(Convenience translation of independent audit report originally issued in Turkish)

Garanti Portföy Yönetimi
Anonim Şirketi

Financial Statements as of December 31, 2022
Together With Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Garanti Portföy Yönetimi Anonim Şirketi

A) Report on the Audit of the Financial Statements

1) Opinion

We have audited the financial statements of Garanti Portföy Yönetimi Anonim Şirketi ("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 standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards ("InAS") which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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.

3) Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

4) Other Matter

The financial statements of Garanti Portföy Yönetimi Anonim Şirketi for the year ended December 31, 2021, were audited by another auditor who expressed an unqualified opinion on those statements on January 31, 2022.

5) 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.

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6) 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 standards on auditing as issued by the Capital Markets Board of Turkey and InAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

B) Report on Other Legal and Regulatory Requirements

1) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2022 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.

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 Birkan Bilal Avcıl.

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

T.C. BAĞIMSIZ DENETÇİ 5280 2023

Birkan Bilal Avcıl, SMMM
Partner

20 March 2023
İstanbul, Türkiye

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Statement of Financial Position as of December 31, 2022

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

	Notes	Audited Restated Current Period December 31, 2022	Audited Restated Prior Period December 31, 2021
Assets			
Current Assets		**365,551,417**	**310,743,372**
Cash and cash equivalents	*3*	280,084,551	199,148,410
Financial assets	*4*	7,172,548	90,347,103
Trade receivables		76,989,176	18,814,569
Trade receivables from related parties	*5*	74,594,092	18,329,884
Trade receivables from third parties	*5*	2,395,084	484,685
Other receivables		3,770	864,939
Other receivables from related parties	*6-21*	3,770	864,939
Other receivables from third parties		-	-
Prepaid expenses	*7*	1,265,454	1,389,378
Other current assets	*8*	35,918	178,973
Non-Current Assets		**6,189,522**	**8,583,041**
Financial assets	*4*	3	3
Tangible assets	*9*	198,805	244,955
Right-of-use asset	*9*	1,447,422	1,800,239
Intangible assets	*10*	72,107	86,902
Deferred tax assets	*19*	4,471,185	6,450,942
Total Assets		**371,740,939**	**319,326,413**
Liabilities			
Current Liabilities		**46,638,475**	**49,492,296**
Trade payables		3,624,991	1,852,892
Trade payables to related parties	*5-21*	*3,532,141*	*1,642,869*
Trade payables to third parties	*5*	*92,850*	*210,023*
Payables related to employee benefits	*11*	2,674,173	1,174,622
Other payables		4,927,564	2,510,672
Other payables to third parties	*6*	*4,927,564*	*2,510,672*
Current tax payable	*19*	22,936,582	13,643,646
Employee benefits		11,363,973	6,973,168
Provision for employee benefits	*11*	*11,363,973*	*6,973,168*
Lease liabilities		1,111,192	907,421
Derivative financial liabilities	*12*	-	22,429,875
Non-Current Liabilities		**5,658,993**	**2,902,173**
Employee benefits		5,100,621	1,843,227
Provision for employee benefits	*11*	*5,100,621*	*1,843,227*
Lease liabilities		558,372	1,058,946
Equity		**319,443,471**	**266,931,944**
Paid-in capital	*13*	25,000,000	25,000,000
Other comprehensive income items that will not be reclassified to profit or loss		(1,622,679)	(635,891)
Actuarial losses on defined benefit plans	*13*	*(1,622,679)*	*(635,891)*
Other comprehensive income		104,140	25,660
Valuation and/or Classification Income/Expense of Financial Assets at Fair Value Through Other Comprehensive Income	*13*	*104,140*	*25,660*
Legal reserves	*13*	17,229,288	7,354,288
Prior years' profits	*13*	125,312,887	167,604,547
Profit for the year		153,419,835	67,583,340
Total Equity and Liabilities		**371,740,939**	**319,326,413**

The accompanying notes form an integral part of the financial statements.

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GARANTİ PORTFÖY YÖNETİMİ A.Ş.

Statement of Profit or Loss as of December 31, 2022

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

Statement of Profit or Loss	**Notes**	**Audited Restated Current Period December 31, 2022**	**Audited Restated Prior Period December 31, 2021**
Revenue	*14*	235,094,293	95,144,234
Gross Profit		**235,094,293**	**95,144,234**
Sales and marketing expenses (-)	*15*	(3,009,345)	(1,139,683)
General administrative expenses (-)	*15*	(87,034,908)	(44,448,126)
Other operating income	*17*	66,040,730	52,581,944
Other operating expense (-)	*18*	(14,233,837)	(16,718,726)
Operating profit		**196,856,933**	**85,419,643**
Gains from investing activities	*16*	2,305,609	6,481,460
Profit before tax		**199,162,542**	**91,901,103**
Current tax charge	*19*	(43,542,412)	(28,330,093)
Deferred tax income/(expense)	*19*	(2,200,295)	4,012,330
Profit for the Period from Continuing Operations		**153,419,835**	**67,583,340**
Profit for the year		**153,419,835**	**67,583,340**

The accompanying notes form an integral part of the financial statements.

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GARANTİ PORTFÖY YÖNETİMİ A.Ş.

Statement of Other Comprehensive Income of December 31, 2022

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

	Notes	Audited Restated Current Period December 31, 2022	Audited Restated Prior Period December 31, 2021
PROFIT/(LOSS) FOR THE YEAR		**153,419,835**	**67,583,340**
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to profit or loss		**(986,788)**	**(166,833)**
Remeasurements of defined benefit liability / (asset)		(1,233,485)	(208,541)
Related tax		246,697	41,708
Items that are or may be reclassified subsequently to profit or loss		**78,480**	**25,660**
Valuation and/or Classification Income/Expense of Financial Assets at Fair Value Through Other Comprehensive Income	*13*	104,640	33,325
Related tax		(26,160)	(7,665)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(908,308)**	**(141,173)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**152,511,527**	**67,442,167**

The accompanying notes form an integral part of the financial statements.

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GARANTİ PORTFÖY YÖNETİMİ A.Ş.

Statement of Changes in Equity for the Period 1 January – 31 December 2022

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

						Retained Earnings		
Audited Restated	**Notes**	**Paid-in capital**	**Financial assets fair value**	**Remeasurements of defined benefit liability (asset)**	**Legal Reserves**	**Retained earnings**	**Profit for the year**	**Total**
1 January 2021		**25,000,000**	**-**	**(469,058)**	**9,244,878**	**101,447,591**	**64,266,366**	**199,489,777**
Transfer of period profit		-	-	-	-	64,266,366	(64,266,366)	-
Transfer of reserves		-	-	-	(1,890,590)	1,890,590	-	-
Total comprehensive income		-	25,660	(166,833)	-	-	67,583,340	**67,442,167**
31 December 2021		**25,000,000**	**25,660**	**(635,891)**	**7,354,288**	**167,604,547**	**67,583,340**	**266,931,944**
1 January 2022		**25,000,000**	**25,660**	**(635,891)**	**7,354,288**	**167,604,547**	**67,583,340**	**266,931,944**
Transfer of period profit		-	-	-	-	67,583,340	(67,583,340)	-
Transfer of reserves	*13*	-	-	-	9,875,000	(9,875,000)	-	-
Dividend paid	*21*	-	-	-	-	(100,000,000)	-	**(100,000,000)**
Total comprehensive income		-	78,480	(986,788)	-	-	153,419,835	**152,511,527**
31 December 2022		**25,000,000**	**104,140**	**(1,622,679)**	**17,229,288**	**125,312,887**	**153,419,835**	**319,443,471**

The accompanying notes form an integral part of the financial statements.

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GARANTİ PORTFÖY YÖNETİMİ A.Ş.

