ANADOLUBANK ANONİM ŞİRKETİ VE FİNANSAL ORTAKLIKLARI

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 WITH INDEPENDENT AUDITOR'S REPORT THEREON

CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH
(See Note I of Section Three)
INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Anadolubank Anonim Şirketi

A. Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of Anadolubank Anonim Şirketi (the "Bank"), and its subsidiaries (collectively referred to as the "Group") which comprise the statement of consolidated balance sheet as at 31 December 2024, consolidated statements of profit and loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows for the year then ended and the notes to the consolidated financial statements and a summary of significant accounting policies and consolidated financial statement notes.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette No.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by BRSA and Turkish Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations.

2. Basis for Opinion

Our audit was conducted in accordance with the "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and 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 Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group 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 consolidated 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	***How the key audit matter was addressed in the audit***
Expected credit losses for loans The Group has total expected credit losses for loans amounting to TL 1,047,605 thousand in respect to total loans amounting to TL 70,557,216 thousand which represent a significant portion of the Group's total assets in its consolidated financial statements as of 31 December 2024. Explanations and notes related to expected credit losses for loans are presented in Section Three Part VIII, Section Three Part IX, Section Four Part II, Section Five Part I-7 and Section Five Part IV-6, in the accompanying consolidated financial statements as of 31 December 2024. The Group recognizes provision for impairment in accordance with "TFRS 9 Financial Instruments" ("TFRS 9") requirements and the "Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided" as published in the Official Gazette dated 22 June 2016 numbered 29750. The Group exercises significant decisions using subjective judgement, interpretation and assumptions over when and how much to record as loan impairment.	With respect to stage classification of loans and calculation of expected credit losses, we have assessed policy, procedure and management principles of the Group within the scope of our audit. We tested the design, and the operating effectiveness of relevant systems and processes implemented in accordance with these principles. For significant loans portfolios, we checked appropriateness of matters considered in methodology applied by the Group with TFRS 9 for calculation of the provision amount through stage classification of loans. For forward looking assumptions made by the Group's management in its expected credit losses calculations, we held discussions with management, evaluated the assumptions using publicly available information. Regarding expected credit losses methodology; we have assessed and tested model segmentation, lifetime probability of default model, exposure at default model, loss given default model and as well as the approaches for incorporating reasonable and supportable forward-looking estimates, together with our financial risk experts.

Key Audit Matters	***How the key audit matter was addressed in the audit***
Expected credit losses for loans (Continued) The Group determines the stage of loans by identifying significant increases in credit risk and default events through quantitative and qualitative assessments to establish expected credit loss provisions. The Group employs complex models derived from multiple systems to detect significant increases in credit risk and calculate expected credit loss provisions. These models incorporate judgments and estimates, such as forward-looking expectations based on expert opinions, scenario analysis of macroeconomic conditions, and the weighting of these scenarios. Information considered in the accounting for expected credit loss provisions, whether assessed individually or collectively, must be reasonable and supportable, including past events, current conditions, and macroeconomic forecast Our audit was focused on this area due to existence of complex estimates and information used in the impairment assessment such as macro-economic expectations, current conditions, historical loss experiences, development and weighting of macro-economic scenarios; the significance of the balances; the classification of loans as per their credit risk (staging) and the importance of determination of the associated expected credit loss. Timely and correct identification of default event and significant increase in credit risk and level of judgements and estimations made by the management have significant impacts on the amount of impairment provisions for loans. Therefore, this area is considered as key audit matter.	Together with our financial risk experts, we recalculated and verified the models used by the Group to determine provisions for various loans portfolios on a sample basis. For a selected sample, we checked expected credit losses determined based on individual assessment per Group's policy by means of supporting data and evaluated appropriateness via communications with management. We checked key data sources for data used in expected credit losses calculations. We tested reliability and completeness of the data used in expected credit losses calculations with our information systems specialists. We checked accuracy of resultant expected credit losses calculations. To assess appropriateness of the Group's determination of staging for credit risk, identification of impairment and timely and appropriate provisioning for impairment we have performed loan review procedures based on a selected sample. We evaluated the adequacy of the disclosures made in the consolidated financial statements regarding the provision for impairment of loans.

4. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

5. Auditor's Responsibilities for the Audit of the Consolidated 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 because of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and 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 based on these consolidated financial statements.

As part of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement in the consolidated 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group 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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 consolidated 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 Bank’s bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Bank’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 Paragraph for Convenience Translation

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2024. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

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



Gökçe Yaşar Temel, SMMM
Independent Auditor

İstanbul, 20 March 2025

THE CONSOLIDATED FINANCIAL REPORT OF ANADOLUBANK A.Ş.
FOR THE YEAR ENDED DECEMBER 31, 2024

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Anadolubank Anonim Şirketi'nin ("the Bank"),The consolidated financial report for the year ended 31 December 2024, designed by the Banking Regulation and Supervision Agency ("BRSA") in line with the Communiqué on Financial Statements to be Publicly Announced and the Related Policies and Disclosures consists of the sections listed below:

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE GROUP WHICH IS UNDER CONSOLIDATION
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATORY DISCLOSURES AND FOOTNOTES
- INDEPENDENT AUDIT REPORT

Our subsidiaries whose financial statements are consolidated within the scope of this consolidated financial report are as follows:

PARTICIPATIONS

1. Anadolu Yatırım Menkul Kıymetler A.Ş.
2. Anadolu Faktoring A.Ş.
3. Anadolubank Nederland NV

The consolidated financial statements for the year-end period and related explanations and footnotes in this report are prepared in accordance with the Regulation on Banks' Accounting Applications and Principles and Procedures Concerning the Preservation of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and annexes interpretations thereof and are denominated as TRY thousand unless otherwise specified, are held to subject to independent audit and are presented enclosed.

Mehmet R. BAŞARAN	**İ. Sencan DEREBEYOĞLU**	**Erol BAŞARAN ALTINTUĞ**	**Suat İNCE**
Chairman of the Board of Directors	Member of Audit Committee	Member of Audit Committee	General Manager

İlker TEKER	**Erol KÖMÜRCÜLER**
Assistant General Manager	Head of Financial Affairs Department

Information about the responsible personnel whom questions may be asked:

Name-Surname/Title : Kamil İrfan ARCA / Group Manager
Phone Number : 0 216 687 71 27
Fax Number : 0 216 368 72 73

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ANADOLUBANK ANONİM ŞİRKETİ

DISCLOSURES AND FOOTNOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise stated.)

SECTION ONE: GENERAL INFORMATION ABOUT THE BANK

I. The Parent Bank's Foundation Date, Start-Up Status, History Regarding the Changes in this Status

Anadolubank Anonim Şirketi ("Parent Bank" or "Bank") is a private sector deposit bank and was established by splitting the assets of Etibank Banking Inc. in accordance with the relevant provisions of the Law No. 4046 on the Regulation of Privatization Practices dated 24 November 1994. The establishment works of the Bank were carried out by the Privatization Administration and the Undersecretariat of Treasury of the Prime Ministry of the Republic of Türkiye. The Decree No. 96/8532 dated 19 September 1996, regarding this matter, was published in the Official Gazette on 11 October 1996. All of the Bank's shares were transferred and delivered to the Bank's new partners by the Privatization Administration on May 7, 1997, and the Bank started its operations on September 25, 1997, based on the permission numbered 39692, dated August 25, 1997, of the Undersecretariat of Treasury of the Prime Ministry of the Republic of Turkey.

II. Explanation about the Parent Bank's capital structure, shareholders of the Parent Bank who are in charge of the management and auditing of the Parent Bank directly or indirectly, changes in these matters (if any) and the Group that the Bank belongs to

HABAŞ, whose foundations were laid with the Hamdi Başaran Topkapı Oxygen Factory established by Hamdi BAŞARAN (1913-1987) in 1956, is one of Türkiye's leading industrial groups in the sectors of Industrial and Medical Gases, Iron and Steel, LPG, Natural Gas, Heavy Machinery Manufacturing, and Energy.

The capital group that directly or indirectly controls the Parent Bank is Habaş Group.

III. Explanation on the qualifications of the Parent Bank's board of directors' chairman and members, audit committee members, general manager and assistants, any changes in them, and the shares they own in the Parent Bank.

