finance and financial inclusion. He then served as the Head of the Financial Markets and Policies and Access to Credit and Financing Solutions Departments overseeing the Treasury-backed guarantee system under the General Directorate of Financial Markets and Foreign Exchange. He is currently serving as the Deputy General Director in the said General Directorate.

Mücahit Duman speaks fluent English, and is married and has one child.

## NECDET KARADENİZ Member of Board of Directors

Born in Iğdır in 1959, Necdet Karadeniz graduated from the Faculty of Chemical and Metallurgical Engineering of Istanbul Technical University, and has a Master's degree in Business Management from Istanbul University. He started his banking career at Türkiye Emlak Bankası A.Ş. in 1988, and worked in the loans department of Alternatifbank between 1992 and 2001 as a Credit Management Manager.

Between 2002 and 2006, he worked as a Credit Allocation Manager at Türkiye Finans Katılım Bankası A.Ş., and continued his career in the role of Credit Allocation and Monitoring

Manager between 2006 and 2007 at Ak Finans Kiralama A.Ş. and FFK Fon Finansal Kiralama A.Ş. Between 2007 and 2012, he served as Head of the Commercial Loan Departments and as a Commercial Branch Manager at Ziraat Bank. Since 2012, he has been employed as the Deputy General Manager for Credit Allocations in the Export Credit Bank of Türkiye (TURK EXIMBANK). He is married and has one child.

## ŞÜKRÜ TUĞBAY KUMOĞLU Member of Board of Directors

Şükrü Tuğbay Kumoğlu is a graduate of the Department of Finance of the Gazi University Faculty of Economics and Administrative Sciences; he started his banking career in Garanti Bank in 1999. He has assumed different roles in the branches, regional offices and headquarters of the bank, and was appointed Regional Director of Türk Ekonomi Bankası A.Ş. (TEB) in 2006. After serving as the Regional Director for a year, he was appointed as the Retail Banking Sales Director of the same bank in 2007. In addition to his role as Sales Director, he served as Member of the Board responsible for the expansion of retail banking activities in TEB Sha Kosova between 2013 and 2018. More recently, he has served as the Group Director of the TEB Retail Banking Sales and Call Centre. He was appointed Deputy General Manager in charge of Şekerbank Retail and Agriculture Banking in December 2019, and has also been responsible for SME Banking since July 2020, and serves also as a Member of the Board of Directors of Kredi Kayıt Bürosu A.Ş. and Kredi Garanti Fonu A.Ş.

# Executive Board

## ERDOĞAN ÖZEGEN

### Chairman of the Executive Board

Erdoğan Özegen was born in Niğde on 29 November, 1965

He graduated from the Public Administration Department of the Faculty of Economics.

He presided as Deputy of Niğde for the 22nd, 25th and 26th terms, and has held various political positions, being a member of the Agriculture, Forestry and Rural Affairs Commission and the Health, Family, Labour and Social Affairs Commission; a member of the Parliamentary Group Board, a member of the Bureau of the Turkish Grand National Assembly (TBMM) - Assembly Chief of Administration, President of the International Commission of the Assembly, President of the Turkish Group of the Parliamentary Assembly of the Mediterranean, and General Secretary of Turkey-China Friendship Group.

He has served as the Chairman of the Board of Directors of the Niğde Commodity Exchange, as a member of the Agricultural Council of the Union of Chambers and Commodity Exchanges of Turkey (TOBB), as Chief Advisor on Corporate Relations in TOBB, as a member of the TOBB Strategy Development High Council, as Deputy Chairman of the Executive Board of TOBB ETÜ Hospital, as a member of the Council of the Ankara Chamber of Commerce (ATO), and as a member of various Social and Cultural Assistance Associations, such as the TOBB Education and Culture Foundation (TOBEV).

He is currently a member of the General Administrative Council of TOBB, a founder and member of the Board of Trustees of GSI Turkey, a member of the High Council of TOBB Strategy, a founder and member of the Selimiye Foundation for the Protection of Monuments (SISEV) and the Board of Trustees.

He is married and has three children.



## HASAN BASRİ KURT

### Vice Chairman of the Executive Board

Hasan Basri Kurt was born in Samsun on 20 April, 1978. He is a political scientist, and holds bachelor's and master's degrees in International Relations.

He has held different managerial positions in the Istanbul Metropolitan Municipality, and worked as a Business Development Manager, Social Services Projects Manager and Project Coordination Manager in Sağlık A.Ş. - a subsidiary of Istanbul Metropolitan Municipality - managing various projects in such areas as home care, women's health and the disabled.

He led the Social Aid Coupon project, under which people in need are able to shop directly from markets. He has been a founding partner and a board member of various companies, working as a freelance entrepreneur in the fields of IT, food and construction.

He was elected as the Deputy for Samsun for the 25th and 26th terms as an AK Party candidate.

He served as a member of the AK Party Group Board of Directors, and was a Secretary Member of the Foreign Affairs Committee of the Turkish Grand National Assembly (TBMM).

During his term as a deputy, he worked specifically in the fisheries and medical sectors.

He was appointed President of the Small and Medium Enterprises Development Organization of Turkey (KOSGEB) while working as the General Manager in charge of Management Services in the Ministry of Industry and Technology.

Kurt speaks English and is married with two children.



## ERDAL ERDEM

### General Manager

Erdal Erdem was born in Çankırı in 1971. He graduated from Afyon Kocatepe University Department of Finance in 1993 and earned his master's degree from Beykent University. He started his career at Faisal Finans Kurumu (Faisal Financial Institution) in 1995 and served as Assistant Marketing Specialist in the participation banking sector. After working in the Project Marketing Group Directorate and Credit Service Directorate, he served as the Assistant General Manager in charge of Credit Monitoring, Legal Affairs and Credit Evaluation Units. Between 2012-2014, he served as the member of the Board of Directors of the Republic of Türkiye Ziraat Bank Inc. and the Credit Committee, the vice-chair of the Board of Directors of Ziraat Leasing Inc. and a member of the Board of Directors of Ziraat Bank Moscow. Between 2014-2017, he served as the Assistant General Manager of Halk Bank in charge of SME Banking Marketing, Financial Management and Planning, and Acting Assistant General Manager in charge of Human Resources and Quality Organization. He also served as the chair of the Board of Directors of Factoring Inc. and a member of the Board of Directors of Halk Bank Serbia. Between 2017-2020, he served as the Assistant General Manager and the General Manager of Şekerbank SME Banking. Between November 2020-February 2022, he served as the Acting Chair of the Board of Directors of Kardemir Inc. Erdem has been serving as a member of the Board of Directors of the Development and Investment Bank of Turkey since July 2020 and also as the Chair of the Corporate Governance Committee. He has been appointed as the General Manager of the Credit Guarantee Fund as of February 8, 2022.



# Biographies of Directors

## CANER TEBEROĞLU Director

Teberoğlu was born in Ankara in 1969. He graduated from the Middle East Technical University, Department of Mathematics in 1993. Between 1993 and 2015 he held various offices and positions in the corporate, commercial and SME marketing divisions of Demirbank, Pamukbank and Halkbank, working in the corporate branches, regional offices and headquarters. He has been serving as the Director of Kredi Garanti Fonu since December 2015. He is married and has one child. He speaks English.



## ŞEYDA YAVUZ Director

Yavuz was born in Diyarbakır in 1976. After completing her secondary education at Ankara Gazi Anatolian High School, she graduated from Ankara Gazi University, Faculty of Economics and Administrative Sciences, Department of Business Administration. She started her career in 1995 at Halkbank, and held managerial positions in the External Transactions division in the headquarters between 1995 and 2011, and in the SME and Retail Marketing divisions at the Regional Coordination Office from 2011 to 2016. She joined Kredi Garanti Fonu in April 2016 as the Head of the Corporate Communication and Product Management Division. She has been serving as the Director of Kredi Garanti Fonu since September 16, 2019. She is married and has a daughter.



## OUR MISSION

To provide strategic support to the growth and development of Turkey by facilitating the Access to financing of all enterprises, especially those which are promising.

## OUR VISION

To become an indispensable financial support institution for Turkey, ensuring access to credit of all SMEs and non-SMEs through its national and international cooperation.



A hand in a grey sleeve points towards a city skyline. The image is overlaid with several large, semi-transparent geometric shapes: a teal triangle pointing right, a grey triangle pointing right, and a teal triangle pointing left. The background is a grayscale cityscape with a body of water.

**1**

**GENERAL INFORMATION**

## A. TRADE REGISTRY DETAILS

### Accounting Period

01.01.2022 – 31.12.2022

### Commercial Title

Kredi Garanti Fonu Anonim Şirketi

### Number of Employees

2021 Yılı: 157

2022 Yılı: 151

### Mersis Central Registration System Number

0589005350800014

### Trade Registry Number

83408

### Tax Office / Tax ID Number

Maltepe Vergi Dairesi/ 5890053508

### Address

Dumlupınar Bulv. No: 252

TOBB İkiz Kuleler C Blok Kat: 5-6-7-20

Eskişehir Yolu 9. km. 06530

Yenimahalle / ANKARA

### Phone

0 312 204 00 00 (pbx)

### Fax

0 312 204 01 97- 98

### Call Center

444 7 543

### Website

www.kgf.com.tr



## B. SHAREHOLDING STRUCTURE

OUR SHAREHOLDERS	GROUP	AMOUNT OF CAPITAL (TL)	SHARE PERCENTAGE (%)
 TOBB (Türkiye Odalar ve Borsalar Birliği)	A	145.196.894,76	28,2961
 KOSGEB (Küçük ve Orta Ölçekli Sanayi Geliştirme ve Destekleme İdaresi Başkanlığı)	B	145.155.059,00	28,2879
 TESK (Türkiye Esnaf ve Sanatkarları Konfederasyonu)	D	619.358,17	0,1207
 TOSYÖV (Türkiye Küçük ve Orta Ölçekli İşletmeler, Serbest Meslek Mensupları ve Yöneticiler Vakfı)	D	40.015,94	0,0078
 MEKSA (Mesleki Eğitim ve Küçük Sanayii Destekleme Vakfı)	D	20.025,72	0,0039
 AKBANK T.A.Ş.	C	7.658.719,86	1,4925
 ALBARAKA TÜRK KATILIM BANKASI A.Ş.	C	7.658.719,86	1,4925
 ALTERNATİFBANK A.Ş.	C	7.658.719,86	1,4925
 ANADOLUBANK A.Ş.	C	7.658.719,86	1,4925
 BURGAN BANK A.Ş.	C	7.658.719,86	1,4925
 DENİZBANK A.Ş.	C	7.658.719,86	1,4925
 FİBABANKA A.Ş.	C	7.658.719,86	1,4925
 HSBC BANK A.Ş.	C	7.658.719,86	1,4925
 ING BANK A.Ş.	C	7.658.719,86	1,4925
 KUVEYT TÜRK KATILIM BANKASI A.Ş.	C	7.658.719,86	1,4925
 NUROL YATIRIM BANKASI A.Ş.	C	7.658.719,86	1,4925
 ODEABANK A.Ş.	C	7.658.719,86	1,4925
 QNB FİNANSBANK A.Ş.	C	7.658.719,86	1,4925
 ŞEKERBANK T.A.Ş.	C	7.658.719,86	1,4925
 T-BANK TÜRKİYE KATILIM BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRK EKONOMİ BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE FİNANS KATILIM BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE GARANTİ BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE HALK BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE İHRACAT KREDİ BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE İŞ BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE SİNAI KALKINMA BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE VAKIFLAR BANKASI T.A.O.	C	7.658.719,86	1,4925
 VAKIF KATILIM BANKASI A.Ş.	C	7.658.719,86	1,4925
 YAPI VE KREDİ BANKASI A.Ş.	C	7.658.719,86	1,4925
 ZİRAAT KATILIM BANKASI A.Ş.	C	7.658.719,86	1,4925
 TÜRKİYE EMLAK KATILIM BANKASI A.Ş.	C	7.658.719,86	1,4925
PASHA YATIRIM BANKASI A.Ş.	C	7.658.719,86	1,4925
		513.134.229,53	100,00

The company has no privileged shares and does not have any repurchased shares

## C. LEGAL FRAMEWORK AND REGULATIONS GOVERNING THE COMPANY

### Legal Framework Governing the Company

Our Company was established on 29.07.1991 with the name “Kredi Garanti Fonu İşletme ve Araştırma Anonim Şirketi”, and was renamed as “Kredi Garanti Fonu Anonim Şirketi” on 28.06.2007. Our Company, which was decided to be established by International Treaty, is subject to the provisions of the Turkish Commercial Code.

Through “Decree no. 2015/7715 dated 13.05.2015 on the Amendment of the Decree on Principles and Procedures Concerning Treasury Support for Credit Guarantee Agencies”, published in the Official Gazette dated June 24, 2015, the amount of support that may be provided by the Undersecretariat of the Treasury to the Company was increased from TRY 1 billion to TRY 2 billion.

“Decree no 2017/9969 dated February 27, 2017 on the Amendment of the Decree on Treasury Support for Credit Guarantee Agencies” took effect after being published in the Official Gazette of March 10, 2017, and increased the amount of support provided by the Undersecretariat of Treasury from TRY 2 billion to TRY 25 billion.

“Decree no 2020/2325 dated March 29, 2020 on the Amendment of the Decree on Treasury Support for Credit Guarantee Agencies” took

effect after being published in the Official Gazette of March 30, 2020, and increased the amount of support provided by the Ministry of Treasury and Finance from TRY 25 billion to TRY 50 billion.

Under the “Regulation on the Principles and Procedures Governing the Classification of Loans and Provisions to be Made for These Loans”, the guarantees provided by our Company with the support of the Treasury have been classified as Group-1 Collateral, and the guarantees provided without the support of Treasury have been classified as Group-2 Collateral.

No lawsuit has been initiated against the Company that would affect the Company’s financial standing and operations, quantitatively or qualitatively.

### Main Field of Activity and the Company’s Position in the Sector

KGF was established in 1991 to aid SMEs in gaining access to financing. The Company has since been working toward achieving its primary objective of providing guarantees and collateral support to SMEs that have credibility before banks but that are unable to access loans due to a lack of collateral.

We are fully aware that SMEs are at the heart

of an economy. SMEs account for 99.8% of all enterprises in Turkey, and provide 70% of the total employment in the country. These figures are the most striking illustration of the role and great significance of SMEs to the national economy. In summary, SMEs should be supported to strengthen the economy of Turkey. It is necessary to improve the productivity of SMEs, to support their integration into international markets, to ensure they have access to know-how and consultancy assistance in the fields of investment, production and marketing, and to support their access to long-term and low-cost loans.

It is here that KGF steps in, issuing guarantees to SMEs as well as non-SME enterprises in line with the most recent regulations.

### Exemptions and Exceptions Applicable to Our Company

Our Company is exempt from corporate tax, pursuant to the provision of subparagraph (I) of the first paragraph of Article 4 of the Corporate Tax Law No 5520.

Our Company is exempt from value added tax in its loan guarantee transactions, pursuant to the provision of subparagraph (e) of Article 17 of the Value Added Tax Law No 3065.

The papers issued as part of the transactions of our Institution related to loan collateral are exempt from stamp duties, in line with provision of table no. (2) of paragraph V/22 regulating exceptions,

pursuant to article 9 of the Stamp Duty Law No. 488.

Pursuant to the provisions of paragraph 3 of Article 123 of Law No. 492 on Legal Fees, transactions (aside from judicial fees) related to the loans to be extended by financial institutions (banks, financing companies, foreign credit institutions and international institutions), as well as collaterals and repayments, including guarantees to be issued by the Kredi Garanti Fonu, are exempt from the legal fees stipulated in this Law.

### Financial Rights Provided to the Members of the Board of Directors and the Senior Management

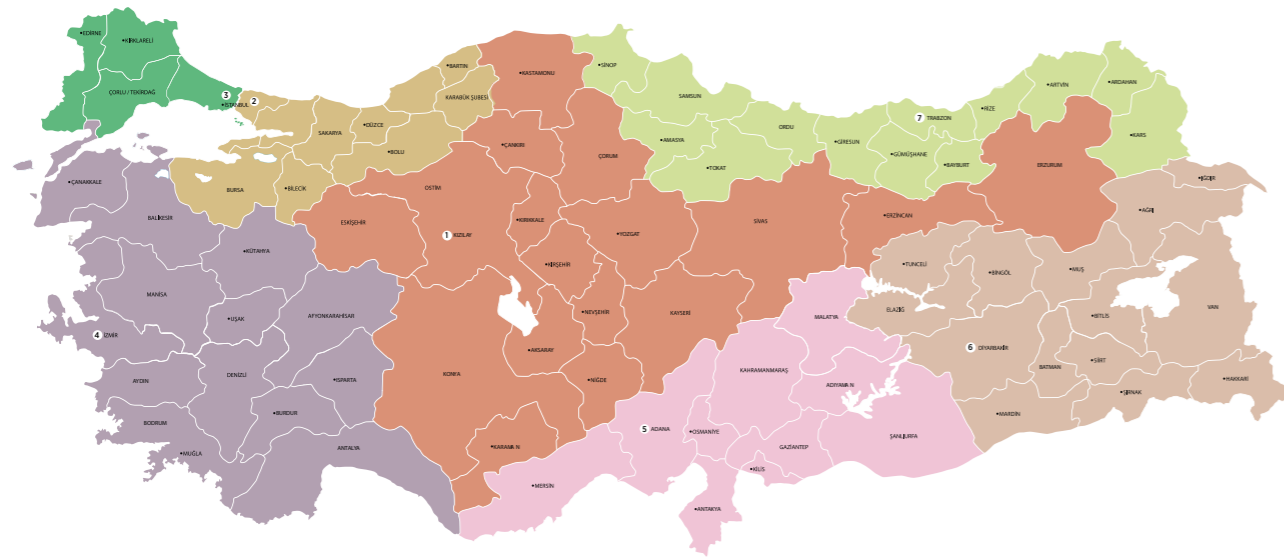
The total benefits, wages, gratuities, SSI employer’s contributions, honorariums, allowances, travel, accommodation and representation expenses, cash and in-kind facilities, insurances and similar assurances provided to the Members of the Board of Directors and the Senior Management in the years ending on December 31, 2021 and December 31, 2022 are listed below.

01 January - 31 December 2021	01 January - 31 December 2022
7.109.764,84.-TL	11.750.226,86-TL

No administrative or judicial sanction has been imposed on the Company or the Members of the Board of Directors on the grounds of practices in breach of the legislation



## D. REGIONAL AGENCIES



- ▶ 1. THRACE REGIONAL AGENCY (3)
- ▶ 2. MARMARA REGIONAL AGENCY (2)
- ▶ 3. WESTERN ANATOLIA REGIONAL AGENCY (4)
- ▶ 4. CENTRAL ANATOLIA REGIONAL AGENCY (1)
- ▶ 5. EASTERN MEDITERRANEAN REGIONAL AGENCY (5)
- ▶ 6. EASTERN BLACK SEA REGIONAL AGENCY (7)
- ▶ 7. SOUTHEASTERN ANATOLIA REGIONAL AGENCY (6)

**A TOTAL OF 7 REGIONAL AGENCIES**



# 2

## KGF IN NUMBERS

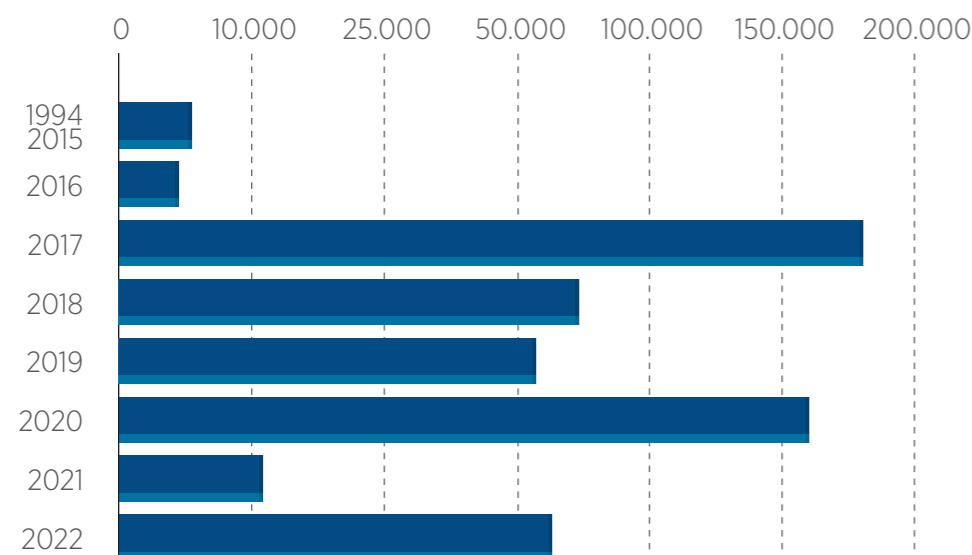
## A. DEVELOPMENTS IN THE VOLUME OF OUR GUARANTEES

GUARANTEES REQUESTED, APPROVED AND EXTENDED BY YEARS (Million TRY)  
(Equity + Treasury, 1994–2022)

PERIOD	Guarantees Requested			Guarantees Requested (Requests Approved)			Guarantees Extended (Requests Filed)		
	Number of SMEs	Loan Amount	Guarantee Amount	Number of SMEs	Loan Amount	Gua. Amount	Number of SMEs	Loan Amount	Gua. Amount
1994–2015	35,408	25,310	18,595	24,085	15,054	10,913	17,674	9,660	7,189
2016	30,220	14,387	11,389	23,365	9,580	7,375	19,506	6,682	5,128
2017	321,321	323,101	290,873	314,239	264,982	238,774	297,682	208,116	187,499
2018	125,146	114,861	100,586	123,931	108,469	95,010	119,294	85,942	75,357
2019	125,535	84,586	68,194	124,556	81,977	66,002	119,888	73,662	59,352
2020	319,085	226,827	181,846	318,098	224,567	179,997	286,773	203,404	163,030
2021	57,591	28,221	23,001	56,633	19,050	15,643	54,064	18,018	14,800
2022	41,191	112,534	95,349	40,711	110,032	93,286	39,314	81,791	69,604
1994–2022*	980,352	1,546,110	1,336,466	951,956	1,030,263	892,458	884,555	863,130	745,428
Individual	7,463,078	44,487	35,779	7,463,078	44,487	35,779	6,961,454	41,641	33,496
TOTAL	8,443,430	1,590,596	1,372,245	8,415,034	1,074,750	928,237	7,846,009	904,771	778,924

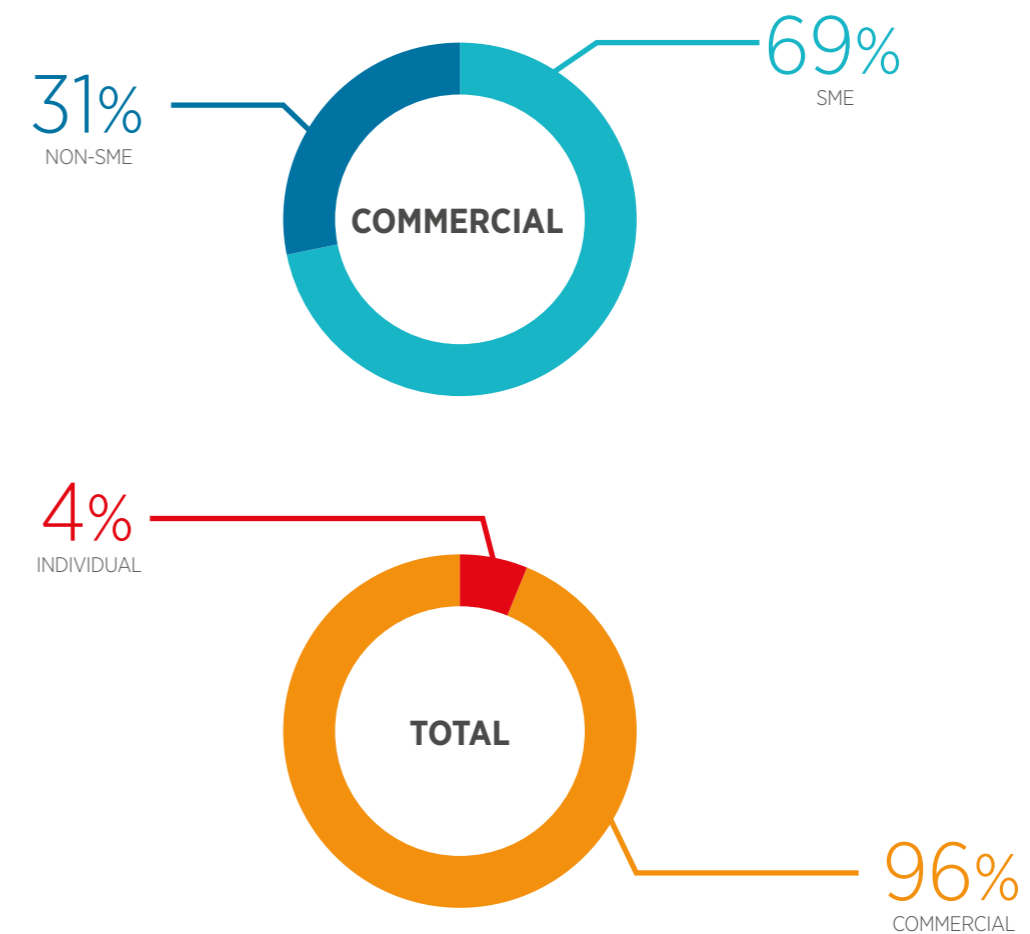
\* The 2022 year-end exchange rate has been used for Commercial Loans, and Requests Received and Approved from previous years may also be included in the Requests Filed.

