

**ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.**

**FINANCIAL STATEMENTS AT 31 DECEMBER 2022  
TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT**

**(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND  
RELATED DISCLOSURES AND FOOTNOTES ORIGINALLY ISSUED IN  
TURKISH, SEE NOTE. 2.1 OF SECTION NOTE 2)**



**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INDEPENDENT AUDITOR’S REPORT  
ORIGINALLY ISSUED IN TURKISH**

**INDEPENDENT AUDITOR’S REPORT**

To the General Assembly of Ziraat Katılım Varlık Kiralama A.Ş.

**A. Audit of the financial statements**

**1. Our opinion**

We have audited the accompanying financial statements of Ziraat Katılım Varlık Kiralama A.Ş. (the “Company”) which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements comprising a summary of significant accounting policies.

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

**2. Basis for opinion**

Our audit was conducted in accordance with the Standards on Independent Auditing (the “SIA”) that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the “POA”). Our responsibilities under these standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the “Ethical Rules”) and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

**3. Key audit matters**

No matters have been determined to be the key audit matters to be communicated in our report.



#### **4. Responsibilities of management and those charged with governance for the financial statements**

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### **5. Auditor's responsibilities for the audit of the financial statements**

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is 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 independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements 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 independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in 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.



- Assess the 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 independent 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.

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

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. Other responsibilities arising from regulatory requirements**

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code (“TCC”) No. 6102 and that causes us to believe that the Company’s bookkeeping activities concerning the period from 1 January to 31 December 2022 period are not in compliance with the TCC and provisions of the Company’s articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

**Additional explanation for convenience translation into English**

Turkish Financial Reporting Standards differ from International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board with respect to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies by 31 December 2022. Accordingly, the accompanying financial statements are not intended to present fairly the financial position and results of operations of the Company in accordance with IFRS.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

A handwritten signature in blue ink, appearing to read "Zeynep Uras", is written over a light blue circular stamp.

Zeynep Uras, SMMM  
Partner

Istanbul, 10 February 2023

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

---

<b>TABLE OF CONTENTS</b>		<b>PAGE</b>
<b>STATEMENT OF FINANCIAL POSITION .....</b>		<b>1</b>
<b>STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME .....</b>		<b>2</b>
<b>STATEMENT OF CHANGES IN EQUITY .....</b>		<b>3</b>
<b>STATEMENT OF CASH FLOWS.....</b>		<b>4</b>
<b>NOTES TO THE FINANCIAL STATEMENTS .....</b>		<b>5-30</b>
NOTE 1	THE ORGANIZATION AND BUSINESS ACTIVITY OF THE COMPANY .....	5-6
NOTE 2	BASIS OF PRESENTATION OF FINANCIAL STATEMENTS.....	6-15
NOTE 3	SEGMENT REPORTING .....	15
NOTE 4	CASH AND CASH EQUIVALENTS .....	15
NOTE 5	TRADE RECEIVABLES .....	15
NOTE 6	OTHER CURRENT ASSETS .....	16
NOTE 7	BORROWINGS.....	16-21
NOTE 8	TRADE PAYABLES.....	21
NOTE 9	TAX ASSETS AND LIABILITIES.....	21-22
NOTE 10	OTHER LIABILITIES .....	22
NOTE 11	EQUITY.....	23
NOTE 12	REVENUE.....	23
NOTE 13	COST OF SALES .....	23-24
NOTE 14	GENERAL ADMINISTRATIVE EXPENSES.....	25
NOTE 15	OTHER OPERATING INCOME .....	25
NOTE 16	RELATED PARTIES .....	25-26
NOTE 17	NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS.....	26-28
NOTE 18	FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS .....	29
NOTE 19	EVENTS AFTER THE REPORTING PERIOD.....	29-30

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

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

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

	Notes	Audited 31.12.2022	Audited 31.12.2021
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	4,16	400.983	365.403
Trade Receivables	5	5.380.908.855	4.156.952.833
-Trade Receivables from Related Parties	16	5.380.908.855	4.156.952.833
Other Current Assets	6	500	13.565
-Other Current Assets from Related Parties	6,16	-	12.500
-Other Current Assets from Third Parties		500	1.065
<b>Total Current Assets</b>		<b>5.381.310.338</b>	<b>4.157.331.801</b>
<b>TOTAL ASSETS</b>		<b>5.381.310.338</b>	<b>4.157.331.801</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Short-Term Borrowings	7	5.380.808.375	4.156.876.137
-Short-Term Borrowings from Third Parties	7	5.380.808.375	4.156.876.137
-Issued Debt Instruments	7	5.380.808.375	4.156.876.137
Trade Payables	8	65.298	76.696
-Trade Payables to Related Parties		-	-
-Trade Payables to Third Parties		65.298	76.696
Current Income Tax Liabilities	9	5.827	16.771
Other Current Liabilities	10	33.038	19.480
-Other Current Liabilities to Related Parties	10,16	-	12.500
-Other Current Liabilities to Third Parties	10	33.038	6.980
<b>Total Current Liabilities</b>		<b>5.380.912.538</b>	<b>4.156.989.084</b>
Paid-in Share Capital	11	50.000	50.000
Restricted Reserves	11	10.000	4.745
- Retained Earnings		10.000	4.745
Prior Years Income	11	282.717	111.969
Profit for the period		55.083	176.003
<b>Total Equity</b>		<b>397.800</b>	<b>342.717</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>5.381.310.338</b>	<b>4.157.331.801</b>

The following explanations and notes constitute an integral part of the financial statements.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

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

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

	Notes	Audited 01/01/2022- 31/12/2022	Audited 01/01/2021- 31/12/20 1
Revenue	12	851.131.611	606.587.851
Cost of Sales	13	(851.131.611)	(606.587.851)
<b>GROSS PROFIT</b>		-	-
General Administrative Expenses	14	(19.585.401)	(13.699.707)
Other operating income	15	19.658.845	13.934.378
<b>OPERATING PROFIT/(LOSS)</b>		<b>73.444</b>	<b>234.671</b>
<b>OPERATING PROFIT/(LOSS) BEFORE FINANCE INCOME (EXPENSE)</b>		<b>73.444</b>	<b>234.671</b>
<b>PROFIT/(LOSS) FROM CONTINUING OPERATIONS BEFORE TAX</b>		<b>73.444</b>	<b>234.671</b>
Tax Income/(Expense)	9	(18.361)	(58.668)
<i>Current Tax Income/(Expense)</i>		<i>(18.361)</i>	<i>(58.668)</i>
<b>PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>55.083</b>	<b>176.003</b>
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>55.083</b>	<b>176.003</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>		<b>55.083</b>	<b>176.003</b>
<b>EQUITY HOLDERS OF THE PARENT</b>		<b>55.083</b>	<b>176.003</b>

The following explanations and notes constitute an integral part of the financial statements.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

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

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

	Notes	Paid-in Share Capital	Restricted reserves	Prior Years Income	Profit for the Period	Total equity
<b>1 January 2021</b>	<b>11</b>	<b>50.000</b>	<b>-</b>	<b>21.836</b>	<b>94.878</b>	<b>166.714</b>
Transfers		-	4.745	90.133	(94.878)	-
Total comprehensive income		-	-	-	176.003	176.003
<b>31 December 2021</b>	<b>11</b>	<b>50.000</b>	<b>4.745</b>	<b>111.969</b>	<b>176.003</b>	<b>342.717</b>
<b>1 January 2022</b>	<b>11</b>	<b>50.000</b>	<b>4.745</b>	<b>111.969</b>	<b>176.003</b>	<b>342.717</b>
Transfers		-	5.255	170.748	(176.003)	-
Total comprehensive income		-	-	-	55.083	55.083
<b>31 December 2022</b>	<b>11</b>	<b>50.000</b>	<b>10.000</b>	<b>282.717</b>	<b>55.083</b>	<b>397.800</b>

The following explanations and notes constitute an integral part of the financial statements.

