

Halkbank released financial results for the first quarter of 2022.

Halkbank Injected 807.8 billion TRY into the Turkish Economy

In comparison to the previous year, Halkbank grew its asset size by 39.3 percent to 965.3 billion Turkish lira by the end of March 2022. Prompting market activity during the first quarter of the year through financial options, Halkbank increased total loans by 39.8 percent to 807.8 billion Turkish lira while total deposits reached 673.2 billion Turkish lira by a 42.8 percent increase. The bank achieved two billion Turkish lira worth of net profit during this period.

Maintaining support in market activity through financial options addressed to tradespeople-artisans, different professions, entrepreneurs and SMEs, Halkbank particularly increased the 2021 subsidies to women entrepreneurs during the first quarter. **Halkbank CEO Osman Arslan stated the following, "Motivated by our contribution and our responsibility towards the Turkish economy, which finalized the year 2021 with an 11 percent growth, we have set off to 2022 with efficient business results. During the first quarter of the year, our bank grew its asset size to 965.3 billion Turkish lira and total deposits to 673.2 billion Turkish lira. We boosted our cash loans to 585.4 billion Turkish lira during the same period and we gradually increased our contribution in the Turkish economy through our total loans, which have increased by 39.8 percent and reached 807.8 billion Turkish lira. We achieved two billion Turkish lira net period profit during this quarter."**

Leading bank for Tradespeople and SMEs

Osman Arslan noted that, guided by its fundamental mission and our national economy policies, Halkbank always stands with the tradespeople, artisans and SMEs. **He further added, "In 2021, we issued a total subsidy to tradespeople worth 33 billion Turkish lira and in 2022, 19 billion Turkish lira. We increased the number of tradespeople using our tailored loan for tradespeople to 1.2 billion and boosted the balance of our loan for tradespeople to 82.7 billion Turkish lira. The share of SME loans in our bank's total commercial loans reached fifty percent while our market share in SME loans registered as 18.4 percent. Our SME loan size reached 245.9 billion Turkish lira. As Halkbank, we maintained our position as the leading bank for SMEs since 2017."**

"We completed the first year of our Productive Women Project"

Halkbank CEO Osman Arslan noted that they reached a new threshold in efforts towards women entrepreneurs with the first-ever Halkbank Productive Women Competition, and added: **"We received nearly 2,500 applications to our competition within a short period of time. The qualification process was intense with many high-added value and unique projects. We presented the financial awards on the eve of March 8, International Women's Day, to our successful women entrepreneurs who produce, invest, boost employment and join in export. We also offered opportunities to entrepreneurs in marketing, communications and education to improve and promote their business. The competition marked the first year of our Productive Women Project. We exceeded the targeted 100,000 women entrepreneurs and reached 105,000 women entrepreneurs and 10.7 billion Turkish lira in loan volume. As the 'Bank for**

Productive Women,' we will continue to strengthen our position in this lane and maintain our women-oriented projects in the upcoming years."

Halkbank supports all import and export companies in the Productive Türkiye

Arslan reminded that Halkbank supports not only the women entrepreneurs, but also all import and export companies of Productive Türkiye. **Arslan further noted the following, "We contributed in increasing national exports through our treasury-supported, CGF-backed loans. In addition to encouraging new investments and funding current operating costs of export companies for affordable conditions, we also stood by companies in encouraging employment boost in Türkiye. From now on, we will strive to render all components of Productive Türkiye's real economy more competitive."**

"We facilitate access to funding by entrepreneurs"

Osman Arslan explained that they increased their contribution in the development of the entrepreneurship ecosystem through six different entrepreneur models. **Osman Arslan stated that, "Our Young, Brave, Master, Techno, People and Tradespeople Entrepreneur Loans aim to facilitate access to funding by entrepreneurs of all ages and all educational and experience backgrounds from university graduate young entrepreneurs to experienced professionals looking to establish their own business."**

"We listen to the sectors during our business world meetings"

Osman Arslan underlined that the bank focuses on serving the real economy through financial capacities and noted that they value the meetings with sector representatives and leading names in the business world. **Arslan affirmed, "We visited the chambers of commerce and industry in numerous provinces under the coordination of the Ministry of Treasury and Finance. We started off in Bursa and continued our field activities in Antalya, Gaziantep, Izmir, Şanlıurfa and Tekirdağ, where we listened to the needs of the business world from the first-hand experience. We will continue these highly fruitful meetings in the upcoming period."**

Contribution in the adoption of new banking products

Highlighting their significant contribution in the adoption of the new banking products introduced by the Ministry of Treasury and Finance and the Central Bank including the FX-Protected Time Deposit Accounts and the Gold Deposit Accounts, Osman Arslan continued; **"Our new products allow converting physical gold products to Turkish lira, thus encouraging the injection of piggy bank savings into our economy. We not only add value to our citizens' savings with state-guarantee, but we also contribute in the growth of our country."**

Arslan noted that they launched the 'Deposit Account for Turkish Citizens Resident Abroad,' known briefly as YUVAM, to encourage foreign currency savings of Turkish citizens resident abroad to bring their savings to Türkiye. **Halkbank CEO Osman Arslan, "Under the shadow of the tension stemming from the global inflation and the Russia-Ukraine conflict, we will continue to maintain our balance sheet quality and contribute in the accelerating momentum and sustainability of economic activities. Guided by our principle, 'People Before Banking,' we will sustain our effective presence for the benefit of Türkiye."**

'Smiling Book' Project

Halkbank contributes in national development not only financially but also through social and cultural services. A new project that will reform the reading habits has been introduced. Halkbank launched the 'Smiling Book' project to encourage donation of books at home with the idea of a 'Book Brotherhood' to transfer these books from city centers to far away primary and secondary schools as well as to nursing homes to create libraries. Within the scope of the project, Halkbank aims to mobilize all volunteering book-lovers and to collect at least 50,000 books per year to contribute in the libraries of 500 schools and nursing homes.

HALKBANK SUMMARY FINANCIAL STATEMENT

Million TRY

	March 21	2021	March 22	March 2022 – 2021		March 22 – March 21	
				YoY Change	YoY Change (%)	YoY Change	YoY Change (%)
Total Assets	692.884	901.217	965.287	64.071	7,1	272.403	39,3
Securities	165.483	223.301	259.145	35.844	16,1	93.662	56,6
Cash Loans	453.479	539.588	585.404	45.816	8,5	131.926	29,1
Non-Cash Loans	124.218	190.941	222.403	31.462	16,5	98.185	79,0
Total Loans	577.697	730.529	807.807	77.278	10,6	230.110	39,8
Deposits	471.623	625.904	673.248	47.343	7,6	201.625	42,8
Shareholders' Equity	42.059	43.500	63.370	19.869	45,7	21.311	50,7
Net Income for the Period	59	1.508	2.025	2.025		1.966	3.330,5

Rediscounts included.

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