Guarantees Extended



BREAKDOWN OF GUARANTEES ISSUED BY ENTERPRISE SIZE (Million TRY)  
(Equity + Treasury, 1994–2022)

Segment	No. of Transactions	Volume of Loans Extended with Guarantee Issued	Guarantee Amount	Ratio
SME	860.360	603.643	515.116	69%
NON-SME	24.195	259.487	230.312	31%
TOTAL	884.555	863.130	745.428	100%
Individual	6.961.454	41.641	33.496	4%
TOTAL	7.846.009	904.771	778.924	100%



# A. DEVELOPMENTS IN VOLUME OF GUARANTEES

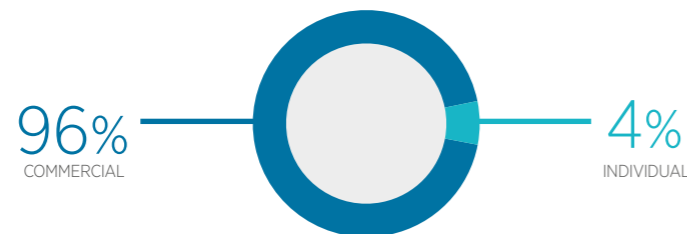
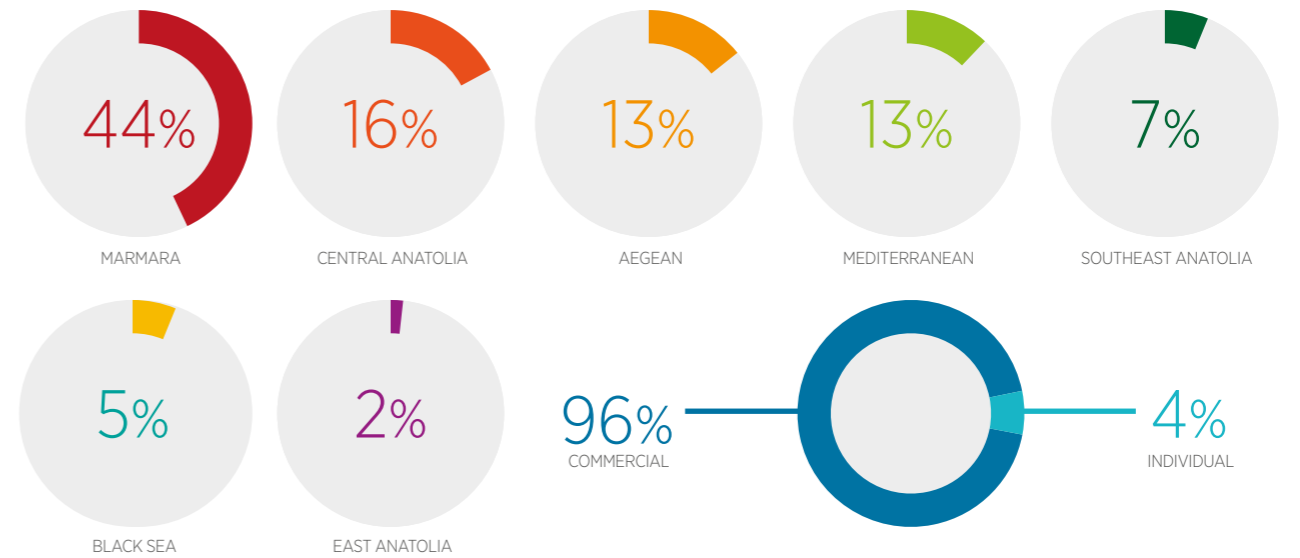
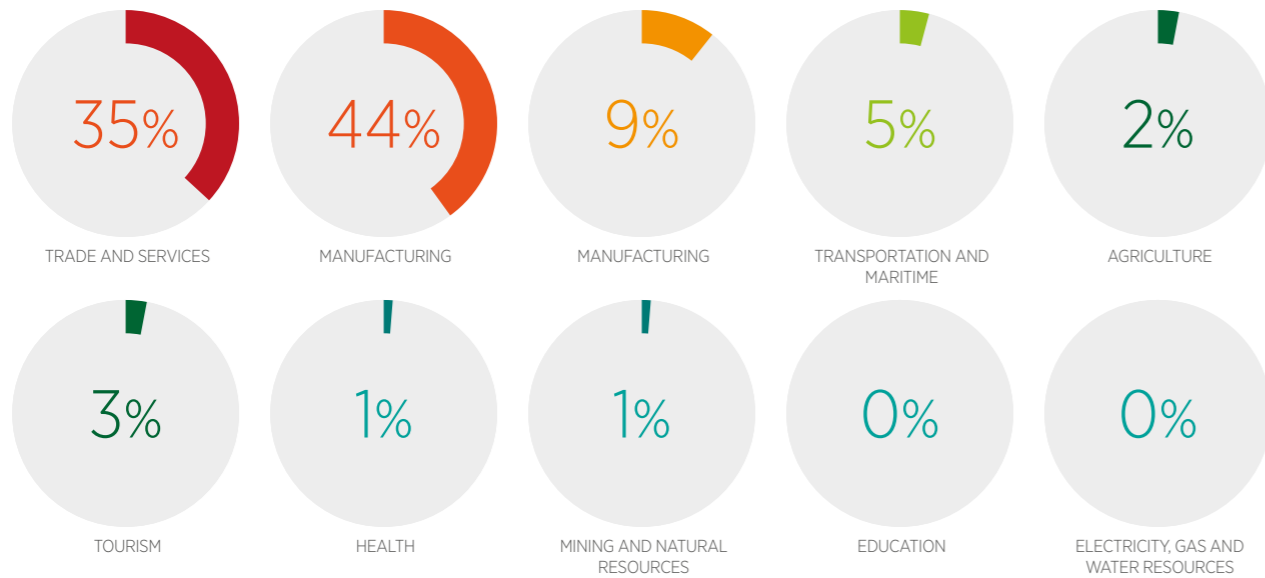
BREAKDOWN OF GUARANTEES ISSUED BY SECTORS (Million TRY)  
(Equity + Treasury, 1994-2022)

Sectors	Number	Guarantee Amount	Ratio
TRADE AND SERVICES	442.108	262.309	35%
MANUFACTURING	204.289	324.728	44%
CONSTRUCTION	85.714	64.307	9%
TRANSPORTATION AND MARITIME	47.010	35.330	5%
AGRICULTURE AND LIVESTOCK	44.818	14.129	2%
TOURISM	37.911	25.173	3%
HEALTH	10.800	5.901	1%
MINING AND NATURAL RESOURCES	3.372	6.423	1%
EDUCATION	7.059	3.433	0%
ELECTRICITY, GAS AND WATER RESOURCES	1.474	3.695	0%
<b>TOTAL</b>	<b>884.555</b>	<b>745.428</b>	<b>100%</b>
INDIVIDUAL (*)	6.961.454	33.496	4%
<b>TOTAL</b>	<b>7.846.009</b>	<b>778.924</b>	<b>100%</b>

BREAKDOWN OF GUARANTEES ISSUED BY REGIONS (Million TRY)  
(Equity + Treasury, 1994-2022)

Regions	No. of Transactions	Guarantee Amount	Ratio
Marmara	328.239	330.012	44%
Central Anatolia	151.186	117.173	16%
Aegean	137.117	100.350	13%
Mediterranean	105.913	93.788	13%
Southeast Anatolia	47.448	48.496	7%
Black Sea	80.142	40.413	5%
East Anatolia	34.510	15.195	2%
<b>COMMERCIAL LOANS TOTAL</b>	<b>884.555</b>	<b>745.428</b>	<b>100%</b>
Individual(*)	6.961.454	33.496	4%
<b>TOTAL</b>	<b>7.846.009</b>	<b>778.924</b>	<b>100%</b>

Among the loans extended with a KGF guarantee in 2022, the Marmara Region ranked first with a share of 44%, and increased its guarantee amount to TRY 330,012 million. At a transaction level, the Southeast Anatolia Region had the highest average amount of extended guarantees with TRY 1,005,000, while the East Anatolia Region had the lowest average amount of extended guarantees with TRY 440,000. (\*) Individual Loans are not broken down by region as they are not included in Commercial Loan Guarantees.



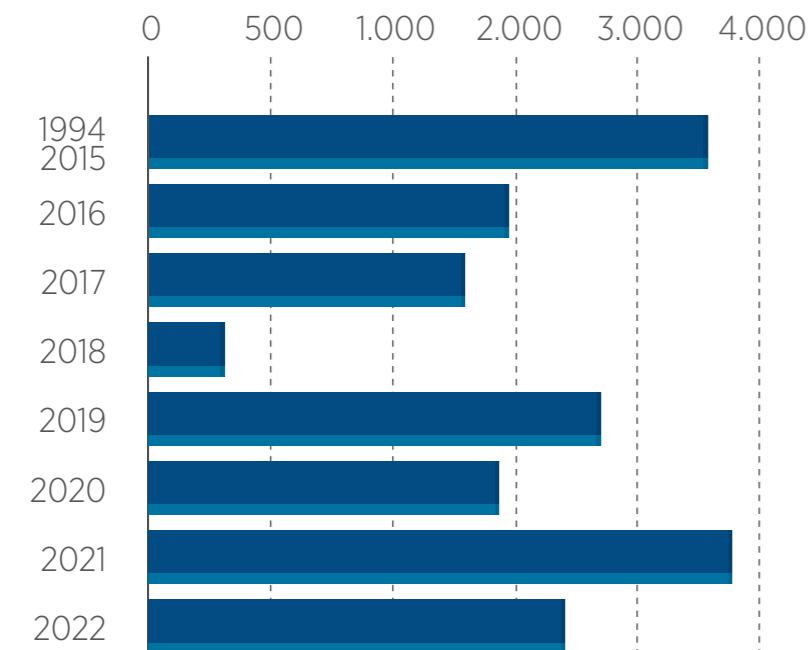
## B. BANK LOANS EXTENDED TO SMEs WITH KGF EQUITY-BACKED GUARANTEES

GUARANTEES REQUESTED, APPROVED AND EXTENDED BY YEARS (Million TRY)  
(Equity 1994-2022)

PERIOD	"Guarantees Requested (Request Received)"			"Guarantees Issued (Requests Approved)"			"Guarantees Extended (Request Filed)"		
	Number of SMEs	Loan Amount	Gua. Amount	Number of SMEs	Loan Amount	Gua. Amount	Number of SMEs	Loan Amount	Gua. Amount
1994-2015	22.473	13.707	10.492	14.273	7.467	5.645	9.963	4.220	3.290
2016	6.154	4.564	3.931	4.446	2.392	2.057	3.170	1.199	1.033
2017	10.001	5.446	4.656	6.888	2.381	2.076	5.701	1.008	886
2018	1.562	1.111	1.019	1.120	568	499	802	291	269
2019	11.635	5.188	4.187	11.194	4.414	3.488	10.389	3.520	2.838
2020	8.562	3.805	3.063	7.918	3.159	2.512	6.822	2.417	1.946
2021	9.784	5.489	4.396	9.561	5.050	4.034	9.580	4.735	3.790
2022*	3.409	3.393	2.719	3.339	3.242	2.595	3.191	2.962	2.370
1994-2022*	73.361	80.110	65.086	58.628	42.263	34.094	49.784	28.664	23.377,3

\* The 2022 year-end exchange rate has been used for Commercial Loans, and Requests Received and Approved from previous years may also be included in the Requests Filed.

Guarantees Extended



KGF continued to undertake significant innovations and transformations in 2022, and supported a far greater number of SMEs with equity-backed guarantees in cooperation with the European Investment Fund, thus becoming the prime institution in the access of SMEs to financing.

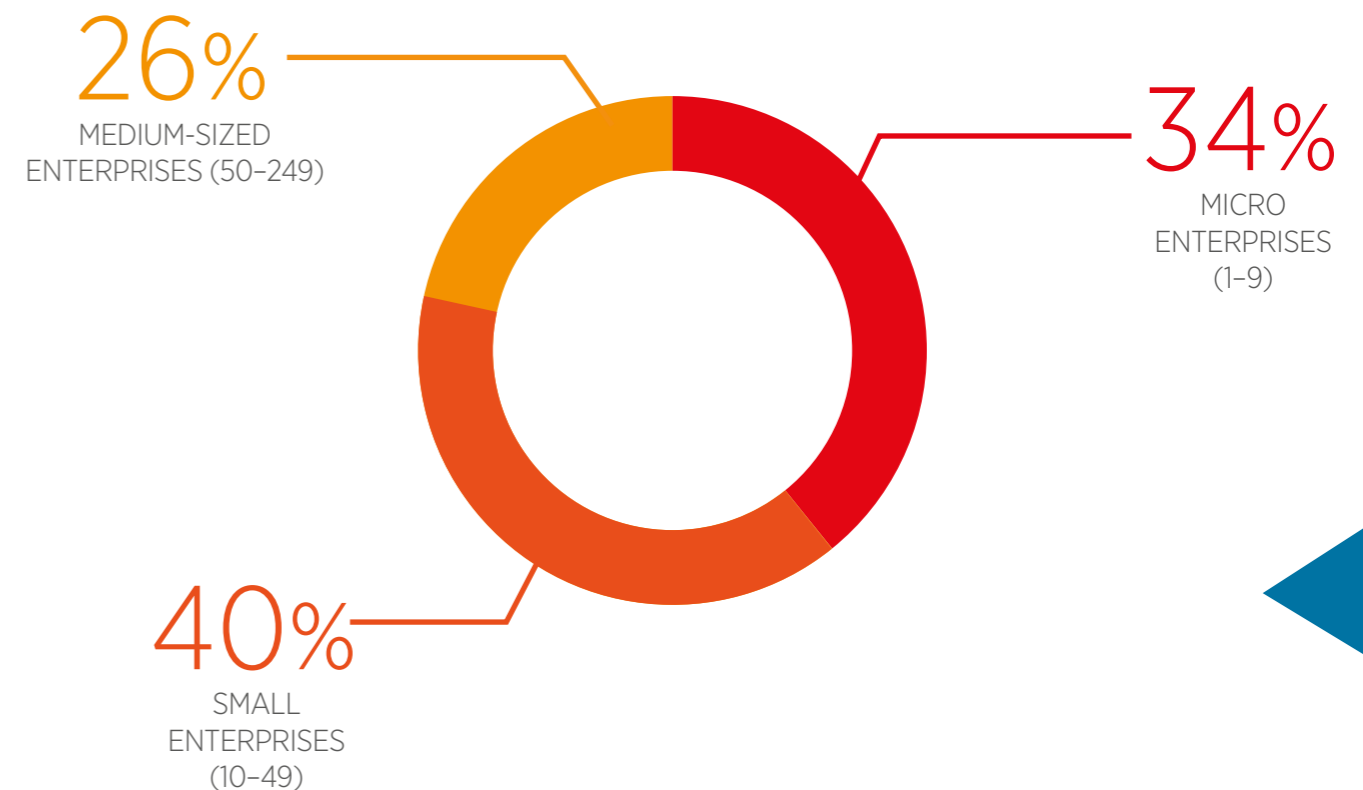
In 2022, SMEs were provided with guarantees to the tune of TRY 2,370 million for loans obtained through the Banking System amounting to TRY 2,962 million.

From 1994 to 2022 year-end, applications from a total of 73,361 SMEs were evaluated, and as a result, KGF provided guarantees of TRY 23,377 million, allowing SMEs to access loans totaling TRY 28,664 million.

SME AND NON-SME BREAKDOWN OF GUARANTEES ISSUED (Million TRY)  
(Equity 1994-2022)

Size	Number of SMEs	Volume of Loans Extended with Guarantee Issued	Gua. Amount	Ratio
Micro Enterprises (1-9)	31.209	9.732	8.004	34%
Small Enterprises (10-49)	14.281	11.488	9.317	40%
Medium-Size Enterprises (50-249)	4.294	7.444	6.056	26%
<b>TOTAL</b>	<b>49.784</b>	<b>28.664</b>	<b>23.377</b>	<b>100%</b>

As of 2022, the share of Micro Enterprises in the total guarantees issued increased to 34%; Small Enterprises had a share of 40% with an average guarantee amount of TRY 652,000; and Medium-Sized Enterprises secured a share of 26%, with an average guarantee amount of TRY 6,056 million.



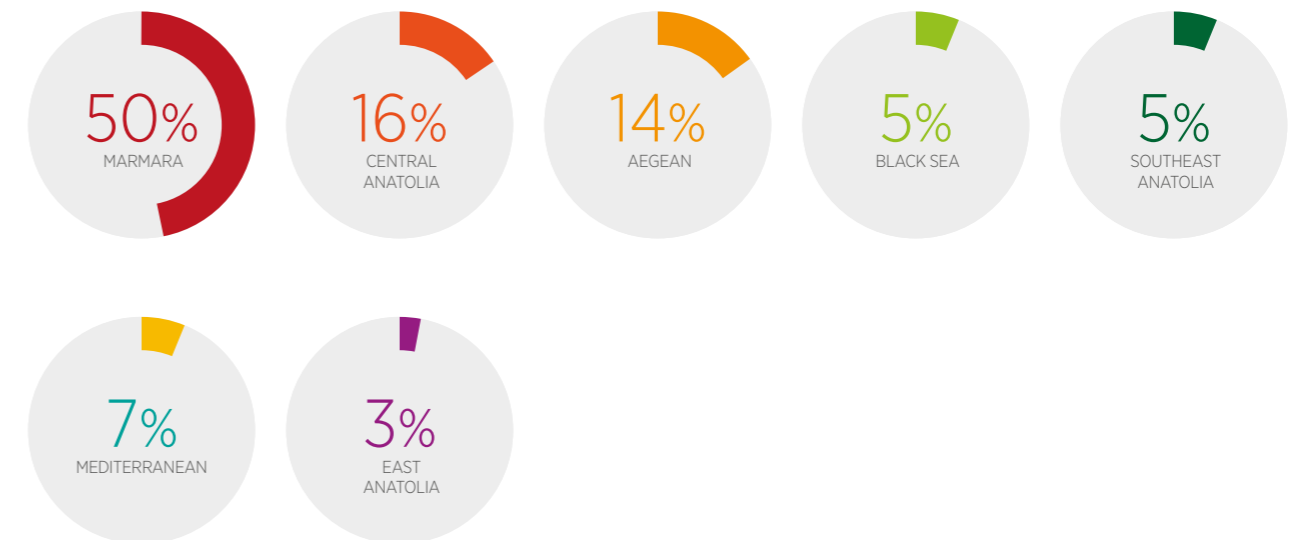
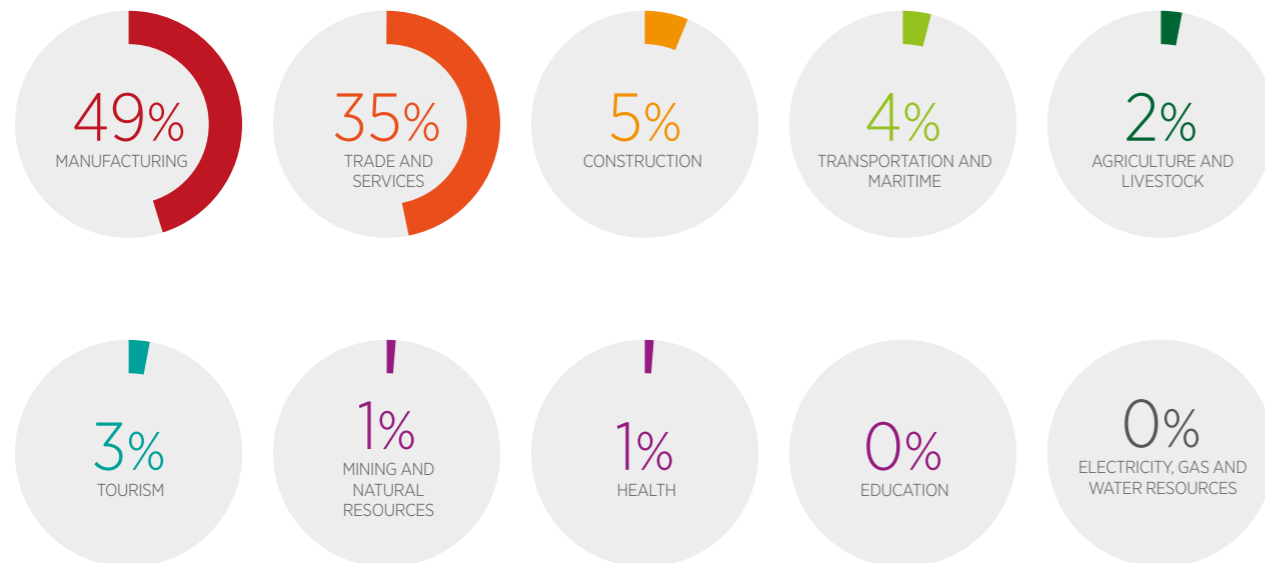
## B. BANK LOANS EXTENDED TO SMEs WITH KGF EQUITY-BACKED GUARANTEES