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

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

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

	Notes	Audited 01/01/2022- 31/12/2022	Audited 0/01/2021 - 31/12/2021
<b>A. Cash flows from operating activities:</b>		<b>35.580</b>	<b>134.025</b>
<b>Profit for the period</b>		<b>55.083</b>	<b>176.003</b>
<b>Adjustments to reconcile profit for the period to cash generated from operating activities:</b>		<b>18.361</b>	<b>58.668</b>
Adjustments related to profit share income	5	(180.808.375)	(106.904.953)
Adjustments related to profit share expenses	5	180.808.375	106.904.953
Adjustments related to tax expenses		18.361	58.668
<b>Changes in working capital</b>		<b>(8.562)</b>	<b>(43.098)</b>
Adjustments related to decrease/(increase) in trade receivables - <i>Decrease/(Increase) in trade receivables from related parties</i>		(1.223.956.022) (1.223.956.022)	(143.203.136) (143.203.136)
Decrease/(Increase) in borrowings from financial sector activities		1.223.932.238	143.126.425
Adjustments related to decrease/(increase) in other receivables from activities		13.064	(13.565)
Adjustments related to decrease/(increase) in other liabilities from activities		2.158	47.178
<b>Total cash flows from operating activities:</b>		<b>(29.302)</b>	<b>(57.548)</b>
Income received lease certificate ("sukuk")	12	851.131.611	606.587.851
Expenses paid to lease certificate	13	(851.131.611)	(606.587.851)
Tax payments	9	(29.302)	(57.548)
<b>B. Cash flows from investing activities:</b>		-	-
<b>Net cash flows from investing activities</b>		-	-
<b>C. Cash flows from financing activities:</b>		-	-
Cash inflows from the issuance of equity and other equity-based instruments		-	-
Cash inflows from borrowings		-	-
<b>Net cash flows from financing activities</b>		-	-
<b>D. Effect of exchange rate changes on cash and cash equivalents</b>		-	-
<b>Net changes in cash and cash equivalents (A+B+C+D)</b>		<b>35.580</b>	<b>134.025</b>
<b>E. Cash and cash equivalents at the beginning of the period</b>	<b>4</b>	<b>365.403</b>	<b>231.378</b>
<b>Cash and cash equivalents at the end of the period (A+B+C+D+E)</b>	<b>4</b>	<b>400.983</b>	<b>365.403</b>

The following explanations and notes constitute an integral part of the financial statements.

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

### 1 - THE ORGANIZATION AND BUSINESS ACTIVITY OF THE COMPANY

Ziraat Katılım Varlık Kiralama A.Ş. ("Company") was established on 22 January 2016, with a fully paid-up capital of 50.000 Turkish Lira, entirely funded by Ziraat Katılım, and with permission granted by the Banking Regulation and Supervision Agency and the Capital Markets Board within the framework of the Capital Markets Board's Lease Certificates Communiqué (III-61.1) published in the Official Gazette dated 7 June 2013.

The Company was established exclusively for the purpose of issuing lease certificates. The Company, acting as the representative of the investors from whom it raises funds through the issuance of lease certificates, carries out the following activities in order to achieve its purpose:

- To acquire all kinds of assets and rights in its own name and on behalf of lease certificate holders from the funding institution and lease them to the funding institution or third parties,
- To enter into contracts concerning the management of assets or rights belonging to the funding institution, including but not limited to leasing them for the duration of the lease without transferring ownership,
- To pay or transfer to lease certificate holders, in proportion to their shares, the income derived from the assets and rights underlying the issuance and the collections made from the fund users,
- To transfer the assets and rights subject to the contract to the funding institution or third parties at the end of the term, in the originally agreed conditions if required by the lease certificate issuance, and to pay the sales proceeds to lease certificate holders in proportion to their shares,
- To conduct the activities mentioned above in the interests of investors and in line with the Company's objectives, either with the assets it owns or without taking ownership of assets owned by third parties, and to manage, operate, and legally dispose of these assets in its own name, ensuring their management, and establish in-kind rights in favor of the funding institution or third parties, as permitted by the relevant regulations of the Capital Markets Board,
- To finance the acquisition of assets or rights by purchasing them and selling them to companies of the specified quality, with deferred payments, in accordance with the regulations of the Capital Markets Board and the characteristics specified in the relevant Communiqué,
- To establish new joint ventures based solely or in partnership with other partners on a profit and loss sharing basis, to participate in a joint venture, and to sell partnership shares,
- To act as a contractor, enter into construction contracts, lease and sell works, issue lease certificates based on construction contracts, and arrange other contracts such as service, participation, or land-for-construction to finance the construction of the work,
- To enter into contracts with fund users, funding institutions, authorized/intermediary institutions, and third parties for the purpose of carrying out the aforementioned activities, and to become a party to any commercial agreements and regulations that may be beneficial for its purpose and within the legal framework,

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

### 1 - THE ORGANIZATION AND BUSINESS ACTIVITY OF THE COMPANY (Continued)

- To act as the representative or trusted person of lease certificate holders, for the benefit of lease certificate holders, to secure or protect any rights and claims that have arisen or may arise in its favor, or to hedge against risks it may face, by obtaining collateral in the form of all kinds of movable and immovable mortgages (mortgages) and other in-kind and personal guarantees, to assign both existing and future receivables, to obtain guarantees provided by third parties, and to engage in all necessary legal transactions for this purpose,
- To carry out other transactions related to the issuance of lease certificates within the framework of the regulations and decisions of the Capital Markets Board, to make contracts and engage in activities, and to engage in other activities determined by the Capital Markets Board.

In addition to the matters shown above, in the future, the Company may engage in any kind of transactions and activities that are deemed beneficial and necessary within the scope of its purpose and subject to the regulations of the capital markets, provided that the necessary permissions are obtained from the Capital Markets Board.

The company's registered office address is Hobyar Eminönü Mahallesi Hayri Efendi Cad. No:12 Fatih / Istanbul.

As of 31 December 2022, the Company does not have any personnel (31 December, 2021: None).

Shareholder's Title	Share Ratio	Number of Shares	Number of Stakes
Ziraat Katılım Bankası A.Ş.	100%	50.000	50.000

### 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

#### 2.1 Basis of presentation

##### 2.1.1 Declaration of compliance with Turkish Financial Reporting Standards ("TFRS")

The attached financial statements are prepared in accordance with the provisions of the "Communiqué on Principles of Financial Reporting in the Capital Markets" ("Communiqué") numbered II-14.1, published in the Official Gazette numbered 28676 dated 13 June 2013 and published by the Capital Markets Board ("CMB") on Public Oversight, Accounting and it has been prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") put into effect by the Auditing Standards Authority ("POA"). TFRSs; It contains the Standards and Comments published by the POA under the names of Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TASI and TFRSI.

In accordance with the provisions of the "Communiqué on Lease Certificates", Series III, numbered 61.1, published in the Official Gazette dated 7 June 2013 and numbered 28670 of the CMB, the assets, rights and liabilities subject to the issuance of each issue of lease certificates, as well as the income to be obtained from them and the expenses to be incurred, are included in the relevant lease certificate. are tracked separately in the accounting records on a basis, and the relevant assets and liabilities, revenues to be obtained and expenses to be incurred are shown as gross in the account items of trade receivables and borrowings in the attached financial position statement, and revenue and cost of sales in the profit or loss and other comprehensive income statement.

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

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

#### 2.1 Basis of presentation (Continued)

The financial statements have been presented in accordance with the Turkish Financial Reporting Standards (TFRS) Taxonomy developed based on financial statement examples specified in the Financial Statements Examples and Usage Guide published in the Official Gazette dated 7 June 2019, and numbered 30794 by the Public Oversight, Accounting, and Auditing Standards Authority (POA).