Name	Title	Percentage of Share (%)
Chairman of the Board		
Mehmet Rüştü BAŞARAN	Chairman	15.27
Board Members		
Suat INCE (**)	General Manager	-
Fikriye Filiz BAŞARAN HASESKI	Member	0.05
Erol BAŞARAN ALTINTUĞ(*****)	Member - Member of Audit Committee	0.35
Muzaffer KAYHAN (******)	Member	-
İbrahim Sencan DEREBEYOĞLU	Member - Member of Audit Committee	-
Ali Tunç DOROZ (***)	Member	-
Merih YURTKURAN (***)	Member	-
Deputy General Manager		
Ferudun CANBAY(******)	Human Resources Strategic Planning and Digital Banking Credit Monitoring and Administrative Follow-up Legal Consultancy Corporate Communications Purchasing	-
Assistant General Managers		
Zeki Murat URAL	Treasury	-
O. Asım Tunç BERGSAN	Information Technologies	-
Remzi Süha DEDE(*)	Operation	-
Ismail Atakan OZGUNEY	Credit Allocation	-
Levent Burak HAKGUDEN(*)	Commercial and SME Banking	-
Ilker TEKER(****)	Financial Affairs	-
Kadriye Didem KARACA(****)	Retail Banking	-

(*) As of 15 April 2024, Remzi Süha Dede has been appointed to the position of Deputy General Manager of the Operations Department.

(*) As of 15.04.2024, Levent Burak Hakgüden has been appointed Deputy General Manager of the Commercial and SME Banking Department.

(**) As of 23.05.2024, Suat İnce, a Member of the Board of Directors, has been appointed as the General Manager.

(***) As of 02.09.2024, Ali Tunç Doröz has appointed as a Member of the Board of Directors.

(***) As of 02.09.2024, Merih Yurtkuran has been appointed as a Member of the Board of Directors.

(****) As of 03.09.2024, İlker Teker has been appointed the Deputy General Manager of the Financial and Administrative Affairs Department.

(****) As of 03.09.2024, Kadriye Didem Karaca has been appointed the Deputy General Manager of Retail Banking.

(*****) As of 23.12.2024, Erol Başaran Altıntuğ has been appointed as a Member of the Auditing Committee.

(******) As of 25.12.2024, Muzaffer Kayhan has been appointed as a Member of the Board of Directors.

(******) As of 25.12.2024, Ferudun Canbay has been appointed as the Deputy General Manager.

SECTION ONE: GENERAL INFORMATION ABOUT THE BANK (Continued)

IV. Information on individual and corporate shareholders having control shares of the Parent Bank

The Bank's partnership structure as of 31 December 2024 and 31 December 2023 is as follows:

31 December 2024 Name /Commercial Title	Share Amounts	Share Percentages	Paid-in Capital
HABAŞ Sınai ve Tıbbi Gazlar İstihsal Endüstrisi A.Ş.	915,364	83.22%	915,364
Mehmet Rüştü Başaran	167,992	15.27%	167,992
Other	16,644	1.51%	16,644
Total	**1,100,000**	**100.00%**	**1,100,000**

As a result of Mehmet Rüştü Başaran's direct shares in HABAŞ Sınai ve Tıbbi Gazlar İstihsal Endüstrisi A.Ş., their partnership shares in the Bank are 76.46%, respectively.

31 December 2023 Name / Commercial Title	Share Amounts	Share Percentages	Paid-in Capital
HABAŞ Sınai ve Tıbbi Gazlar İstihsal Endüstrisi A.Ş.	915,364	83.22%	915,364
Mehmet Rüştü Başaran	167,992	15.27%	167,992
Other	16,644	1.51%	16,644
Total	**1,100,000**	**100.00%**	**1,100,000**

V. Summary information on the Parent Bank's service types and fields of operation

As stated in the articles of association of the Parent Bank, the fields of activity are as follows:

1. To accept all kinds of deposits both in Turkish Lira and in foreign currency;
2. To carry out transactions on all kinds of capital market instruments within the framework of the relevant legislation and the provisions of the Capital Markets Law;
3. To enter into credit and intelligence agreements with national and international financing institutions, to participate in consortiums and syndications;
4. To take or transfer all kinds of cash and non-cash collateral such as surety, pledge, mortgage, commercial enterprise pledge, etc., in relation to its activities;
5. To open all kinds of short, medium, and long-term loans in Turkish Lira and foreign currency, to provide guarantees;
6. To carry out all activities that fall into the field of banking within the framework of the legislation in force.