Statement of Cash Flows for the Period 1 January – 31 December 2022

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

	Dipnot Referansları	Audited Restated Current Period December 31, 2022	Audited Restated Current Period December 31, 2021
A- Cash flows from operating activities			
Profit for the period		**153,419,835**	**67,583,340**
Adjustments to reconcile profit for the period			
Depreciation and amortisation charges		1,855,931	1,618,938
Provisions		11,983,292	7,603,806
Interest income and expense		(32,351,287)	(32,755,057)
Expected credit loss		(3,374)	(1,353,039)
Fair value gain/(loss) adjustments		(8,209,108)	3,430,208
Tax expense	*19*	45,742,707	24,317,763
Gain on sale of property, plant and equipment (net)	*16*	(18,864)	(68)
Change in working capital			
Change in financial assets		90,720,882	873,445
Change in trade receivables		(58,182,445)	3,483,277
Change in other receivables		861,169	(802,475)
Change in trade payables		1,772,099	653,710
Change in other payables		(19,771,593)	17,835,066
Change in other working capital		619,796	(2,048,103)
Net cash flows provided from operating activities			
Interest received		34,602,114	20,519,449
Income taxes paid		(34,470,013)	(20,620,887)
Unused vacation accruals	*11*	(75,934)	(233,086)
Personnel premium paid		(5,552,336)	(2,907,614)
Retirement benefits paid	*11*	(194,185)	(241,958)
Net cash provided from operating activities		**182,748,686**	**86,956,715**
B- Cash flows from investing activities:			
Sales of tangible and intangible assets		21,525	68
Acquisition of tangible and intangible assets	*9*	(44,151)	(29,440)
Interest received	*16*	2,286,745	6,481,392
Net cash provided from investing activities		**2,264,119**	**6,452,020**
C- Cash flows from financing activities:			
Cash used in financing		**(102,017,097)**	**(1,728,057)**
Cash outflow from financial leasing liabilities		(2,017,097)	(1,728,057)
Dividend paid		(100,000,000)	-
Effect of exchange rate movements		**1,725,531**	**1,664,644**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**84,721,239**	**93,345,322**
D. Cash and cash equivalents at the beginning of the period	*3*	**192,257,504**	**98,912,182**
Cash and cash equivalents at the end of the period (A+B+C+D)	*3*	**276,978,743**	**192,257,504**

The accompanying notes form an integral part of the financial statements

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

1. Organization and Operations of the Company

Garanti Portföy Yönetimi A.Ş. ("the Company") was established on 5 June 1997. Pursuant to the Capital Markets Act and the related legislations, the Company is mainly engaged in managing the investment portfolios of own mutual funds and mutual funds of BBVA Durbana International Fund (SICAV), pension funds of Garanti Emeklilik ve Hayat A.Ş. and pension funds of other life and pension companies and also providing advisory services and management of portfolios of corporate and individual accounts.

According to new regulations of Capital Markets Board of Turkey ("CMB"), the Company's portfolio management and investment advisory activities were deemed appropriate. In this context, CMB granted Certificate of Authorization numbered PYŞ/PY.2-YD.2/1071 at 14 January 2015. At the same date, certificate numbered PYŞ/PY-148 for portfolio management which is taken in 16 July 1997 and certificate numbered PYŞ/YD/2 for investment advisory services which is taken on 28 February 2001 have been cancelled.

Information on shareholder and its shares:

	31 December 2022		31 December 2021	
	Number of shares	**Share ratio**	**Number of shares**	**Share ratio**
Türkiye Garanti Bankası A.Ş.	25,000,000	%100.00	25,000,000	%100.00
Total	**25,000,000**	**%100.00**	**25,000,000**	**%100.00**

The number of personnel of the Company by categories is as follows:

	December 31, 2022	December 31, 2021
Masters/Doctorate	21	21
University/Associate Degree	26	23
High School	3	3
Primary/Secondary School	1	1
Total	**51**	**48**

The Company is registered in Turkey and office address is Levent Nisbetiye Mah. Aytar Cad. No:2 34340 Beşiktaş / İstanbul.

2. Basis of Presentation of the Financial Statements

2.1 Basic Principles of Presentation

Statement of Compliance with TFRS

The accompanying financial statements are prepared in accordance with Turkish Financial Reporting Standards ("TFRS") published by Public Oversight Accounting and Auditing Standards Authority ("POA")as set out in the Communiqué numbered II-14.1 "Communiqué on Principles of Financial Reporting in Capital Markets" published in the Official Gazette numbered 28676 on 13 June 2013. TFRSs consist of standards and interpretations which are published as Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, interpretations of TAS and interpretations of TFRS.

The financial statements have been presented in accordance with the IFRS Taxonomy developed by the POA based on the financial statement examples determined in the Financial Statement Examples and User Guide published in the Official Gazette dated 7 September 2019 and numbered 30794.

Approval of financial statements:

Board of Directors has approved the financial statements and delegated authority for publishing it on 30 January 2023. The General Assembly has the authority to modify the financial statements.

Functional and presentation currency

The Company's financial statements are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements are expressed in Turkish Lira ("TL" or "TRY") which is the presentation currency of the financial statements.

Financial reporting in hyperinflationary periods

In accordance with the IAS, the entities are allowed to prepare a complete or condensed set of financial statements in accordance with IAS 34, "Financial Reporting". In this respect the Company preferred to present its financial statements. The Company's financial statement does not include all disclosures and notes that should be included at year-end financial statements. Therefore financial statements should be examined together with the year-end financial statements. Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in TRY, which is the functional currency of the Company and the presentation currency of the Company.

2. Basis of Presentation of the Financial Statements (continued)

2.2 Changes in Accounting Estimates and Errors

If changes in accounting estimates and errors are for only one period, changes are applied in the current year but if the estimated changes affect the following periods, changes are applied both on the current and following years prospectively. There has not been any significant changes to the accounting estimates in the current year.

2.3 The new standards, amendments and interpretations

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

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

Amendments to IFRS 3 – Reference to the Conceptual Framework

In July 2020, the IASB issued amendments to IFRS 3 Business combinations. The amendments are intended to replace to a reference to a previous version of the IASB’s Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing requirements of IFRS 3. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. The amendments issued to IFRS 3 must be applied prospectively.

The amendments did not have a significant impact on the financial position or performance of the Company.

Amendments to IAS 16 – Proceeds before intended use

In July 2020, the IASB issued amendments to IAS 16 Property, plant and equipment. The amendments prohibit entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and costs of producing those items, in profit or loss. The amendments must be applied retrospectively only to items of PP&E made available for use on or after beginning of the earliest period presented when the entity first applies the amendment.

The amendments did not have a significant impact on the financial position or performance of the Company.

Amendments to IAS 37 – Onerous contracts – Costs of Fulfilling a Contract

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

The amendments did not have a significant impact on the financial position or performance of the Company.

2. Basis of Presentation of the Financial Statements (continued)

2.3 The new standards, amendments and interpretations which are effective as of 1 January 2022 are as follows: (Continued)

Annual Improvements – 2018–2020 Cycle

In July 2020, the IASB issued Annual Improvements to IFRS Standards 2018–2020 Cycle, amending the followings:

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

The amendments did not have a significant impact on the financial position or performance of the Company.

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

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

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Company will wait until the final amendment to assess the impacts of the changes.

IFRS 17 - The new Standard for insurance contracts

The IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. IFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2023; early application is permitted.

The standard is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

2. Basis of Presentation of the Financial Statements (continued)

2.3 The new standards, amendments and interpretations which are effective as of 1 January 2022 are as follows: (Continued)

Amendments to IAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In January 2020 and October 2022, IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in October 2022 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, October 2022 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective for periods beginning on or after 1 January 2024. The amendments must be applied retrospectively in accordance with IAS 8. Early application is permitted. However, an entity that applies the 2020 amendments early is also required to apply the 2022 amendments, and vice versa.

Overall, the Company expects no significant impact on its balance sheet and equity.

Amendments to IAS 8 - Definition of Accounting Estimates

In August 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments issued to IAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Earlier application is permitted.

Overall, the Company expects no significant impact on its balance sheet and equity.

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies

In August 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments issued to IAS 1 are effective for annual periods beginning on or after 1 January 2023. In the absence of a definition of the term 'significant' in IFRS, the Board decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in IFRS and is widely understood by the users of financial statements, according to the Board. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added.

Overall, the Company expects no significant impact on its balance sheet and equity.

2. Basis of Presentation of the Financial Statements (continued)

2.3 The new standards, amendments and interpretations which are effective as of 1 January 2022 are as follows: (Continued)

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, the Board issued amendments to IFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of IFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8. A seller-lessee applies the amendments to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

The standard is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In August 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments issued to IAS 12 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized.

The standard is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

2. Basis of Presentation of the Financials Statements (continued)

2.4 Summary of Significant Accounting Policies

Financial Instruments

i. Classification and measurement of financial assets and liabilities

The detailed information on how the Company classifies and measures its financial assets and accounts for the related income and expenses according to IFRS 9 is presented below.

Under IFRS 9, when a financial asset is recognized for the first time, it is measured with following methods: Measured on the amortised cost; fair value measured at fair value through other comprehensive income – debt instruments; equity instruments- measured at fair value through other comprehensive income, or as fair value difference on profit or loss. The classification of financial assets under IFRS 9 is generally based on the business model used by the entity for the management of the financial assets and the characteristics of the financial asset's contractual cash flows. Within the scope of the standard, the obligation to separate the embedded derivatives from the financial asset has been eliminated, and it should be evaluated how to classify a hybrid contract as a whole.

A financial asset is measured at amortized cost if both of the following conditions are met and it is not classified as fair value through profit or loss:

- Financial asset is held within the scope of a business model for the collection of contractual cash flows, and

- the contractual terms of the financial asset result in cash flows that include payments arising only from principal and interest on the principal amounts on specific dates.

A financial asset is measured as fair value through other comprehensive income if both of the following conditions are met and it is not classified as fair value through profit or loss:

- Holding the financial asset under a business model aimed to collect contractual cash flows and to sell financial assets, and

-The terms of the contract for the financial asset lead to cash flows that include only principal and interest payments arising from the principal balance at certain dates.

All financial assets that are not measured at amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. These include all derivative financial assets.