BREAKDOWN OF GUARANTEES ISSUED BY SECTORS (Million TRY)  
(Equity 1994–2022)

Sectors	Number	Guarantee Amount	Ratio
MANUFACTURING	15.343	11.396	49%
TRADE AND SERVICES	23.966	8.247	35%
CONSTRUCTION	3.235	1.253	5%
TRANSPORTATION AND MARITIME	2.459	962	4%
AGRICULTURE AND LIVESTOCK	1.344	385	2%
TOURISM	2.429	596	3%
MINING AND NATURAL RESOURCES	228	190	1%
HEALTH	398	186	1%
EDUCATION	295	109	0%
ELECTRICITY, GAS AND WATER RESOURCES	87	54	0%
<b>TOTAL</b>	<b>49.784</b>	<b>23.377</b>	<b>100%</b>

BREAKDOWN OF GUARANTEES ISSUED BY REGIONS (Million TRY)  
(Equity 1994–2022)

Regions	Number of SMEs	Guarantee Amount	Ratio
Marmara	16.582	11.669	50%
Central Anatolia	8.580	3.787	16%
Aegean	6.720	3.158	14%
Black Sea	6.833	1.247	5%
Southeast Anatolia	3.146	1.219	5%
Mediterranean	4.699	1.690	7%
East Anatolia	3.224	606	3%
<b>TOTAL</b>	<b>49.784</b>	<b>23.377</b>	<b>100%</b>



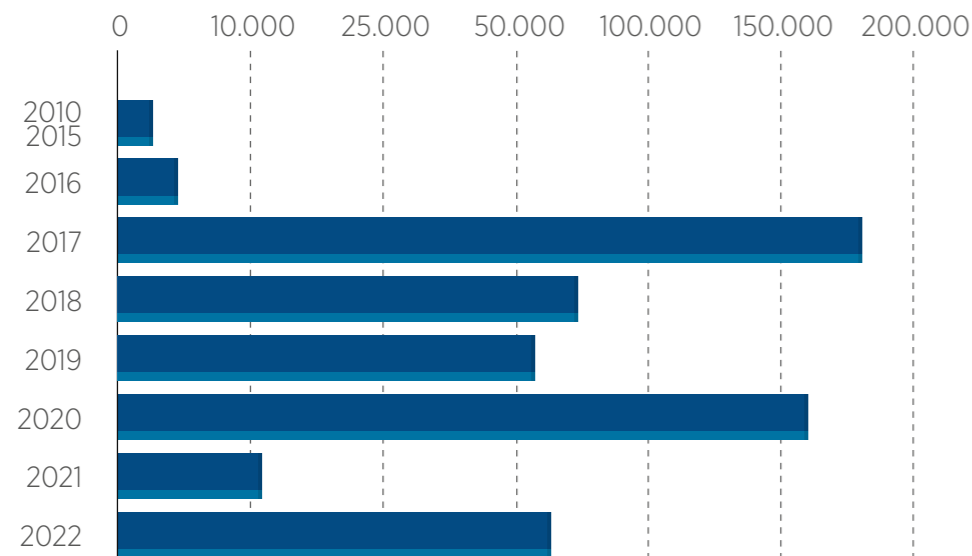
## C. BANK LOANS PROVIDED TO FIRMS WITH TREASURY-BACKED GUARANTEES

### GUARANTEES REQUESTED, APPROVED AND EXTENDED BY YEARS (Million TRY) (Treasury 2010-2022)

PERIOD	"Guarantees Requested (Request Received)"			"Guarantees Issued (Requests Approved)"			"Guarantees Extended (Request Filed)"		
	Number of SMEs	Loan Amount	Gua. Amount	Number of SMEs	Loan Amount	Gua. Amount	Number of SMEs	Loan Amount	Gua. Amount
2010-2015	12.935	11.603	8.202	9.812	7.587	5.268	7.711	5.440	3.899
2016	24.066	9.824	7.458	18.919	7.188	5.318	16.336	5.483	4.095
2017	311.320	317.655	286.217	307.351	262.601	236.698	291.981	207.107	186.613
2018	123.584	113.750	99.567	122.811	107.901	94.511	118.492	85.651	75.088
2019	113.900	79.398	64.007	113.362	77.563	62.514	109.499	70.142	56.514
2020	310.523	223.022	178.783	310.180	221.407	177.485	279.951	200.987	161.085
2021	47.807	22.732	18.605	47.072	14.000	11.610	44.484	13.283	11.010
2022*	37.782	109.141	92.630	37.372	106.789	90.691	36.123	78.829	67.234
2010-2022*	906.991	1.465.999	1.271.380	893.328	988.000	858.365	834.771	834.467	722.050
Individual	7.463.078	44.487	35.779	7.463.078	44.487	35.779	6.961.454	41.641	33.496
TOTAL	8.370.069	1.510.486	1.307.159	8.356.406	1.032.487	894.144	7.796.225	876.107	755.546

\* The 2022 year-end exchange rate has been used for Commercial Loans, and Requests Received and Approved from previous years may also be included in the Requests Filed.

Guarantees Extended



The Treasury-backed guarantee system that was launched in 2010 continued to be applied in 2022, with annual Guarantees extended for Commercial Loans amounting to TRY 67,234 million.

From the launch of the practice until 2022 year-end, the requests of 906,991 SMEs were evaluated and guarantees worth TRY 722,050 million were extended to 834,771 SMEs for bank loans amounting to TRY 834,467 million.

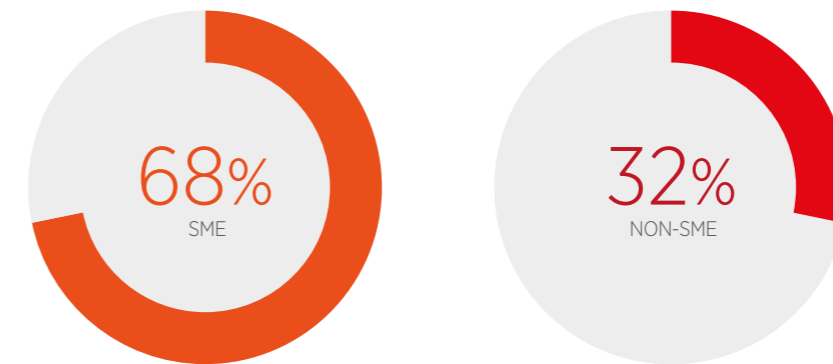
Among the Treasury-Backed Guarantees, requests from a total of 8.4 million users were evaluated and guarantees worth TRY 722,050 million were issued for loans corresponding to a total value of TRY 876,107 million extended to 7.8 million users.

TRY 33.5 billion in Individual Loan guarantees was extended to 7 million individual users for loans with a value of TRY 41.6 billion under the Major Needs Support Credit program that was launched in 2020.

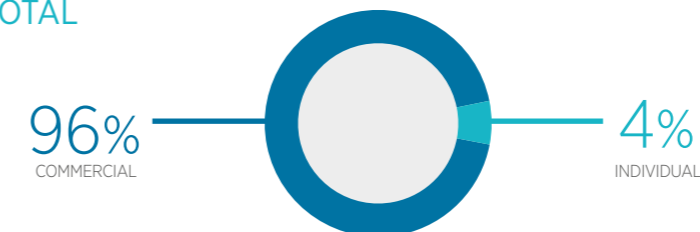
### SME AND NON-SME BREAKDOWN OF GUARANTEES ISSUED (Million TRY) (Treasury 2010-2022)

Segment	No. of Transactions	Volume of Loans Extended with Guarantee Issued	Guarantee Amount	Ratio
SME	810.576	574.980	491.739	68%
NON-SME	24.195	259.487	230.312	32%
TOTAL	834.771	834.467	722.050	100%
Individual	6.961.454	41.641	33.496	4%
TOTAL	7.796.225	876.107	755.546	100%

### TİCARİ



### TOTAL



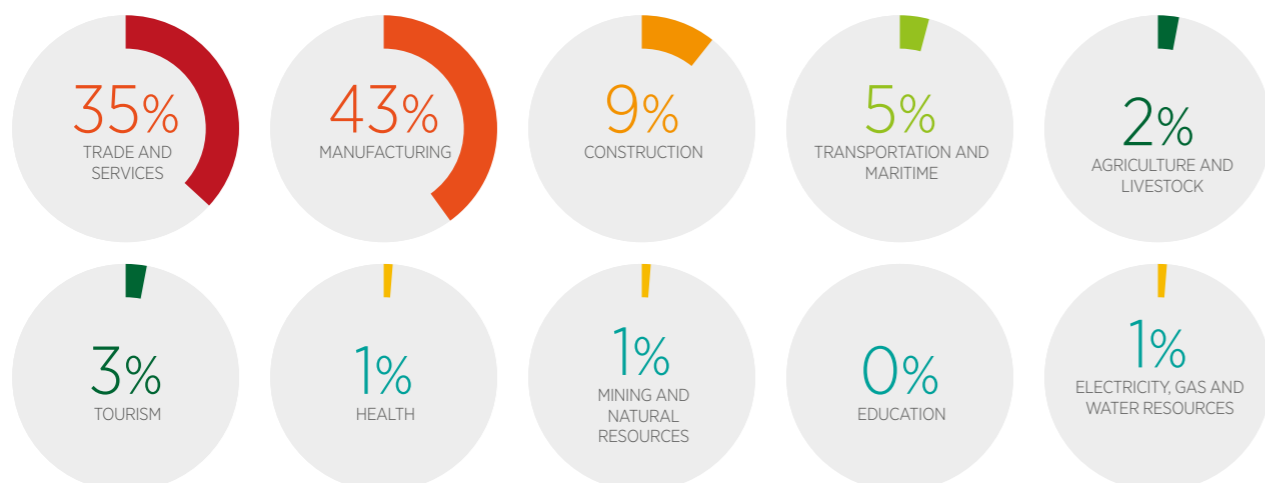
## C. BANK LOANS PROVIDED TO FIRMS WITH TREASURY-BACKED GUARANTEES

### BREAKDOWN OF GUARANTEES ISSUED BY SECTORS (Million TRY)

(Treasury 2010–2022)

Sectors	Number	Guarantee Amount	Ratio
TRADE AND SERVICES	418.142	254.062	35%
MANUFACTURING	188.946	313.332	43%
CONSTRUCTION	82.479	63.054	9%
TRANSPORTATION AND MARITIME	44.551	34.367	5%
AGRICULTURE AND LIVESTOCK	43.474	13.744	2%
TOURISM	35.482	24.577	3%
HEALTH	10.402	5.715	1%
MINING AND NATURAL RESOURCES	3.144	6.233	1%
EDUCATION	6.764	3.324	0%
ELECTRICITY, GAS AND WATER RESOURCES	1.387	3.642	1%
<b>TOTAL OF COMMERCIAL GUARANTEES</b>	<b>834.771</b>	<b>722.050</b>	<b>100%</b>
INDIVIDUAL	6.961.454	33.496	4%
<b>TOTAL</b>	<b>7.796.225</b>	<b>755.546</b>	<b>100%</b>

Guarantees issued to firms in the Industrial Sector, as the main economic driver, making important contributions to production and employment, amounted to 63%, exceeding the total amount issued to the Services and Agriculture Sectors.

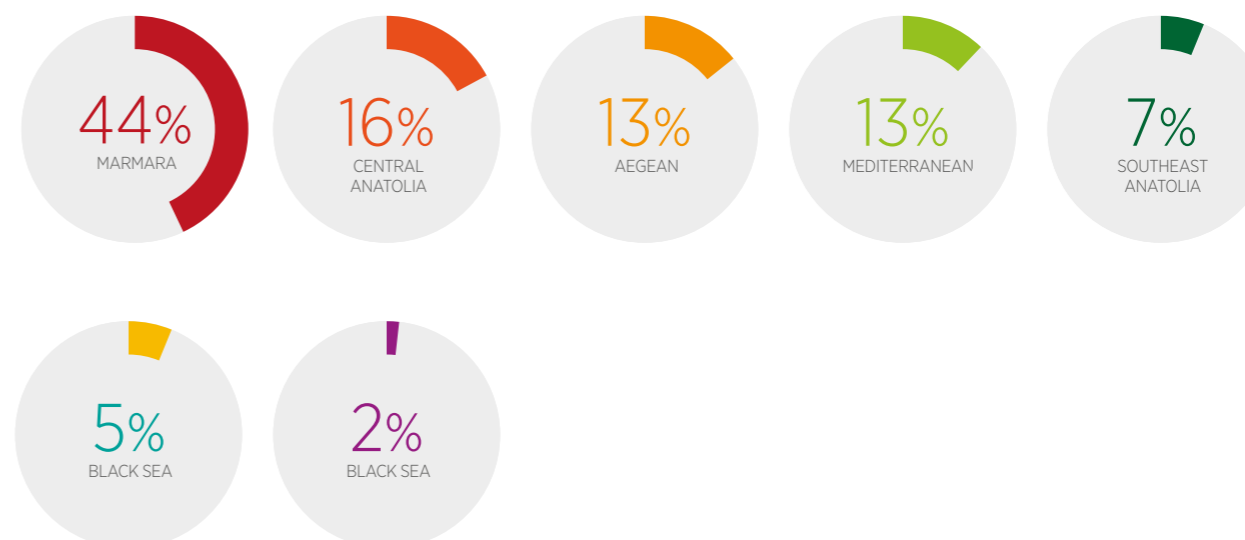


### BREAKDOWN OF GUARANTEES ISSUED BY REGIONS (Million TRY)

(Treasury 2010–2022)

Regions	No. of Transactions	Guarantee Amount	Ratio
Marmara	311.657	318.343	44%
Central Anatolia	142.606	113.386	16%
Aegean	130.397	97.192	13%
Mediterranean	101.214	92.097	13%
Southeast Anatolia	44.302	47.277	7%
Black Sea	73.309	39.166	5%
East Anatolia	31.286	14.588	2%
<b>TOTAL</b>	<b>834.771</b>	<b>722.050</b>	<b>100%</b>
Individual(*)	6.961.454	33.496	4%
<b>TOTAL</b>	<b>7.796.225</b>	<b>755.546</b>	<b>100%</b>

(\*) Individual Loans are not broken down by region as they are not included in Commercial Loan Guarantees.





## D. DIRECT SUPPORTS (KOSGEB, TÜBİTAK, TTGV, MINISTRY OF INDUSTRY AND TECHNOLOGY)

Since 2014, under protocols signed with the Small and Medium Enterprises Development Organization of Türkiye (KOSGEB), the Scientific and Technological Research Council of Türkiye (TÜBİTAK), the Technology Development Foundation of Türkiye (TTGV) and the Ministry of Industry and Technology, the scope of guarantee provisions has been expanded. Accordingly, in addition to the guarantees issued for financing provided by financial institutions, guarantees have started to be issued also for other financial supports given to SMEs. KGF-issued guarantees are thus accepted as collateral in place of a bank-issued letter of guarantee, ensuring the relevant institutions and agencies continue to provide support to SMEs.

Direct supports continued also in 2022, through which SMEs were able to benefit from public subsidies without the need to use their banking credit limits in collateral transactions.



## E. NON-PERFORMING GUARANTEES

From 1994, when we first launched our operations, until 2022 year-end, we extended commercial guarantees to the tune of TRY 745,427,5 million, of which TRY 23,377.3 million was KGF equity-backed and TRY 722,050.2 million was Treasury-backed. Of the total amount of commercial guarantees extended, TRY 17,874,9 million were non-performing, with the 2.62% ratio of non-performing guarantees at 2021 year-end decreasing to 2.40% by 2022 year-end. Of the amount of commercial guarantees that turned into non-performing guarantees, 4.1% was KGF equity-backed and 95.9% was Treasury-backed.

In KGF equity-backed guarantees, the ratio of non-performing guarantees was 3.17% as of 2022 year-end, down from the 3.81% figure at 2021 year-end.

As for Treasury-backed commercial guarantees, non-performing guarantees amounted to TRY 17,133.8 million as of 2022 year-end. The ratio of non-performing Treasury-backed commercial guarantees amounted to 2.37% at 2022 year-end, down from 2.58% at 2021 year-end.

### NON-PERFORMING GUARANTEES (NPG) AND RISK EXPOSURE (TRY)

Sources	01.01.1994 - 31.12.2022			31.12.2022	
	Guarantees Extended	NPG Amount	NPG Ratio	Outstanding Non-Performing Risk (incl. with protocol)	Rate of Non-Performing Risk %
Equity	23.377.314.501	741.118.210	3,17	301.556.842	1,29
Treasury(*)	722.050.219.905	17.133.772.712	2,37	14.747.321.216	2,04
<b>TOTAL</b>	<b>745.427.534.406</b>	<b>17.874.890.922</b>	<b>2,40</b>	<b>15.048.878.058</b>	<b>2,02</b>

Note: Pursuant to the Board of Directors decisions dated 20/11/2007, 13/05/2010, 17/11/2016 and 22/12/2018, out of all the non-performing KGF equity-backed guarantees, the balance of non-performing guarantees that were written-off was TRY 63,274,224.20.

(\*) Including Commercial Guarantees.

Recoveries from non-performing guarantees are increasing year by year. As of 2022 year-end, the principal total amounts recovered from non-performing KGF equity-backed guarantees and from non-performing Treasury-backed guarantees stand at TRY 440.6 million and TRY 2,386.5 million, respectively.

As a result of these recoveries, of the TRY 15,048.9 million non-performing guarantees at risk as of 2022 year-end, TRY 301.6 million is accounted for by KGF equity-backed guarantees and TRY 14,747.3 million by Treasury-backed guarantees, with risk shares of 2% and 98%, respectively.



**3**

**OUR ACTIVITIES IN 2022**

## OUR ACTIVITIES IN 2022

### PRODUCT MANAGEMENT AND MARKETING ACTIVITIES

► In 2022, eight new support packages were put into practice within the scope of Treasury-backed guarantee transactions, in addition to the 1 billion TRY worth SME Financing Support Credit Program with Employment Commitment designed as a separate package for the provision of KGF equity-backed guarantees, with the fund provided by BMZ (German Federal Ministry of Economic Cooperation and Development) to be extended through KfW (German Development Bank). In the same year, again under the scope of KGF equity-backed guarantee transactions, the second phase of the KGF Support Credit Program 2, with a guarantee volume of TRY 3 billion was launched. The related actions and the respective launch dates are listed below:

1. Investment Support Package, with a guarantee source of TRY 25 billion - 18.02.2022,
2. Export Support Package, with a guarantee source of TRY 25 billion - 18.02.2022,
3. Operating Expenses Support Package, with a guarantee source of TRY 10 billion - 18.02.2022,
4. Tea Procurement Support Package, with a guarantee source of TRY 2 billion - 07.06.2022,
5. Financing Support Package for Construction Services, with a guarantee source of TRY 20 billion - 07.07.2022,
6. Energy Financing Support Package for Agricultural Production, with a guarantee source of TRY 8 billion - 24.08.2022,
7. KOOP Bakkal Project Package, with a guarantee source of TRY 500 million - 02.12.2022,
8. Construction Works Support Package, with a guarantee source of TRY 3 billion - 20.12.2022,
9. A 1 billion TRY SME Financing Support Credit Program with Employment Commitment,

designed as a separate guarantee package and funded by BMZ (German Federal Ministry of Economic Cooperation and Development), to be extended through KfW (German Development Bank) - July 2022,

10. The second phase of the KGF Support Credit Program 2, designed as a separate package with a KGF equity-backed guarantee volume of TRY 3 billion - October 2022.

A total of six protocols have been signed within the scope of the financial support system in which the entirety, or part of the interest/profit share is met by KOSGEB following the issuance of a bank loan guaranteeing access to affordable loans by enterprises registered in the KOSGEB database who had been affected by natural disasters. The enterprises are required to provide official documentation (Governorship, District Governorship) showing that they were affected by natural disasters within 2022. Below is a list of the mentioned protocols and their respective dates of signing:

1. Emergency Support Credit Protocol for the Tuzla district of Istanbul - 01.07.2022
2. Emergency Support Credit Protocol for the provinces of Bartın, Düzce, Karabük, Kastamonu, Sinop and Zonguldak - 05.08.2022,
3. Emergency Support Credit Protocol for the Aybastı district of Ordu - 05.08.2022,
4. Emergency Support Credit Protocol for the provinces of Bolu and Edirne - 05.10.2022,
5. Emergency Support Credit Protocol for the Yusufeli district of Artvin - 31.10.2022,
6. Emergency Support Credit Protocol for the province of Antalya - 23.12.2022.

### OTHER ACTIVITIES

- The meeting entitled “OECD SME Policy Index 2022 for the Western Balkans and Turkey” was hosted on Zoom on 11/01/2022.
- A webinar organized jointly by KGF and the Union of Chambers and Commodity Exchanges of Türkiye (TOBB) was held on 02/03/2022 with broad attendance. During the webinar, the activities and new support packages of KGF were presented and the related questions of SMEs were answered.
- KGF set up a stand at the EKO İKLİM Economy and Climate Change Summit and Fair hosted by the Ankara Chamber of Commerce on 30-31/03/2022.
- A delegation from Kyrgyzstan Enterprise Development Fund (DAMU) was hosted on 12-13/04/2022 and a presentation was made to explain the structure and activities of KGF.
- A delegation from the Entrepreneurship Development Fund of the Republic of Azerbaijan was hosted on 10/06/2022, and was provided information about the activities of KGF
- A speaker from KGF was present at the session “Easy Access to Credits and Self-Defining of Enterprises” held on 27/06/2022 under a program organized jointly by TOBB and Kredi Kayıt Bürosu (KKB) to mark Credit Literacy Week.
- A delegation from the North Macedonia Chamber of Commerce was hosted on 28/07/2022 and was given a presentation on guarantee practices in Türkiye and the activities of KGF.
- KGF attended the General Assembly meeting of the European Association of Guarantee Institutions (AECM), of which it is a member since 2005, held in Vienna on 14-17 September 2022.

## HUMAN RESOURCES ACTIVITIES

Our workforce, which numbered 157 at the end of 2021, had declined to 151 as of 2022 year-end following the departure of 11 staff members and the recruitment 2022 of five new staff members. 50% of the overall workforce is female and 50% is male.

Total Number of Staff	151
Ratio of Female Staff	50%
Ratio of Senior-Medium Level Female Executives	37%
Ratio of University and/or College Graduates	85%
Average Age	41
Average Seniority	9 years

- ▶ 85% of the workforce are university and/or college graduates. KGF has a young employee profile, with an average age of 41. The average seniority is 9 years.
- ▶ KGF has designed its human resources policy based on the belief that its most valuable resource is its employees, and implements this policy with the principle of transparency. Through its activities related to human resources, KGF's intention is to create and propagate a culture in which ethical values are kept alive, team spirit is kept at the forefront, and sharing, participating and creativity are valued.
- ▶ Through its Human Resources practices, KGF prepares an appropriate environment in which its employees can develop in line with their potential and preferences; and carries out the planning of various roles and responsibilities that may be assumed by its employees within the organization. In this respect, career planning, wage policy, duties, processes and all other rights are ensured by the Company in accordance with internal regulations, and are managed in a transparent manner.