##### *Approval of financial statements:*

The financial statements were approved by the Company's Board of Directors on 10 February 2023. It's important to note that both the Company's General Assembly and relevant regulatory authorities have the right to request changes to these financial statements.

##### *Explanation for convenience translation into English:*

The accounting principles described in Note 2.1.6 (defined as Turkish Financial Reporting Standards) to the accompanying financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting, classification of some income statement items and also for certain disclosure requirements of the POA.

#### 2.1.2 Functional and presentation currency

The financial statements have been presented in the functional currency, which is the primary currency used in the Company's main economic environment. The financial position and results of the Company are expressed in Turkish Lira ("TL"), which is both the functional currency of the Company and the presentation currency for the financial statements. All financial information, unless otherwise specified, is presented in TL. This means that the financial statements have been prepared and reported in TL, and all financial data is presented in TL unless otherwise indicated.

#### 2.1.3 Comparatives and adjustment of prior periods' financial statements

The financial statements are prepared in a comparative manner with the previous period in order to assess the financial position, performance, and trends in cash flows of the Company. If the presentation or classification of items in the financial statements has changed to ensure comparability, the previous period financial statements are also reclassified accordingly, and explanations are provided regarding these matters.

#### 2.1.4 Offsetting

Financial assets and liabilities are presented on the balance sheet (financial statement) at their net amounts when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

#### 2.1.5 Going concern

The company has prepared its financial statements in accordance with the going concern principle.

#### 2.1.6 Adjustments of financial statements during high inflation periods

TAS 29 High Inflation Economies Financial Reporting Standard addresses economies where high inflation is present, specifying a threshold value to determine whether high inflation exists in an economy and explaining how financial statements of entities operating in a currency of a high inflationary economy should be adjusted for inflation. The Public Oversight, Accounting and Auditing Standards Authority (POA) announced on 20 January 2022, regarding the application of the Turkish Financial Reporting Standards, the Financial Reporting Standard for Large and Medium-sized Entities within the scope of TAS 29 in high inflationary economies. According to this announcement, entities applying TFRS do not need to make any adjustments under TAS 29 for their financial statements for the year 2021. As of the date of preparation of these financial statements, no new announcement has been made by POA regarding TAS 29, and as of 31 December 2022, financial statements have not been adjusted for inflation in accordance with TAS 29.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

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

##### 2.1 Basis of Presentation (Continued)

##### 2.1.7 Changes in Accounting Policies

Changes in accounting policies arising from the first-time application of a new TFRS are applied retrospectively in accordance with the transitional provisions of that TFRS, if any. Changes without any transitional provisions, significant changes made on a voluntary basis in accounting policies, or identified accounting errors are retrospectively applied, and the previous period financial statements are restated

##### 2.1.8 Implementation of new and revised financial reporting standards

###### a. *Standards, amendments, and interpretations applicable as of 31 December 2022:*

- **Amendment to TFRS 16, ‘Leases’ – Covid-19 related rent concessions Extension of the practical expedient (effective 1 April 2021);** As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the TASB published an amendment to TFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the TASB published an additional amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.
- **A number of narrow-scope amendments to TFRS 3, TAS 16, TAS 37 and some annual improvements on TFRS 1, TFRS 9, TAS 41 and TFRS 16;** effective from annual periods beginning on or after 1 January 2022.
  - **Amendments to TFRS 3, ‘Business combinations’** update a reference in TFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
  - **Amendments to TAS 16, ‘Property, plant and equipment’** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
  - **Amendments to TAS 37, ‘Provisions, contingent liabilities and contingent assets’** specify which costs a company includes when assessing whether a contract will be loss-making.

Annual improvements make minor amendments to TFRS 1, ‘First-time Adoption of TFRS’, TFRS 9, ‘Financial Instruments’, TAS 41, ‘Agriculture’ and the Illustrative Examples accompanying TFRS 16, ‘Leases’.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

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

##### 2.1 Basis of Presentation (Continued)

*b. Standards, amendments, and interpretations that are issued but not effective as of 31 December 2022:*

- **Narrow scope amendments to TAS 1, Practice statement 2 and TAS 8;** effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- **Amendment to TAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
- **Amendment to TFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in TFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendment to TAS 1 – Non current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
  - **TFRS 17, ‘Insurance Contracts’, as amended in December 2021;** effective from annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

The company's management will assess the impact of the standards and standard changes mentioned above, which have not yet come into effect, on their operations, and they will apply them from the effective date onwards.

##### 2.1.9 Changes in Accounting Estimates and Errors

Changes in accounting estimates are applied prospectively to the current period if they relate to that period only or both the period of change and future periods if they relate to future periods. There have been no significant changes in accounting estimates during the current period for the Company.

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

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

#### 2.2 Summary of Significant Accounting Policies

##### 2.2.1 Financial instruments

###### Loans and receivables

Trade and other receivables and loans with fixed and determinable payments that are not traded in the market are classified in this category. Loans and receivables are measured at amortized cost using the effective interest rate method, as the contractual cash flows are intended to be collected and the contractual terms meet the criteria to lead to cash flows that include only principal and interest payments on certain dates.

###### Financial liabilities

The Company's financial liabilities and equity instruments are classified according to contractual arrangements and the basis on which a financial liability and an equity instrument are defined. The contract representing the right to the remaining assets of the company after deducting all its debts is an equity-based financial instrument.

Financial liabilities are valued at discounted value using the internal rate of return method.

###### IFRS 9 Financial Instruments

IFRS 9 regulates the provisions regarding the recognition and measurement of financial assets and financial liabilities.

IFRS 9 determines the requirements for the recognition and measurement of financial assets and liabilities and contracts for the purchase or sale of certain non-financial items. Details of significant new accounting policies and the impact and nature of changes in previous accounting policies are set out below.

###### *i. Classification of financial assets and liabilities*

initial recognition in the financial statements, a financial asset is classified as measured at amortized cost, measured at fair value through other comprehensive income ("OCI") with fair value changes recognized in OCI - debt instruments, measured at fair value through OCI with fair value changes recognized in OCI - equity instruments, or measured at fair value through profit or loss with fair value changes recognized in profit or loss. The classification of financial assets within the scope of IFRS 9 generally depends on the business model used by the entity for managing financial assets and the characteristics of the contractual cash flows of the financial asset. The requirement for the separation of embedded derivatives from financial assets has been eliminated under the standard, and the classification of a hybrid contract as a whole should be assessed.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

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

##### 2.2 Summary of Significant Accounting Policies (Continued)

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

- Held within a business model whose objective is to collect contractual cash flows, and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on specified dates.
- If a financial liability does not meet both of these conditions and is not classified as measured at fair value with fair value changes recognized in profit or loss, fair value changes are recognized in other comprehensive income for the financial liability:
- Held within a business model whose objective is both to collect contractual cash flows and to sell financial assets, and
- The contractual terms of the financial liability give rise to cash flows that are solely payments of principal and interest on specified dates.

In the initial recognition of investments in equity instruments not held for trading purposes, an irrevocable choice may be made to present subsequent changes in fair value in other comprehensive income. This choice can be made on an investment-by-investment basis.

All financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value with fair value changes recognized in profit or loss. In the initial recognition of financial assets in the financial statements, a financial asset may be designated as measured at fair value through profit or loss, provided that it eliminates or significantly reduces an accounting mismatch resulting from measuring financial assets differently or presenting gains or losses on them differently in the financial statements, and this designation is irrevocable.