Measured by reflecting on profit or loss can be defined as the irreversible change in fair value of a financial asset during the first time financial assets are included in the financial statements, provided that it eliminates or significantly reduces an accounting mismatch that would arise from the different measurement of the financial assets and the different inclusion of the gains or losses related to them in the financial statements. In the initial measurement of financial assets other than those reflected in profit or loss (other than trade receivables that do not have a significant financing component and are measured at the transaction price at the time of their first inclusion in the financial statements), the transaction costs that can be directly related to their acquisition or issuance are also measured by adding them to the fair value. The following accounting policies apply to subsequent measurements of financial assets.

2. Basis of Presentation of the Financial Statements (continued)

2.4 Summary of Significant Accounting Policies (continued)

Financial Instruments(continued)

The following accounting policies apply to subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets measured at amortized cost	These assets are subsequently measured at amortised cost using the effective interest method The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

ii) Impairment of financial instruments

The new impairment model applies to financial assets and contract assets measured at amortized cost, however, not apply to investments in equity instruments. Financial assets measured at amortized cost consist of trade receivables, other receivables, and cash and cash equivalents.

The Company records the expected credit loss allowance for the following items within the scope of IFRS 9:
- financial assets measured at amortized cost;

The Company calculates the allowance for losses at an amount equal to lifetime expected credit losses other than the following items, whose loss allowance is measured from 12-month expected credit losses:

- That do not have a significant increase in credit risk since initial recognition.

Loss allowances for trade receivables, other receivables, other assets and contract assets are always measured at an equal amount to lifetime expected credit losses. Reasonable and supportable information that can be obtained without undue cost or effort is taken into account when determining whether the credit risk on a financial asset has increased significantly since its first recognition and when estimating expected credit losses. These include qualitative and quantitative information and analysis and forward-looking information based on the Company's past experiences and conscious credit evaluations.

2. Basis of Presentation of the Financial Statements (continued)

2.4 Summary of Significant Accounting Policies (continued)

Financial Instruments(continued)

The company acknowledges that there is a significant increase in the credit risk of financial assets whose maturity exceeds 30 days.

The company acknowledges that financial assets are in default in the following situations:

-If it is not possible for the Borrower to fully fulfill its obligations to the Company (if there are guarantees) before the Company takes actions such as cashing out the guarantees; or if the financial asset has matured more than 90 days.

The company accepts that the credit risk is low if the risk ratings of bank balances are equal to “investment grade” in international definition.

Lifetime expected credit losses are the result of possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion that represents expected credit losses resulting from default events within 12 months of the reporting date. The maximum period in which expected credit losses will be measured is the maximum contract period during which the Company is exposed to credit risk.

The Company assesses whether financial assets measured at amortized cost is impaired in each reporting period. When one or more events occur that adversely affect the estimated future cash flows of a financial asset, the financial asset is recognized as credit-impaired. Observable data on the following events are evidence that the financial asset is credit-impaired:

- Borrower in significant financial difficulty
- A breach of contract due to default,
- For economic or contractual reasons, the creditor granting the debtor a privilege that debtor does not normally consider due to the financial distress debtor has fallen into,
- It is likely that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for this financial asset due to financial difficulties.

Offsetting

Financial assets and liabilities are shown in net when there is a legal right required, there is an intention to make a net use of the assets and liabilities, or when the assets are acquired and the liabilities are fulfilled simultaneously.

Revenue

- *Management fee income and portfolio management commissions*

Management fee income consists of the management fee which relates to a percentage defined with an agreement of the fund value of the mutual funds, pension funds and alternative investment instrument funds under the management of the Company, the commission income from the management of the portfolios of corporate and individual accounts. Commission income is recognized in profit or loss when the corresponding service is provided and recorded as income.

- *Performance fee income*

Performance fee income is from pension and alternative investment funds managed by the Company, and from corporate and individual portfolio management customers; It consists of performance commission income calculated over alternative (benchmark) rates and related fund rankings within the rates determined on the contract. Performance fee income is recognized at the end of the month on an accrual basis and collected in the relevant performance periods specified in the contract.

2. Basis of Presentation of the Financial Statements (continued)

2.4 Summary of Significant Accounting Policies (continued)

Tangible Assets

Tangible assets are carried at cost less accumulated depreciation and any permanent impairment loss.

Subsequent costs

The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of tangible assets are recognized in profit or loss as incurred.

Depreciation

The annual depreciation rates accordingly the estimated useful lives for tangible assets are as follows:

Furniture and Fixtures	3-15 years
Vehicles	5 years
Leasehold Improvements	5 years

Tangible assets are depreciated over the estimated useful lives of the related assets from the date of purchase or the date of installation, on a straight-line basis.

Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the leasehold improvement.

Lease liabilities

The duration of the lease agreements is a maximum of 5 years. Tangible fixed assets acquired through leasing are recorded as assets in the Company's assets and as liabilities from leasing transactions in liabilities.

In the classification of the amounts in the balance sheet as assets and liabilities, the financing costs arising from the lease are spread over periods to form a fixed interest rate throughout the lease term, based on the lower of the fair values of the assets and the present value of the lease payments.

In cases where leased assets are impaired or the expected future benefits of the assets are less than their book values, the book values of such leased assets are reduced to their net realizable values. Depreciation for assets acquired through financial leases is calculated consistently with the same principle as for the tangible assets.

Based on IFRS 16, at the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the alternative borrowing interest rate

After the commencement date, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease.

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

After the commencement date, the lease liability is remeasured to reflect changes to the lease payments. The amount of the remeasurement of the lease liability is recognised as an adjustment to the right-of use asset.

Currency: Turkish Lira ("TL"))

2. Basis of Presentation of the Financial Statements (continued)

2.4 Summary of Significant Accounting Policies (continued)

Lease liabilities (continued)

If there is a change in the initial lease term or in the exercise of the purchase option, a revised discount rate is used to reflect changes in the interest rate. However, if there is a change in lease obligations or amounts expected to be paid under a residual value commitment resulting from a change in an index used to determine future lease payments, the unmodified discount rate is used

For a modification that is not accounted for as a separate lease, the lease liability is remeasured at the date of the modification by discounting the revised lease payments at a revised discount rate. The revised discount rate is determined as the alternative borrowing interest rate at the date of the amendment. For changes that narrow the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or total termination of the lease. Gains or losses on the partial or complete termination of the lease are recognized in profit or loss. For all other modifications, an adjustment is made to the right-of-use asset

As a result of internal evaluations, the company considers the amounts of machinery leases, IT equipment, and other leasing transactions acquired through leasing to be outside the scope of IFRS 16 since they are below the materiality level and recognizes the relevant lease payments under other operating expenses.

Intangible Assets

Intangible assets include rights, software licenses and other intangible assets. Software programs are accounted for with their acquisition cost less accumulated depreciation and permanent impairment losses are deducted from the initial amount. Intangible assets are amortized, using straight-line method, over their estimated useful lives for a period not exceeding 15 years from date of acquisition

Borrowing Costs
All financing expenses are recorded in the profit or loss statement at the time of their occurrence.

Effect of Exchange Difference

Transactions in foreign currencies are translated to TL at the foreign exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to TL at the exchange rates ruling at the reporting date. Gains and losses arising from foreign currency transactions are accounted for in profit or loss.

Foreign exchange rates used by the Company as of 31 December 2022 and 31 December 2021 is as follows:

	31 December 2022	31 December 2021
USD	18,592	13,093
EURO	19,871	14,848
GBP	22,453	17,693
CHF	20,160	14,323

(*) The Company has taken into account the foreign 16eportin buying rates of Türkiye Garanti Bankası A.Ş.

Earnings Reporting

In accordance with TAS 33 "Earnings per Share", companies whose shares are not traded on a stock exchange are not required to disclose earnings per share. Since the Company's shares are not traded on the stock exchange, earnings per share have not been calculated in the accompanying financial statements.

2. Basis of Presentation of the Financial Statements (continued)

2.4 Summary of Significant Accounting Policies (continued)

Subsequent Events

Events after the reporting period; even if they arise after the public disclosure of any profit announcement or other selected financial information, it covers all events between the balance sheet date and the date of authorization for publication of the balance sheet. The company adjusts the amounts recognized in the financial statements following events take place that requires adjustment after the reporting period.

Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Related Parties

A related party is a person or entity that is related to the entity (reporting entity) that is preparing its financial statements

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

(i) has control or joint control over the reporting entity;
(ii) has significant influence over the reporting entity; or
(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b) An entity is related to a reporting entity if any of the following conditions applies:

(i)The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(ii)One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
(vi)The entity is controlled or jointly controlled by a person identified in (a).
(vii)A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services obligations between a reporting entity and a related party, regardless of whether a price is charged.