- ▶ The Human Resources Management Division carries out its recruitment and other duties solely on the basis of performance evaluations and internal regulations, with no discrimination on the basis of religion, language, race or gender. The primary goal is to ensure the professional development of employees, while offering them a fair, orderly, transparent and peaceful work environment.
- ▶ In addition to the basic personal rights of KGF staff, the fringe benefits of personal accident insurance and complementary health insurance that have been offered since 2016 were maintained in 2022.
- ▶ On matters related to Occupational Safety and Health (OSH), all legal procedures were fulfilled, and pandemic-related precautions and monitoring activities were prioritized to ensure the safety of employees and their families. With a view to increasing the awareness and knowledge of employees in the field of OSH risks, and disseminating the OSH culture throughout the organization, trainings are organized on a regular basis.

- ▶ The 2022 annual audit carried out as required as part of ISO 9001:2015 Service Sector Quality Certification, which documents our ability to maintain and improve stakeholder satisfaction in our business processes and ensures the delivery of high-quality services, has been completed successfully, and we have thus retained the right to hold the certificate.

In addition, a TS EN ISO/IEC 27001:2017 certificate has been obtained indicating our provision of the optimum level of information security, both for our stakeholders and our organization, through an Information Security Management System.

- ▶ Through the Online Training Platform, our employees can partake in a "tailored" development journey based on their personal needs and supports their individual development plans. Furthermore, employees can access the Digital Training Catalogue through the KOBIT Academy Portal to identify courses that will meet their learning needs throughout the year – from strategic management to business development and innovation, from institutionalization to finance, and from good company governance practices to legal issues and human resource management – with personalized training options paired with their competency sets.

- ▶ KGF is gaining recognition as a rising value in the sector through its accepted responsibilities and the value added it creates. This increased recognition of KGF and the importance placed by the Company in its human resources have made it a preferred institution for employment. As a result, many job applications were received throughout the year from those seeking to join KGF.

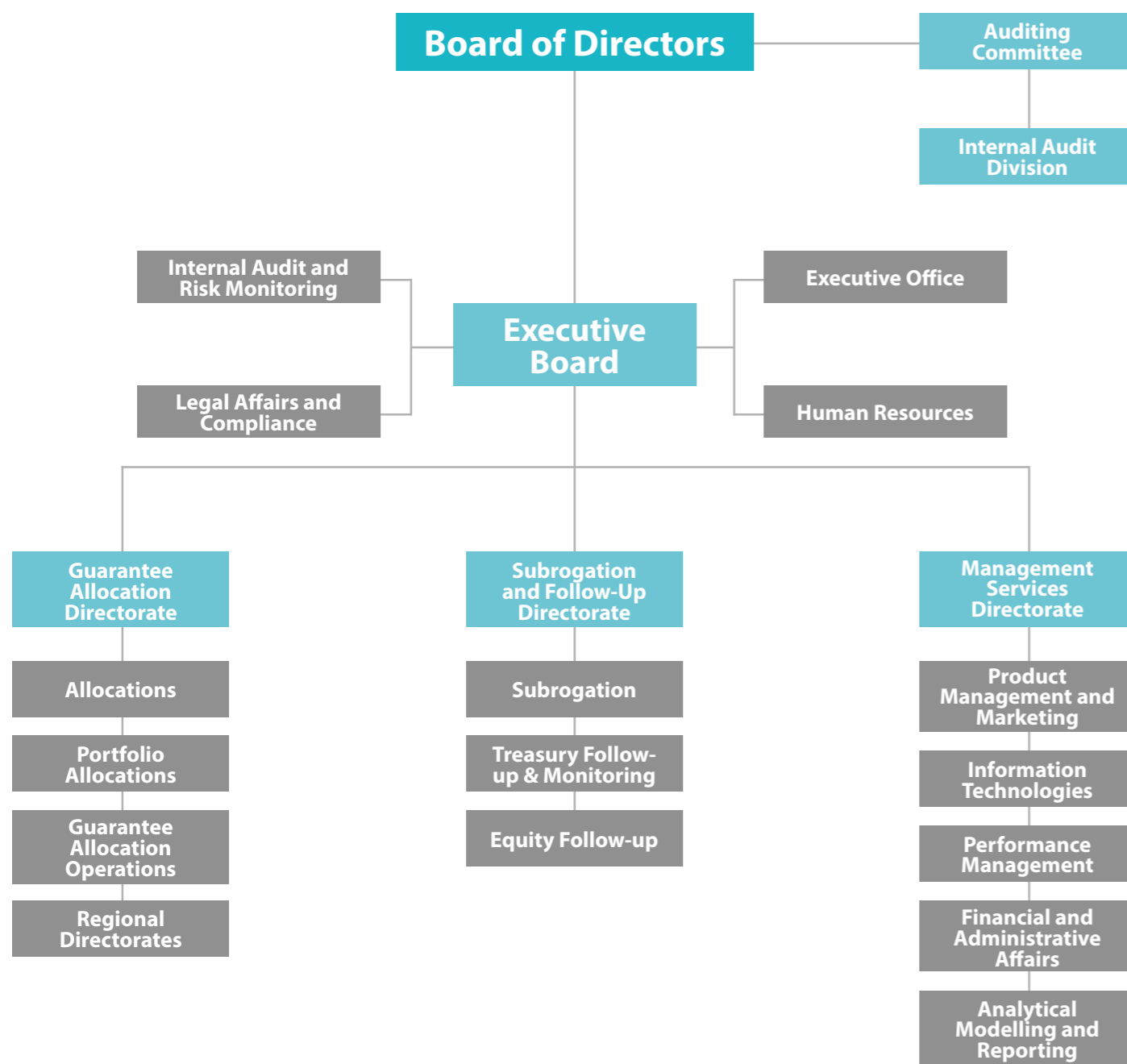
- ▶ Under its ongoing social responsibility projects, three students from TOBB University of Economics and Technology continued to receive full scholarships from KGF.

- ▶ KGF continues investing in human resources in line with the changing and evolving needs, the expectations of its employees and new technologies.

- ▶ The aim of the Human Resources policy is to maximize the competency and efficiency of employees, and to ensure they are fully reflected in the business results. With a view to achieving excellent business outcomes, the HR policy is committed to inspiring and encouraging Company employees by providing them an ideal working environment.



## Organization Chart



## INFORMATION TECHNOLOGIES AND SECURITY RELATED ACTIVITIES

- ▶ 1. The procurement and integration of the software required for the continuous testing of corporate security systems, and the listing of the security measures to be taken based on the test results, have been completed.
- ▶ 2. The security of the VPN system allowing remote access to KGF systems has been increased with the addition of an SMS parameter, in addition to the existing user name and password parameters.
- ▶ 3. A disk encryption system has been put into use to prevent the data on KGF staff's laptops from being acquired by third parties in case of loss/theft.
- ▶ 4. A data classification study has been carried out to classify the data generated by KGF staff and for the protection of the said classified data.
- ▶ 5. The necessary arrangements have been made to ensure the authorized account passwords to KGF staff's computers are changed automatically at certain intervals.
- ▶ 6. Work on the establishment of a corporate intranet to allow data sharing among KGF staff has been completed.
- ▶ 7. To better meet the requirements of the relevant institutions, development and optimization studies have been carried out related to the software used in KGF systems, and software efficiency has thus been increased.
- ▶ 8. Software and hardware have been updated, and the number of integrated institutions has been increased to improve data transfers with state institutions.

## INVESTMENTS OF THE COMPANY IN THE ACCOUNT PERIOD

Hardware and software investments were made within the scope of Security and System infrastructure improvements. Investments were made to upgrade the standard database used by the existing software at the core of KGF systems to Enterprise database software, and the related updating efforts were launched.

## AUDITS APPLICABLE TO THE COMPANY

With the conclusion of independent audits, the Information Technologies Division has completed its works on the acquisition of an ISO 27001 certificate, which was granted to the company on 08.12.2022. The financial statements of the Company for the activity year ending on 31.12.2022 were audited by independent external auditors. The independent audit was conducted by Reform Bağımsız Denetim A.Ş..



## INTERNAL AUDITING

► The Internal Audit Division ensures that the activities of the Institution are carried out in accordance with the principles of reliability, impartiality, transparency and accountability, and free of any conflict of interest, in line with internal and external regulations, ethical principles, and institutional objectives and policies, and that internal audit activities are carried out to ensure that sources are being managed economically, effectively and efficiently.

► Internal audits are conducted in line with the internal audit plan that has been developed in line with the Company's strategies and priorities, as approved by the Board of Directors.

► The Internal Audit Division aims to provide independent and impartial assurance and consultancy services for the evaluation and development of the adequacy and effectiveness of the internal control, risk management and corporate governance processes, with the aim being to improve the activities of the Institution and to add value to the institution, and reports to the Board of Directors for the performance of its activities.

## OTHER ACTIVITIES

If an extraordinary General Assembly is held during the year, all relevant information should be provided, including the date of the Assembly, the decisions taken by the Assembly and the actions taken in relation to the Assembly. (n/a)

## MEDIA AND PROMOTIONAL ACTIVITIES



AK PARTİ TBMM TATİLİ ÖNCESİ YENİ BİR TORBA SUNMAYA HAZIRLANIYOR

# Kredi Garanti Fonu limiti 100 milyar liraya çıkıyor

CANAN SAKARYA/ANKARA

Hazine ve Maliye Bakanlığı tarafından kredi garanti kurumlarına aktarılacak kaynak sınırı 60 milyar liradan 100 milyar liraya çıkarılıyor.

AK Parti, Meclis tatile girmeden önce yeni bir torba teklifi Meclis gündemine getirmeye hazırlanıyor. Ağırlıklı olarak ekonomiye ilişkin düzenlemelerin yer alması ve 35-40 madde arasında olması beklenen torba kanun teklifinin gelecek hafta Meclis Başkanlığı'na sunulması planlanıyor. Kanun teklifiyle Kredi Garanti Fonu limitinin 60 milyar liradan 100 milyar liraya çıkarılmasına ilişkin düzenlemeye gidilecek.

AK Parti kaynaklarından edinilen bilgiye göre, düşük kalan usulsüzlük cezaları yeniden be-

### Öğrenci affı da torba teklife girecek

Cumhurbaşkanı Erdoğan'ın AK Parti Grup toplantısında Meclise sunacaklarını açıkladığı öğrenci affının da ayrı bir teklif olarak değil torba yasa teklifi ile getirilmesi planlanıyor. Lisans, yüksek lisans ve doktora öğrencilerini kapsayacak

af düzenlemesi ile çeşitli nedenlerle üniversiteden ayrılanlara belli şartlarla, yeniden eğitimlerine geri dönme imkanı sağlayacak. Daha önceki af düzenlemelerinde olduğu gibi terör suçundan ceza alanlar aften yararlanamayacak.

lirlenecek, bazı idari para cezaları da yeniden gözden geçirilerek güncellenecek. Sigorta şirketlerinin teminat vermelerine ilişkin düzenlemelerde torba teklifte yer alacak. Ağırlıklı olarak ekonomi ve Maliye Bakanlığı'nın ihtiyaç duyduğu düzenlemelerle son halini alması beklenen torba teklifte, Mali Suçları Araştırma Kurulu Başkanlığı'nın (MASAK)

yetiştirilmiş eleman ihtiyacı karşılanacak. MASAK'ın kamu kurumlarından 100 kişi civarında yetiştirilmiş eleman almasını sağlayacak yasal altyapı oluşturulacak.

Milli Piyango İdaresinin giderlerini karşılamak için ihtiyaç duyduğu kaynağın karşılanmasına dönük düzenlemede torba teklifte yer alacak. Türkiye Varlık Fonuna aktarılan kaynağın yüz-

de 8'i Milli Piyango İdaresi'ne aktarılacak.

### 3600 ek gösterge torba teklife gelecek

Cumhurbaşkanı Recep Tayyip Erdoğan tarafından detayları açıklanan 3600 ek gösterge düzenlemesi de torba teklifte yer alacak. Cumhurbaşkanı Erdoğan, tüm memurların ek göstergelerinde 600 puanlık artış yapılacağını, birinci derecedeki tüm memur ve emeklilerinin 3600 ek gösterge kapsamına alındığını açıklamıştı.

Genel müdür yardımcılarının ek göstergeleri 3 bin 600'den 4 bin 400'e, şube müdürü seviyesindeki yöneticilerin ek göstergesi 2 bin 200'den 3 bine çıkacak. Ocak 2023 tarihinden geçerli olacak artıştan halen emekli olan kamu görevlileri de yararlanacak.

# MEDIA AND PROMOTIONAL ACTIVITIES

**DEĞERLENDİRME** Erişdoğan ÖZGEN  
Kredi Garanti Fonu (KGF) Başkanı

## Ekonomik İstikrarın Devamı İçin İşletmelere Can Suyu

Ülkemizin ekonomik hedeflerine ulaşmasında en büyük destekçisi olan Kredi Garanti Fonu (KGF) olarak güçlü ekonomik programlarla destekliyoruz. Aynı zamanda ekonomik istikrarın devamı için işletmelere can suyu oluyorduk.

Aynı zamanda ülkemizin ekonomik gelişimini, kalkınmasını ve istikrarını, üstün teknolojiyi daha etkin kullanarak, batıda olduğu kadarın yarısını ya da yarısından fazla sağlanarak sağlanacağını biliyoruz. Bu çerçevede, farklı iş kollarında işletmelerin ihtiyaçlarına desteklenmeye ve KOBİ'lerin yanında yer almayı devam ettiriyoruz. Bu hedefle yinelenen olarak "İşletmelere ve KOBİ'lere Kefalet Etkinlikleri Programı (KKEP)" programını ilmiyetle 2020 yılında hayata geçirdik. Bu program, iş kollarında belirli Amara Kurumları'na ve Yatırım Fonu tarafından sağlanan katkıları kullanarak, KOBİ'lerin rekabet edebilirliğini ve sürdürülebilirliğini güçlendirmeye ve girişimci kültürünün yaygınlaşmasına yönelik olarak KOBİ'lerin için 15 milyar TL finansman sağladı.

2021 yılında sunduğumuz destek paketinin kapsamında 44 farklı işletmeye yaklaşık 15 milyar TL tutarında KGF kefaletleri tahsis edildi. Aynı yılın ortasında birleşik bankaların kredi tahsislerini artırarak toplamda yaklaşık 7 milyar TL tutarında KGF kefaletleri tahsis edildi.

Her zaman olduğu gibi en önemli önceliklerimizden de işletmelere ve KOBİ'lere destek olmaktır. KGF olarak, iş kollarında belirli Amara Kurumları'na ve Yatırım Fonu tarafından sağlanan katkıları kullanarak, KOBİ'lerin rekabet edebilirliğini ve sürdürülebilirliğini güçlendirmeye ve girişimci kültürünün yaygınlaşmasına yönelik olarak KOBİ'lerin için 15 milyar TL finansman sağladı.

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Fotoğraf: AA

# 200 milyar TL'lik yeni KGF paketi!

**CUMHURBAŞKANI** Recep Tayyip Erdoğan kadın emeği zirvesinde yaptığı konuşmasında 200 milyar TL'lik yeni Kredi Garanti Fonu (KGF) paketi açıkladı. Cumhurbaşkanı Recep Tayyip Erdoğan kadın emeği zirvesinde yaptığı konuşmada 200 milyar TL'lik yeni KGF paketi açıkladı. Hazine ve Maliye Bakanı Nurettin Nebati konuya dair sosyal medya üzerinden yaptığı açıklamada, "Cumhurbaşkanımız Sayın Recep Tayyip Erdoğan'ın müjdesini duyurduğu Hazine destekli kefalet sistemi kapsamında başlangıçta 200 milyar TL kefalet imkanı karşılığında sağladığımız yaklaşık 250 milyar TL'lik finansman KOBİ'lerimiz başta olmak üzere tüm işletmelerimize hayırlı olsun" ifadelerini kullandı.

Erdoğan, "Kadın girişimcilerimize ve kadın kooperatiflerimize 2 milyar liralık kefalet paketi tahsis ettik. Bir fikri olan, çalışan, üreten, yaşamak için olduğu kadar yaşatmak için emek veren her kadının yanındayız diyerek başlattığımız programın ülkemize hayırlı olmasını diliyorum" şeklinde konuştu. (EKONOMİ SERVİSİ)



**KGF İMKANLARI**

14 OCAK 2022 | Genel Merkez

**Yüzde 75 kefalet oranı**

# EYT için KGF desteği geliyor

Emeklilikte yaşa takılanlara yönelik (EYT) düzenlemeye ilişkin kararların teminatta yükümlülük hafifletmeye yönelik tedbirler kapsamında, yüzde 75 kefalet oranında Kredi Garanti Fonu (KGF) desteği sağlanacak.

İçişleri Bakanlığı tarafından hazırlanan EYT düzenlemelerine ilişkin kararların teminatta yükümlülük hafifletmeye yönelik tedbirler kapsamında, yüzde 75 kefalet oranında Kredi Garanti Fonu (KGF) desteği sağlanacak.

Alanında önemli miktarda finansman imkanı oluşturulması beklenirken, Türkiye Ekonomik Modeli kapsamında uygulanan sektörler için politikaların bu pakette de yer alması öngörülmüyor. Sosyal konulara ilişkin paketlerin ile işletmelerin finansman ihtiyaçlarına kaynak tahsis edilecek. Ayrıca Bakanlık, EYT kapsamında işletmelerin ihtiyaçlarına yönelik kefalet paketi desteği sunacak.



**BAKAN NEBATI, 200 MİLYAR TL'LİK KEFALET PAKETİNİN DETAYLARINI AÇIKLADI**

# 14 PAKET İÇİN 250 MİLYAR TL KREDİ

**'EYT İÇİN ÖNEMLİ BİR PAKET DEVREDE'**

**'İŞ DÜNYASINA CANSUYU OLACAK'**

**'SORULARIMIZ CEVAPLARINI ALDIK'**

**'ŞİMDİ SIRA BANKALARDA'**

**'DÖRT TEMEL UNSUR VAR'**

**Yeni KGF paketi hazırlanıyor**

Hazine ve Maliye Bakanı Nurettin Nebati'nin Kredi Garanti Fonu (KGF) destekli yeni bir kredi paketi hazırlığı olduğunu söyledi. Nebati, Hazine ve Maliye Bakanı Nurettin Nebati, Bloomberg'in konuya yakın bir kaynağına verdiği bilgiye göre, Kredi Garanti Fonu (KGF) destekli yeni bir kredi paketi hazırlığı olduğunu söyledi. Nebati'nin bugün Ankara'da gerçekleştirildiği toplantıda, yeni KGF destek paketinin büyüklüğü hakkında bilgi vermediğini aktardı. Hazine ve Maliye Bakanlığı konu hakkında yorum yapmadı.

# KGF desteğinin 5 milyar TL'si bilişim sektörüne

Cumhurbaşkanı Erdoğan, bilişim sektöründe yeni yatırımlar ve işbirliklerini arttırmaya yönelik 7 milyar dolarlık paket açıkladı. Buna göre, KGF destekli paketlerden 5 milyar TL, bilişim sektörüne tahsis edildi. 2 milyar TL ise diğer sektörler için tahsis edildi.

Bilişim sektöründe yeni yatırımlar ve işbirliklerini arttırmaya yönelik 7 milyar dolarlık paket açıkladı. Buna göre, KGF destekli paketlerden 5 milyar TL, bilişim sektörüne tahsis edildi. 2 milyar TL ise diğer sektörler için tahsis edildi.



# KOBİ'lere 250 milyar TL'lik yeni kredi paketi

BÜYÜME performansının sürdürülebilirliği için Türkiye, üretimi artırma uygulamalarına bir yenisini daha ekledi. Hazine ve Maliye Bakanlığınca verilen bilgiye göre, yeni Kredi Garanti Fonu Paketi ile KOBİ'ler başta olmak üzere birçok alanda faaliyet gösteren işletmelere ilk etapta yaklaşık 250 milyar TL kredi hacmi sunulacak. Bu oranın yüzde 75'ine ise Hazine destekli kefalet sağlanacak.

**GENİŞ YELPAZELİ**

İstanbul'da Kadın Emeği Zirvesi'nde KOBİ'lere ve kadın girişimcilere yönelik yeni destek paketlerini açıklayan Cumhurbaşkanı Recep Tayyip Erdoğan, "Hazine destekli kefalet sistemiyle firmalara tahsis edilen kredilerin 200 milyar liralık kaynakla daha etkin kullanımını sağlayacak yeni bir adım atıyoruz. Özellikle fatura iptallerinden kaynaklanan sorunları çözecek yöntemlere devreye alarak sistemin etkinliğini artırıyoruz. Yeterli teminatı sahip olmayan ama kredibilitesi yüksek firmalara en az yüzde 75 oranında Hazine destekli kefalet sağlanacak" diye konuştu.

"Kefalet paketinde kadınlarımız da unutulmadı" diyen Erdoğan, şöyle konuştu: "Bu kapsamda, kadın girişimcilere ve kadın kooperatiflerine 2 milyar liralık kefalet paketi tahsis edildi. İşletmeden projeye, enerjiden teknolojiye, dijital dönüşüme konuta kadar geniş bir yelpazeye yayılan yeni destek paketi, 2023 için açıklanan ilk destek paketimiz oldu."

**100 bin yeni girişimci**

Ar-Ge merkezleri, rekabetçilik, işbirlikleri, inovasyon, kadın emeği gibi alanlarda desteklenen girişimci ve kadın girişimcilerimize 2 milyar liralık kefalet paketi tahsis edildi. İşletmeden projeye, enerjiden teknolojiye, dijital dönüşüme konuta kadar geniş bir yelpazeye yayılan yeni destek paketi, 2023 için açıklanan ilk destek paketimiz oldu.



A background image showing a handshake in a meeting room with large windows. Overlaid on the image are several large, semi-transparent geometric shapes: a large teal arrow pointing right, a smaller teal arrow pointing right, and several grey arrows pointing right. A dark blue horizontal bar is at the bottom.

**4**

**FINANCIAL DATA**



# EVALUATION OF FINANCIAL STANDING

In 2022, our Company achieved total net sales of TRY 187,491,345.25. While our operating profit was TRY 70,809,683.70, our net profit as of 2022 fiscal year-end amounted to TRY 311.631.258,75

## ASSET STRUCTURE

In 2022, the Assets of our Company grew by 46% on the previous year, reaching TRY 1,876,776,399.62. Our Bank deposit sub-item under the Liquid Assets item increased by TRY 380,378,524.44, reaching TRY 1,157,204,808.09. The income generated through KGF equity-backed guarantees in particular has had a positive impact on our deposit assets.

Under Current Assets, our Trade Receivables reached a net of TRY 135,737,730.85 and the legally required reserves have been held. Our Fixed Assets amounted to TRY 29,517,459.31. Our Company concentrates its investments in technology, strengthening its Data Processing infrastructure by purchasing new devices, equipment and software in line with Company needs and its vision for the future.

## LIABILITY STRUCTURE

In 2022, the most important item in our liability structure was Equities. 69% of our liability structure comprises Equities with a total value of TRY 1,291,669,812.39.

The largest share in Equities relates to Paid-in Capital, amounting to TRY 513,134,229.53. The registered capital ceiling of our Company in the "Registered Capital System" is TRY 600 million. Current account monitoring is conducted for the Ministry of Treasury and Financing under the item Other Payables, which is a part of our liability structure. All payable tax and social security deductions were paid in full in the following month.