The Parent Bank's headquarters is in Istanbul. As of 31 December 2024, the Bank has a total of 95 branches, 43 of which are in Istanbul, and 1,385 employees (31 December 2023: a total of 114 branches, 49 of which are in Istanbul, and 1,547 employees.

As of 31 December 2024, the Group's number of employees is 1,564 (31 December 2023: 1,725).

SECTION ONE: GENERAL INFORMATION ABOUT THE BANK (Continued)

VI. Information on consolidated partnerships

The titles of the entities within the scope of consolidation ("Financial Institutions"), the places where their headquarters are located:

Commercial Title	Headquarters
Anadolubank Nederland NV	Amsterdam - Netherlands
Anadolu Faktoring A.Ş.	İstanbul - Türkiye
Anadolu Yatırım Menkul Kıymetler A.Ş.	İstanbul - Türkiye

VII. Current or Likely Actual or Legal Barriers to Immediate Transfer of Shareholders' Equity or Repayment of Debts Between the Parent

None.

ANADOLUBANK ANONİM ŞİRKETİ

CONSOLIDATED BALANCE SHEET – ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

			Audited Current Period 31 December 2024			Audited Prior Period 31 December 2023		
	ASSETS	**Note**	**TRY**	**FC**	**Total**	**TRY**	**FC**	**Total**
I.	**FINANCIAL ASSETS (Net)**		**17,340,621**	**34,459,243**	**51,799,864**	**10,624,703**	**24,682,718**	**35,307,421**
1.1	**Cash and Cash Equivalents**		**13,867,695**	**22,192,722**	**36,060,417**	**7,204,955**	**15,881,374**	**23,086,329**
1.1.1	Cash Balances and Central Bank	**V-I-1**	7,594,655	8,085,770	15,680,425	4,207,322	4,615,126	8,822,448
1.1.2	Banks	**V-I-2**	672,538	13,827,942	14,500,480	188,079	11,267,812	11,455,891
1.1.3	Money Market Placements	**V-I-3**	5,601,483	293,994	5,895,477	2,810,043	-	2,810,043
1.1.4	Expected Credit Losses (-)		981	14,984	15,965	489	1,564	2,053
1.2	**Financial Assets Measured at Fair Value Through Profit or Loss**	**V-I-4**	63,620	341,044	404,664	**-**	**118,238**	**118,238**
1.2.1	GovernmentSecurities		63,620	242,368	305,988	-	102,803	102,803
1.2.2	Securities Representing Shares in Capital		-	-	-	-	-	-
1.2.3	Other Financial Assets		-	98,676	98,676	-	15,435	15,435
1.3	**Financial Assets Measured at Fair Value Through Other Comprehensive Income**	**V-I-5**	**3,004,320**	**11,661,944**	**14,666,264**	**1,441,363**	**8,410,228**	**9,851,591**
1.3.1	Government Securities		2,868,088	2,277,600	5,145,688	1,351,279	2,277,538	3,628,817
1.3.2	Securities Representing Shares in Capital		13,941	114,145	128,086	13,941	79,458	93,399
1.3.3	Other Financial Assets		122,291	9,270,199	9,392,490	76,143	6,053,232	6,129,375
1.4	**Derivative Financial Assets**	**V-I-6**	**404,986**	**263,533**	**668,519**	**1,978,385**	**272,878**	**2,251,263**