In the initial measurement of financial assets other than those for which fair value changes are recognized in profit or loss (except for trade receivables that are measured at initial recognition at transaction price and do not have a significant financing component), transaction costs directly attributable to the acquisition or issuance of these financial assets are also added to their fair value.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

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

##### 2.2 Summary of Significant Accounting Policies (Continued)

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

<b>Financial assets measured at fair value through profit or loss</b>	These assets are measured at their fair value on subsequent measurements. Net gains and losses relating thereto, including any interest or dividend income, are recognized in profit or loss.
<b>Financial assets measured at amortized cost</b>	These assets are subsequently measured at amortized cost using the effective interest method. If any, amortized costs are reduced by the amount of impairment losses. Interest income, foreign currency gains and losses and impairment losses are recognized in profit or loss. Gains or losses resulting from their derecognition are recognized in profit or loss.
<b>Debt instruments measured at fair value through other comprehensive income</b>	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses, and impairments are recognized in the income statement. Other gains and losses are recognized in other comprehensive income. When financial assets are derecognized from the balance sheet, any previously recognized gains or losses in other comprehensive income are reclassified to the income statement.
<b>Equity instruments at fair value through other comprehensive income</b>	These assets are subsequently measured at fair value. Dividends are recognized in profit or loss unless it clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are not reclassified to profit or loss.

##### ii. Impairment of financial assets

The "Expected Credit Loss" (ECL) model is applied for impairment of financial assets according to TFRS 9. This new impairment model is applicable to financial assets measured at amortized cost, contract assets, and debt instruments measured at fair value through other comprehensive income (OCI). However, it is not applied to investments in equity instruments.

Financial assets measured at amortized cost consist of trade receivables and cash and cash equivalents.

Under TFRS 9, provisions for losses can be measured using any of the following principles:

- 12-month ECLs: This represents the portion of expected credit losses arising from default events that are likely to occur within the 12 months following the reporting date, and
- Lifetime ECLs: These represent expected credit losses arising from default events that are likely to occur throughout the entire expected lifetime of the financial asset.

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

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

#### 2.2 Summary of Significant Accounting Policies (Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant to the estimation of expected credit losses, including the effects of expected early payments, and that can be obtained without undue cost or effort. This information includes quantitative and qualitative information and analyses based on the Company's past credit loss experience and forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

##### 2.2.2 Provisions, Contingent Assets and Liabilities

A provision is recognized in the financial statements when there is a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

The amount recognized as a provision is calculated based on the most reliable estimate of the expenditure required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties associated with the obligation. If the provision is measured using the present value of the estimated cash flows required to settle the existing obligation, then the carrying amount of the provision is equal to the present value of those cash flows.

In situations where some or all of the economic benefits required to settle the provision are expected to be reimbursed by third parties, the expected reimbursement is recognized as an asset if it is virtually certain that the reimbursement will be received and can be reliably measured.

##### 2.2.3 Cash Flow Statement

In the cash flow statement, cash flows for the period are classified and reported based on main, investing and financing activities.

##### 2.2.4 Cash and Cash Equivalents

Cash and cash equivalent items include cash on hand, demand deposits and other short-term investments with high liquidity, with original maturities of 3 months or less from the date of purchase, which can be converted into cash immediately and which do not carry a significant risk of change in value (Note 4).

##### 2.2.5 Taxes on Income

Income tax expense consists of the sum of current tax and deferred tax expense.

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

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

#### 2.2 Summary of Significant Accounting Policies (Continued)

##### Current Tax

Current tax liability is calculated on the taxable portion of the period profit. Taxable profit differs from the profit included in the statement of profit or loss because it excludes items that are taxable or deductible in other years and items that cannot be taxed or deducted. The Company's current tax liability is calculated using the tax rate that has been legalized or substantially legalized as of the balance sheet date (Note 9).

##### Deferred Tax

Deferred tax liability or asset is determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the legal tax base calculation, according to the balance sheet method, taking into account the legal tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from such differences by obtaining taxable profit in the future. The assets and liabilities in question are not recognized if the temporary difference related to the transaction that does not affect the commercial or financial profit/loss arises from the initial recognition of goodwill or other assets and liabilities (other than business combinations) (Note 9).

#### 2.2.6 Fees, commissions and profit share income and expenses

##### Fee and commission income and expenses

Fees and commissions are generally reflected in the statement of profit or loss on the date they are collected or paid. However, export service commissions are accounted for on an accrual basis.

##### Profit share income and expense

Profit share income and expenses are recognized on an accrual basis in the profit or loss statement of the relevant period.

#### 2.2.7 Events After The Reporting Period

Subsequent events refer to events that occur between the balance sheet date and the date when the financial statements are authorized for issue, even if they come to light after the announcement of any profit allocation or other selected financial information related to earnings.

In the event that events requiring adjustments to the financial statements arise after the balance sheet date, the Company adjusts the amounts included in the financial statements to reflect this new situation (Note 19).

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

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

#### 2.2 Summary of Significant Accounting Policies (Continued)

##### 2.2.8 Related Parties

Related parties are entities or individuals that have the ability to control or significantly influence the other party, either directly or indirectly, through ownership, contractual rights, family relationships, or similar means. This definition includes shareholders and the company's management as related parties. Transactions with related parties involve the transfer of resources and obligations between related entities, whether for consideration or at no cost (Note 16).

#### 2.3 Significant Accounting Evaluations, Estimates and Assumptions

The preparation of financial statements involves making estimates and assumptions that affect the amounts of assets, liabilities, income, and expenses reported as of the balance sheet date and during the reporting period. These estimates and assumptions are based on the best judgment and information available to management at the time of preparation. However, actual results may differ from these estimates and assumptions. As of 31 December 2022, the company does not have any significant estimates or assumptions that have a material impact on its financial statements.

### 3 - SEGMENT REPORTING

Since the company operates in Turkey and only as an asset leasing company, no reporting description is given according to segments.

### 4 - CASH AND CASH EQUIVALENTS

	31 December 2022	31 December 2021
Banks		
- Private Current Account (*)	400.983	365.403
<b>TOTAL</b>	<b>400.983</b>	<b>365.403</b>

(\*) Cash and cash equivalents consist of special current accounts held at Ziraat Katılım Bankası A.Ş. As of 31 December 2022, the total amount of cash and cash equivalents is 400.983 TL, and it is entirely denominated in Turkish Lira (31 December 2021: 365.403 TL).

### 5 – TRADE RECEIVABLES

	31 December 2022	31 December 2021
Accounts Receivables from Related Parties	5.200.100.480	4.050.047.880
Profit Share Accruals	180.808.375	106.904.953
<b>TOTAL</b>	<b>5.380.908.855</b>	<b>4.156.952.833</b>

(\*) The company has used the funds obtained from the issuance of lease certificates with the same amount, maturity, and profit-sharing cost to provide funds to Ziraat Katılım Bankası A.Ş. (Note 16).

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 6 - OTHER CURRENT ASSETS

	31 December 2022	31 December 2021
Other Current Assets from Related Parties	-	12.500
Other	500	1.065
<b>TOTAL</b>	<b>500</b>	<b>13.565</b>

#### 7 - BORROWINGS

##### Short Term Borrowings

As of 31 December 2022 and 31 December 2021, the Company's short-term borrowings are as follows:

	31 December 2022	31 December 2021
<b>Issued Debt Instruments</b>	<b>5.200.000.000</b>	<b>4.050.000.000</b>
TRDZKVK32310	800.000.000	-
TRDZKVK32328	800.000.000	-
TRDZKVK22311	700.000.000	-
TRDZKVK32336	700.000.000	-
TRDZKVK12320	600.000.000	-
TRDZKVK72316	500.000.000	-
TRDZKVK12312	500.000.000	-
TRDZKVK12338	500.000.000	-
TRDZKVK42319	100.000.000	-
TRDZKVK12213	-	600.000.000
TRDZKVK32211	-	450.000.000
TRDZKVK12221	-	500.000.000
TRDZKVK22212	-	400.000.000
TRDZKVK22220	-	600.000.000
TRDZKVK32229	-	400.000.000
TRDZKVK32237	-	400.000.000
TRDZKVK62218	-	300.000.000
TRDZKVK42210	-	400.000.000
<b>Profit Share Accruals</b>	<b>180.808.375</b>	<b>106.876.137</b>
TRDZKVK32310	14.564.715	-
TRDZKVK32328	10.128.858	-
TRDZKVK22311	20.757.521	-
TRDZKVK32336	1.535.002	-
TRDZKVK12320	26.514.323	-
TRDZKVK72316	53.142.965	-
TRDZKVK12312	23.836.683	-
TRDZKVK12338	18.454.437	-
TRDZKVK42319	11.873.873	-
TRDZKVK12213	-	27.757.282
TRDZKVK32211	-	20.594.113
TRDZKVK12221	-	19.422.807
TRDZKVK22212	-	11.842.966
TRDZKVK22220	-	13.081.647
TRDZKVK32229	-	5.997.892
TRDZKVK32237	-	2.783.662
TRDZKVK62218	-	3.861.507
TRDZKVK42210	-	1.534.261
<b>TOTAL</b>	<b>5.380.808.375</b>	<b>4.156.876.137</b>

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

#### 7 - BORROWINGS (Continued)

##### Sukuk Issuance dated 6 July 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 6 July 2022, a lease certificate was issued in the amount of 600.000.000 TL, with an ISIN code of TRDZKVKE2229, an annual simple return rate of 24,75%, a maturity of 99 days, and a redemption date of 13 October 2022.

The details of the income distribution amounts for the July 6, 2022, issuance of 600.000.000 TL sukuk are as follows::

1. Income Distribution Amount 13 October 2022	40.278.060
Lease Certificate Fee Payment Amount 13 October 2022	600.000.000

---

##### Sukuk Issuance dated 7 July 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 7 July 2022, a lease certificate was issued in the amount of 500.000.000 TL, with an ISIN code of TRDZKVK72316, an annual simple return rate of 23,00%, a maturity of 363 days, and a redemption date of 5 July 2023.

Details of the income distribution amounts of the 500.000.000 TL sukuk issuance dated 7 July 2022 are as follows:

1. Income Distribution Amount 5 July 2023	114.369.850
Lease Certificate Fee Payment Amount 5 July 2023	500.000.000

---

##### Sukuk Issuance dated 26 July 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 26 July 2022, a lease certificate was issued in the amount of 500.000.000 TL, with an ISIN code of TRDZKVKE2237, an annual simple return rate of 24,25%, a maturity of 92 days, and a redemption date of 26 October 2022.

Details of the income distribution amounts of the 500.000.000 TL sukuk issuance dated 26 July 2022 are as follows:

1. Income Distribution Amount 26 October 2022	30.561.650
Lease Certificate Fee Payment Amount 26 October 2022	500.000.000

---

##### Sukuk Issuance dated 5 August 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 5 August 2022, a lease certificate was issued in the amount of 600.000.000 TL, with an ISIN code of TRDZKVKK2213, an annual simple return rate of 23,75%, a maturity of 98 days, and a redemption date of 11 November 2022.

Details of the income distribution amounts of the 600.000.000 TL sukuk issuance dated 5 August 2022 are as follows:

1. Income Distribution Amount 11 November 2022	38.260.260
Lease Certificate Fee Payment Amount 11 November 2022	600.000.000

---

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

#### 7 - BORROWINGS (Continued)

##### Sukuk Issuance dated 28 August 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 28 August 2022, a lease certificate was issued in the amount of 800.000.000 TL, with an ISIN code of TRDZKVKK2221, an annual simple return rate of 19,00%, a maturity of 98 days, and a redemption date of 29 November 2022.

Details of the income distribution amounts of the sukuk issuance of 800.000.000 TL dated 28 August 2022 are as follows:

1. Income Distribution Amount 29 November 2022	40.810.960
Lease Certificate Fee Payment Amount 29 November 2022	800.000.000

---

##### Sukuk Issuance dated 7 September 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 7 September 2022, a lease certificate was issued in the amount of 800.000.000 TL, with an ISIN code of TRDZKVKKA2215, an annual simple return rate of 19,20%, a maturity of 93 days, and a redemption date of 9 December 2022.

Details of the income distribution amounts of the 800.000.000 TL sukuk issuance dated 7 September 2022 are as follows:

1. Income Distribution Amount 9 December 2022	39.136.400
Lease Certificate Fee Payment Amount 9 December 2022	800.000.000

---

##### Sukuk Issuance dated 27 September 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 29 September 2022, a lease certificate was issued in the amount of 700.000.000 TL, with an ISIN code of TRDZKVKKA2223, an annual simple return rate of 18,90%, a maturity of 92 days, and a redemption date of 28 December 2022.

Details of the income distribution amounts of the 700.000.000 TL sukuk issuance dated 27 September 2022 are as follows:

1. Income Distribution Amount 28 December 2022	33.346.880
Lease Certificate Fee Payment Amount 28 December 2022	700.000.000

---

##### Sukuk Issuance dated 5 October 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 5 October 2022, a lease certificate was issued in the amount of 500.000.000 TL, with an ISIN code of TRDZKVK12312, an annual simple return rate of 19,80%, a maturity of 93 days, and a redemption date of 6 January 2023.

Details of the income distribution amounts of the 500.000.000 TL sukuk issuance dated 5 October 2022 are as follows:

1. Income Distribution Amount 6 January 2023	25.224.650
Lease Certificate Fee Payment Amount 6 January 2023	500.000.000

---

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

#### 7 - BORROWINGS (Continued)

##### Sukuk Issuance dated 13 October 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 29 September 2022, a lease certificate was issued in the amount of 600.000.000 TL, with an ISIN code of TRDZKVK12320, an annual simple return rate of 20,25%, a maturity of 96 days, and a redemption date of 17 January 2023.

Details of the income distribution amounts of the 600.000.000 TL sukuk issuance dated 13 October 2022 are as follows:

1. Income Distribution Amount 17 January 2023	31.956.180
Lease Certificate Fee Payment Amount 17 January 2023	600.000.000

---

##### Sukuk Issuance dated 26 October 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 26 October 2022, a lease certificate was issued in the amount of 500.000.000 TL, with an ISIN code of TRDZKVK12338, an annual simple return rate of 20,25%, a maturity of 93 days, and a redemption date of 27 January 2023.

Details of the income distribution amounts of the 500.000.000 TL sukuk issuance dated 26 October 2022 are as follows:

1. Income Distribution Amount 27 January 2023	25.797.950
Lease Certificate Fee Payment Amount 27 January 2023	500.000.000

---

##### Sukuk Issuance dated 11 November 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 11 November 2022, a lease certificate was issued in the amount of 700.000.000 TL, with an ISIN code of TRDZKVK22311, an annual simple return rate of 21,50%, a maturity of 96 days, and a redemption date of 15 February 2022.

Details of the income distribution amounts of the 700.000.000 TL sukuk issuance dated 11 November 2022 are as follows:

1. Income Distribution Amount 15 February 2023	39.583.530
Lease Certificate Fee Payment Amount 15 February 2023	700.000.000

---

##### Sukuk Issuance dated 29 November 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 29 November 2022, a lease certificate was issued in the amount of 800.000.000 TL, with an ISIN code of TRDZKVK32310, an annual simple return rate of 20,50%, a maturity of 98 days, and a redemption date of 7 March 2023.

Details of the income distribution amounts of the sukuk issuance of 800.000.000 TL dated 29 November 2022 are as follows:

1. Income Distribution Amount 7 March 2023	44.032.880
Lease Certificate Fee Payment Amount 7 March 2023	800.000.000

---

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 7 - BORROWINGS (Continued)

##### Sukuk Issuance dated 9 December 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 9 December 2022, a lease certificate was issued in the amount of 800.000.000 TL, with an ISIN code of TRDZKVK32328, an annual simple return rate of 20,50%, a maturity of 96 days, and a redemption date of 15 March 2023.

