

**Halkbank releases financial results for fiscal 2021
Halkbank Injected 730.5 billion TRY into the Turkish Economy**

Halkbank has increased its asset size by 32.5 percent to 901.2 billion Turkish lira in 2021 compared to year-end 2020. The bank increased its total loans by 29.5 percent to 730.5 billion Turkish lira compared to year-end 2020 and further expanded its support to the Turkish economy through different funding options for tradespeople and artisans, women entrepreneurs and SMEs. Halkbank also increased its total deposits by 36.9 percent to 625.9 billion Turkish lira.

Following its mission to put ‘People Before Banking,’ Halkbank redirected its financial resources to priority issues of national economy and, as in 2021, engaged in activities that benefited the society as well as the economy. Halkbank CEO Osman Arslan said: “We had a year of steady growth and high momentum in the Turkish economy. As Halkbank, we contributed to this acceleration and became Turkey’s fourth-largest bank by asset size as our worth reached 901.2 billion Turkish lira, making it the third largest in loans and the second largest in deposits. With a view to fulfill our responsibility towards our country, we increased our total loans to 730.5 billion Turkish lira to further contribute to our dynamic economy.”

As always, we will be enthusiastically supporting the tradespeople of this country. “The year 2021 was largely defined by our efforts to overcome the global challenges of the pandemic, which continued to prevail in many industries,” asserted Arslan. “The financial industry played a critical role during this period. The public banks, in particular, issued financial support to tradespeople, small enterprises and corporate and retail customers to keep the economy alive and thriving. Halkbank played a key role in Turkey in this regard. We once again reiterated our stance in following Turkey’s economic policy and our fundamental mission to always stand by tradespeople and artisans and SMEs. In 2021, we extended over 33 billion Turkish lira in loans to 245,000 tradespeople. The total size of loans we issued since 2002 nears 194.4 billion Turkish lira to 3.3 million tradespeople. As always, we will enthusiastically support the tradespeople of this country.”



Leading bank for SMEs

The scope of Halkbank's national economic contributions extends beyond tradespeople and artisans, as they increased the ratio of SMEs in total commercial loans to a strong 53 percent. As Halkbank CEO Osman Arslan noted: "We have been the leading bank for SMEs since 2017 with a market share of 19.5 percent. We have never ceased issuing loans to the real economy."

8.6 billion TRY to 88,500 women entrepreneurs

In line with the 'The Bank of Productive Women' initiative, Halkbank issued over 8.6 billion Turkish lira of funding to 88,500 women entrepreneurs in 2021. Arslan further added: "We were fortunate to touch the lives of many women entrepreneurs in nearly all professions through our Productive Women Meetings, and we contributed to many women's cooperatives. We witnessed our contributions transform into investment, production, employment and export. In 2022, we will organize the first 'Halkbank Productive Women Competition' to extend the reach of our financial contributions to include marketing, communication and training support."

Non-branch transactions over 96 percent

Osman Arslan emphasized the full-speed investments into digitalization, adding: "In 2021, we completely overhauled our mobile banking and internet banking applications. Our mobile banking application is now 20 percent faster. The application now contains 400 features, including the improvements and new features added in 2021. Subsequently, the ratio of digital banking transactions, including on mobile and internet interfaces, reached 87 percent while the total non-branch transactions exceeded 96 percent. In 2022, we will further vary our non-branch service models to provide continuous access for our clients. This year, the number of our active digital clients reached 4.5 million, which we aim to further increase to 6 million by the following year."

All service units certified to Zero Waste

Halkbank has once again set an example in the banking industry by obtaining the Zero Waste Certificate for each of its 1,055 service units across the 81 provinces of Turkey. Arslan emphasized the company's resolve to prioritize sustainability in their operations and in the business areas of their shareholders, noting: "We completed a year full of exceptional achievements with an inclusive and participatory approach towards the growth of our bank and our national economy. In 2022, we will continue to provide financial opportunities and solutions to our customers and to benefit the Turkish economy."



HALKBANK SUMMARY FINANCIAL STATEMENT

Million TRY

	2020	2021	YoY Change	YoY Change (%)
Total Assets	680,026	901,217	221,190	32.5
Securities	159,200	223,301	64,101	40.3
Cash Loans	449,745	539,588	89,843	20
Non-Cash Loans	114,555	190,941	76,385	66.7
Total Loans	564,301	730,529	166,228	29.5
Deposits	457,286	625,904	168,618	36.9
Shareholders' Equity	42,931	43,500	570	1.3
Net Income for the Period	2,600	1,508	-1,092	-42

Rediscounts included.

Rediscounts and gross non-performing loans are included in cash loans.