1.4.1	Derivative Financial Assets Measured at Fair Value Through Profit or Loss		404,986	263,533	668,519	1,978,385	272,878	2,251,263
1.4.2	Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II.	**FINANCIAL ASSETS MEASURED AT AMORTIZED COST (NET)**		**47,710,825**	**36,073,309**	**83,784,134**	**26,376,264**	**21,687,160**	**48,063,424**
2.1	**Loans**	**V-I-7**	**44,230,672**	**26,326,544**	**70,557,216**	**24,542,466**	**18,469,203**	**43,011,669**
2.2	**Lease Receivables**	**V-I-10**	**-**	**-**	**-**	**-**	**-**	**-**
2.3	**Factoring Receivables**	**V-I-9**	**4,319,966**	**-**	**4,319,966**	**2,499,984**	**-**	**2,499,984**
2.4	**Other Financial Assets Measured at Amortized Cost**	**V-I-8**	-	9,954,557	9,954,557	**-**	**3,411,385**	**3,411,385**
2.4.1	Government Securities		-	7,248,082	7,248,082	-	646,464	646,464
2.4.2	Other Financial Assets		-	2,706,475	2,706,475	-	2,764,921	2,764,921
2.5	**Expected Credit Losses (-)**		**839,813**	**207,792**	**1,047,605**	**666,186**	**193,428**	**859,614**
III.	**ASSETS HELD FOR SALE AND ASSETS DISCONTINUED OPERATIONS (NET)**	**V-I-18**	**190,178**	**-**	**190,178**	**211,656**	**-**	**211,656**
3.1	Held for Sale		190,178	-	190,178	211,656	-	211,656
3.2	Discontinued Operations		-	-	-	-	-	-
IV.	**EQUITY INVESTMENTS**		-	-	-	-	-	-
4.1	**Investments in Associates (Net)**	**V-I-11**	-	-	-	-	-	-
4.1.1	Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2	Unconsolidated Associates		-	-	-	-	-	-
4.2	**Investments in Subsidiaries (Net)**	**V-I-12**	-	-	-	-	-	-
4.2.1	Unconsolidated Financial Investments		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Investments		-	-	-	-	-	-
4.3	**Entities under Common Control (Joint Venture) (Net)**	**V-I-13**	-	-	-	-	-	-
4.3.1	Joint Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	**TANGIBLE ASSETS (Net)**	**V-I-14**	**2,283,150**	**53,066**	**2,336,216**	**1,721,924**	**48,613**	**1,770,537**
VI.	**INTANGIBLE ASSETS (Net)**	**V-I-15**	**137,333**	**-**	**137,333**	**97,895**	**-**	**97,895**
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		137,333	-	137,333	97,895	-	97,895
VII.	**INVESTMENT PROPERTY (Net)**	**V-I-16**	-	-	-	-	-	-
VIII.	**CURRENT TAX ASSET**		**-**	**8,937**	**8,937**	**-**	**10,187**	**10,187**
IX.	**DEFERRED TAX ASSET**	**V-I-17**	**546,211**	**-**	**546,211**	**8,119**	**-**	**8,119**
X.	**OTHER ASSETS**	**V-I-19**	**3,580,399**	**118,731**	**3,699,130**	**1,104,998**	**64,376**	**1,169,374**
	TOTAL ASSETS		**71,788,717**	**70,713,286**	**142,502,003**	**40,145,559**	**46,493,054**	**86,638,613**

The accompanying notes are an integral part of these consolidated financial statements.

ANADOLUBANK ANONİM ŞİRKETİ

CONSOLIDATED BALANCE SHEET – LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