Details of the income distribution amounts of the 800.000.000 TL sukuk issuance dated 9 December 2022 are as follows:

1. Income Distribution Amount 15 March 2023	43.134.240
Lease Certificate Fee Payment Amount 15 March 2023	800.000.000

##### Sukuk Issuance dated 28 December 2022

Ziraat Katılım Varlık Kiralama A.Ş. On 28 December 2022, a lease certificate was issued in the amount of 700.000.000 TL, with an ISIN code of TRDZKVK32336, an annual simple return rate of 20,50%, a maturity of 92 days, and a redemption date of 30 March 2023.

Details of the income distribution amounts of the sukuk issuance of 700.000.000 TL dated 28 December 2022 are as follows:

1. Income Distribution Amount 30 March 2023	36.169.840
Lease Certificate Fee Payment Amount 30 March 2023	700.000.000

Fund User	ISIN Code	Issuance Amount	Issuance Date	Redemption Date	Maturity	Profit Share
Ziraat Katılım Bankası A.Ş.	TRDZKVK2229	600.000.000,00	06.07.2022	13.10.2022	99	40.278.060,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK72316	500.000.000,00	07.07.2022	05.07.2023	363	114.369.850,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK2237	500.000.000,00	26.07.2022	26.10.2022	92	30.561.650,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK2213	600.000.000,00	05.08.2022	11.11.2022	98	38.260.260,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK2221	800.000.000,00	23.08.2022	29.11.2022	98	40.810.960,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK2215	800.000.000,00	07.09.2022	09.12.2022	93	39.136.400,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK2223	700.000.000,00	27.09.2022	28.12.2022	92	33.346.880,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK12312	500.000.000,00	05.10.2022	06.01.2023	93	25.224.650,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK12320	600.000.000,00	13.10.2022	17.01.2023	96	31.956.180,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK12338	500.000.000,00	26.10.2022	27.01.2023	93	25.797.950,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK22311	700.000.000,00	11.11.2022	15.02.2023	96	39.583.530,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK32310	800.000.000,00	29.11.2022	07.03.2023	98	44.032.880,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK32328	800.000.000,00	09.12.2022	15.03.2023	96	43.134.240,00
Ziraat Katılım Bankası A.Ş.	TRDZKVK32336	700.000.000,00	28.12.2022	30.03.2023	92	36.169.840,00

The lease certificates shown in the list below are held by Ziraat Katılım Varlık Kiralama A.Ş. These are lease certificates issued by and not yet redeemed as of 31 December 2022. Lease certificates are listed according to their remaining maturity. Ziraat Katılım Bankası A.Ş., which is the Fund User within the scope of each lease certificate issuance. In line with the relevant Management Agreement signed with Ziraat Katılım Varlık Kiralama A.Ş., the assets and rights owned by Ziraat Katılım Varlık Kiralama A.Ş. consist of Assets and Rights existing in the Fund User's balance sheet (or to be created with the funds to be obtained from the issue).

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 7 - BORROWINGS (Continued)

Fund User	ISIN Code	Issuance Amount	Issuance Date	Redemption Date	Maturity	Annual Simple Rate
Ziraat Katılım Bankası A.Ş.	TRDZKVK12312	500.000.000,00	05.10.2022	06.01.2023	93	19,80%
Ziraat Katılım Bankası A.Ş.	TRDZKVK12320	600.000.000,00	13.10.2022	17.01.2023	96	20,25%
Ziraat Katılım Bankası A.Ş.	TRDZKVK12338	500.000.000,00	26.10.2022	27.01.2023	93	20,25%
Ziraat Katılım Bankası A.Ş.	TRDZKVK22311	700.000.000,00	11.11.2022	15.02.2023	96	21,50%
Ziraat Katılım Bankası A.Ş.	TRDZKVK32310	800.000.000,00	29.11.2022	07.03.2023	98	20,50%
Ziraat Katılım Bankası A.Ş.	TRDZKVK32328	800.000.000,00	09.12.2022	15.03.2023	96	20,50%
Ziraat Katılım Bankası A.Ş.	TRDZKVK32336	700.000.000,00	28.12.2022	30.03.2023	92	20,50%

Assets and Rights; In accordance with Article 19(1)(ç) of the Regulation on Banks' Credit Transactions published by the Banking Regulation and Supervision Agency ("BRSA") in the Official Gazette dated 1 November 2016 and numbered 26333, it is one of the financing methods of participation banks and is provided by the Bank to Individual/Corporate It refers to financing transactions and financial leasing transactions that will be made available or have been made available to customers on behalf of the Asset Leasing Company.

#### 8 - TRADE PAYABLES

	31 December 2022	31 December 2021
Trade Payables to Related Parties	-	-
Trade Payables to Third Parties	65.298	76.696
<b>TOTAL</b>	<b>65.298</b>	<b>76.696</b>

#### 9 - TAX ASSETS AND LIABILITIES

The company is subject to the tax legislation and practices in effect in Turkey. The corporate income tax rate was determined as 20% as of 1 January 2006, in accordance with the Corporate Income Tax Law No. 5520, published in the Official Gazette dated 21 June 2006, and numbered 26205.

However;

With the addition of Temporary Article 10 to the Corporate Income Tax Law on 5 December 2017, the corporate income tax rate, which was originally 20% according to Article 32, Paragraph 1 of the same law, was applied at a rate of 22% for the tax assessment periods of corporations for the years 2018, 2019, and 2020.

As of 31 December 2022, the corporate income tax rate applied in the financial statements is 25%. This change in the corporate income tax rate was introduced by Law No. 7394, published in the Official Gazette on 15 April 2022, and came into effect. According to this law, the corporate income tax rate for banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies was set at 25%. This change applies to the tax assessment periods starting from 1 January 2022, with tax returns to be filed starting from 1 July 2022.

The law on amending the Tax Procedure Law and the Corporate Tax Law was published on 20 January 2022, Law No. It has become law with number 7532, and it has been decided that financial statements will not be subject to inflation adjustment, regardless of whether the conditions for inflation adjustment within the scope of Article 298 are met for the 2021 and 2022 accounting periods, including the provisional accounting periods, and the 2023 accounting period provisional tax periods. In line with Law No. 7352, inflation adjustment will be applied to the financial statements dated 31 December 2023, and the profit/loss difference resulting from the inflation adjustment will be shown in the previous years' profit/loss account and will not be subject to tax.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 9 - TAX ASSETS AND LIABILITIES (Continued)

The company is subject to the tax legislation and practices in force in Turkey.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period for a period not exceeding 5 years. Declarations and relevant accounting records can be examined by the tax office within five years and tax accounts can be revised.

Details of the Company's tax liability as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
Current income tax liabilities	5.827	16.771
<b>Tax Liabilities</b>	<b>5.827</b>	<b>16.771</b>

Tax expense details for the periods ending 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
Tax Expense	18.361	58.668
<b>Total</b>	<b>18.361</b>	<b>58.668</b>

As of 31 December 2022, the remaining amount after netting the corporate income tax provision and paid corporate income tax is recorded in the "tax liability for the period" account within the "current tax liabilities" or "assets related to current-year taxes" account.

	31 December 2022	31 December 2021
Current Year Corporate Tax Expense	18.361	58.668
Taxes Paid (-)	(12.534)	(41.897)
<b>Current Tax Liabilities</b>	<b>5.827</b>	<b>16.771</b>

As of 31 December 2022, the Company has no deferred tax assets or liabilities (31 December 2021: None.).