2. Basis of Presentation of the Financial Statements (continued)

2.4 Summary of Significant Accounting Policies (continued)

Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit report year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which are used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow report part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the 18eporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax reporting period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2. Basis of Presentation of the Financial Statements (continued)

2.4 Summary of Significant Accounting Policies (continued)

Employee Benefits

Employment termination benefits

In accordance with the existing legislation in Turkey, the Company is required to make certain lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard No. 19 (revised) “Employee Benefits” (“IAS 19”)

Employment termination benefits, as required by the Turkish Labor Law and the laws applicable in the countries where the subsidiaries operate, represent the estimated present value of the total reserve of the future probable obligation of the Company arising in case of the retirement of the employees.

The Company has calculated the provision for employment termination benefits in accordance with the report prepared by the actuarial firm and recognized all actuarial gains and losses in other comprehensive income.

Unused vacation provision

Under the Turkish Labor Law, in the event of termination of employment for any reason whatsoever, the Company is required to pay to the employee or his/her beneficiaries the amount of any unused annual leave earned but not used, based on the salary at the date of termination of the contract.

Dividend and bonus payments

The company records the dividend and bonus as liability and expense, which are calculated based on a method that takes into account the profit of the shareholders of the company after some adjustments. The Company reserves provisions in cases where there is a past practice that creates a contractual obligation or an implied obligation.

Statement of Cash Flows

For the purposes of the give information to public about the changes in net assets, financial structure, and the ability of timing and aiming performance of cash flows management under changing conditions, the Company presents the statement of cash flows as an integral part of the financial statements.

Segment Reporting

Since all activities of the Company took place in Turkey and only carried out portfolio management activities, no reporting was made according to departments.

Currency: Turkish Lira ("TL"))

3. Cash and Cash Equivalents

Cash and cash equivalents as of 31 December 2022 and 31 December 2021 are as follows:

	December 31, 2022	**December 31, 2021**
Cash at banks		
-*Time deposits*	270,621,937	197,210,165
- *Demand deposits*	3,584,228	102,663
Liquid funds	6,500,532	2,330,976
Expected credit loss allowance for bank deposits (-)	(622,146)	(495,394)
Cash and cash equivalents	**280,084,551**	**199,148,410**
Expected credit loss on cash and cash equivalents provision (-)	622,146	495,394
Interest rediscount on cash and cash equivalents (-)	(3,727,954)	(7,386,300)
Total for cash-flow purposes	**276,978,743**	**192,257,504**

As of 31 December 2022, the gross interest rate of TL time deposits in banks is 23% and their maturity is less than one month; The gross interest rate of foreign currency deposits is 0.01% and the maturity is one month (31 December 2021: The gross interest rate of TL time deposits is 18.39% and their maturities are less than 2 months).

As of 31 December 2022, and 31 December 2021, there is not any blockage or restriction on cash at banks.

4. Financial Investments

For the year ended 31 December 2022 and 31 December 2021 financial investments are as follows:

	December 31, 2022		
Short term financial assets	**Cost**	**Fair Value**	**Carrying Value**
Financial assets at fair value through profit or loss			
Investment fund	6,849,999	7,172,548	7,172,548
Financial assets at fair value through other comprehensive income			
Private sector bonds	-	-	-
Total	**6,849,999**	**7,172,548**	**7,172,548**

	December 31, 2021		
Short term financial assets	**Cost**	**Fair value**	**Carrying Value**
Fair value through profit or loss financial assets			
Investment fund	18,649,992	26,937,377	26,937,377
Fair value difference to other comprehensive income reflected financial assets			
Private sector bonds	62,134,501	63,409,726	63,409,726
Total	**80,784,493**	**90,347,103**	**90,347,103**

Long term financial asset	**December 31, 2022**	**December 31, 2021**
Financial assets at fair value through other comprehensive income shares		
Unlisted shares certificates (*) (Note 21)	*3*	*3*
Total	**3**	**3**

(*) On 24 September 2014, the Company acquired 1 share of Garanti Finansal Kiralama Anonim Şirketi worth TL 1 from Doğuş Holding Anonim Şirketi for a price of TL 2.71.

Currency: Turkish Lira ("TL"))

5. Trade Receivables and Payables

The details of trade receivables from related parties as of 31 December 2022 and 31 December 2021 are as follows:

	December 31, 2022	December 31, 2021
Fund management and performance fee from related parties (Note 21)	64,681,073	17,814,777
Management and performance fee accrual from related parties (Note 21)	9,892,403	499,116
Special portfolio management and performance fee receivables from related parties (Note 21)	30,688	18,466
Expected credit loss provision for trade receivables from related parties (-)	(10,072)	(2,475)
Total	**74,594,092**	**18,329,884**

As of 31 December 2022 and 31 December 2021, trade receivables from unreated parties are as follows:

	December 31, 2022	December 31, 2021
Special portfolio management commission fee receivables	1,661,439	118,890
Fund management and performance fee receivable	733,968	365,860
Trade receivables from third parties expected loan loss provision (-)	(323)	(65)
Total	**2,395,084**	**484,685**

As of 31 December 2022 and 31 December 2021, trade payables are as follows:

	December 31, 2022	December 31, 2021
Trade payables to related parties (Note 21)	3,532,141	1,642,869
Trade payables arising from the purchase of goods and services	92,850	210,023
Total	**3,624,991**	**1,852,892**

Currency: Turkish Lira ("TL"))

6. Other Receivables and Payables

As of 31 December 2022 and 31 December 2021, other receivable are as follows:

	December 31, 2022	December 31, 2021
Other receivables from related parties		
Due from personnel (Note 21)	3,770	1,367
Other (Note 21)	-	863,572
Total	**3,770**	**864,939**

As of 31 December 2022 and 31 December 2021, other payables are as follows:

	December 31, 2022	December 31, 2021
Taxes, duties and fees	3,557,953	1,159,074
Other(*)	1,369,611	1,351,598
Total	**4,927,564**	**2,510,672**

(*) Other liabilities are as follows; TL 1,305,219 Provisions for Expense Rediscount (31 December 2021: TL 389,443), Provisions for Building Expense of TL 64,284 (December 31, 2021: TL 125,003), Provisions for Fund Expense (December 31, 2021: TL 836,574), Domestic Short-Term Debts are not available for Public and Foundation Institutions (December 31, 2021: TL 578).

7. Prepaid Expenses

As of 31 December 2022, short term prepaid expenses amounting to TL 1.265.454 (31 December 2021: TL 1.389.378) consist of the amounts that the Company made to the suppliers and will be transferred to the expense accounts in the following periods.

8. Other Current Assets

Other current assets as of 31 December 2022 and 31 December 2021 are as follows:

	December 31, 2022	31 December, 2021
Loans advances	35,111	35,232
Other (*)	807	143,741
Total	**35,918**	**178,973**

(*) It consists of TL 807 projection invoices and highway crossings classified under the other (31 December 2021: TL 1.437), not available from the Central Registration Agency, Enforcement Directorate and other companies (31 December 2021: TL 117.240), not from the returned invoices (31 December 2021: TL 25.064)

Currency: Turkish Lira ("TL"))

9. Tangible Assets

Movement of tangible assets and accumulated depreciation as of 31 December 2021 and 31 December 2022 are as follows:

Current Period				
Cost	**January 1, 2022**	**Additions**	**Disposals**	**December 31, 2022**
Leasehold improvements	115,063	-	-	115,063
Furniture & fixture	3,230,304	44,151	(52,820)	3,221,635
	3,345,367	**44,151**	**(52,820)**	**3,336,698**
Accumulated depreciation	**January 1, 2022**	**Current period charge (*)**	**Disposal**	**December 31, 2022**
Leasehold improvements	(24,931)	(23,013)	-	(47,944)
Furniture & fixture	(3,075,481)	(64,626)	50,158	(3,089,949)
	(3,100,412)	**(87,639)**	**50,158**	**(3,137,893)**
Net	**244,955**			**198,805**

Prior Period				
Cost	**January 1, 2021**	**Additions**	**Disposals**	**December 31, 2021**
Leasehold improvements	115,063	-	-	115,063
Furniture & fixture	3,205,615	29,440	(4,751)	3,230,304
	3,320,678	**29,440**	**(4,751)**	**3,345,367**
Accumulated depreciation	**January 1, 2021**	**Current period charge (*)**	**Disposal**	**December 31, 2021**
Leasehold improvements	(1,918)	(23,013)	-	(24,931)
Furniture & fixture	(3,000,835)	(76,625)	1,979	(3,075,481)
	(3,002,753)	**(99,638)**	**1,979**	**(3,100,412)**
Net	**317,925**			**244,955**

(*) Amortisation expenses are accounted under general administrative expenses.