In accordance with the legal regulations, each year our Company makes provisions for the severance pay of employees that have completed at least one full year with the Company.

## DIVIDEND POLICY

Our Company does not pay dividends pursuant to Article 4 (1-L) of the Corporate Income Tax Law No 5520, which lays down provisions for exemption.

## CONCLUSION

Our Company successfully completed the 2022 fiscal year. The Net profit for the period stood at TRY 311.6 million.

As a result of the evaluation of the capital and indebtedness of our Company, and in the light of the information available in the financial statements, including profitability, assets and liabilities, it has been concluded that the existing capital structure is very strong, and that the Company's debt levels are negligible and therefore do not pose a risk. The Credit Guarantee Fund seems to have grown stronger in line with the goal of increasing its weight and influence within the existing financial landscape given its importance to our country's economy.

KREDİ GARANTİ FONU A.Ş.  
COMPARATIVE BALANCE SHEET FOR THE 01.01.2022 – 31.12.2022 PERIOD (TRY) Tax Procedure Law (TPL)

ASSETS	Previous Period 31.12.2021	Current Period 31.12.2022	LIABILITIES	Previous Period 31.12.2021	Cari Dönem 31.12.2022
<b>1 CURRENT ASSETS</b>			<b>3 SHORT TERM LIABILITIES</b>		
10 Liquid Assets	1.057.005.306,86	1.703.709.772,81	30 Financial Payables	66.609,29	238.158,27
100 Cash	0,00	0,00	309 Other Financial Payables	66.609,29	238.158,27
102 Banks	776.826.283,65	1.157.204.808,09	32 Trade Payables	3.885.104,46	6.454.881,40
104 Treasury, KOSGEB and KfW Bank Acc.	280.179.023,21	546.504.964,72	320 Sellers	423.342,05	1.033.926,81
n Securities	0,00	0,00	326 Deposits and Collaterals Received	1.603.431,98	2.916.261,91
111 Private Sector Bonds, Notes and Bills	0,00	0,00	329 Other Trade Payables	1.858.330,43	2.504.692,68
112 Public Sector Bonds, Notes and Bills	0,00	0,00	33 Other Payables	279.462.281,92	545.624.509,04
12 Trade Receivables	201.323.964,56	135.737.730,85	335 Staff Payables	4.320,00	1.331,00
120 Buyers	0,00	0,00	336 Other Miscellaneous Payables	279.457.961,92	545.623.178,04
126 Deposits and Collaterals Given	5.000,00	7.227,00	34 Advances Received	6.569.954,53	6.634.420,17
127 Other Trade Receivables (Protocol)	112.310.696,85	112.890.152,97	341 Fee and Commission Advances	6.569.954,53	6.634.420,17
128 Doubtful Trade Receivables	233.221.701,07	188.666.688,76	36 Tax and Other Obligatory Payables	2.569.218,65	6.311.410,67
129 Provision for Doubtful Trade Receivables (-)	-144.213.433,36	-165.826.337,88	360 Taxes and Funds Payable	1.264.279,01	2.709.921,92
13 Other Receivables	211.311,43	91.020,52	361 Social Security Deductions Payable	1.207.788,32	3.483.021,67
135 Receivables from Staff	7.756,02	2.520,52	362 Tax and Other Obligatory Payables (Contingency Fee)	92.354,32	118.467,08
136 Other Miscellaneous Receivables	203.555,41	88.500,00	369 Other Obligations Payable	4.797,00	0,00
15 Inventories	0,00	0,00	38 Income r/t Future Months and Expense	0,00	0,00
159 Advances Given for Purchase Orders	0,00	0,00	Accruals		
18 Expenses r/t Future Months and Income Accruals	2.861.761,15	7.697.762,98	380 Income and Expenses r/t Future Months	0,00	0,00
180 Expenses r/t Future Months	0,00	0,00	39 Other Current Liabilities	5.326,54	10.617,00
181 Income Accruals	2.861.761,15	7.697.762,98	391 VAT Calculated	0,00	0,00
19 Other Current Assets	53.042,46	22.653,15	393 Head Office and Branch Current Accounts	5.326,54	10.617,00
190 VAT Transferred	23.194,31	19.125,54	<b>TOTAL OF CURRENT LIABILITIES</b>	<b>292.558.495,39</b>	<b>565.273.996,55</b>
191 VAT Deductible	0,00	0,00	<b>4 LONG-TERM LIABILITIES</b>		
195 Business Advances	29.848,15	3.527,61	40 Financial Payables	0,00	0,00
<b>TOTAL OF CURRENT ASSETS</b>	<b>1.261.455.386,46</b>	<b>1.847.258.940,31</b>	42 Trade Payables	0,00	0,00
<b>2 FIXED ASSETS</b>			43 Other Payables	0,00	0,00
22 Trade Receivables	0,00	0,00	47 Debt and Expense Provisions	9.620.194,86	19.832.590,68
220 Buyers	0,00	0,00	472 Provisions for Severance Pay	9.620.194,86	19.832.590,68
226 Deposits and Collaterals Given	0,00	0,00	48 Income r/t Future Years and Expense Accruals	0,00	0,00
23 Other Receivables	106.200,00	106.200,00	<b>TOTAL LONG-TERM LIABILITIES</b>	<b>9.620.194,86</b>	<b>19.832.590,68</b>
236 Other Miscellaneous Receivables	106.200,00	106.200,00	<b>5 EQUITIES</b>		
25 Tangible Assets	14.406.981,71	19.300.806,49	50 Paid-in Capital	513.134.229,53	513.134.229,53
250 Lands and Plots	1.195.525,00	222.975,00	500 Capital	513.134.229,53	513.134.229,53
251 Land Improvements	0,00	0,00	501 Unpaid Capital (-)	0,00	0,00
252 Buildings	1.374.377,37	213.127,37	52 Capital Reserves	5.751.349,39	5.592.596,44
253 Plants, Machinery and Equipment	0,00	0,00	529 Other Capital Reserves	5.751.349,39	5.592.596,44
254 Vehicles	220.147,62	5.338.600,66	54 Profit Reserves	24.694.023,75	34.655.080,41
255 Fixtures	9.122.156,60	12.818.261,31	540 Legal Reserves	24.694.023,75	34.655.080,41
256 Other Tangible Assets	0,00	0,00	542 Extraordinary Reserves	0,00	0,00
257 Accumulated Depreciation (-)	-6.945.224,88	-8.732.157,85	548 Other Profit Reserves	0,00	0,00
258 Investments in Progress	9.440.000,00	9.440.000,00	549 Special Funds	0,00	0,00
26 Intangible Assets	6.139.918,44	7.757.665,17	57 Retained Earnings	237.396.570,79	426.656.647,26
260 Rights	76.843,50	68.851,62	570 Retained Earnings	237.396.570,79	426.656.647,26
264 Special Costs	351.835,27	391.617,29	58 Accumulated Losses (-)	0,00	0,00
267 Other Intangible Assets	22.304.441,57	27.014.573,54	580 Accumulated Losses (-)	0,00	0,00
268 Accumulated Depreciation (-)	-16.593.201,90	-19.717.577,28	59 Net Profit (Loss) for the period	0,00	0,00
28 Expenses r/t Future Years and Income Accruals	267.510,23	2.352.787,65	590 Net Profit for the period	199.221.133,13	311.631.258,75
280 Expenses r/t Future Years	267.510,23	2.352.787,65	<b>TOTAL OF EQUITIES</b>	<b>980.197.306,59</b>	<b>1.291.669.812,39</b>
281 Income Accruals	0,00	0,00	<b>TOTAL OF LIABILITIES</b>	<b>1.282.375.996,84</b>	<b>1.876.776.399,62</b>
<b>TOTAL OF FIXED ASSETS</b>	<b>20.920.610,38</b>	<b>29.517.459,31</b>			
<b>TOTAL OF ASSETS</b>	<b>1.282.375.996,84</b>	<b>1.876.776.399,62</b>			

KREDİ GARANTİ FONU A.Ş. Tax Procedure Law (TPL)  
COMPARATIVE DETAILED STATEMENT OF PROFIT AND LOSS FOR THE 01.01.2022 – 31.12.2022 PERIOD

	31.12.2021	31.12.2022
<b>A - GROSS INCOME</b>	<b>103.228.375,17</b>	<b>187.567.631,54</b>
1. Commissions from Domestic Guarantees	101.579.869,72	185.549.811,96
*Income from Equity Guarantees	94.764.077,16	155.056.398,38
*Income from Treasury Guarantees	6.815.792,56	30.493.413,58
2. Commissions from Overseas Guarantees	0,00	0,00
3. Other Income	1.648.505,45	2.017.819,58
<b>B - SALES DEDUCTIONS (-)</b>	<b>1.604.781,63</b>	<b>76.286,29</b>
1. Sales Returns (-)	1.604.781,63	76.286,29
2. Sales Discounts (-)	0,00	0,00
3. Other Discounts (-)	0,00	0,00
<b>C - NET SALES</b>	<b>101.623.593,54</b>	<b>187.491.345,25</b>
<b>D - COST OF SALES (-)</b>	<b>0,00</b>	<b>0,00</b>
<b>GROSS SALES PROFIT OR LOSS</b>	<b>101.623.593,54</b>	<b>187.491.345,25</b>
<b>E - OPERATING COSTS (-)</b>	<b>72.371.084,64</b>	<b>116.681.661,55</b>
1. Research and Development Expenses	0,00	0,00
2. Operating Expenses of Branches (-)	0,00	0,00
3. Administrative Expenses (-)	72.371.084,64	116.681.661,55
<b>OPERATING PROFIT OR LOSS</b>	<b>29.252.508,90</b>	<b>70.809.683,70</b>
<b>F - ORDINARY INCOME OR PROFITS FROM OTHER OPERATIONS</b>	<b>213.228.936,79</b>	<b>281.216.650,48</b>
1. Dividend Income from Affiliates	0,00	0,00
2. Dividend Income from Subsidiaries	0,00	0,00
3. Interest Income	87.519.422,49	156.954.067,12
4. Commission Income	0,00	0,00
5. Provisions No Longer Required	7.168.374,21	17.673.783,55
6. Securities Sales Profit	0,00	0,00
7. Foreign Exchange Profit	118.541.140,09	106.588.799,81
8. Rediscount Interest Income	0,00	0,00
9. Other Operational Income and Profits	0,00	0,00
<b>G - COSTS AND LOSSES FROM OTHER OPERATIONS (-)</b>	<b>47.126.760,96</b>	<b>56.330.446,28</b>
1. Commission Expenses	0,00	0,00
2. Provision Expenses	23.421.110,57	39.283.233,03
3. Securities Sales Losses	0,00	0,00
4. Foreign Exchange Losses	23.705.650,39	17.047.213,25
5. Rediscount Interest Expenses	0,00	0,00
6. Other Ordinary Expenses and Losses	0,00	0,00
<b>ORDINARY PROFIT OR LOSS</b>	<b>195.354.684,73</b>	<b>295.695.887,90</b>
<b>H - EXTRAORDINARY INCOME AND PROFITS</b>	<b>6.347.243,19</b>	<b>17.136.895,64</b>
1. Retained Income and Profit	3.297.429,25	5.482.427,98
2. Other Extraordinary Income and Profits	3.049.813,94	11.654.467,66
<b>I - EXTRAORDINARY EXPENSES AND LOSSES (-)</b>	<b>2.480.794,79</b>	<b>1.201.524,79</b>
1. Idle Capacity Expenses and Losses (-)	0,00	0,00
2. Retained Expenses and Losses (-)	0,00	0,00
3. Other Extraordinary Expenses and Losses (-)	2.480.794,79	1.201.524,79
<b>J - PROFIT OR LOSS FOR THE PERIOD</b>	<b>199.221.133,13</b>	<b>311.631.258,75</b>
<b>NET PROFIT OR LOSS FOR THE PERIOD</b>	<b>199.221.133,13</b>	<b>311.631.258,75</b>



**5**

**INDEPENDENT AUDIT REPORT**



(Convenience translation of a report and financial statements originally issued in Turkish)

#### INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Kredi Garanti Fonu A.Ş.

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

##### 1) Opinion

We have audited the financial statements of Kredi Garanti Fonu A.Ş. (the Company), which comprise the statement of financial position as at December 31, 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its financial performance and its 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 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 Financial Statements* section of our report. We are independent of the Company 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.

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DENETİM A.Ş.



#### 3) Key Audit Matters

Key audit matters are those that, in our professional judgment, are of the most importance in our audit of the financial statements as of December 31, 2022. Key audit matters have been addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide separate opinion on these matters.

Key Audit Matters; Revenue recognition	How our audit addressed the key audit matters
The Company has a total revenue of 158.059.626 TL, which was accounted for under the "revenue" item in the profit or loss statement for the accounting period of 1 January - 31 December 2022.	During our independent audit, the following audit procedures have been applied regarding the recording of revenue in the financial statements.
Since revenue is the most important financial statement item in terms of income statement, it is an important issue for our audit.	- Evaluating the adequacy of Group's accounting policy on revenue recognition, - Evaluating the controls of the projections, implementations and process of management, - Evaluation of compliance of the company's accounting policies with TFRS 15 through selection of sales contracts by sampling model,
Explanations and footnotes related to these incomes are included in footnotes 2 and 17 of the accompanying financial statements.	- To examine through the sales documents received for the sales transactions selected by the sample when transfer of the control takes place. Thus, evaluate the appropriateness of the revenue to the accounting policies and the fact that it is recognized in the reporting period, - Analytical studies to determine the presence of unusual transactions.
	As a result of these studies on the recognition of revenue, we did not find any significant findings.

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

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

In preparing the 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 Company's financial reporting process.

#### 5) Auditor's Responsibilities for the Audit of the Financial Statements

In an independent audit, our responsibilities as the auditors are:

Our objectives are to obtain reasonable assurance about whether the 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 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.

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REFORM BAĞIMSIZ  
DENETİM A.Ş.

# KREDİ GARANTİ FONU A.Ş. Financial Statements as of 31 December 2022 Together with Independent Auditors' Report

**RYM**•reform

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

- 1) 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 law and provisions of the Company's articles of association in relation to financial reporting.
- 2) 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 CEYHUN GÖNEN.

**REFORM BAĞIMSIZ DENETİM ANONİM ŞİRKETİ**

REFORM BAĞIMSIZ  
DENETİM ANONİM ŞİRKETİ

*Ceyhun Gönen*

Ceyhun Gönen  
Partner  
Istanbul, 17 March 2023

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## KREDİ GARANTİ FONU ANONİM ŞİRKETİ STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

	Note	Audited	Audited
		31 December 2022	31 December 2021
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	1.711.407.535	1.059.860.365
Trade receivables		60.955.753	86.362.849
-Due from related parties	23	-	-
-other trade receivables	6-23	60.955.753	86.362.849
Other receivables		7.227	120.055
-Due from related parties	23	-	-
-other receivables	7-23	7.227	120.055
Prepaid expenses		2.352.788	267.510
-Prepaid expenses to related parties	23	-	-
-Prepaid expenses to third parties	8-23	2.352.788	267.510
Other current assets	15	25.175	60.801
<b>Non-current assets</b>		<b>40.123.629</b>	<b>28.095.650</b>
Property, plant and equipment	9	10.569.733	3.363.912
Right of use asset	11	8.804.327	4.262.208
Intangible Assets		20.316.294	17.961.584
-Other intangible assets	10	20.316.294	17.961.584
Other non-current assets	15	433.275	2.507.946
<b>TOTAL ASSETS</b>		<b>1.814.872.107</b>	<b>1.174.767.230</b>

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

## KREDİ GARANTİ FONU ANONİM ŞİRKETİ STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

	Note	Audited	Audited
		31 December 2022	31 December 2021
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Short term portion of long term financial liabilities	12	1.475.300	2.535.752
Trade payables		3.776.778	2.348.281
-Due to related parties	23	-	-
-other trade payables	6-23	3.776.778	2.348.281
Employee benefit obligations	13	5.959.226	2.310.652
Other payables		9.561.299	8.308.007
-Due to related parties	23	10.617	5.327
-other payables	7-23	9.550.682	8.302.680
Deferred income		84.866.661	57.452.761
-Deferred income from related parties	23	-	-
-deferred income from third parties	8-23	84.866.661	57.452.761
Short-term provisions		12.927.300	7.091.699
-Short-term provisions for employee benefits	14	4.177.443	2.900.342
-other short-term provisions	14	8.749.857	4.191.357
Other short-term liabilities	15	551.569.290	285.342.908
<b>Non-current liabilities</b>		<b>51.734.052</b>	<b>39.384.148</b>
Long term financial liabilities	12	8.351.160	2.870.930
Long-Term Provisions		43.382.892	36.513.218
-Long-term provisions for employee benefits	14	14.053.228	7.011.920
- Other long-term provisions	14	29.329.664	29.501.298
<b>TOTAL LIABILITIES</b>		<b>721.869.906</b>	<b>404.774.208</b>
<b>Shareholders' equity</b>		<b>1.093.002.201</b>	<b>769.993.022</b>
Paid-in share capital	16	513.134.230	513.134.230
Other accumulated comprehensive income that will not be reclassified in profit or loss	16	(803.017)	2.815.562
-Remeasurement gain of defined benefit plans		(803.017)	2.815.562
Restricted reserves	16	34.655.080	24.694.024
Retained earnings/(accumulated losses)	16	219.388.150	18.191.497
Net profit for the year		326.627.758	211.157.709
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1.814.872.107</b>	<b>1.174.767.230</b>

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

## KREDİ GARANTİ FONU ANONİM ŞİRKETİ STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

	Note	Audited 1 January - 31 December 2022	Audited Restated (*) 1 January - 31 December 2022
<b>Revenue</b>	<b>17</b>	<b>158.059.626</b>	<b>104.029.640</b>
Cost of sales (-)	17	(96.625.821)	(64.505.759)
Gross profit		61.433.805	39.523.881
General administrative expenses (-)	18	(11.817.449)	(5.996.863)
Marketing Expenses (-)	18	--	--
Other operating income	19	68.944.332	13.375.792
Other operating expense (-)	19	(45.597.706)	(16.996.929)
<b>Operating (loss) / profit</b>		<b>72.962.982</b>	<b>29.905.881</b>
Income from Investment Activities	20	8.857.445	--
Expenses from Investment Activities (-)	20	--	--
<b>Operating (loss)/profit before financial expenses</b>		<b>81.820.427</b>	<b>29.905.881</b>
Financial income	21	263.542.867	206.060.562
Financial expense (-)	21	(18.735.536)	(24.808.734)
<b>Net profit for the year</b>		<b>326.627.758</b>	<b>211.157.709</b>
<b>Net profit for the year</b>		<b>--</b>	<b>--</b>
<b>Net profit for the year</b>		<b>326.627.758</b>	<b>211.157.709</b>
<b>NET PROFIT OF THE YEAR</b>		<b>326.627.758</b>	<b>211.157.709</b>
Non-controlling interest		-	-
Equity holders of the parent		326.627.758	211.157.709
<b>Earning per Share (100 Krs)</b>	<b>22</b>	<b>0,0064</b>	<b>0,0041</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified sub. to profit or loss		(3.618.579)	566.405
Remeasurement gain/loss of defined benefit plans		(3.618.579)	566.405
Items that may be reclassified sub. to profit or loss		--	--
<b>OTHER COMPREHENSIVE INCOME/LOSS</b>		<b>(3.618.579)</b>	<b>566.405</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>323.009.179</b>	<b>211.724.114</b>

## KREDİ GARANTİ FONU ANONİM ŞİRKETİ STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

	Other accumulated comprehensive income that will not be reclassified in profit or loss			Retained earnings		Total Equity
	Paid-in share capital	Remeasurement gain of defined benefit plans	Restricted reserves	Previous Years Profit / (losses)	Net profit for the year	Total Equity
As of 1 January 2021 (Previously Reported)	513.134.230	2.249.157	16.837.776	(66.758.287)	95.446.885	560.909.761
Adjustments	--	--	--	--	(2.640.853)	(2.640.853)
As of 1 January 2021 (Restated) (*)	513.134.230	2.249.157	16.837.776	(66.758.287)	92.806.032	558.268.908
Transfers	--	--	7.856.248	84.949.784	(92.806.032)	--
Total comprehensive income	--	566.405	--	--	211.157.709	211.724.114
Net profit for the year	--	--	--	--	211.157.709	211.157.709
Other comprehensive income	--	566.405	--	--	--	566.405
<b>Balance at 31 December 2021</b>	<b>513.134.230</b>	<b>2.815.562</b>	<b>24.694.024</b>	<b>18.191.497</b>	<b>211.157.709</b>	<b>769.993.022</b>
<b>Balance at 1 January 2022</b>	<b>513.134.230</b>	<b>2.815.562</b>	<b>24.694.024</b>	<b>18.191.497</b>	<b>211.157.709</b>	<b>769.993.022</b>
Transfers	--	--	9.961.056	201.196.653	(211.157.709)	--
Total comprehensive income	--	(3.618.579)	--	--	326.627.758	323.009.179
Net profit for the year	--	--	--	--	326.627.758	326.627.758
Other comprehensive income	--	(3.618.579)	--	--	--	(3.618.579)
<b>Balance at 31 December 2022</b>	<b>513.134.230</b>	<b>(803.017)</b>	<b>34.655.080</b>	<b>219.388.150</b>	<b>326.627.758</b>	<b>1.093.002.201</b>

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

## KREDİ GARANTİ FONU ANONİM ŞİRKETİ STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2022 and 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

	Note	Audited 1 January - 31 December 2022	Audited Restated (*) 1 January - 31 December 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit for the Period		326.627.758	211.157.709
- Net profit		326.627.758	211.157.709
Adjustments for reconciliation of net profit/ (loss)		2.312.212	23.785.408
Adjustment for depreciation and amortization expense	9-10-11	10.177.619	6.690.774
Adjustment for impairment	18	(18.568.460)	416.586
Adjustments for Provisions	14	9.086.696	10.679.293
Adjustments for interest income and expense	14	(6.009.440)	(1.758.678)
Adjustments for losses (gains) arised from sale of non-current assets	9-10-11	18.898	27.901
Other adjustments to reconcile profit/(loss)		7.606.899	7.729.532
<b>Net operating cash flows provided before changes in working capital</b>		<b>75.782.995</b>	<b>10.457.399</b>
Change in trade receivables	6-23	43.975.556	15.856.457
Changes in other receivables	7-23	112.828	40.594
Change in prepaid expenses	8-23	(2.085.278)	(173.408)
Changes in trade payables	6-23	1.428.497	987.524
Change in employee benefit obligations	13	3.648.574	(562.696)
Changes in other payables	7-23	1.253.292	(1.749.371)
Changes in deferred income	8-23	27.413.900	(4.054.552)
Changes in other	15	35.626	112.851
<b>Net cash from generated operating activities</b>		<b>404.722.965</b>	<b>245.400.516</b>
Interest Received	20	(149.256.304)	(84.657.660)
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		<b>(14.724.071)</b>	<b>(9.513.082)</b>
Cash outflows from purchases of tangible and intangible	9-10-11	(16.798.742)	(8.976.984)
Changes in other non-current assets		2.074.671	(536.098)
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		<b>137.689.397</b>	<b>80.855.959</b>
Funds Provided from Counter-Guarantee	15	266.226.382	1.418.314
Payments of Lease Liabilities	12	(4.678.106)	(3.142.066)
Interest Received	20	149.256.304	84.657.660
Change in blockage bank accounts	4	(273.115.183)	(2.077.949)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>378.431.987</b>	<b>232.085.734</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<b>774.823.925</b>	<b>542.738.191</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<b>1.153.255.912</b>	<b>774.823.925</b>

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

## NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Kredi Garanti Fonu A.Ş. (the "Company") has been established in 1991 and operates in Turkey. The Company supports small and medium size entities through providing guarantees, enables them utilizing bank credits for their investments and financing activities. The Company provided its first credit guarantee on July 1994.