			Audited Current Period 31 December 2024			Audited Prior Period 31 December 2023		
	LIABILITIES	**Note**	**TRY**	**FC**	**Total**	**TRY**	**FC**	**Total**
I.	**DEPOSITS**	**V-II-1**	**42,925,114**	**65,706,002**	**108,631,116**	**26,573,244**	**44,211,838**	**70,785,082**
II.	**FUNDS BORROWED**	**V-II-2**	**3,203,777**	**7,192,167**	**10,395,944**	**1,953,806**	**71,694**	**2,025,500**
III.	**MONEY MARKET FUNDS**		**148,195**	**-**	**148,195**	**94,784**	**-**	**94,784**
IV.	**SECURITIES ISSUED (Net)**		-	-	-	-	-	-
4.1	Bills		-	-	-	-	-	-
4.2	Assets Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	-	-	-	-	-
V.	**BORROWER FUNDS**		-	-	-	-	-	-
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	**FINANCIAL LIABILITIES MEASURED AT FAIR VALUE THROGUH PROFIT OR LOSS**		-	-	-	-	-	-
VII.	**DERIVATIVE FINANCIAL LIABILITIES**	**V-II-2**	**472,582**	**475,140**	**947,722**	**130,796**	**288,245**	**419,041**
7.1	Derivative Financial Liabilities Measured at Fair Value Through Profit or Loss		472,582	475,140	947,722	130,796	288,245	419,041
7.2	Derivative Financial Liabilities Measured at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII.	**FACTORING PAYABLES**		**66**	**-**	**66**	**10**	**-**	**10**
IX.	**LEASE PAYABLES**	**V-II-3**	**316,350**	**41,581**	**357,931**	**236,643**	**42,427**	**279,070**
X.	**PROVISIONS**	**V-II-4**	**391,046**	**40,486**	**431,532**	**185,386**	**34,328**	**219,714**
10.1	Restructuring Reserves		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		244,162	11,072	255,234	148,023	18,567	166,590
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		146,884	29,414	176,298	37,363	15,761	53,124
XI.	**CURRENT TAX LIABILITY**	**V-II-5**	**1,116,151**	**-**	**1,116,151**	**78,801**	**-**	**78,801**
XII.	**DEFERRED TAX LIABILITY**	**V-II-6**	**-**	**24,318**	**24,318**	**206,021**	**15,061**	**221,082**
XIII.	**LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)**	**V-II-7**	-	-	-	-	-	-
13.1	Held for Sale		-	-	-	-	-	-
13.2	Discontinued Operations		-	-	-	-	-	-
XIV.	**SUBORDINATED DEBT INSTRUMENTS**	**V-II-8**	-	-	-	-	-	-
14.1	Subordinated Loans		-	-	-	-	-	-
14.2	Other Debt Instruments		-	-	-	-	-	-
XV.	**OTHER LIABILITIES**	**V-II-9**	**2,949,089**	**342,884**	**3,291,973**	**1,027,334**	**335,314**	**1,362,648**
XVI.	**SHAREHOLDERS' EQUITY**		**16,399,566**	**757,489**	**17,157,055**	**10,741,270**	**411,611**	**11,152,881**
16.1	**Paid-in Capital**	**V-II-10**	**1,100,000**	**-**	**1,100,000**	**1,100,000**	**-**	**1,100,000**
16.2	**Capital Reserves**		-	-	-	-	-	-
16.2.1	Share Premium		-	-	-	-	-	-
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		-	-	-	-	-	-
16.3	**Other Comprehensive Income/Expense Items not to be Reclassified to Profit or Loss**		**1,579,791**	**60,077**	**1,639,868**	**1,159,957**	**38,911**	**1,198,868**
16.4	**Other Comprehensive Income/Expense Items to be Reclassified to Profit or Loss**		**1,525,407**	**(115,909)**	**1,409,498**	**1,279,081**	**(117,997)**	**1,161,084**
16.5	**Profit Reserves**		**7,672,982**	**-**	**7,672,982**	**4,741,743**	**-**	**4,741,743**
16.5.1	Legal Reserves		220,000	-	220,000	220,000	-	220,000
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		7,452,982	-	7,452,982	4,521,743	-	4,521,743
16.5.4	Other Profit Reserves		-	-	-	-	-	-
16.6	**Profit or Loss**		**4,492,072**	**813,321**	**5,305,393**	**2,440,542**	**490,697**	**2,931,239**
16.6.1	Prior Period's Profit/Loss		-	-	-	-	-	-
16.6.2	Current Period's Profit/Loss		4,492,072	813,321	5,305,393	2,440,542	490,697	2,931,239
16.7	**Minority Interest**		**29,314**	**-**	**29,314**	**19,947**	**-**	**19,947**
	TOTAL EQUITY AND LIABILITIES		**67,921,936**	**74,580,067**	**142,502,003**	**41,228,095**	**45,410,518**	**86,638,613**

The accompanying notes are an integral part of these consolidated financial statements.

ANADOLUBANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.

