As Gedik Yatırım, we continue to serve as a pioneer and an example for our industry in the 100th anniversary of our Republic.

ONUR TOPAÇ
Chair of the Board and CEO

Message from the Chairman and CEO

In this historic year when we proudly celebrated our Republic's 100th anniversary, as Gedik Yatırım, we continued to contribute to Türkiye's capital markets.

Dear Stakeholders,

In 2023, as we celebrated our Republic's 100th anniversary, we also experienced an intense year for both the world and our country. In both positive and negative aspects, the year unfolded on an axis of numerous variable parameters. The inflationary spiral produced by consecutive crises such as the pandemic and wars continued to set the pulse of the global economy in 2023 as well. On the other hand, despite the deterioration in energy and food markets and the ongoing monetary tightening, global economic activity remained stronger than expected.

In the current period, when markets are now pricing in interest rate cuts and the global risk appetite is expected to increase, the world is being drawn into other conflicts that will profoundly affect humanity. Furthermore, the risk that these tensions may spread limits the predictability of the future. Conversely, should global risks abate, we may come much closer to a gentle landing and thus eventually reach the anticipated long-term growth trend.

For Türkiye, it was a year filled with extraordinary challenges. At the very beginning of 2023, our country was shaken by major earthquakes, impacting 11 provinces. Even before we could heal the emotional and physical injuries of the disaster, we entered a demanding cycle of both General and Presidential elections.

Capital markets take firm steps toward new peaks

While the expansionary policies that had been implemented since September 2021 had disruptive effects on macroeconomic balances and price stability, a normalization period began with the new economic management, which deployed a full arsenal of monetary policy tools to fight inflation. We gradually started to see the positive results of these macroeconomic actions, aimed at reducing the vulnerabilities caused by high inflation and the current account deficit. Our country's risk premium fell below 300 points for the first time since March 2021, after reaching 1,000 points, and foreign interest in Turkish assets has started to emerge, albeit limited. Although we consider this shift in thinking to be quite positive, we believe that more time is needed; we are still at the beginning of the battle against inflation.

However, 2023 proved to be a highly active year for our capital markets. While the Borsa Istanbul tumbled in the first half of the year due to global and country-specific risks, it recovered quickly following the elections, particularly as investors displayed a reflex to hedge against inflation. The index, which kept reaching historical peaks, dropped in the last period of the year, coinciding with profit sales, and growing geopolitical tensions. Having closed 2023 with a 36% return in Turkish lira terms, the BIST 100 index lost 14% in US dollar terms. In the same period, the S&P 500 index returned 24%. Although the BIST 100 index tested historical peaks in Turkish lira terms during the year, when examined in US dollar terms, its peak in 2023 was roughly USD 310 compared to the USD 500 peak tested in May 2013; and it closed the year at USD 254. During the period, we also witnessed a broadening of the capital base in tandem with public offerings, and the number of domestic investors surpassed records, reaching 8.5 million. We believe that the new economic administration's normalization steps, as well as its communication policy and its interactions with international investors, are critical to bringing our country's investment ecosystem to its full potential.

We achieved successful financial results

In this period, we increased our long-term investments for our country's sustainable development and future, fully cognizant of our ongoing 32-year responsibility for the development and strengthening of capital markets. Furthermore, we obtained successful results that support our leadership vision, which we promote always and everywhere, and that strengthen our brand value. In 2023, we raised our net profit by 1,117% year-on-year to TL 767 million.

In our 2023 year-end future expectations, gross profit growth was projected to be above 160% and was realized at 184%, exceeding expectations. The growth expectation for other revenues, projected at 165%, was also above expectations, reaching 564%. Return on equity was realized at 78%, staying within the expected range of 70%-85%.

Message from the Chairman and CEO

We will continue striving to ensure that our Republic achieves even greater success in its second century and to safeguard the inclusive and sustainable growth of our country.

We launched the Artificial Intelligence Department in GYT Bilişim, which we established in the Technopark.

Our effective financial and operational strategies have been key elements in our superior performance, as have our competent employees, who can quickly adapt to changing conditions; and our products, services and processes, constantly renewed in line with developing technology. Also in 2023, we added new milestones to our corporate history through our investments in technology and digital channels. During the year, we established our wholly owned subsidiary GYT Bilişim ve Ticaret AŞ, aiming to lift our innovative digitalization work to the next level of productivity. While enriching the Company's contact channels with our best and latest applications focused on perfecting the investor experience, we broke new ground in our field of activity through the formation of our Artificial Intelligence Department. This year, we also extended our physical contact network, adding two new branches to further support our investors – to whom we pass our expertise and experience – in growing their assets amid all market situations. Our branches and liaison offices reached a total of 57.

While growing interest in the capital markets makes us happy, it also inevitably adds to our responsibilities. As Gedik Yatırım, we develop solutions for all needs in the ever-changing investment space, as well as initiatives to raise awareness among new capital market participants. We provide the right information in the fastest way possible via our digital channels, and we contribute to the development of financial literacy through investor seminars; we launched these seminars last year, organizing them across seven provinces in 2023.

We are the most desirable investment company to work for, with a registered employee happiness record

Last year, we were recognized as one of the "Best Workplaces for Millennials Türkiye" and received the Great Place to Work certificate as one of the top five employers in the "250-499 Employees" category of the list, which included 33 international companies. These awards acknowledge our human resources practices, realized in accordance with the importance that we attach to our employees' satisfaction and happiness. Additionally, in 2023, we were proud to be included on the Best Workplace for Women list in the GPTW Financial Services and Insurance category.

We are expanding our sponsorship activities

Last year, to contribute to the development of healthy bodies and minds by investing in sports and youth, we became a sponsor of our National Volleyball Teams. In 2023, we signed a sponsorship agreement with Fenerbahçe Sports Club, a long-established sports and football club in our country. With the support of our sponsorship efforts, we hope to introduce investment products to a wider audience, especially young people and women.

We have built our business culture on the axis of humanity, social benefit and the environment

As Gedik Yatırım, we constantly strive to fulfill our corporate citizenship duties in terms of producing effective solutions to urgent and prioritized social problems. After the February 6 earthquake, perhaps the biggest disaster in our nation's history, we stood by our citizens affected by the earthquake by maintaining constant communication with the appropriate authorities and NGOs, believing that only through solidarity can we get through these tough times.

Access to quality education is among the most fundamental human rights. With this awareness, we consistently develop social responsibility projects that focus on education. In 2023, we also launched a comprehensive project called "Bir Kitap Bin Dünya," which we plan to continue. We touched the lives of approximately three thousand students with libraries that we opened in Adana and then Balıkesir at the beginning of the 2023-2024 academic year.

We will continue to create value by means of our commitment to the Republic

As we celebrate the 100th anniversary of the Republic of Türkiye with pride and enthusiasm, we lovingly, respectfully and gratefully commemorate our Great Leader, Mustafa Kemal Atatürk, whose ideas and principles we will always follow and uphold. In order to preserve and develop this most precious trust of Atatürk, we must move forward with added determination to remain in the light of reason, science and free thought. As Gedik Yatırım, we will continue striving to ensure that our Republic achieves even greater success in its second century and to safeguard the inclusive and sustainable growth of our country. With our commercial, "The Most Valuable Paper," we underscore that the Republic is the best investment for our nation's future.

On behalf of the Board of Directors and myself, I would like to take this opportunity to thank all our stakeholders and all our employees at Gedik Yatırım for their support throughout this successful year. I hope that 2024 will bring health, well-being, and peace for humanity and our country.

Yours sincerely,

ONUR TOPAÇ
Chair of the Board and CEO