Currency: Turkish Lira ("TL"))

9. Tangible Assets (Continued)

The ‘‘Right of Use Assets’’ reflected in the Company’s statement of financial position are as follows:

Current Period

Cost	**January 1, 2022**	**Additions**	**Disposals**	**December 31, 2022**
Buildings – Right of use	1,113,306	1,570,124	(1,113,306)	1,570,124
Vehicles – Right of use	1,616,875	-	(179,149)	1,437,726
	2,730,181	**1,570,124**	**(1,292,455)**	**3,007,850**

Accumulated depreciation	**January 1, 2022**	**Current period charge (*)**	**Disposal**	**December 31, 2022**
Buildings – Right of use	(652,733)	(1,381,139)	1,113,306	(920,566)
Vehicles – Right of use	(277,209)	(372,358)	9,705	(639,862)
	(929,942)	**(1,753,497)**	**1,123,011**	**(1,560,428)**
Net	**1.800.239**			**1.447.422**

Prior Period

Cost	**January 1, 2021**	**Additions**	**Disposal**	**December 31, 2021**
Buildings – Right of use	1,023,814	1,113,306	(1,023,814)	1,113,306
Vehicles – Right of use	1,217,024	1,616,875	(1,217,024)	1,616,875
	2,240,838	**2,730,181**	**(2,240,838)**	**2,730,181**

Accumulated depreciation	**January 1, 2021**	**Current period charge (*)**	**Disposal**	**December 31, 2021**
Buildings – Right of use	(600,264)	(1,076,283)	1,023,814	(652,733)
Vehicles – Right of use	(854,751)	(427,589)	1,005,131	(277,209)
	(1,455,015)	**(1,503,872)**	**2,028,945**	**(929,942)**
Net	**785,823**			**1,800,239**

(*) Depreciation expenses are accounted under general administrative expenses.

Movements of payables from lease transactions as of 31 December 2022 and 31 December 2021 are as follows:

Buildings	**2022**	**2021**
Balance at 1 January	496,804	437,277
Increase in the period	1,682,619	1,211,385
Paid during the period	(1,493,148)	(1,151,858)
Balance at end of year	**686,275**	**496,804**

Vehicles	**2022**	**2021**
Balance at 1 January	1,469,564	455,029
Increase in the period	207,095	1,879,772
Paid during the period	(523,949)	(576,199)
Decreases in the period	(169,420)	(289,038)
Balance at end of year	**983,290**	**1,469,564**

As of 31 December 2022, TL 1.111.192 of the lease payables are classified as liabilities with a maturity of less than one year, and TL 558.372 as a liability with a maturity of more than one year (as of December 31, 2021, TL 907.422 of the payables from lease transactions is more than one year old). as a short-term liability and TL 1.058.946 of it is classified as a liability with a maturity of more than one year in the financial statements). As of 31 December 2022, borrowing interest from lease transactions is 21.27% (as of 31 December 2021, borrowing interest from lease transactions is 21.27%).

Currency: Turkish Lira ("TL"))

10. Intangible Assets

Movement of intangible assets and amortization charge as of 31 December 2021 and 31 December 2022 are as follows:

Current Period				
Cost	**January 1, 2022**	**Additions**	**Disposals**	**December 31, 2022**
Rights	857,258	-	-	857,258
Accumulated amortization	**January 1, 2022**	**Period Charge(*)**	**Disposals**	**December 31, 2022**
Rights	(770,356)	(14,795)	-	(785,151)
Net	**86,902**	**(14,795)**	**-**	**72,107**

Prior Period				
Cost	**January 1, 2021**	**Additions**	**Disposals**	**December 31, 2021**
Rights	857,258	-	-	857,258
Accumulated amortization	**January 1, 2021**	**Period Charge(*)**	**Disposals**	**December 31, 2021**
Rights	(754,928)	(15,428)	-	(770,356)
Net	**102,330**	**(15,428)**	**-**	**86,902**

(*) Depreciation expenses are accounted under general administrative expenses.

11. Employee Benefits

The details of short-term payables within the scope of employee benefits are as follows:

	December 31, 2022	**December 31, 2021**
Taxes payable on staff wages	1,284,767	823,079
Social security premiums payable	1,389,406	351,543
Total	**2,674,173**	**1,174,622**

As of 31 December 2022 and 31 December 2021, the details of provisions for employee benefits are as follows:

	December 31, 2022	**December 31, 2021**
Short term		
- Personnel premium provisions	9,184,525	5,998,852
- Unused vacation provision	2,179,448	974,316
Total	**11,363,973**	**6,973,168**
Long term		
- Provisions for employee termination benefits	3,634,888	1,670,051
- Personal premium provisions	1,465,733	173,176
Total	**5,100,621**	**1,843,227**

Currency: Turkish Lira ("TL"))

11. Employee Benefits (continued)

Provision for retirement pay liability

Under Turkish Labor Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service and reaches the retirement age (58 for women, 60 for men).

The amount payable consists of one month's salary limited to a maximum of TL 19.983 for each period of service at 31 December 2022 (31 December 2021: TL 8.284).

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 *Employee Benefits* stipulates the development of company's liabilities by using actuarial valuation methods under defined benefit plans.

As of December 31, 2022, the interest rate was used as 17.79% and the inflation rate as 14.36% in accordance with the report prepared by the actuary firm in its calculation (as of December 31, 2021, the interest rate was used as 19.10% and the inflation rate as 15.80% in accordance with the report prepared by the actuary company).

The assumptions were used to forecast future cash flows and reduce them to their cash value at valuation dates. Past service liabilities refer to the portion of the cash flow, which has been calculated for cash, during the service period up to the valuation date. Annual cost is the portion of discounted cash flows that will accrue within 12 months of service after the valuation date.

Movements of provision for employee termination benefits for the periods ended 31 December 2022 and 31 December 2021 were as follows:

	2022	2021
Balance at 1 January	1,670,051	1,179,538
Paid during the year	(194,185)	(241,958)
Service cost	273,809	192,303
Interest cost	317,119	140,632
Payment / Loss of benefits / Loss due to dismissal	334,609	190,995
Actuarial loss / (gain)	1,233,485	208,541
Balance at end of year	**3,634,888**	**1,670,051**

Provision for unused vacation pay liabilities

Movements of provision for unused vacation pay for the years ended 31 December 2022 and 31 December 2021 are as follows:

	2022	2021
Balance at 1 January	974,316	654,764
Paid during the period	(75,934)	(233,086)
Increase in the period	1,281,066	552,638
Balance at end of year	**2,179,448**	**974,316**

Currency: Turkish Lira ("TL"))

11. Employee Benefits (continued)

Personnel premium provisions

Movements of the personnel Premium provisions for the years ended 31 December 2022 and 31 December 2021 are as follows:

	2022	2021
Balance at 1 January	6,172,028	3,663,188
Paid during the period	(8,472,743)	(2,907,614)
Increase in the period	12,950,973	5,416,454
Balance at end of year (*)	**10,650,258**	**6,172,028**

(*) As of 31 December 2022, TL 9,184,525 of the personnel premium provision was classified in the financial statements as a short-term provision for one year and TL 1,465,733 as a provision with a maturity of more than one year (As of 31 December 2021, TL 5,988,852 of the personnel premium provision was classified in the financial statements as a short-term provision for less than one year and the portion amounting to TL 173,177 as a provision with a maturity of more than one year).

12. Derivative Financial Liabilities

As of December 31, 2022, there are no derivative financial liabilities for trading purposes, consisting of currency swap and forward trading agreements. (As of 31 December 2021, currency swap purchases and sales are TL 21,612,989, currency forward purchases and sales are TL 816,886, total derivative financial liabilities are TL 22,429,875).

13. Equity

Paid-in Capital

As of 31 December 2022, the registered capital of the Company is TL 25.000.000 (31 December 2021: TL 25.000.000).

There is no privileged share class in the Company's capital.

Legal reserves

As of 31 December 2022, the Company's restricted reserves set aside from profit is TL 17,229,288 (31 December 2021: TL7,354,290).

Currency: Turkish Lira ("TL"))

13. Equity (continued)

Legal reserves

According to the Turkish Commercial Code, businesses allocate 5% of the commercial (net) profit as the first legal reserve until they reach 20% of their paid-in capital. If the business has losses from previous years, 5% is deducted from the commercial profit. According to the TCC, after 5% of the first dividend (profit share) is set aside for the shareholders from the net profit, one-tenth of the portion decided to be distributed to the shareholders and other people participating in the profit is set aside as the second legal reserve. The first dividend is the profit share of the paid-up capital of the enterprises and the shareholders in accordance with the TCC and the articles of association, which are foreseen to be distributed at the rate of 5%.

At the Ordinary General Meeting held on 30 March 2022, after checking the amounts required to be made in accordance with the Law and the Articles of Association from the Company's profits, 5% of the annual profit in accordance with TCC 519 should not be allocated to the first legal reserves due to the fact that it reaches 20% of the paid-up capital; It was decided to distribute the remaining TL 57,431,230 after deducting the legal reserve deposits from the net profit of TL 63,049,353 that can be distributed after the tax provision, and the remaining TL 42,568,770 after the reserve deposits were allocated from the TL 46,825,647 in the extraordinary reserves account.

Prior years' profits

As of 31 December 2022, the Company's profits for the previous year amounted to TL 125,312,887 (31 December 2021: TL 167,604,547).

Other Accumulated Comprehensive Income or Expenses Not to be Reclassified to Profit or Loss

As of December 31, 2022, the Company's provision for employee termination benefits was accounted in equity of TL 1,622,679, which was the net actuarial loss incurred in previous periods (December 31, 2021: TL 635,891 net actuarial loss).

Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss

As of December 31, 2022, the valuation differences of the Company's financial assets at fair value through other comprehensive income amounting to TL 104,140 is accounted in equity (December 31, 2021: TL 25,660).

14. Revenue

For the accounting periods of 1 January – 31 December 2022 and 1 January – 31 December 2021 details of service revenue is as follows:

	1 January – 31 December 2022	1 January – 31 December 2021
Fund management fee income	188,167,022	88,516,126
Performance fee income	43,901,706	6,144,678
Portfolio management commission income	3,025,565	483,430
Total	**235,094,293**	**95,144,234**

Currency: Turkish Lira ("TL"))

15. Operating Expenses

For the accounting periods 1 January – 31 December 2022 and 1 January – 31 December 2021 details of operating expenses are as follows:

	1 January – 31 December 2022	**1 January – 31 December 2021**
General Administrative Expenses	(87,034,908)	(44,448,126)
Sales and Marketing Expenses	(3,009,345)	(1,139,683)
Total	**(90,044,253)**	**(45,587,809)**

For the accounting periods 1 January – 31 December 2022 and 1 January 31 December 2021 details of general administrative expenses are as follows:

General Administrative Expenses:	**1 January – 31 December 2022**	**1 January – 31 December 2021**
Personnel expenses	(54,661,217)	(27,157,488)
Data transfer and license expenses	(10,437,335)	(4,882,796)
Custody and fund operating expenses	(10,301,080)	(4,377,565)
Software and technical support expenses	(4,681,924)	(2,636,332)
Withholding taxes, other taxes and duties	(1,805,466)	(1,589,500)
Right of use amortization expenses (Not 9)	(1,753,497)	(1,503,872)
Fund establishment expenses	(975,663)	(887,521)
Rent and building expenses	(865,418)	(425,785)
Consultancy expenses	(674,602)	(492,463)
Travel expenses	(192,637)	(10,952)
Fund management fee expenses	(180,262)	(189,576)
Motor vehicle expenses	(148,161)	-
Depreciation and amortization	(102,434)	(115,066)
Representation expenses	(92,273)	(54,791)
Communication expenses	(82,436)	(63,788)
Archive and storage expenses	(71,772)	(50,787)
Insurance expense	(8,082)	(9,844)
Donation activities	(650)	-
Total	**(87,034,908)**	**(44,448,126)**

Currency: Turkish Lira ("TL"))

15. Operating Expenses (continued)

The details of personnel expenses in general administrative expenses for the accounting periods of 1 January - 31 December 2022 and 1 January - 31 December 2021 are as follows:

	1 January – 31 December 2022	**1 January – 31 December 2021**
Personnel expenses:		
Wages and salaries	(35,805,070)	(18,415,190)
Bonus provision expense (Note 11)	(12,950,973)	(5,416,454)
Social benefits	(3,128,716)	(1,527,213)
Training, organization and project expenses	(585,113)	(329,484)
Other personnel expenses (*)	(2,191,345)	(1,469,147)
Total	**(54,661,217)**	**(27,157,488)**

(*) Provision for employee termination benefits and unused vacation accruals are booked under other personnel related cost.

The Company has classified expenses in the accompanying financial statements on the basis of function.

For the accounting periods 1 January – 31 December 2022 and 1 January – 31 December 2021 details of marketing expenses are as follows:

Sales and marketing expenses:	**1 January – 31 December 2022**	**1 January – 31 December 2021**
Fund distribution commission expenses	(2,734,609)	(1,024,155)
Representation expenses	(193,685)	(99,071)
Marketing, sales and product expenses	(72,582)	(9,469)
Communication expenses	(6,251)	(5,492)
Travel expenses	(2,218)	(1,496)
Total	**(3,009,345)**	**(1,139,683)**

Currency: Turkish Lira ("TL"))

16. Income from Investing Activities

For the accounting periods of 1 January- 31 December 2022 and 1 January- 31 December 2021 details of investing income is as follows:

	1 January – 31 December 2022	**1 January – 31 December 2021**
Interest income on securities	2,286,745	6,481,392
Gain on sales of tangible assets, net	18,864	68
Total	**2,305,609**	**6,481,460**

17. Other Operating Income

For the accounting periods of 1 January- 31 December 2022 and 1 January- 31 December 2021 details of other operating income is as follows:

	1 January – 31 December 2022	**1 January – 31 December 2021**
Interest income on time deposits	30,064,542	26,273,665
Income from derivative financial assets sales and purchase	22,429,875	-
Interest income on sale of financial assets at fair value through profit and loss, net	12,503,898	1,412,687
ECL reversal	3,374	1,353,039
Other	1,039,041	164,133
Foreign exchange gain or loss, net	-	23,378,420
Total	**66,040,730**	**52,581,944**

18. Other Operating Expenses

For the accounting periods of 1 January – 31 December 2022 and 1 January – 31 December 2021 details of other operating expenses are as follows:

	1 January – 31 December 2022	**1 January – 31 December 2021**
Foreign exchange gain or loss, net	(13,907,821)	-
Lease interest expense	(326,016)	(302,531)
Derivative assets held for trading expense	-	(16,416,195)
Total	**(14,233,837)**	**(16,718,726)**

19. Income Taxes (including deferred tax assets and liabilities)

Corporate tax

The Company is subject to the corporate tax valid in Turkey. The tax provisions for expected tax liabilities reflected in the attached financial statements according to current period operational results.

19. Income Taxes (including deferred tax assets and liabilities) (continued)

As of December 31, 2022, the corporate tax rate is applied as 25% in the financial statements. Under the Law No. 7316 published in the Official Gazette dated April 22, 2021, the Corporate Tax rate was increased to 25% for the taxation period of 2021, starting from the returns required to be filed as of July 1, 2021 and effective for the taxation period starting from January 1, 2021, and this rate was determined as 23% for the taxation period of 2022. However, with the publication of Law No. 7394 in the Official Gazette dated April 15, 2022, the corporate tax rate for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies has been permanently increased to 25% and the said amendment is valid for declarations to be submitted after July 1, 2022. Therefore, as of the first quarter of 2022, the tax rate to be taken into account in the calculation of corporate tax was 23%, and the tax rate to be applied to the cumulative earnings of 2022 in the second quarter and following periods of 2022 is taken into account as 25%.

The Law on the Amendment of the Tax Procedure Law and the Corporate Tax Law became law on January 20, 2022, with the Law No. 7532 and it was decided that the financial statements shall not be subject to inflation adjustment regardless of whether the conditions for inflation adjustment within the scope of Article 298 have occurred in the 2021 and 2022 accounting periods and the 2023 accounting periods, including the temporary accounting periods. In accordance with Law No. 7352, inflation adjustment will be applied to the financial statements dated December 31, 2023, and the profit / loss difference arising from the inflation adjustment will be shown in the retained earnings / loss account and will not be subject to tax.

Law No. 7352 dated January 20, 2022 on the amendment of the Tax Procedure Law and the Corporate Tax Law was enacted on January 29, 2022 with the Official Gazette No. 31734 and the decision that the financial statements shall not be subject to inflation adjustment regardless of whether the conditions for inflation adjustment within the scope of Article 298 have occurred in the 2021 and 2022 accounting periods and the 2023 accounting periods, including the temporary accounting periods. On January 20, 2022, POA made a statement on the Implementation of Financial Reporting in High Inflation Economies under TFRS, and it was stated that there was no need to make any adjustments in the financial statements for 2021 within the scope of TAS 29 Financial Reporting in Hyperinflationary Economies.

According to the Corporate Tax Law, the financial losses shown on the return may be deducted from the corporate tax base of the period provided that they do not exceed five years. Declarations and related accounting records can be examined by the tax office within five years and tax accounts can be revised.

19. Income Taxes (including deferred tax assets and liabilities) (continued)

Income withholding Tax

In addition to corporate tax, income tax withholding should be calculated separately on dividends, excluding those distributed to full-fledged corporations and foreign companies' branches in Turkey, which receive dividends in case of distribution and declare these dividends by including them in corporate income. Income tax withholding was applied as 10% in all companies between April 24, 2003 and July 22, 2006. This rate has been applied as 15% as of 22 July 2006, with the Council of Ministers Decision No. 2006/10731. Dividends that are not distributed and added to the capital are not subject to income tax withholding.

Deferred tax

The corporate tax has been determined as 25% to be applied to the corporate earnings of the 2022 taxation period. Under TAS 12, deferred tax assets or liabilities are calculated based on tax rates (and tax laws) in force as of the end of the reporting period (balance sheet date) (and tax laws) using tax rates expected to be applied in the periods when assets are converted into income or liabilities are paid. For this reason, as of December 2022, deferred tax calculations were made at the rate of 25%, regardless of the maturity of assets and liabilities.

The Company's recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with IFRS. These differences are generally due to the fact that some income and expense items are included in different periods in tax base financial statements and financial statements prepared in accordance with IFRS, and these differences are stated below.