The company gives its guarantees based on its own funds and the support given by the Ministry of Treasury and Finance. With the protocol signed between the Company and the Ministry of Treasury and Finance (Undersecretariat of Treasury) on 18 September 2009, in line with the provisions of the Council of Ministers Decision on the Procedures and Principles Regarding the Treasury Support to be Provided to Credit Guarantee Institutions dated 14 July 2009 and numbered 2009/15197, the Ministry's support has been granted. terms of use, duties, powers and responsibilities of the parties, the conditions that the beneficiaries should have have been determined. In the following process, the protocols were updated in line with the changes made in the legal legislation. With the guarantees given in the loan market, it is aimed to contribute to the effective functioning of the market, to support companies with limited access to finance and to provide additional loan opportunities. The company earns income from the commissions it has received due to the guarantees it has given.

The shareholders of the Company consist of Türkiye Odalar ve Borsalar Birliği ("TOBB"), Küçük ve Orta Ölçekli İşletmeleri Geliştirme ve Destekleme İdaresi Başkanlığı ("KOSGEB"), Türkiye Esnaf ve Sanatkarları Konfederasyonu ("TESK"), Türkiye Küçük ve Orta Ölçekli İşletmeler, Serbest Meslek Mensupları and Yöneticiler Vakfı ("TOSYÖV"), Mesleki Eğitim ve Küçük Sanayi Destekleme Vakfı ("MEKSA") and 29 banks in equal shares; by the shares of 28,30%, 28,29%, 0,12%, 0,01%, 0,004% of and 43,28%, respectively (Note 17).

The Company's registered address is TOBB İkiz Kuleleri C Blok, Kat: 5-6-7, Dumlupınar Bulvarı No: 252, Ankara.

As of 31 December 2022, the Company has 151 employees (31 December 2021: 157).

## NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

### 2.1. Statement of presentation

The financial statements are prepared in accordance with Turkish Financial Reporting Standards ("TFRS") issued by Public Oversight Accounting and Auditing Standards Authority ("POA"). TFRS comprises; Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards ("TFRS") and its amendments and interpretations.

The Company maintains their books of accounts and prepares their statutory financial statements in accordance with principles issued by POA, the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Treasury and Finance. These financial statements are prepared in Turkish Lira and based on historical cost, except for derivative instruments shown at fair value in accordance with the Turkish Financial Reporting Standards. The Company has made necessary adjustments and reclassifications in accordance with the format defined in the illustrative financial statements and User Guide issued by POA.



In accordance with the Tax Procedure Law No. 7352 and the Law on the Amendment of the Corporate Tax Law published in the Official Gazette dated 29 January 2022 and numbered 31734, the application of inflation adjustment in the financial statements prepared according to the tax procedure law was postponed to 31 December 2023.

POA made an announcement on 20 January 2022 regarding the application of TAS 29 "Financial Reporting in Hyperinflationary Economies Under the Financial Reporting Standard for Large and Medium-sized Enterprises" ("TAS 29") for entities adopting Turkish Financial Reporting Standards ("TFRS") for the year ended 31 December 2021. The announcement stated that, entities that apply TFRS should not adjust their financial statements in accordance with TAS 29 for the year ended 31 December 2021. As of the date of this report, POA has not made any further announcements regarding the scope and application of TAS 29. As a result, no inflation adjustment was made to the accompanying financial statements as of 31 December 2022 in accordance with TAS 29.

#### Statement of Compliance with Turkish Accounting Standards

The financial statements for the year ended 31 December 2021 have been authorized for issue by the Company management on 16 March 2023. The General Assembly has the authority to amend/modify the financial statements.

The differences between accounting principles, as described in the preceding paragraphs, and accounting principles generally accepted in countries in which these financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in these financial statements. Accordingly, these financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

### 2.2. Functional and presentation currency

Financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates (its functional currency). The results and financial position of the Company are expressed in Turkish Lira, which is the functional and presentation currency of the Company.

Functional and presentation currency of the Company is Turkish Lira (TL).

### 2.3. Netting / Offsetting

Financial assets and liabilities are presented in the balance sheet as net amount in the cases of the Company's right and right to sanction to finalize and have the intention to receive/pay related financial asset or liability over the recognized amount or have the right to finalize the related asset and liability simultaneously.

### 2.4. Comparative information and restatement of prior period financial statements

In order to allow determination of financial position and performance, financial statements of the Company are prepared in comparison with previous period. The Company has prepared the

statement of financial position as of December 31, 2022, in comparison with the statement of financial position prepared as of December 31, 2021. The statement of profit or loss, profit or loss and other comprehensive income, cash flow statement and statement of changes in equity as for the period January 1st – December 31st 2022, has been prepared in comparison with the prior period, January 1st – December 31st 2021.

The financial statements of the Company are prepared comparatively with the previous period in order to enable the determination of the financial situation and performance trends. In order to comply with the presentation of the current period financial statements, comparative information is rearranged or classified when deemed necessary and significant differences are disclosed. In the current period, the Company has made some adjustments and reclassifications in its prior period financial statements.

### 2.5. Changes in accounting policies and estimates and errors

Significant changes in accounting policies and significant errors are corrected, retrospectively; by restating the prior period financial statements. The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods. Significant accounting errors are corrected retrospectively and prior period financial statements are restated. There is no significant accounting error of the Company in the current year.

The accounting policy changes arising from the first adoption of a new TAS / TFRS are regulated in accordance with the transitional provisions of the TAS/TFRS, if any. If there is no transition provision, or if an optional significant change is made in the accounting policy, it is applied retrospectively and the prior year financial statements are restated., there is no change in the accounting policies of the Company in 2022.

The Company restated its financial statements according to IAS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". The effects on the balance sheet of the financial statements as of 31 December 2021 are as follows:

	Note	Audited Restated (*) 31 December 2021	Audited Previously Reported 31 December 2021	
<b>ASSETS</b>				
<b>Current assets</b>		<b>1,146,671,580</b>	<b>1,146,671,580</b>	-
Cash and cash equivalents		1,059,860,365	1,059,860,365	-
Trade receivables		86,362,849	86,362,849	-
Other receivables		120,055	120,055	-
Prepaid expenses		267,510	267,510	-
Other current assets		60,801	60,801	-
<b>Non-current assets</b>		<b>28,095,650</b>	<b>31,977,729</b>	<b>(3,882,079)</b>
Property, plant and equipment	1	3,363,912	4,104,921	(741,009)
Right of use asset		4,262,208	4,262,208	-
Intangible Assets	1	17,961,584	21,102,654	(3,141,070)
Other non-current assets		2,507,946	2,507,946	-
<b>TOTAL ASSETS</b>		<b>1,174,767,230</b>	<b>1,178,649,309</b>	<b>(3,882,079)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

LIABILITIES				
Current liabilities		365.390.060	328.710.390	36.679.670
Short term portion of long term financial liabilities	2	2.535.752	-	2.535.752
Trade payables		2.348.281	2.348.281	-
Employee benefit obligations		2.310.652	2.310.652	-
Other payables		8.308.007	8.308.007	-
Deferred income	3	57.452.761	23.308.843	34.143.918
Short-term provisions		7.091.699	7.091.699	-
Other short-term liabilities		285.342.908	285.342.908	-
Non-current liabilities		39.384.148	43.916.687	(4.532.539)
Long term financial liabilities	2	2.870.930	7.403.469	(4.532.539)
Long-Term Provisions		36.513.218	36.513.218	-
<b>TOTAL LIABILITIES</b>		<b>404.774.208</b>	<b>372.627.077</b>	<b>32.147.131</b>
Shareholders' equity		769.993.022	806.022.232	(36.029.210)
Paid-in share capital		513.134.230	513.134.230	-
Other accumulated comprehensive income that will not be reclassified in profit or loss		2.815.562	2.815.562	-
Restricted reserves		24.694.024	24.694.024	-
Retained earnings/(accumulated losses)	1	18.191.497	20.832.350	(2.640.853)
Net profit for the year		211.157.709	244.546.066	(33.388.357)
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1.174.767.230</b>	<b>1.178.649.309</b>	<b>(3.882.079)</b>

(1) Consists of depreciation differences arising from the adjustment of the proportional depreciation calculations for tangible and intangible assets.

(2) Consists of the effect of recalculations of financial lease liabilities within the framework of TFRS 16 and reclassification of short and long-term liabilities.

(3) It consists of recalculations made in deferred income calculations regarding the periodicity of revenue within the framework of TFRS 15.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

	Note	1 January - 31 December 2022	1 January - 31 December 2022	
<b>Revenue</b>	<b>3</b>	<b>104.029.640</b>	<b>138.173.558</b>	<b>(34.143.918)</b>
Cost of sales (-)	1-2	(64.505.759)	(65.261.320)	755.561
<b>Gross profit</b>		<b>39.523.881</b>	<b>72.912.238</b>	<b>(33.388.357)</b>
General administrative expenses (-)		(5.996.863)	(5.996.863)	--
Marketing Expenses (-)		--	--	--
Other operating income		13.375.792	13.375.792	--
Other operating expense (-)		(16.996.929)	(16.996.929)	--
<b>Operating (loss) / profit</b>		<b>29.905.881</b>	<b>63.294.238</b>	<b>(33.388.357)</b>
Income from Investment Activities		--	--	--
Expenses from Investment Activities (-)		--	--	--
<b>Operating (loss)/profit before financial expenses</b>		<b>29.905.881</b>	<b>63.294.238</b>	<b>(33.388.357)</b>
Financial income		206.060.562	206.060.562	--
Financial expense (-)		(24.808.734)	(24.808.734)	--
<b>Net profit for the year</b>		<b>211.157.709</b>	<b>244.546.066</b>	<b>(33.388.357)</b>
<b>Net profit for the year</b>		<b>211.157.709</b>	<b>244.546.066</b>	<b>(33.388.357)</b>
<b>Net profit for the year</b>		<b>211.157.709</b>	<b>244.546.066</b>	<b>(33.388.357)</b>

(1) Consists of the current period profit/loss statement effects of depreciation differences arising from the correction of the proportional depreciation calculations for tangible and intangible assets.

(2) It consists of the current period profit/loss statement effects of the recalculations of financial leasing liabilities within the framework of TFRS 16.

(3) It consists of the current period profit/loss statement effects of the recalculations made in the deferred income calculations regarding the periodicity of the revenue within the framework of TFRS 15.

### 2.6. Going concern

The financial statements have been prepared assuming that the Company will continue as a going concern on the basis that they will be able to realize its assets and discharge its liabilities in the normal course of business.

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

Consistent with those used in the previous year, except for the new and amended Turkish Accounting Standards (“TAS”) / TFRS and TMS / TFRS interpretations valid as of 1 January 2022, which are summarized below, and the accounting policies used in the preparation of the financial statements for the accounting period ended 31 December 2022. has been applied.

The effects of these standards and interpretations on the financial position and performance of the Company are explained in the relevant paragraphs.

#### Standards, amendments and interpretations effective as of 1 January 2022:

- TFRS 16 - “Leases - COVID 19 Related Rent Concessions (Amendments)”
- Annual improvements and amendments on TFRSs - TFRS 3, TAS 16, TAS 37, TFRS 1, TFRS 9, TAS 41 and TFRS 16

These amendments did not have any significant impact on the financial position or performance of the Company.

#### Standards and amendments that are issued but not effective as of 31 December 2022:

- TAS 1 - “Non-current liabilities with covenants (Amendments)”
- TAS 1 - “Practice statement 2” and narrow scope amendments on TAS 8
- TAS 12 - “Deferred tax related to assets and liabilities arising from a single transaction (Amendments)”
- TFRS 16 - “Lease on sale and leaseback”

The impacts of the new standards, amendments and improvements on the financial position and performance of the Company is being assessed.

## NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

### 3.1. Foreign currency transactions

The Company converts foreign currency transactions into TL and is based on the relevant exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into TL at the exchange rates ruling at the reporting date. The resulting exchange differences are recognized as foreign exchange gains or losses in the statement of comprehensive income.

The exchange rates ruling as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
USD	18,6983	12,9775
EUR	19,9349	14,6823

### 3.2. Cash and cash equivalents

Cash and cash equivalents are carried at cost in the balance sheet. Cash and cash equivalents include cash on hand, bank deposits and investments with short-term and highly liquid assets that are readily convertible to cash, with a maturity of 3 months or less from the date of purchase. The carrying of these assets is close to their fair value. As of 1 January 2018, the Company calculates the expected loss provision in accordance with TFRS 9 for bank deposits in cash and cash equivalents.

### 3.3. Trade receivables and expected credit losses

Trade receivables consist of indemnified guarantees financed by own equity that are transferred to administrative and legal proceedings. The Company uses expected credit losses model for the measurement of expected credit losses related to trade receivables with the adoption of TFRS 9. The expected credit loss model is applied to financial assets measured at amortized cost (such as deposits in banks, financial investments measured at amortized cost and trade receivables) and to the guarantees financed by own equity.

The Company recognizes expected credit losses for deposits in banks, financial investments measured at amortized cost and provisions for indemnified guarantees financed by own equity by deducting from related assets in the balance sheet and the provision for guarantees financed by own equity is recorded under short term and long-term provisions in the liability of the balance sheet (Note 14).

The expected credit losses include information that is estimated, neutral, weighted according to probabilities, taking into account the time value of money and information about past events, current conditions and future economic conditions.

### 3.4. Information on Financial Assets

The Company categorizes its financial assets as “Fair Value Through Profit/Loss”, “Fair Value Through Other Comprehensive Income” or “Measured at Amortized Cost”. Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting (POA) and Auditing Standards Authority.

Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than “Financial Assets at Fair Value Through Profit or Loss”, transaction costs are added to fair value or deducted from fair value. The Company recognizes a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by Company management and the nature of contractual cash flows of the financial asset are taken into consideration. When the business model determined by the Company’s management is changed, all affected financial assets are reclassified and this reclassification is applied prospectively. In such cases, no adjustments is made to earnings, losses or interest that were previously recorded in the financial statements.

#### a. Financial assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit/loss are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that times to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; 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 remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.

As of 31 December 2022 and 2021, the Company has no financial assets at fair value through profit or loss.

#### b. Financial Assets at Fair Value Through Other Comprehensive Income

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial assets with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income. Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement.

“Unrealized gains and losses” arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not designated in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the “Accumulated other comprehensive income or expense to be reclassified through profit or loss” under shareholders’ equity.

During initial recognition an entity can choose in a irrevocable was to record the changes of the fair value of the investment in an equity instrument that is not held for trading purposes in the other comprehensive income. In the case of this preference, the dividend from the investment is taken into the financial statements as profit or loss.

As of 31 December 2022 and 2021, the Company has no financial assets at fair value through other comprehensive income.

#### c. 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.

The Company does not have any financial assets measured at amortized cost instrument as of December 31, 2022 and 2021.

#### d. Classification and measurement of financial instruments

According to TFRS 9 requirements, classification and measurement of financial assets will depend on the business model within which financial assets are managed and their contractual cash flow characteristics whether the cash flows represent “Solely Payments of Principal and Interest” (SPPI).

#### e. Information on Expected Loss Provision

TFRS 9 “Financial Instruments”, which is effective as of January 1, 2018 is published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) in the Official Gazette numbered 29953 dated December 19, 2017. “TAS 39 Financial Instruments: Recognition and Measurement” has been replaced with TFRS 9, related to the classification and measurement of financial instruments. In this framework, as of December 31, 2018, method of provisions for impairment as set out in accordance with the related legislation is changed by applying the expected credit loss model under TFRS 9. The expected credit loss estimates are required to be unbiased, probability-weighted, considering the time value of money and including supportable information about past events, current conditions, and forecasts of future economic conditions.

##### *Expected Credit Loss (ECL) Calculation - Inputs and Forecasting Methodologies:*

Expected Credit Loss (ECL) is calculated as lifetime, depending on whether an asset is considered as a credit loss. Expected Credit Loss is calculated by using the Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD) components.

Exposure at Default: Specifies the amount of risk at the time of indemnity of the guarantees financed by own equity. It is kept in the system by constantly calculated until the maturity of the borrower.

Probability of Default (PD): Indicates the rate of indemnity of guarantees financed by own equity due to the inability of the debtor to fulfill its obligations. The Company applies lifetime estimations in the probability of default calculation. Lifetime probability of default is calculated by using the historical data and incurred probability of default is taken to long term by using various functions.

The models used in the Probability of Default calculations are developed based on historical data on indemnified and not indemnified collaterals. The PD value to be used within the scope of TFRS 9 is calculated separately for the sector information of each debtor using the guarantees financed by own equity. The relation of risk parameters with macroeconomic conditions have been determined and which macroeconomic conditions are effective on the probability of default are identified. Within this framework, macroeconomic forecasts are taken into consideration by using different scenarios in the change of probability of default.

The ECL calculations are reviewed once a year. After the last review during the reporting period;

- There is no change in the assumptions in the estimation techniques.
- Model risk parameters and macroeconomic estimation models have been updated with recent data.

Loss Given Default: The ratio that provides the uncollectible amount of the receivable in the process after the default.

In LGD methodology, based on the retrospective specific sector knowledge, separately indemnified guarantees financed by own equity amounts and long term collection process have been taken into account and LGD rate is calculated after deducting net collections amounts from the indemnified amount and discounted with effective interest rates or approximate rate over the net amounts with an approximate value.

Expected Credit Loss is calculated over the remaining maturity using the PD, LGD and EAD components. Calculated values are discounted on a monthly basis using the original effective interest rate or an approximate value of the discount rate. In addition, in order to determine the expected credit losses, the Company conducts an individual assessment of the indemnified guarantees financed by own equity with a risk over a certain amount in accordance with the Company's policy.

#### *Write-off Policy*

The Company's deduction of a financial asset is a transaction that is essentially indemnified and that does not have any expectation that it will be recovered and is applied in cases where these expectations are legally documented.

Partial reversal transactions include the agreement that a financial asset will be repaid in a certain amount by the debtor and the amount remaining after the payment of such amount is removed from the financial statements.

### 3.5. Property, plant and equipment

Property, plant and equipment acquired before 31 December 2004 are carried at restated cost for the effects of inflation in TL units current at 31 December 2004 less accumulated depreciation and impairment losses, and property, plant and equipment acquired after 1 January 2005 are carried at acquisition cost less accumulated depreciation and impairment losses.

#### *Depreciation*

Depreciation is provided on the acquired values of property, plant and equipment on a straight-line method starting from the acquirement date.

Economic useful lives of tangible and intangible assets approximately are as follows:

Type	Estimated useful lives (year)
Vehicles	5 years
Furniture and fixtures	3-15 years
Leasehold improvements	Through the lease period

#### *Subsequent costs*

Other subsequent expenditures are capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditures are recognized in the statement of comprehensive income as expense when incurred.

The gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the proceeds from sales and the carrying amount of the asset and is recognized in profit or loss in the related period.

### 3.6. Intangible assets

Intangible assets comprise softwares. Intangible assets are carried at restated cost for the effects of inflation in TL units current at 31 December 2004 for the intangible assets acquired before 1 January 2005, and intangible assets acquired after 1 January 2005 are carried at acquisition cost less accumulated amortisation and impairment losses. The amortization of intangible assets is recorded in the statement of comprehensive income based on straight line amortization with the economic lives varying within 3 to 5 years.

### 3.7. Impairment of non-financial assets

The Company determines whether there are any indicators for impairment at every balance sheet date. In the case of an indicator, the recoverable value of that asset is estimated. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in comprehensive income statement.

### 3.8. Provisions, contingent liabilities and contingent assets

A provision is recognized in the financial statements when the Company has a present implicit or legal obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the specified criterias are not met, the Company discloses the related issues in the notes. If the inflow of economic benefits is probable, contingent assets are disclosed in the notes to the financial statements. If the inflow of the economic benefit is virtually certain, such asset and income statement effects are recognized in the financial statements at the relevant period that income change effect occurs.

### 3.9. Employee benefits

#### Provision for employee severance indemnity

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company. The provision for employee severance indemnity reflects the present value of the future probable obligation of the Company arising from the retirement of employees.

The calculation of severance pay reserve is based on the severance pay ceiling announced by the government.

#### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided in the income statement.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 3.10. Related parties

a. A person or a close member of that person's family is related to a reporting entity:

If that person,

- Has control or joint control over the reporting entity;
- Has significant influence over the reporting entity; or
- Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b. If any of the following conditions exist, the entity is considered to be associated with the Company:

The entity and the Company are members of the same group,

- 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).
- Both entities are joint ventures of the same third party.
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- 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).
- The entity is controlled or jointly controlled by a person identified in (a).
- 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).

### 3.11. Financial guarantees and revenue

The Company provides financial guarantees based on sureties. Obtained income collateral commissions consist of review revenues and allocation commissions. Following the initial recognition, investigation and grant commissions for each transaction, without considering whether the guarantee is provided to the customer or not, are accounted as revenue when they are collected. Guarantee commissions are accounted on an accrual basis.

### 3.12. Financial income and expenses

Interest income and expense is recognized using the effective interest method in the income statement. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability to the carrying amount of the financial asset or liability.

The calculation of the effective interest rate includes all fees and points paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of financial assets or liabilities.

Interest income and expense presented in statement of income includes reduced interest rate on financial assets and liabilities effective interest rate basis.

Foreign exchange gains and losses are presented in financial incomes and expenses in the income statement.

### 3.13. Taxation

Tax Procedural Law No. 213, Procedure Law on Collection of Public Claims No. 6183, Income Tax Law No. 193, abrogated Corporate Tax Law No. 5520 and 25th May dated and 4108 numbered Law for making amendments on Value-Added Tax Law No. 3065 became effective as they were published on Official Gazette on 2 June 1995. According to this Law "Corporations established to provide credit facilities only within the frame of financial and technical cooperation with foreign or international financial organizations; add revenues generated from these operations to their guarantee responsibility funds; and retain these funds in order to invest banks and corporations" are exempted from Corporate Tax Law pursuant to 1st clause of the 4th article of Corporate Tax Law. (4th article of the law numbered 6009-revised).

Credit guarantee services by corporations mentioned in 17/4-e article of Value-Added Tax Law, (24) numbered clause of Article 7 of abrogated Corporate Income Tax Law No. 5422, and (I) clause of article 4 of the new Corporate Income Tax Law no. 5520, are exempted from value-added tax.

The papers which are drawn up for credit guarantee operations of the Corporations mentioned in the 29th article of 4842 numbered Law for making Amendments on Certain Laws, 24th paragraph of Article 7 of the Corporate Income Tax Law, and 22 numbered paragraph of Stamp Tax Law No. 488 which is added to section number 2 Table V- Papers for Corporations, are exempted from stamp duty.