#### 10- OTHER LIABILITIES

	31 December 2022	31 December 2021
<i>Other Current Liabilities</i>		
Advances Taken from Related Parties	-	12.500
VAT Payable	8.731	4.920
Income Tax Payable	22.693	1.202
Income Withholdings Payable	763	797
Stamp Duty Payable	851	61
Other Miscellaneous Debts	-	-
<b>TOTAL</b>	<b>33.038</b>	<b>19.480</b>

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 11 - EQUITY

As of 31 December 2022, the Company's paid-in share capital is 50.000 TL, consisting of 50.000 shares with a nominal value of 1 TL each (31 December 2021: 50.000 TL). The Company does not have any preferred shares as of 31 December 2022.

The legal capital and partnership structure of the Company is as follows:

	31 December 2022		31 December 2021	
	Paid-in share capital	Partnership Structure	Paid-in share capital	Partnership Structure
Ziraat Katılım Bankası A.Ş.	50.000	100%	50.000	100%

#### *Restricted Reserves*

The Company has restricted reserves of 10.000 TL (31 December 2021: 4.745 TL).

#### *Prior Years Income*

The Company has 282.717 TL of prior years income (31 December 2021: 111.969 TL).

#### 12 - REVENUE

	31 December 2022	31 December 2021
Profit Share Income	851.131.611	606.587.851
<b>TOTAL</b>	<b>851.131.611</b>	<b>606.587.851</b>

(\*) The company includes its profit share income derived from the utilization of funds it obtained from the issuance of lease certificates to Ziraat Katılım Bankası A.Ş., with the same amount, maturity, and profit-sharing cost.

#### 13 - COST OF SALES

	31 December 2022	31 December 2021
Profit Share Expense	851.131.611	606.587.851
<b>TOTAL</b>	<b>851.131.611</b>	<b>606.587.851</b>

# ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

### 13 - COST OF SALES (Continued)

The details of profit share expenses paid for lease certificates issued for the periods ending on 31 December 2022 are as follows:

	31 December 2022	31 December 2021
TRDZKVK42228	32.219.160	-
TRDZKVK42236	26.178.100	-
TRDZKVK52219	25.104.100	-
TRDZKVK62226	27.780.840	-
TRDZKVK62234	18.173.160	-
TRDZKVK62242	18.150.120	-
TRDZKVK72217	25.709.580	-
TRDZKVK42319	11.873.873	-
TRDZKVK72225	28.504.080	-
TRDZKVK82216	23.150.700	-
TRDZKVK82224	29.174.820	-
TRDZKVK92215	32.350.680	-
TRDZKVK92223	25.643.840	-
TRDZKVKKE2211	25.767.120	-
TRDZKVKKE2229	40.278.060	-
TRDZKVK72316	53.142.965	-
TRDZKVKKE2237	30.561.650	-
TRDZKVKK2213	38.260.260	-
TRDZKVKK2221	40.810.960	-
TRDZKVKKA2215	39.136.400	-
TRDZKVKKA2223	33.346.880	-
TRDZKVK12312	23.836.683	-
TRDZKVK12320	26.514.323	-
TRDZKVK12338	18.454.437	-
TRDZKVK22311	20.757.521	-
TRDZKVK12213	1.795.597	-
TRDZKVK32211	20.354.042	-
TRDZKVK12221	4.473.093	-
TRDZKVK22212	6.143.353	-
TRDZKVK22220	14.178.093	-
TRDZKVK32229	10.541.268	-
TRDZKVK62218	19.704.008	-
TRDZKVK32237	14.358.772	-
TRDZKVK42210	18.474.498	-
TRDZKVK32310	14.564.715	-
TRDZKVK32328	10.128.858	-
TRDZKVK32336	1.535.002	-
TRDZKVK12114	-	890.985
TRDZKVK12122	-	3.159.625
TRDZKVK22113	-	8.374.798
TRDZKVK22139	-	11.118.917
TRDZKVK32112	-	19.347.351
TRDZKVK62119	-	46.450.370
TRDZKVK32120	-	7.601.477
TRDZKVK32138	-	27.635.231
TRDZKVK42111	-	17.009.055
TRDZKVK42129	-	15.703.030
TRDZKVK52110	-	19.729.319
TRDZKVK62127	-	19.178.080
TRDZKVK62135	-	19.979.160
TRDZKVK72118	-	26.547.950
TRDZKVK92116	-	22.563.025
TRDZKVK72126	-	28.122.720
TRDZKVK82117	-	30.821.940
TRDZKVK82125	-	18.904.120
TRDZKVK92124	-	15.102.750
TRDZKVK92132	-	20.137.000
TRDZKVKKE2112	-	25.563.700
TRDZKVKKE2120	-	32.225.760
TRDZKVKK2114	-	30.286.020
TRDZKVKK2122	-	19.160.560
TRDZKVKKA2116	-	14.098.770
TRDZKVK12213	-	27.757.282
TRDZKVK32211	-	20.594.113
TRDZKVK12221	-	19.422.807
TRDZKVK22212	-	11.842.966
TRDZKVK22220	-	13.081.647
TRDZKVK32229	-	5.997.892
TRDZKVK62218	-	2.783.662
TRDZKVK32237	-	3.861.507
TRDZKVK42210	-	1.534.262
<b>TOTAL</b>	<b>851.131.611</b>	<b>606.587.851</b>

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 14 – GENERAL ADMINISTRATIVE EXPENSES

	31 December 2022	31 December 2021
Issuance Related Expenses	19.188.498	13.599.063
Board Member Allowance Expenses	290.759	33.535
Audit and Consultancy Expenses	63.690	49.453
Chamber of Commerce Registration Expenses	13.931	7.847
Notary Registration Expenses	4.422	2.323
Rent Expenses	4.200	3.600
Stamp Duty	3.405	2.655
Other Miscellaneous Expenses	16.496	1.231
<b>TOTAL</b>	<b>19.585.401</b>	<b>13.699.707</b>

#### 15 - OTHER OPERATING INCOME

	31 December 2022	31 December 2021
Service Commission Income (*)	19.658.845	13.934.378
<b>TOTAL</b>	<b>19.658.845</b>	<b>13.934.378</b>

(\*) The costs related to issuances incurred for Ziraat Katılım Bankası A.Ş. consist of accounting processes for reflection.

#### 16 - RELATED PARTIES

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

##### Cash and Cash Equivalents

	31 December 2022	31 December 2021
-Ziraat Katılım Bankası A.Ş (Note 4)	400.983	365.403
<b>TOTAL</b>	<b>400.983</b>	<b>365.403</b>

##### Trade Receivables

	31 December 2022	31 December 2021
-Ziraat Katılım Bankası A.Ş (Note 5)	5.380.908.855	4.156.952.833
<b>TOTAL</b>	<b>5.380.908.855</b>	<b>4.156.952.833</b>

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 16 - RELATED PARTIES (Continued)

##### Other Current Assets from Related Parties

	31 December 2022	31 December 2021
-ZKB Varlık Kiralama A.Ş (Note 6)	-	12.500
<b>TOTAL</b>	<b>-</b>	<b>12.500</b>

##### Other Current Liabilities to Related Parties

	31 December 2022	31 December 2021
-Ziraat Katılım Bankası A.Ş (Note 10)	-	12.500
<b>TOTAL</b>	<b>-</b>	<b>12.500</b>

2) Details of income and expenses from related parties as of 31 December 2022 are as follows:

##### Income from Related Party Transactions

	31 December 2022	31 December 2021
-Ziraat Katılım Bankası A.Ş – Profit Share Income	851.131.611	606.587.851
-Ziraat Katılım Bankası A.Ş - Service Commission Income	19.658.845	13.934.378
<b>TOTAL</b>	<b>870.790.456</b>	<b>620.522.229</b>

#### 17 - THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

##### 17.1 Equity Related Risks

The Company aims to increase its profits by maintaining a balance between debt and equity while conducting its activities.

##### 17.2. Financial Risks

The company is exposed to credit risk and liquidity risk due to its activities.