Following reconciliation shows the differences between the tax charge and the amounts computed by applying the statutory tax rate to profit before tax for the years ended 31 December 2022 and 31 December 2021:

Currency: Turkish Lira ("TL"))

19. Income Taxes (including deferred tax assets and liabilities) (continued)

	December 31, 2022	%	December 31, 2021	%
Profit before taxes	199,162,542		91,901,103	
Effective tax rate		25		25
Tax charge per statutory tax rate	49,790,636		22,975,276	
Additions	249,304		148,472	
Other	(4,297,233)		1,194,015	
Tax charge	**45,742,707**		**24,317,763**	

For the years ended 31 December 2022 and 31 December 2021, tax item in the profit or loss statement are as follows:

	December 31, 2022	December 31, 2021
Current tax charge	43,542,412	28,330,093
Deferred tax charge / (income)	2,200,295	(4,012,330)
Tax charge	**45,742,707**	**24,317,763**

As of 31 December 2022 and 31 December 2021, the tax liabilities for the period profit are as follows:

Profit tax liability for the period	December 31, 2022	December 31, 2021
Current tax provision for the period	43,542,412	28,330,093
Provision for corporate tax transferred from previous year	-	-
Taxes paid during the period	(20,605,830)	(14,686,447)
Total	**22,936,582**	**13,643,646**

As of 31 December 2021 and 31 December 2022, deferred tax assets and deferred tax liabilities are attributable to the items detailed in the table below:

	December 31, 2022	December 31, 2021
Deferred tax assets		
Provision for employee premium	2,662,565	438,389
Provision for employee termination benefits	908,722	334,010
Provision for unused vacation	544,862	224,093
Expected credit loss allowance	158,129	114,523
Provision for personnel salary increase	93,841	171,879
Provisions for expenses	62,500	-
IFRS 16 transition effect	43,707	24,660
Foreign Exchange Differences	6,671	-
Provision for derivative	-	5,158,871
Total deferred tax assets	**4,480,997**	**6,466,425**
Deferred tax liability		
Tangible assets	(9,812)	(8,798)
Foreign exchange valuation difference	-	(6,685)
Total deferred tax liability	**(9,812)**	**(15,483)**
Net deferred tax assets	**4,471,185**	**6,450,942**

Currency: Turkish Lira ("TL"))

19. Income Taxes (including deferred tax assets and liabilities) (continued)

	2022	2021
Balance at 1 January	6,450,942	2,404,569
Deferred tax income / (expenses) recognized under profit or loss	(2,200,294)	4,012,330
Deferred tax income / (expenses) recognized in equity	220,537	34,043
Balance at 31 December	**4,471,185**	**6,450,942**

20. Earnings Per Share

Earnings per share are not calculated in the financial statements because the Company's shares are not traded on the quoted shares.

As of 31 December 2022 and 31 December 2021, details of receivables and payables from related parties are as follows:

	December 31, 2022	December 31, 2021
Financial investments in related parties		
Garanti Finansal Kiralama A.Ş.	3	3
Trade receivables from related parties		
Fund and private portfolio management and performance fee receivables (*)		
Garanti Portföy Yönetimi A.Ş. Yatırım Fonları	25,199,170	10,047,022
Garanti Emeklilik ve Hayat A.Ş. Emeklilik Fonları	39,481,903	7,767,755
Garanti Yatırım Ortaklığı A.Ş.	21,967	17,589
Garanti Ödeme Sistemleri A.Ş.	8,721	877
Fund processing performance fee accruals		
Garanti Emeklilik ve Hayat A.Ş. Emeklilik Fonları	9,892,403	499,116
	74,604,164	**18,332,359**

(*) The expected credit loss provision of TL 622,146 calculated for trade receivables from related parties does not include the loss provision.

	December 31, 2022	December 31, 2021
Other receivables from related parties		
Receivables from staff	3,770	1,367
Türkiye Garanti Bankası A.Ş.	-	26,998
Garanti Portföy Yönetimi A.Ş. Yatırım Fonları	-	836,574
	3,770	**864,939**

As of December 31, 2022, TL 5,833,984 of the Company's bank deposits, equivalent to USD 313,790, and TL 261,060,000 deposits are not in the foreign exchange and TL deposit accounts of Türkiye Garanti Bankası A.Ş., the main shareholder of the Company (December 31, 2021: TL 131,877,727 deposits). As of December 31, 2022, the gross interest rate of foreign currency time deposits at Türkiye Garanti Bankası A.Ş. is 0,01% and the maturity is 31 days (December 31, 2021: The gross interest rate of TL time deposits is 19.48% and the maturity is less than o year, there are no foreign currency deposits).

As of 31 December 2022, cash and cash equivalents include Garanti Portföy Yönetimi 1. Para Piyasası Fund which is founded by the Company amounting to TL 6,500,532 (31 December 2021: TL 2,330,976).

Currency: Turkish Lira ("TL"))

21. Related Party Disclosures (continued)

As of 31 December 2022, short term financial assets include Garanti Portföy Yönetimi 5. Değişken Fund which is founded by the Company amounting to TL 7.172.547 (31 December 2021: TL 26.937.377 Garanti Portföy Yönetimi 1. Para Piyasası Değişken Fund).

	December 31, 2022	December 31, 2021
Trade payables to related parties		
Garanti Portföy Yönetimi A.Ş. Yatırım Fonları	2,267,275	904,495
Türkiye Garanti Bankası A.Ş.	1,194,455	687,992
Garanti Filo Yönetimi A.Ş.	43,206	49,414
Antur Turizm A.Ş.	22,308	787
Due to personnel	4,576	181
Garanti Emeklilik ve Hayat A.Ş.	321	-
	3,532,141	**1,642,869**

The Company had the following transactions with its related parties for the accounting periods of 1 January - 31 December 2022 and 1 January - 31 December 2021 are as follows:

	1 January – 31 December 2022	1 January – 31 December 2021
Interest on time deposits and interest on marketable securities		
Türkiye Garanti Bankası A.Ş.	10,405,993	13,352,335

	1 January – 31 December 2022	1 January – 31 December 2021
Fund and private portfolio management and performance fees		
Garanti Portföy Yönetimi A.Ş. Yatırım Fonları	152,430,884	67,404,413
Garanti Emeklilik ve Hayat A.Ş. Emeklilik Fonları	66,969,612	25,675,118
Garanti Yatırım Ortaklığı A.Ş.	228,755	287,321
Garanti Ödeme Sistemleri A.Ş.	8,892	9,119
Fund Management fee accruals		
Garanti Emeklilik ve Hayat A.Ş.	42,288,632	5,668,845
Total	**261,926,775**	**99,044,816**

Currency: Turkish Lira ("TL"))

21. Related Party Disclosures (continued)

	1 January – 31 December 2022	1 January – 31 December 2021
Commission expenses		
Türkiye Garanti Bankası A.Ş.	7,406,944	3,248,637
Software and technical support expenses		
Türkiye Garanti Bankası A.Ş.	4,138,565	2,335,110
Fund distribution expenses		
Türkiye Garanti Bankası A.Ş.	2,604,390	975,386
Rent expenses		
Türkiye Garanti Bankası A.Ş.	1,422,046	1,097,007
Building expenses		
Türkiye Garanti Bankası A.Ş.	457,373	463,233
Motor vehicle expenses		
Garanti Filo Yönetim Hizmetleri AŞ	441,103	507,319
Life insurance expenses		
Garanti Emeklilik ve Hayat A.Ş.	101,438	128,895
Total	**16,571,859**	**8,755,587**

For the period ended December 31, 2022, total benefits such as attendance fees, salaries, premiums, bonuses, and dividends provided to key management and Board of Directors members amounting to net TL 6.524.293 (December 31, 2021: TL 3.233.190) and total allowances given, in-kind and cash benefits, insurance and similar guarantees amounting to net TL 813.908 (December 31, 2021: TL 333.622).

Currency: Turkish Lira ("TL"))

22. Nature and Level of Risks Arising from Financial Instruments

The Company manages its risks arising from financial instruments within the scope of the "Communiqué on Principles Regarding the Capital and Capital Adequacy of Intermediary Institutions" (Communiqué V No: 34) published by the Capital Markets Board (CMB). Within the scope of Communiqué No. 34, the Company is obliged to periodically prepare and notify the CMB of the calculation tables of risk provision, capital adequacy base, and liquidity obligation.

Credit risk

The management fee consists of the mutual funds and portfolios managed by the Company.These receivables are determined by the contract and are collected on time.