### 3.14. Statement of cash flows

In the statement of cash flows, cash flow statements of the period are classified as operating, investing and financing activities.

Cash flows from operating activities represent cash flows from the Company's operations.

Cash flows related to investment activities indicate the Company's cash flows used in investment activities (fixed investments and financial investments).

Cash flows related to financing activities represent the resources used by the Company's financing activities and the repayments of these resources.

### 3.15. Leases

#### The Company – as a lessee

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Company assess whether:

- a) the contract involved the use of an identified asset – this may be specified explicitly or implicitly.
- b) the asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset.

If the supplier has a substantive substitution right, the asset is not identified.

- c) the Company has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and

- d) the Company has the right to direct use of the asset. The Company concludes to have the right of use, when it is predetermined how and for what purpose the Company will use the asset. The Company has the right to direct use of

asset if either:

- i. the Company has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
- ii. the Company designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

#### Right of use asset

The right of use asset is initially recognized at cost comprising of:

- a) amount of the initial measurement of the lease liability;
- b) any lease payments made at or before the commencement date, less any lease incentives received;
- c) any initial direct costs incurred by the Company; and

To apply a cost model, the Company measure the right-of-use asset at cost:

- a) less any accumulated depreciation and any accumulated impairment losses; and
- b) adjusted for any remeasurement of the lease liability.

The Company applies the straight-line method to depreciate the right of use. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the Company depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, The Company depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company apply IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified

#### Lease Liability

At the commencement date, The Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company use the lessee's incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) fixed payments, less any lease incentives receivable;
- b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- c) the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- d) payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

After the commencement date, the Company measure the lease liability by:

- a) increasing the carrying amount to reflect interest on the lease liability;
- b) reducing the carrying amount to reflect the lease payments made; and
- c) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect

revised insubstance fixed lease payments.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

The Company determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined. After the commencement date, The Company remeasure the lease liability to reflect changes to the lease payments. The Company recognise the amount of the remeasurement of the lease liability as an adjustment to the rightof- use asset.

The Company shall remeasure the lease liability by discounting the revised lease payments using a revised discount rate, if either:

- a) There is a change in the lease term. The Company determine the revised lease payments on the basis of the revised lease term; or
- b) There is a change in the assessment of an option to purchase the underlying asset. The Company determine the revised lease payments to reflect the change in amounts payable under the purchase option..

The Company determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined.

The Company remeasure the lease liability by discounting the revised lease payments, if either:

- a) There is a change in the amounts expected to be payable under a residual value guarantee. The Company determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
- b) There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments. The Company remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows.

The Company determine the revised lease payments for the remainder of the lease term based on the revised contractual payments. In that case, the Company use an unchanged discount rate.

The Company account for a lease modification as a separate lease if both:

- a) The restructuring extends the scope of the leasing by including the right of use of one or more underlying assets, and
- b) The lease payment amount increases as much as the appropriate adjustments to the price mentioned individually so that the increase in scope reflects the individual price and the terms of the relevant agreement.

Leases with a lease term of 12 months or less and leases of low-value assets determined by the Company are evaluated in scope of the exemption of TFRS 16 and payments associated with those

leases are recognised on a straight-line basis as an expense in profit or loss.

#### Company - as a lessor

The company has no leased assets.

#### 3.16. Subsequent events

Developments after the date of statement of financial position cover all events between the date of statement of financial position and the date when the financial statement is disclosed for publication, even its occur after explanation of announcement related with profit or other selected financial information.

The Company adjusts the amounts recognized in the financial statements, in the case of occurrence of events after the date of statement of financial position that require correction in accordance with this new situation. The issues that occur after the date of the statement of financial position and do not require correction are explained in the financial statement notes if these issues can affect the economic decisions of financial statement users.

#### 3.17. Significant accounting estimates and assumptions

The preparation of the financial statements requires the determination of the assets and liabilities reported as of the balance sheet date, the disclosure of contingent assets and liabilities and the use of estimates and assumptions that may affect the amounts of income and expenses reported during the accounting period. Although these estimates and assumptions are based on the Company management's best knowledge of current events and transactions, actual results may differ from the assumptions. The expected credit losses are estimated to be unbiased, weighted according to probabilities, and include information that can be supported about past events, current conditions, and supportable information with respect to estimations about future economic conditions.



**NOT 4 - CASH AND CASH EQUIVALENTS**

As of 31 December 2022 and 31 December 2021; the details of cash and cash equivalents are as follows:

	31 December 2022	31 December 2021
Cash	-	-
Banks	-	-
-Demand deposits	245.054	719.602
-Demand deposits of Treasury Transactions	546.504.965	280.179.023
-Time deposits	1.156.959.753	776.106.681
-Interest accruals	7.697.763	2.861.762
Provisions for expected credit loss	-	(6.703)
<b>Total</b>	<b>1.711.407.535</b>	<b>1.059.860.365</b>

As of 31 December 2022, original maturities of TRY, EUR and USD denominated time deposits are less than 3 months and the average interest rates are 23,05%, 2,85% and 3,75% respectively. (31 December 2021: 19,73%, 0,98% and 1,23%)

As of 31 December 2022, there is 3.948.895 TL blockage on deposit balances (31 December 2021: TL 2.002.358).

As of 31 December 2022 and 31 December 2021, the Company's cash and cash equivalents are shown by subtracting interest accruals and blocked bank deposits from cash and cash equivalents and adding expected credit loss provisions.

	31 December 2022	31 December 2021
Cash and cash equivalents	1.711.407.535	1.059.860.365
Provisions for expected credit loss	-	6.703
Provisions for expected credit loss	(546.504.965)	(280.179.023)
Blocked deposit balances (-)	(3.948.895)	(2.002.358)
Accrued Interest (-)	(7.697.763)	(2.861.762)
<b>Cash and cash equ. presented in the table of cash flow</b>	<b>1.153.255.912</b>	<b>774.823.925</b>

**NOT 5 - FINANCIAL INVESTMENTS**

As of 31 December 2022 and 31 December 2021, there are no financial investments measured at amortized cost.

**NOT 6 - TRADE RECEIVABLES AND PAYABLES****a) Trade receivables**

As of 31 December 2022 and 31 December 2021 the details of trade receivables arising from collaterals are as follows:

	31 December 2022	31 December 2021
Indemnified guarantees financed by own equity	301.569.043	345.544.599
Provision for indemnified guarantees	(240.613.290)	(259.181.750)
<b>Total</b>	<b>60.955.753</b>	<b>86.362.849</b>

The movement of provision for doubtful receivables for 2022 and 2021 is as follows:

	31 December 2022	31 December 2021
1 January	259.181.750	258.765.164
Reversal of provision	(57.855.149)	(5.380.044)
Provision within the year	39.286.689	5.796.630
<b>31 December</b>	<b>240.613.290</b>	<b>259.181.750</b>

**b) Trade payables**

As of 31 December 2022 and 31 December 2021; trade payables of the Company are as follows:

	31 December 2022	31 December 2021
Trade payables	3.776.778	2.348.281
<b>Total</b>	<b>3.776.778</b>	<b>2.348.281</b>

**NOT 7 - OTHER RECEIVABLES AND PAYABLES**

## a) Other receivables

As of 31 December 2022 and 31 December 2021; other receivables of the Company are as follows:

	31 December 2022	31 December 2021
Deposits and guarantees given	7.227	5.000
Other receivables	--	115.055
<b>Total</b>	<b>7.227</b>	<b>120.055</b>

## b) Other payables

As of 31 December 2022 and 31 December 2021; other payables of the Company are as follows:

	31 December 2022	31 December 2021
Received deposits and collaterals (*)		1.603.432
Wage and commission advances	6.634.420	6.569.955
Retainer expenses		129.293
Debts to branches	10.617	5.327
<b>Total</b>	<b>9.561.299</b>	<b>8.308.007</b>

(\*) "Received deposits and collaterals" arise from amounts received in cash from the companies that are guaranteed due to the bailment provided under the equity and assignments on payments made by third parties to guarantors.

**NOT 8 - PREPAID EXPENSES and DEFERRED INCOMES**

## a) Prepaid expenses

As of 31 December 2022 and 31 December 2021; prepaid expenses of the Company are as follows:

	31 December 2022	31 December 2021
Expenses for the following months	2.352.788	267.510
<b>Total</b>	<b>2.352.788</b>	<b>267.510</b>

## b) Deferred incomes

As of 31 December 2022, and 31 December 2021 deferred income and realization periods are as follows:

	31 December 2022	31 December 2021
1 month	11.764.604	7.263.472
1-3 months	18.602.350	12.613.187
3-6 months	23.002.362	16.381.663
6-12 months	31.497.345	21.194.439
<b>Total</b>	<b>84.866.661</b>	<b>57.452.761</b>

Deferred income consists of collateral commissions received from customers on an annual basis and income is generated on the basis of related periods.

**NOT 9 - PROPERTY PLANT AND EQUIPMENT**

As of 31 December 2022 and 31 December 2021; property plant and equipment of the Company are as follows:

Cost	1 Jan. 2022	Addition	Disposal (-)	31 Dec. 2022
Vehicles	220.148	5.118.453	--	5.338.601
Equipment	9.122.157	3.928.316	(232.212)	12.818.261
Leasehold improvements	351.835	39.782	--	391.617
<b>Total</b>	<b>9.694.140</b>	<b>9.086.551</b>	<b>(232.212)</b>	<b>18.548.479</b>

Accumulated Depreciation (-)	1 Jan. 2022	Addition	Disposal (-)	31 Dec. 2022
Vehicles	(220.148)	(170.615)	--	(390.763)
Equipment	(5.848.990)	(1.658.085)	229.005	(7.278.070)
Leasehold improvements	(261.090)	(48.823)	--	(309.913)
<b>Total</b>	<b>(6.330.228)</b>	<b>(1.877.523)</b>	<b>229.005</b>	<b>(7.978.746)</b>
<b>Carrying amount</b>	<b>3.363.912</b>			<b>10.569.733</b>

As of 31 December 2022, all depreciation expenses are recognized in "Cost of Sales" account in the income statement.

As of 31 December 2022, there are no mortgages on property, plant and equipment.

Cost	1 Jan. 2021	Addition	Disposal (-)	31 Dec. 2021
Vehicles	220.148	--	--	220.148
Equipment	7.762.706	1.359.451	--	9.122.157
Leasehold improvements	381.335	--	(29.500)	351.835
<b>Total</b>	<b>8.364.189</b>	<b>1.359.451</b>	<b>(29.500)</b>	<b>9.694.140</b>

Accumulated Depreciation (-)	1 Jan. 2021	Addition	Disposal (-)	31 Dec. 2021
Vehicles	(220.148)	--	--	(220.148)
Equipment	(4.532.414)	(1.316.576)	--	(5.848.990)
Leasehold improvements	(196.088)	(66.601)	1.599	(261.090)
<b>Total</b>	<b>(4.948.650)</b>	<b>(1.383.177)</b>	<b>1.599</b>	<b>(6.330.228)</b>
<b>Carrying amount</b>	<b>3.415.539</b>			<b>3.363.912</b>

As of 31 December 2021, all depreciation expenses are recognized in "Cost of Sales" account in the income statement.

As of 31 December 2021, there are no mortgages on property, plant and equipment.

## NOT 10 - INTANGIBLE ASSETS

As of 31 December 2022 and 31 December 2021; intangible assets of the Company are as follows:

Cost	1 Jan. 2022	Addition	Disposal (-)	31 Dec. 2022
Rights	76.844		(7.992)	68.852
Computer softwares	22.278.718	7.712.191	(3.002.059)	26.988.850
Construction in progress (*)	9.440.000	--	--	9.440.000
<b>Total</b>	<b>31.795.562</b>	<b>7.712.191</b>	<b>(3.010.051)</b>	<b>36.497.702</b>

Accumulated Depreciation (-)	1 Jan. 2022	Addition	Disposal (-)	31 Dec. 2022
Rights	(27.528)	(15.691)	7.992	(35.227)
Construction in progress (*)	(13.806.450)	(5.341.790)	3.002.059	(16.146.181)
<b>Total</b>	<b>(13.833.978)</b>	<b>(5.357.481)</b>	<b>3.010.051</b>	<b>(16.181.408)</b>
<b>Carrying amount</b>	<b>17.961.584</b>			<b>20.316.294</b>

As of 31 December 2022, all redemptions are recognized in "Cost of Sales" account on the income statement.

(\*) Includes software and system installments that are not completed.

Cost	1 Jan. 2021	Addition	Disposal (-)	31 Dec. 2021
Rights	38.536	38.308	--	76.844
Computer softwares	14.699.493	7.579.225	--	22.278.718
Construction in progress (*)	9.440.000	--	--	9.440.000
<b>Total</b>	<b>24.178.029</b>	<b>7.617.533</b>	<b>--</b>	<b>31.795.562</b>

Accumulated Depreciation (-)	1 Jan. 2021	Addition	Disposal (-)	31 Dec. 2021
Rights	(15.711)	(11.817)	--	(27.528)
Computer softwares	(10.416.908)	(3.389.542)	--	(13.806.450)
<b>Total</b>	<b>(10.432.619)</b>	<b>(3.401.359)</b>	<b>--</b>	<b>(13.833.978)</b>
<b>Carrying amount</b>	<b>13.745.410</b>			<b>17.961.584</b>

(\*) Includes software and system installments that are not completed.

As of 31 December 2021, all redemptions are recognized in "Cost of Sales" account on the income statement.

## NOT 11 - RIGHT OF USE ASSET

As of 31 December 2022 and 31 December 2021; right of use asset of the Company are as follows:

Right of use asset	1 Jan. 2022	Addition	Disposal (-)	31 Dec. 2022
Buildings	5.785.687	1.089.913	--	6.875.600
Vehicles	4.308.163	7.474.293	(2.249.136)	9.533.320
<b>Total</b>	<b>10.093.850</b>	<b>8.564.206</b>	<b>(2.249.136)</b>	<b>16.408.920</b>

Accumulated Depreciation (-)	1 Jan. 2022	Addition	Disposal (-)	31 Dec. 2022
Buildings	(4.216.218)	(2.049.361)	--	(6.265.579)
Vehicles	(1.615.424)	(908.945)	1.185.355	(1.339.014)
<b>Total</b>	<b>(5.831.642)</b>	<b>(2.958.306)</b>	<b>1.185.355</b>	<b>(7.604.593)</b>
<b>Carrying amount</b>	<b>4.262.208</b>			<b>8.804.327</b>

Right of use asset	1 Ocak 2021	İlaveler	Çıkışlar(-)	31 Aralık 2021
Buildings	9.596.699	242.666	(4.053.678)	5.785.687
Vehicles	2.038.350	--	2.269.813	4.308.163
<b>Total</b>	<b>11.635.049</b>	<b>242.666</b>	<b>(1.783.865)</b>	<b>10.093.850</b>

Accumulated Depreciation (-)	1 Jan. 2021	Addition	Disposal (-)	31 Dec. 2021
Buildings	(1.786.299)	(1.207.617)	(1.222.302)	(4.216.218)
Vehicles	(905.384)	(698.621)	(11.419)	(1.615.424)
<b>Total</b>	<b>(2.691.683)</b>	<b>(1.906.238)</b>	<b>(1.233.721)</b>	<b>(5.831.642)</b>
<b>Carrying amount</b>	<b>8.943.366</b>			<b>4.262.208</b>

## NOT 12 - LEASE LIABILITIES

### a) Short-term lease liabilities

As of 31 December 2022 and 31 December 2021; short term lease liabilities of the Company are as follows:

	31 December 2022	31 December 2021
Lease liabilities	1.475.300	2.535.752
<b>Total</b>	<b>1.475.300</b>	<b>2.535.752</b>

## b) Long-term lease liabilities

As of 31 December 2022 and 31 December 2021; short term lease liabilities of the Company are as follows:

	31 December 2022	31 December 2021
Lease liabilities	8.351.160	2.870.930
<b>Total</b>	<b>8.351.160</b>	<b>2.870.930</b>

As of 31 December 2022 and 31 December 2021; lease liabilities of the Company are as follows:

	31 December 2022	31 December 2021
Up to 3 months	669.635	628.587
3 to 12 months	805.665	1.907.165
1 to 5 years	6.949.545	2.870.930
More than 5 years	1.401.615	--
<b>Total</b>	<b>9.826.460</b>	<b>5.406.682</b>

**NOT 13 - EMPLOYEE BENEFITS**

As of 31 December 2022 and 31 December 2021; short-term employee benefits of the Company are as follows:

	31 December 2022	31 December 2021
Social security payables	3.483.022	1.207.788
Taxes and funds payables	2.474.873	1.098.544
Payables to personnel	1.331	4.320
<b>Total</b>	<b>5.959.226</b>	<b>2.310.652</b>

**NOT 14 - PROVISIONS**

## a) Short-term provisions

Şirket'in 31 Aralık 2022 ve 31 Aralık 2021 tarihleri itibarıyla kısa vadeli karşılıklar aşağıdaki gibidir;

	31 December 2022	31 December 2021
Provision for unused vacation	4.177.443	2.900.342
Litigation provisions	2.336.983	726.082
Expected credit loss provisions for guarantees financed by own equity	6.412.874	3.465.275
<b>Total</b>	<b>12.927.300</b>	<b>7.091.699</b>

*Allowance for Vacation*

As of 31 December 2022 and 31 December 2021; provision for unused vacation for employee benefits of the Company are as follows:

	31 December 2022	31 December 2021
Provision for unused vacation	4.177.443	2.900.342
<b>Total</b>	<b>4.177.443</b>	<b>2.900.342</b>

According to the current labor law in Turkey, the Company, in case of termination of the employment contract for any reason, is liable to pay the reserve for unused vacation to employees or to the right holders over the wages at the date of termination of the contract.

For the years ended 31 December 2022 and 31 December 2021, movements the allowance for vacation is as follows:

	31 December 2022	31 December 2021
1 January	2.900.342	3.778.210
(Used) / charged, net	1.277.101	(877.868)
<b>31 December</b>	<b>4.177.443</b>	<b>2.900.342</b>

## b) Long-term provisions

As of 31 December 2022 and 31 December 2021; Long-term provisions of the Company are as follows:

	31 December 2022	31 December 2021
Provision for termination indemnities	14.053.228	7.011.920
Expected credit loss provisions for guarantees financed by own equity	29.329.664	29.501.298
<b>Total</b>	<b>43.382.892</b>	<b>36.513.218</b>

## Provision for termination indemnities

As of 31 December 2022 and 31 December 2021; provision for termination indemnities for employee benefits of the Company are as follows:

	31 December 2022	31 December 2021
Provision for termination indemnities	14.053.228	7.011.920
<b>Total</b>	<b>14.053.228</b>	<b>7.011.920</b>

The provision for employment termination benefits represents the present value of the future probable obligation of the Company arising from the retirement of the employees calculated in accordance with the Turkish Labor Law. Provision for employment termination benefits is calculated on an accrual basis and reflected to the financial statements. The provision for employment termination benefits is based on the severance pay ceiling that is set by the government. As of 31 December 2022 and 31 December 2021, the maximum amount of severance pay is respectively TL 15.371,40 and TL 10.848,69.

The movement of the current period severance pay liability is explained below:

	31 December 2022	31 December 2021
1 January	7.011.920	4.735.328
Interest expense	1.959.130	1.041.772
Service cost	1.617.313	866.761
Compensations paid during the year (-)	(153.714)	(198.346)
Actuarial (gain)/ loss	3.618.579	566.405
<b>Total</b>	<b>14.053.228</b>	<b>7.011.920</b>

TFRS, requires the development of the Company's actuarial valuation methods in determining the provision for employee termination benefits. As of 31 December 2022 and 2021, the principal actuarial assumptions used in the calculation of severance pay liability in the attached financial statements are as follows:

	31 December 2022	31 December 2021
Net discount rate	%3,92	%3,92
Expected retirement rate used in calculation	%98,17	%98,17

## Expected credit loss provisions for guarantees financed by own equity

As of 31 December 2022 and 31 December 2021; Lhort-term provisions of the Company are as follows:

	31 December 2022	31 December 2021
Expected credit loss provisions for guarantees financed by own equity	29.329.664	29.501.298
<b>Total</b>	<b>29.329.664</b>	<b>29.501.298</b>

The movement table of expected credit/losses calculated for the collaterals, given within the scope of equity is as follows:

	31 December 2022	31 December 2021
1 January	32.966.573	24.252.409
Expected credit loss provided/(reversed) within the year	2.775.965	8.714.164
<b>Total</b>	<b>35.742.538</b>	<b>32.966.573</b>

**NOT 15 - OTHER ASSETS AND LIABILITIES**

## a) Other current assets

As of 31 December 2022 and 31 December 2021; other current assets of the Company are as follows:

	31 December 2022	31 December 2021
Vat carried forward	19.126	23.194
Job advances	3.528	29.848
Receivables from employees	2.521	7.759
<b>Total</b>	<b>25.175</b>	<b>60.801</b>

## b) Other non-current assets

As of 31 December 2022 and 31 December 2021; other non-current assets of the Company are as

	31 December 2022	31 December 2021
Buildings	210.300	1.312.421
Land	222.975	1.195.525
<b>Total</b>	<b>433.275</b>	<b>2.507.946</b>

Land and buildings consist of assets acquired by the Company due to non-performing portfolio of receivables, which are not in their use and can not be evaluated under TFRS 5.

## c) Other short-term liabilities

As of 31 December 2022 and 31 December 2021; other short-term liabilities of the Company are as follows:

	31 December 2022	31 December 2021
Funds (*)	5.592.596	5.751.349
Payables from guarantee transactions containing Treasury (**)	388.947.881	153.595.203
KOSGEB&KfW Funds Account(***)	156.573.015	125.825.824
Tax payables	353.516	170.532
Other	102.282	--
<b>Total</b>	<b>551.569.290</b>	<b>285.342.908</b>

(\*) The Company has signed an agreement to regulate the principles of operating and use of a fund by KGF. The Fund will be formed by agencies in order to develop collaterals for all kinds of loans will be provided to various institutions and small and medium size entities operating in Turkey. Under extraordinary circumstances which makes proper use of fund contributions impossible or significantly endanger the implementation of KGF applications and fulfillment of obligations by related parties, relevant organizations might prevent to continue the use of funds and might completely liquidate the accounts of funds. These fund agreements could be terminated and fund accounts could be liquidated with the mutual understanding reached by parties. Those funds are composed of the European Investment Fund, GTZ Fund, Republic of Turkey Ministry of Treasury and Finance, Bakü Tiflis Ceyhan Company ("BTC").

(\*\*) T.C. Ministry of Treasury and Finance and Credit Guarantee Fund A.Ş. In accordance with the protocol made between the treasury support, the guarantee process has started in February 2010. According to the protocol, the Credit Guarantee Fund recorded the amount of the commissions and wages he has collected from the bails he has given in accordance with the Treasury support and followed the amount of the Treasury's share in his accounting to the Ministry of Finance and the Ministry of Finance under other obligations. As of the years, there have been changes in commission rates, wage amounts and sharing rates.