			Audited Current Period 31 December 2024			Audited Prior Period 31 December 2023		
		Note	TRY	FC	Total	TRY	FC	Total
	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES							
A.	**(I+II+III)**		**67,364,928**	**107,017,639**	**174,382,567**	**46,290,690**	**86,094,151**	**132,384,841**
I.	**GUARANTEES AND COLLATERALS**	**V-III-2**	**15,250,713**	**7,125,594**	**22,376,307**	**12,334,944**	**5,352,850**	**17,687,794**
1.1	Letters of Guarantee		11,781,363	2,890,555	14,671,918	9,989,694	2,377,481	12,367,175
1.1.1	Guarantees Subject to State Tender Law		114,491	9,018	123,509	66,465	8,178	74,643
1.1.2	Guarantees Given for Foreign Trade Operations		121,623	6,429	128,052	113,422	7,172	120,594
1.1.3	Other Letters of Guarantee		11,545,249	2,875,108	14,420,357	9,809,807	2,362,131	12,171,938
1.2	Bank Acceptances		-	130,340	130,340	-	74,195	74,195
1.2.1	Import Letter of Acceptance		-	130,340	130,340	-	74,195	74,195
1.2.2	Other Bank Acceptance		-	-	-	-	-	-
1.3	Letters of Credit		-	4,104,699	4,104,699	-	2,852,313	2,852,313
1.3.1	Documentary Letters of Credit		-	4,104,699	4,104,699	-	2,852,313	2,852,313
1.3.2	Other Letters of Credit		-	-	-	-	-	-
1.4	Guaranteed Prefinancing		-	-	-	-	-	-
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of Türkiye		-	-	-	-	-	-
1.5.2	Other Endorsements		-	-	-	-	-	-
1.6	Underwriting Commitments		-	-	-	-	-	-
1.7	Factoring Related Guarantees		-	-	-	-	-	-
1.8	Other Guarantees		3,469,350	-	3,469,350	2,345,250	48,861	2,394,111
1.9	Other Collaterals		-	-	-	-	-	-
II.	**COMMITMENTS**	**V-III-1**	**10,349,701**	**6,925,991**	**17,275,692**	**4,309,703**	**3,056,470**	**7,366,173**
2.1	Irrevocable Commitments		10,349,701	6,925,991	17,275,692	4,309,703	3,056,470	7,366,173
2.1.1	Forward Asset Purchase and Sale Commitments		5,492,147	6,925,991	12,418,138	783,087	3,056,470	3,839,557
2.1.2	Forward Deposit Purchase and Sale Commitments		-	-	-	-	-	-
2.1.3	Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4	Loan Granting Commitments		3,226,871	-	3,226,871	2,317,989	-	2,317,989
2.1.5	Securities Underwriting Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7	Payment Commitment for Checks		1,122,019	-	1,122,019	815,921	-	815,921
2.1.8	Tax and Fund Liabilities from Export Commitments		39	-	39	12	-	12
2.1.9	Commitments for Credit Card Expenditure Limits		380,868	-	380,868	323,994	-	323,994
2.1.10	Commitments for Promotions Related with Credit Cards and Banking Activities		1,014	-	1,014	617	-	617
2.1.11	Receivables from Short Sale Commitments		-	-	-	-	-	-
2.1.12	Payables for Short Sale Commitments		-	-	-	-	-	-
2.1.13	Other Irrevocable Commitments		126,743	-	126,743	68,083	-	68,083
2.2	Revocable Commitments		-	-	-	-	-	-
2.2.1	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2	Other Revocable Commitments		-	-	-	-	-	-
III.	**DERIVATIVE FINANCIAL INSTRUMENTS**	**V-III-6**	**41,764,514**	**92,966,054**	**134,730,568**	**29,646,043**	**77,684,831**	**107,330,874**
3.1	Derivative Financial Instruments for Hedging Purposes		-	2,755,215	2,755,215	-	1,921,860	1,921,860
3.1.1	Fair Value Hedges		-	2,755,215	2,755,215	-	1,921,860	1,921,860
3.1.2	Cash Flow Hedges		-	-	-	-	-	-