Credit risks exposed by types of financial instruments:

	Receivables						
	Trade Receivables		Other Receivables				
31 December 2022	**Related Party**	**Other**	**Relatd Party**	**Other**	**Liquid Funds**	**Deposits at banks**	**Financial Investment**
Maximum credit risk exposed as of balance sheet date (A+B+C+D)(*)	**74.594.092**	**2.395.084**	**3.770**	**-**	**6.500.532**	**274.206.165**	**7.172.548**
- Secured portion of the maximum credit risk by guarantees (**)							
A. Net book value of financial asset that are neither past due nor impaired	74.594.092	2.395.084	3.770	-	6.500.532	274.206.165	7.172.548
B. Net book value of financial asset that are past due but not impaired	-	-	-	-	-	-	-
C Net book value of the impaired assets	-	-	-	-	-	-	-
D. Off-balance sheet items include credit risk	-	-	-	-	-	-	-

	Receivables						
	Trade Receivables		Other Receivables				
31 December 2021	**Related Party**	**Other**	**Relatd Party**	**Other**	**Liquid Funds**	**Deposits at banks**	**Financial Investment**
Maximum credit risk exposed as of balance sheet date (A+B+C+D)(*)	**18.329.884**	**484.685**	**864.939**	**-**	**2.330.976**	**196.817.434**	**90.347.103**
- Secured portion of the maximum credit risk by guarantees (**)							
A. Net book value of financial asset that are neither past due nor impaired	18.329.884	484.685	864.939	-	2.330.976	196.817.434	90.347.103
B. Net book value of financial asset that are past due but not impaired	-	-	-	-	-	-	-
C Net book value of the impaired assets	-	-	-	-	-	-	-
D. Off-balance sheet items include credit risk	-	-	-	-	-	-	-

(*) The factors that increase the credit reliability, such as guarantees received are not considered in the determination of the balance.
(**) Guarantees consist of guarantee letters, guarantee notes, and mortgages obtained from the customers.

Currency: Turkish Lira ("TL"))

22. Nature and Level of Risks Arising from Financial Instruments (continued)

Liquidity risk

The company is not exposed to liquidity risk as its short-term assets are more than its short-term liabilities.

The following are the contractual (or expected) maturities of non derivative financial liabilities of the Company as of 31 December 2022 and 31 December 2021:

31 December 2022

Expected Maturity	Carrying amount	Contractual Cash outflows	3 months or less	3-12 months	1-5 years
Non-derivative financial liabilities	**6,664,166**	**6,664,166**	**5,481,870**	**701,910**	**480,386**
Trade payables	3,624,991	3,624,991	3,624,991	-	-
Lease liabilities	1,669,564	1,669,564	487,268	701,910	480,386
Other payables(*)	1,369,611	1,369,611	1,369,611	-	-

31 December 2021

Expected Maturity	Carrying amount	Contractual Cash outflows	3 months or less	3-12 months	1-5 years
Non-derivative financial liabilities	**5.170.857**	**5.170.857**	**3.571.987**	**568.437**	**1.030.432**
Trade payables	1,852,892	1,852,892	1,852,892	-	-
Lease liabilities	1,966,367	1,966,367	367,497	568,437	1,030,432
Other payables(*)	1,351,598	1,351,598	1,351,598	-	-

(*) Taxes and duties are excluded.

Currency: Turkish Lira ("TL"))

22. The Nature and Level of Risks Arising from Financial Instruments (continued)

Currency Risk

When converting assets denominated in foreign currencies to TL, which is the functional currency, the Company is exposed to currency risk due to changes in the exchange rate on the transaction date and exchange rates on the reporting date.

As of 31 December 2022 and 31 December 2021, currency risk exposures of the Company are as follows (TL equivalents):

FOREIGN EXCHANGE POSITION TABLE						
	31 December 2022			**31 December 2021**		
	TL Equivalent (Functional currency)	USD	EUR	TL Equivalent (Functional currency)	USD	EUR
1. Trade receivables	-	-	-	-	-	-
2a. Cash and cash equivalents	5.833.984	313.790	-	3.788.820	289.378	-
2b. Non-monetary financial assets	-	-	-	-	-	-
3. Other	-	-	-	-	-	-
4.Current Assets (1+2+3)	**5.833.984**	**313.790**	**-**	**3.788.820**	**289.378**	**-**
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)	**5.833.984**	**313.790**	**-**	**3.788.820**	**289.378**	**-**
10. Trade payable	-	-	-	-	-	-
11. Financial liabilities	-	-	-	-	-	-
12a. Monetary other liabilities	-	-	-	-	-	-
12b. Non-monetary other liabilities	-	-	-	-	-	-
13. Current Liabilities (10+11+12)	-	-	-	-	-	-
14. Trade payable	-	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-	-
16a. Monetary other liabilities	-	-	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-	-	-
17. Non Current Liabilities (14+15+16)	-	-	-	-	-	-
18. Total Liabilities (13+7)	-	-	-	-	-	-
20. Net Foreign Currency Asset (liabilities) Position (9+18)	**5.833.984**	**313.790**	**-**	**3.788.820**	**289.378**	**-**

Currency: Turkish Lira ("TL"))

22. Nature and level of risks arising from financial instruments (continued)

Foreign exchange risk (continued)

Foreign currency sensitivity analysis TABLE

	31 December 2022			
	Profit/(Loss)		**Equity**	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case 10% appreciation USD against TL				
1- USD net asset/ (liability)	538.398	(538.398)	538.398	(538.398)
2- Part of hedged from USD risk(-)	-	-	-	-
3- US Dollar net effect (1+2)	**538.398**	**(538.398)**	**538.398**	**(538.398)**
In case 10% appreciation in EUR against TL				
4- EUR net asset/ (Liability)	-	-	-	-
5- Part of hedged from EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	**-**	**-**	**-**	**-**
In case 10% appreciation in other foreign currency against TL				
7-Other foreign currency net asset/(Liability)	-	-	-	-
8- Part of hedged from other foreign currency risk (-)	-	-	-	-
9-Other foreign currency net effect (7+8)	**-**	**-**	**-**	**-**
Total (3+6+9)	**538.398**	**(538.398)**	**538.398**	**(538.398)**

	31 December 2021			
	Profit/(Loss)		**Equity**	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case 10% appreciation USD against TL				
1- USD net asset/ (liability)	378.882	(378.882)	378.882	(378.882)
2- Part of hedged from USD risk(-)	-	-	-	-
3- US Dollar net effect (1+2)	**378.882**	**(378.882)**	**378.882**	**(378.882)**
In case 10% appreciation in EUR against TL				
4- EUR net asset/ (Liability)	-	-	-	-
5- Part of hedged from EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	**-**	**-**	**-**	**-**
In case 10% appreciation in other foreign currency against TL				
7-Other foreign currency net asset/(Liability)	-	-	-	-
8- Part of hedged from other foreign currency risk (-)	-	-	-	-
9-Other foreign currency net effect (7+8)	**-**	**-**	**-**	**-**
Total (3+6+9)	**378.882**	**(378.882)**	**378.882**	**(378.882)**

Currency: Turkish Lira ("TL"))

23. Financial Instruments (Fair Value Disclosures)

31 December 2022	**Carrying Value**	**Fair Value**
Financial assets		
Cash and cash equivalents (**)	280,084,551	280,084,551
Financial assets	7,172,548	7,172,548
Trade receivables (**)	76,989,176	76,989,176
Other receivables (**)	3,770	3,770
Financial liabilites		
Trade Payables	3,624,991	3,624,991
Other Payables (*)	1,369,611	1,369,611
Derivative financial liabilities	-	-

31 December 2021	**Carrying Value**	**Fair Value**
Financial assets		
Cash and cash equivalents (**)	199,148,410	199,148,410
Financial assets	90,347,103	90,347,103
Trade receivables (**)	18,814,569	18,814,569
Other receivables (**)	864,939	864,939
Financial liabilites		
Trade Payables	1,852,892	1,852,892
Other Payables (*)	1,351,598	1,351,598
Derivative financial liabilities	22,429,875	22,429,875

(*) Taxes and duties are excluded.

(**) Related financial assets are short term, therefore the booked value is accepted as inline with the fair value of financial assets.

Fair value disclosures

Management has determined the estimated fair value of financial instruments using already available market information and appropriate valuation methods.

Currency: Turkish Lira ("TL"))

23. Financial Instruments (Fair Value Disclosures) (continued)

Classification of fair value measurement

The table below analyses financial instruments carried at fair value, by valuation method The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial Instruments	**Fair Value**		**Fair Value Level**	**Valuation Technique**
	31 December 2022	**31 December 2021**		
Mutual Fund and Liquid Fund (fair value difference reflected in profit and loss)	13.673.080	29.268.353	Level 1	Market Price
Private Sector Bonds	-	63.409.726	Level 1	Market Price
Derivative Liabilities	-	22.429.875		
Swaps	-	*21.612.989*	Level 2	
Forwards	-	*816.886*	Level 2	

24. Fees for Services Received from Independent Auditors

The Company's explanation regarding the fees for the services rendered by independent audit firms, which is based on the KGK's letter dated August 19, 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on March 30, 2021, are as follows:

	31 December 2022	**31 December2021**
Independent audit fees in the reporting period	172.058	180.000
Fees for tax advisory	67.500	61.600
Fees for other assurance services	50.000	-
Total	**289.558**	**241.600**

25. Subsequent Events

None.

26. Other Disclosures

None.