##### 17.2.1 Credit Risk

The financial instruments held by the Company include counterparty credit risk due to the counterparty's failure to fulfill the terms of the agreement.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 17 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

##### Credit risks exposed by financial instrument types

31 December 2022	Receivables				
	Trade Receivables		Other Receivables		Deposits in
	Related Party	Other Party	Related Party	Other Party	Banks
Maximum credit risk exposed as of balance sheet date 31 December 2022	5.380.908.855	-	-	500	400.983
- The part of maximum risk under guarantee with collaterals etc.	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	5.380.908.855	-	-	500	400.983
B. The net book value of financial assets that have had their terms renegotiated, otherwise, they would be considered past due or impaired	-	-	-	-	-
C. Net book value of financial assets past due but not impaired	-	-	-	-	-
- The portion secured by collateral, etc.	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Not overdue (Gross carrying amount)	-	-	-	-	-
- Impairment	-	-	-	-	-
- The part under guarantee with collaterals, etc.	-	-	-	-	-
- Overdue (Gross carrying amount)	-	-	-	-	-
- Impairment	-	-	-	-	-
E. Off-balance sheet items	-	-	-	-	-

(\*) In determining the amount, factors that increase credit reliability, such as guarantees received, were not taken into account.

31 December 2021	Receivables				
	Trade Receivables		Other Receivables		Deposits in
	Related Party	Other Party	Banks	Other Party	Banks
Maximum credit risk exposed as of balance sheet date 31 December 2022	4.156.952.833	-	12.500	1.065	365.403
- The part of maximum risk under guarantee with collaterals etc.	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	4.156.952.833	-	12.500	1.065	365.403
B. The net book value of financial assets that have had their terms renegotiated, otherwise, they would be considered past due or impaired	-	-	-	-	-
C. Net book value of financial assets past due but not impaired	-	-	-	-	-
- The portion secured by collateral, etc.	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Not overdue (Gross carrying amount)	-	-	-	-	-
- Impairment	-	-	-	-	-
- The part under guarantee with collaterals, etc.	-	-	-	-	-
- Overdue (Gross carrying amount)	-	-	-	-	-
- Impairment	-	-	-	-	-
E. Off-balance sheet items	-	-	-	-	-

(\*) In determining the amount, factors that increase credit reliability, such as guarantees received, were not taken into account.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 17 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

##### 17.2.2 Liquidity Risk

Management of liquidity risk is the responsibility of the company's Board of Directors. The board of directors has established an appropriate liquidity risk management structure for the liquidity requirements of the company. The company manages its liquidity risk by regularly monitoring it and ensuring adequate levels of funds and borrowing reserves by matching the maturities of financial assets and liabilities.

##### Liquidity Risk Table

<b>31 December 2022</b>	<b>Up to 1 month</b>	<b>1 to 12 months</b>	<b>1 to 5 years</b>	<b>Demand</b>	<b>Total</b>
Cash and cash equivalents	-	-	-	400.983	400.983
Trade Receivables	-	5.380.908.855	-	-	5.380.908.855
Other Current Assets	500	-	-	-	500
<b>Total Assets</b>	<b>500</b>	<b>5.380.908.855</b>	<b>-</b>	<b>400.983</b>	<b>5.381.310.338</b>
Lease Certificates Issued	-	5.380.808.375	-	-	5.380.808.375
Other Current Liabilities	65.298	38.865	-	397.800	501.963
<b>Total Liabilities</b>	<b>65.298</b>	<b>5.380.847.240</b>	<b>-</b>	<b>397.800</b>	<b>5.381.310.338</b>
<b>Liquidity Risk</b>	<b>(64.798)</b>	<b>61.615</b>	<b>-</b>	<b>3.183</b>	<b>-</b>

  

<b>31 December 2021</b>	<b>Up to 1 month</b>	<b>1 to 12 months</b>	<b>1 to 5 years</b>	<b>Demand</b>	<b>Total</b>
Cash and cash equivalents	-	-	-	365.403	365.403
Trade Receivables	-	4.156.952.833	-	-	4.156.952.833
Other Current Assets	13.565	-	-	-	13.565
<b>Total Assets</b>	<b>13.565</b>	<b>4.156.952.833</b>	<b>-</b>	<b>365.403</b>	<b>4.157.331.801</b>
Lease Certificates Issued	-	4.156.876.137	-	-	4.156.876.137
Other Current Liabilities	89.196	23.751	-	342.717	455.664
<b>Total Liabilities</b>	<b>89.196</b>	<b>4.156.899.888</b>	<b>-</b>	<b>342.717</b>	<b>4.157.331.801</b>
<b>Liquidity Risk</b>	<b>(75.631)</b>	<b>52.945</b>	<b>-</b>	<b>22.686</b>	<b>-</b>

##### 17.3 Market Risk

The company is not exposed to market risk since it has no foreign currency assets and liabilities and no purchase or sale commitments.

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

#### 18 - FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS

	<b>Book value</b>	<b>Fair value</b>
	<b>31 December 2022</b>	<b>31 December 2022</b>
<u>Financial Assets</u>		
<i>Trade Receivables from Related Parties</i>	5.380.908.855	5.380.908.855
<u>Financial Obligations</u>		
<i>Short-Term Borrowings from Third Parties</i>	5.380.808.375	5.380.808.375
<hr/>		
	<b>Book value</b>	<b>Fair value</b>
	<b>31 December 2022</b>	<b>31 December 2022</b>
<u>Financial Assets</u>		
<i>Trade Receivables from Related Parties</i>	4.156.952.833	4.156.952.833
<u>Financial Obligations</u>		
<i>Short-Term Borrowings from Third Parties</i>	4.156.876.137	4.156.876.137

It is assumed that there is no significant difference between the fair value and book value of financial assets and liabilities due to their short-term nature.

#### 19 – EVENTS AFTER THE REPORTING PERIOD

The company issued sukuk on 6 January 2023, 17 January 2023 and 27 January 2023 and the details are as follows:

##### **Sukuk Issuance dated 6 January 2023**

Ziraat Katılım Varlık Kiralama A.Ş. on 6 January 2023, a lease certificate was issued with the code TRDZKVK42327, with a simple annual return rate of 20,25%, a maturity of 97 days, and a redemption date of 13 April 2023, in the amount of 500.000.000 TL.

Details of the income distribution amounts of the 500.000.000 TL sukuk issuance dated 6 January 2023 are as follows:

1. Income Distribution Amount 13 April 2023	26.907.550
Lease Certificate Fee Payment Amount 13 April 2023	500.000.000

## ZİRAAT KATILIM VARLIK KİRALAMA A.Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira (TL) unless otherwise specified.)

---

#### 19 – SUBSEQUENT EVENTS (Continued)

##### Sukuk Issuance dated 17 January 2023

Ziraat Katılım Varlık Kiralama A.Ş. on 17 January 2023, a lease certificate was issued with the code TRDZKVK42335, with a simple annual return rate of 20,25%, a maturity of 99 days, and a redemption date of 26 April 2023, in the amount of 600,000,000 TL.

Details of the income distribution amounts of the sukuk issuance of 600.000.000 TL dated 17 January 2023 are as follows:

1. Income Distribution Amount 26 April 2023	32.954.820
Lease Certificate Fee Payment Amount 26 April 2023	600.000.000

---

##### Sukuk Issuance dated 27 January 2023

Ziraat Katılım Varlık Kiralama A.Ş. On 27 January 2023, a lease certificate was issued with the code TRDZKVK52318, an annual simple return rate of 20,50%, a maturity of 98 days, a redemption date of 5 May 2023, and an amount of 500.000.000 TL.

Details of the income distribution amounts of the 500.000.000 TL sukuk issuance dated 27 January 2023 are as follows:

1. Income Distribution Amount 5 July 2023	27.520.550
Lease Certificate Fee Payment Amount 5 July 2023	500.000.000

---

.....