(\*\*\*) It consists of the funds granted by KOSGEB, one of the shareholders of KGF; The German Development Bank (KfW) of the German Ministry of Development, for the use of our Institution, in case the interest / profit share is fully or partially covered by KOSGEB after the loan is provided by the bank under the conditions in accordance with the protocols and the guarantee falls to the doubtful receivables; Financing Agreement between KGF and KfW, which is designed to provide SMEs in provinces with a high concentration of Syrian refugees, in return for their commitment to employ additional Turkish and Syrian employees, and to cover the interest of these loans by KOSGEB, as well as KGF, KfW and KOSGEB.

**NOT 16 - EQUITY**

## a) Paid-in share capital

As of 31 December 2022 and 31 December 2021, the shareholding structure of the Company is as follows:

31 December 2022	Share (%)	Group A	Group B	Group C	Group D	Total
TOBB	28,296%	145.196.895	-	-	-	145.196.895
KOSGEB	28,288%	-	145.155.059	-	-	145.155.059
29 BANKA	43,284%	-	-	222.102.876	-	222.102.876
TESK	0,121%	-	-	-	619.358	619.358
TOSYÖV	0,008%	-	-	-	40.016	40.016
MEKSA	0,004%	-	-	-	20.026	20.026
<b>Nominal Capital</b>	<b>100%</b>	<b>145.196.895</b>	<b>145.155.059</b>	<b>222.102.876</b>	<b>679.400</b>	<b>513.134.230</b>

31 December 2021	Share (%)	Group A	Group B	Group C	Group D	Total
TOBB	28,296%	145.196.895	-	-	-	145.196.895
KOSGEB	28,288%	-	145.155.059	-	-	145.155.059
29 BANKA	43,284%	-	-	222.102.876	-	222.102.876
TESK	0,121%	-	-	-	619.358	619.358
TOSYÖV	0,008%	-	-	-	40.016	40.016
MEKSA	0,004%	-	-	-	20.026	20.026
<b>Nominal Capital</b>	<b>100%</b>	<b>145.196.895</b>	<b>145.155.059</b>	<b>222.102.876</b>	<b>679.400</b>	<b>513.134.230</b>

The main capital of the Company is TL 513.134.230. This capital is divided into 51.313.422.953 in the name of the holder written shares each with a nominal value of 1 Kr. (one Kr).

The Company's affairs and management are managed by a board of directors consisting of ten members, three of whom are members of each of Group A, Group B and Group C shareholders and the general manager.

However, in the event of funding for the Company from Republic of Turkey Prime Ministry Undersecretariat of Treasury one of the three representatives of Group B and Group C shares will be determined among the candidates proposed by the Undersecretariat of Treasury until the closing and liquidation of Treasury support accounts.

The term of office of the members of the Board of Directors is three years for the shareholders of Group A and Group B, and two years for the shareholders of Group C. Members who completed their terms can be re-elected. The Board of Directors elects a person to be nominated by Group A shareholders as the chairman of the board of directors.

Shareholding structure details of the Company are as follows:

Shareholders	Capital (TL)	Ratio (%)	Group
TOBB	145.196.894,76	28,2961	A
KOSGEB	145.155.059,00	28,2879	B
TESK	619.358,17	0,1207	D
TOSYÖV	40.015,94	0,0078	D
MEKSA	20.025,71	0,0039	D
TÜRKİYE HALK BANKASI A.Ş.	7.658.719,86	1,4925	C
AKBANK T.A.Ş.	7.658.719,86	1,4925	C
ALBARAKA TÜRK KATILIM BANKASI A.Ş.	7.658.719,86	1,4925	C
DENİZBANK A.Ş.	7.658.719,86	1,4925	C
BURGAN BANK A.Ş.	7.658.719,86	1,4925	C
QNB FİNANSBANK A.Ş.	7.658.719,86	1,4925	C
HSBC BANK A.Ş.	7.658.719,86	1,4925	C
ING BANK A.Ş.	7.658.719,86	1,4925	C
KUVEYT TÜRK KATILIM BANKASI A.Ş.	7.658.719,86	1,4925	C
ŞEKERBANK T.A.Ş.	7.658.719,86	1,4925	C
TÜRK EKONOMİ BANKASI A.Ş.	7.658.719,86	1,4925	C
TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.	7.658.719,86	1,4925	C
TÜRKİYE FİNANS KATILIM BANKASI A.Ş.	7.658.719,86	1,4925	C
TÜRKİYE GARANTİ BANKASI A.Ş.	7.658.719,86	1,4925	C
TÜRKİYE İHRACAT KREDİ BANKASI A.Ş.	7.658.719,86	1,4925	C
TÜRKİYE İŞ BANKASI A.Ş.	7.658.719,86	1,4925	C
TÜRKİYE VAKIFLAR BANKASI T.A.O.	7.658.719,86	1,4925	C
YAPI VE KREDİ BANKASI A.Ş.	7.658.719,86	1,4925	C
ZİRAAT KATILIM BANKASI A.Ş.	7.658.719,86	1,4925	C
ALTERNATİFBANK A.Ş.	7.658.719,86	1,4925	C
VAKIF KATILIM BANKASI A.Ş.	7.658.719,86	1,4925	C
TURKLAND BANK A.Ş.	7.658.719,86	1,4925	C
ANADOLUBANK A.Ş.	7.658.719,86	1,4925	C
FİBANKA A.Ş.	7.658.719,86	1,4925	C
ODEABANK A.Ş.	7.658.719,86	1,4925	C
NUROL YATIRIM BANKASI A.Ş.	7.658.719,86	1,4925	C
TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.	7.658.719,86	1,4925	C
TÜRKİYE EMLAK KATILIM BANKASI A.Ş.	7.658.719,86	1,4925	C
PASHA YATIRIM BANKASI A.Ş.	7.658.719,86	1,4925	C
<b>Total</b>	<b>513.134.230</b>	<b>100</b>	

#### b) Legal reserves

	31 December 2022	31 December 2021
Legal reserves	34.655.080	24.694.024
<b>Total</b>	<b>34.655.080</b>	<b>24.694.024</b>

Under the Turkish Commercial Code article 519, legal reserves consist of first legal reserve and second legal reserve. First legal reserve, appropriated at the rate of 5%, until the total reserve is equal to 20% of issued and fully paid-in share capital. Second legal reserve, appropriated at the rate of 10% of distributions in excess of 5% of issued and fully paid-in share capital, but Holding companies are not subject to such transaction. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

#### c) Other accumulated comprehensive income that will not be reclassified in profit or loss

	31 December 2022	31 December 2021
Remeasurement gain of defined benefit plans	(803.017)	2.815.562
<b>Total</b>	<b>(803.017)</b>	<b>2.815.562</b>

#### d) Retained earnings/(Accumulated loss)

	31 December 2022	31 December 2021
Retained earnings/(Accumulated loss)	219.388.150	18.191.497
<b>Total</b>	<b>219.388.150</b>	<b>18.191.497</b>

## 17 - SALES AND COST OF SALES

### a) Sales

As of 31 December 2022 and 31 December 2021, sales of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
Income from collateral transactions	158.135.912	105.634.422
Sales returns (-)	(76.286)	(1.604.782)
<b>Total</b>	<b>158.059.626</b>	<b>104.029.640</b>

### b) Cost of sales

As of 31 December 2022 and 31 December 2021, cost of sales of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
Personnel expenses	64.444.931	45.549.890
Depreciation and amortization expense	10.177.619	6.690.774
Information technology expenses	11.059.428	199.445
Litigation expenses	1.821.997	546.671
Travel, transportation and vehicle lease expenses	2.417.914	3.955.582
Rent expenses	1.070.848	1.801.527
Taxes, duties, fees and membership expenses	2.566.236	404.199
Other	3.066.848	5.357.671
<b>Total</b>	<b>96.625.821</b>	<b>64.505.759</b>

## NOT 18 - GENERAL ADMINISTRATION EXPENSES

As of 31 December 2022 and 31 December 2021, general administration expenses of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
General administration expenses (*)	11.817.449	5.996.863
<b>Total</b>	<b>11.817.449</b>	<b>5.996.863</b>

(\*) Consisting of allowances, representation and accommodation expenses, per diem and travel expenses.

## NOT 19 - OTHER OPERATING INCOME/EXPENSES INCOME/EXPENSE

### a) Other operating income

As of 31 December 2022 and 31 December 2021, other operating income of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
Reversal of provisions	58.587.934	5.380.044
- Collection of indemnified guarantees financed by own equity	57.855.149	5.380.044
- Other provision	732.785	-
Social security incentive income	2.017.820	1.648.505
Collections from written of receivables	5.482.428	3.297.429
Other	2.856.150	3.049.814
<b>Total</b>	<b>68.944.332</b>	<b>13.375.792</b>

### b) Other operating expenses

As of 31 December 2022 and 31 December 2021, other operating expenses of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
Provision for expected credit losses	44.399.637	14.516.133
- Indemnified guarantees financed by own equity	39.286.689	5.796.630
- Guarantees financed by own equity	2.775.965	8.714.164
- Other provision	2.336.983	5.339
Other expenses	1.198.069	2.480.796
<b>Total</b>	<b>45.597.706</b>	<b>16.996.929</b>



**NOT 20 - INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES**

As of 31 December 2022 and 31 December 2021, income from investment activities of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
Gain on sale of property, plant and equipment	8.857.445	--
<b>Toplam</b>	<b>8.857.445</b>	<b>--</b>

**NOTE 21 - FINANCIAL INCOME AND EXPENSES****a) Financing income**

As of 31 December 2022 and 31 December 2021, financing income of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
Interest income from banks	156.954.067	87.519.422
Foreign exchange gain	106.588.800	118.541.140
<b>Total</b>	<b>263.542.867</b>	<b>206.060.562</b>

**b) Financing expenses**

As of 31 December 2022 and 31 December 2021, financing expenses of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
Foreign exchange loss	17.047.213	23.705.650
Interest expense	1.688.323	1.103.084
<b>Total</b>	<b>18.735.536</b>	<b>24.808.734</b>

**NOT 22 - EARNINGS PER SHARE**

As of 31 December 2022 and 31 December 2021, earnings per share of the Company is as follows:

	1 Jan. - 31 Dec. 2022	1 Jan. - 31 Dec. 2021
Net profit/ (loss)	326.627.758	211.157.709
Each one TL 0,01 par value stock	51.313.423.000	51.313.423.000
<b>Pay başına kazanç</b>	<b>0,0064</b>	<b>0,0041</b>

**NOT 23 - RELATED PARTY DISCLOSURES**

As of 31 December 2022 and 31 December 2021, Receivables from related parties of the Company is as follows:

	31 December 2022	31 December 2021
Receivables from related parties		
Cash and cash equivalents (*)	1.164.902.570	779.688.045
<b>Total</b>	<b>1.164.902.570</b>	<b>779.688.045</b>

As of 31 December 2022 and 31 December 2021, ncome from related parties and expenses paid to related benefits of the Company is as follows:

	31 December 2022	31 December 2021
Commission income from related parties (*)	185.549.811	101.579.870
Interest income from related parties-partners	156.954.067	87.519.422
<b>Total</b>	<b>342.503.878</b>	<b>189.099.292</b>

(\*) Consist of cash, cash equivalents, bond and fund, mandatorily hold due to foundation of the Company, in banks which are shareholders of the Company.

	31 December 2022	31 December 2021
Benefits and rights provided to executives	(11.750.227)	(7.109.765)
<b>Total</b>	<b>(11.750.227)</b>	<b>(7.109.765)</b>

**NOT 24 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS****Capital risk management**

In capital management, the Company strives to ensure the continuity of its operations while at the same time aiming to increase the profit by utilizing the balance of debt and equity in the most efficient manner. The capital structure of the Company consists of cash and cash equivalents, equity components which includes the issued capital, capital reserves and profit reserves for its net debt to equity ratio analysis.

Risks associated with each capital class together with the capital cost of the Company are assessed by the Company's executives.

The Company follows equity by using the rate of the liabilities / equity. This ratio is calculated by dividing net liability by total equity. Net debt is calculated by excluding the cash and cash equivalents from total debt amount (financial liabilities include trade and other payables and other short term and long-term other liabilities like as indicated in financial statement). However, the Company has no financial liabilities.

	31 December 2022	31 December 2021
Total liabilities	(721.869.906)	(404.774.208)
Less: Cash and cash equivalents	1.711.407.535	1.059.860.365
<b>Net cash</b>	<b>989.537.629</b>	<b>655.086.157</b>
<b>Total equity</b>	<b>1.093.002.201</b>	<b>769.993.022</b>

## Credit risk

As of 31 December 2022, and 31 December 2021, the maximum credit risk exposure of the Company is as follows:

31 December 2022	Trade receivables		Other receivables		Cash and cash equivalents	
	Related Party	Other	Related Party	Other	Bank Deposit	Other
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	-	6.032.311.381	-	7.227	1.711.407.535	-
The part of maximum risk under guarantee with collateral	-	-	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired	-	60.955.753	-	7.227	1.711.407.535	-
B. Net book values of financial assets that are renegotiated, if not that will be accepted as overdue or impaired	-	-	-	-	-	-
C. Book value of financial assets that are overdue but not impaired	-	-	-	-	-	-
The part under guarantee with collateral etc	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
Overdue (gross book value amount)	-	240.613.290	-	-	-	-
Impairment (-)	-	(240.613.290)	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-	-
Non overdue (gross book value amount)	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-	-
E. Factors Including Off-Balance Sheet Risk	-	5.971.355.628	-	-	-	-

31 December 2021	Trade receivables		Other receivables		Cash and cash equivalents	
	Related Party	Other	Related Party	Other	Bank Deposit	Other
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	-	6.312.002.079	-	120.055	1.059.860.365	-
The part of maximum risk under guarantee with collateral	-	-	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired	-	86.362.849	-	120.055	1.059.860.365	-
B. Net book values of financial assets that are renegotiated, if not that will be accepted as overdue or impaired	-	-	-	-	-	-
C. Book value of financial assets that are overdue but not impaired	-	-	-	-	-	-
The part under guarantee with collateral etc	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
Overdue (gross book value amount)	-	259.181.750	-	-	-	-
Impairment (-)	-	(259.181.750)	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-	-
Non overdue (gross book value amount)	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-	-
E. Factors Including Off-Balance Sheet Risk	-	6.225.639.230	-	-	-	-

As of 31 December 2022, the total amount of collaterals taken from mortgages and pledge of commercial enterprise received by the Company for the guarantees financed by own equity is TL 4.582.046.570 TL (31 December 2021: TL 3.450.721.497).

## Liquidity risk

Liquidity risk is the risk that the Company have difficulty in fulfilling its obligations arising from its financial liabilities. The liquidity approach of the Company is to meet its liabilities without any loss in terms of both ordinary and difficult conditions on its due date. However, The Company has no financial debt.

The amounts shown in the table below refer to contractual undiscounted cash outflows as of 31 December 2022 and 2021:

31 December 2022 Maturities According to Contract	Book Value	Cash outflow	Overdue	Less than 3 months	Between 3-12 months	Between 1-5 years	More than 5 years
Non-Derivative Financial Liabilities	9.826.460	9.826.460	--	669.635	805.665	6.949.545	1.401.615
Financial liabilities	9.826.460	9.826.460	--	669.635	805.665	6.949.545	1.401.615
Expected Maturities							
Non-Derivative Financial Liabilities	13.338.077	13.338.077	--	13.338.077	--	--	--
Trade payables	3.776.778	3.776.778	--	3.776.778	--	--	--
Other payables	9.561.299	9.561.299	--	9.561.299	--	--	--
Total	23.164.537	23.164.537	--	14.007.712	805.665	6.949.545	1.401.615

31 December 2022 Maturities According to Contract	Book Value	Cash outflow	Overdue	Less than 3 months	Between 3-12 months	Between 1-5 years	More than 5 years
Non-Derivative Financial Liabilities	5.406.682	5.406.682	--	628.587	1.907.165	2.870.930	--
Financial liabilities	5.406.682	5.406.682	--	628.587	1.907.165	2.870.930	--
Expected Maturities							
Non-Derivative Financial Liabilities	10.656.288	10.656.288	--	10.656.288	--	--	--
Trade payables	2.348.281	2.348.281	--	2.348.281	--	--	--
Other payables	8.308.007	8.308.007	--	8.308.007	--	--	--
Total	16.062.970	16.062.970	--	11.284.875	1.907.165	2.870.930	--

"Funds" presented in other liabilities has not been included in the above liquidity risk table.

The Company does not have any derivative financial instruments as of 31 December 2022 and 31 December 2021.

## Market risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads that affect the Company's income or the value of the financial instruments it holds. The Company manages this risk by offsetting interest-rate sensitive assets and liabilities.

## Currency risk

Foreign exchange risks arising from foreign currency denominated assets, liabilities and off-balance sheet items arise from the effects of exchange rate movements.

The following table summarizes the foreign currency position risk of TL denominated assets and liabilities held by the Company as of 31 December 2022 and 2021:

	31 December 2022		
	TRY equivalent	USD	EUR
1. Trade Receivables	--	--	--
2a. Monetary Financial Assets (including cash, banks)	334.368.077	6.549.742	10.629.551
2b. Non-monetary financial assets	--	--	--
3. Other	--	--	--
4. Current Assets (1+2+3)	334.368.077	6.549.742	10.629.551
5. Trade Receivables	--	--	--
6a. Monetary financial assets	--	--	--
6b. Non-monetary financial assets	--	--	--
7. Other	--	--	--
8. Non-Current Assets (5+6+7)	--	--	--
9. Total Assets (4+8)	334.368.077	6.549.742	10.629.551
10. Trade Payables	--	--	--
11. Financial Liabilities	--	--	--
12a. Other monetary financial liabilities	--	--	--
12b. Other non-monetary financial liabilities	--	--	--
13. Current Liabilities (10+11+12)	--	--	--
14. Trade Payables	--	--	--
15. Financial Liabilities	--	--	--
16a. Other monetary financial liabilities	--	--	--
16b. Other non-monetary financial liabilities	--	--	--
17. Non-Current Liabilities (14+15+16)	--	--	--
18. Total Liabilities (13+17)	--	--	--
19. Net asset / liability position of off- balance sheet derivative instruments	--	--	--
20. Net foreign currency position asset / liabilities (9-18+19)	334.368.077	6.549.742	10.629.551

	31 December 2021		
	TRY equivalent	USD	EUR
1. Trade Receivables	--	--	--
2a. Monetary Financial Assets (including cash, banks)	227.241.685	6.170.576	10.023.160
2b. Non-monetary financial assets	--	--	--
3. Other	--	--	--
4. Current Assets (1+2+3)	227.241.685	6.170.576	10.023.160
5. Trade Receivables	--	--	--
6a. Monetary financial assets	--	--	--
6b. Non-monetary financial assets	--	--	--
7. Other	--	--	--
8. Non-Current Assets (5+6+7)	--	--	--
9. Total Assets (4+8)	227.241.685	6.170.576	10.023.160
10. Trade Payables	--	--	--
11. Financial Liabilities	--	--	--
12a. Other monetary financial liabilities	--	--	--
12b. Other non-monetary financial liabilities	--	--	--
13. Current Liabilities (10+11+12)	--	--	--
14. Trade Payables	--	--	--
15. Financial Liabilities	--	--	--
16a. Other monetary financial liabilities	--	--	--
16b. Other non-monetary financial liabilities	--	--	--
17. Non-Current Liabilities (14+15+16)	--	--	--
18. Total Liabilities (13+17)	--	--	--
19. Net asset / liability position of off- balance sheet derivative instruments	--	--	--
20. Net foreign currency position asset / liabilities (9-18+19)	227.241.685	6.170.576	10.023.160

### Foreign currency risk exposure:

The effect of 10% depreciation of TL against the following currencies in the statement of comprehensive income and profit/loss for the years ended 31 December 2022 and 31 December 2021 is shown in the table below:

Foreign Currency Risk Sensivity Analysis Table		
31 December 2022		
	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY at 10%		
1- USD net asset / liability	12.246.904	(12.246.904)
2- Part of hedged from USD risk (-)	--	--
3- USD net effect (1+2)	12.246.904	(12.246.904)
In case of appreciation / depreciation of EUR against TRY at 10%		
4- EUR net asset / liability	21.189.904	(21.189.904)
5- Part of hedged from EUR risk (-)	--	--
6- EUR net effect (4+5)	21.189.904	(21.189.904)
Total (3+6+9)	33.436.808	(33.436.808)

Foreign Currency Risk Sensivity Analysis Table		
31 December 2021		
	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY at 10%		
1- USD net asset / liability	8.007.865	(8.007.865)
2- Part of hedged from USD risk (-)	--	--
3- USD net effect (1+2)	8.007.865	(8.007.865)
In case of appreciation / depreciation of EUR against TRY at 10%		
4- EUR net asset / liability	14.716.304	(14.716.304)
5- Part of hedged from EUR risk (-)	--	--
6- EUR net effect (4+5)	14.716.304	(14.716.304)
Total (3+6+9)	22.724.169	(22.724.169)

## Interest rate risk

The Company is exposed to interest rate risk through the impact of changes in interest rates on interest-sensitive assets and liabilities.

As of 31 December 2022 and 2021, the Company has no floating rate financial assets and liabilities.

## NOTE 25 - CONTINGENT LIABILITIES

The contingent liabilities and commitments of the Company as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
Guarantees financed by own equity	5.971.355.628	6.225.639.230
Total	5.971.355.628	6.225.639.230

## NOTE 26 – SUBSEQUENT EVENTS

None.



# 6

**FUTURE OF  
THE COMPANY,  
EXPECTATIONS, KEY  
NEW PRODUCTS AND  
SERVICES PLANNED**

## SIGNIFICANT STUDIES PLANNED FOR 2023

In order to ensure the maximum contribution to the economy of our country, the development of new products and models specific to the Business, Investment, Manufacturing sector and Exporters is planned for the new period for the support of SMEs/non-SMEs.

The KGF, an important instrument through which financing can be obtained, allows financial resources to be concentrated on the desired sector or sectors, and will continue to contribute greatly to the achievement of our country's economic objectives as long as we maintain our effective and active role.

Efforts will continue in the development of initiatives to facilitate cooperation with credit guarantee funds operating abroad, as well as new products and projects.

Work on cooperation projects will continue.

The KGF will continue offering solutions to meet the cyclical needs of our country, in line with its mission and understanding of proactive management.

## EARLY DETECTION AND MANAGEMENT OF RISKS

The risk policy of our Company is underpinned by written procedures; the risk assessments conducted by business units; the coordination and exchange of information among the Board of Directors, senior managers and the Audit Committee; the periodic evaluation of the results of risk management activities; and the supervision of risk management activities by the Internal Audit Division.

## THE COMPANY'S FUTURE RISKS

The main financial instruments of the Company are cash and short-term deposits. Aside from these, the Company holds also trade receivables and liabilities resulting from its transactions. The financial instruments of the Company are short term, and their fair values approach their registered values. The main risks of the Company's financial instruments include interest rate risk, foreign currency risk and credit risk. The Company takes into account the market value risk of all its financial instruments.

## OTHER CONSIDERATIONS

- (1) Explanation of specific incidents that have occurred in the Company after the end of the activity year, and that could affect the rights of shareholders, creditors and other related persons and entities. (n/a)
- (2) Additional information that may be deemed necessary by the managing body, provided that the provisions of the Regulation are not breached. (n/a)



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**CONTACT DETAILS**



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