3.1.3	Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2	Trading Transactions		41,764,514	90,210,839	131,975,353	29,646,043	75,762,971	105,409,014
3.2.1	Forward Foreign Currency Purchase/Sale Transactions		4,539,873	6,392,749	10,932,622	8,034,856	10,024,522	18,059,378
3.2.1.1	Forward Foreign Currency Transactions- Purchases		1,124,680	4,122,671	5,247,351	8,034,791	1,294,460	9,329,251
3.2.1.2	Forward Foreign Currency Transactions- Sales		3,415,193	2,270,078	5,685,271	65	8,730,062	8,730,127
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rate		27,631,699	71,311,720	98,943,419	16,292,728	56,439,695	72,732,423
3.2.2.1	Foreign Currency Swap- Purchases		2,825,434	29,932,632	32,758,066	3,147,742	24,889,307	28,037,049
3.2.2.2	Foreign Currency Swap- Sales		1,267,737	31,792,616	33,060,353	3,602,986	24,379,896	27,982,882
3.2.2.3	Interest Rate Swap- Purchases		11,769,264	4,793,236	16,562,500	4,771,000	3,585,246	8,356,246
3.2.2.4	Interest Rate Swap- Sales		11,769,264	4,793,236	16,562,500	4,771,000	3,585,246	8,356,246
3.2.3	Foreign Currency, Interest Rate, and Securities Options		9,592,942	12,139,008	21,731,950	5,318,459	9,298,754	14,617,213
3.2.3.1	Foreign Currency Options- Purchases		956,887	9,232,447	10,189,334	974,804	7,070,187	8,044,991
3.2.3.2	Foreign Currency Options- Sales		8,636,055	2,906,561	11,542,616	4,343,655	2,228,567	6,572,222
3.2.3.3	Interest Rate Options- Purchases		-	-	-	-	-	-
3.2.3.4	Interest Rate Options- Sales		-	-	-	-	-	-
3.2.3.5	Securities Options- Purchases		-	-	-	-	-	-
3.2.3.6	Securities Options- Sales		-	-	-	-	-	-
3.2.4	Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1	Foreign Currency Futures-Purchases		-	-	-	-	-	-
3.2.4.2	Foreign Currency Futures-Sales		-	-	-	-	-	-
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures- Purchases		-	-	-	-	-	-
3.2.5.2	Interest Rate Futures- Sales		-	-	-	-	-	-
3.2.6	Other		-	367,362	367,362	-	-	-
B.	**CUSTODY AND PLEDGED ITEMS (IV+V)**		**845,029,665**	**67,337,100**	**912,366,765**	**529,837,241**	**51,254,827**	**581,092,068**
IV.	**ITEMS HELD IN CUSTODY**		**195,253,778**	**8,453,569**	**203,707,347**	**130,235,634**	**6,354,189**	**136,589,823**
4.1	Customers' Securities Held		1,965,623	3,399,400	5,365,023	1,196,531	2,148,446	3,344,977
4.2	Investment Securities Held in Custody		168,169,579	4,855,798	173,025,377	115,511,257	3,990,353	119,501,610
4.3	Checks Received for Collection		21,923,818	176,976	22,100,794	13,170,734	106,157	13,276,891
4.4	Commercial Notes Received for Collection		150,028	21,395	171,423	77,184	16,387	93,571
4.5	Other Assets Received for Collection		-	-	-	-	-	-
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		3,044,730	-	3,044,730	279,928	92,846	372,774
4.8	Custodians		-	-	-	-	-	-
V.	**PLEDGED ITEMS**		**648,178,902**	**58,883,531**	**707,062,433**	**398,004,622**	**44,900,638**	**442,905,260**
5.1	Marketable Securities		1,382	-	1,382	5,494,535	-	5,494,535
5.2	Guarantee Notes		12,538	89,330	101,868	11,329	71,648	82,977
5.3	Commodities		-	-	-	-	-	-
5.4	Warranties		315,444	-	315,444	237,365	-	237,365
5.5	Real Estate		-	-	-	-	-	-
5.6	Other Pledged Items		647,849,538	58,794,201	706,643,739	392,261,393	44,828,990	437,090,383
5.7	Pledged Items-Depository		-	-	-	-	-	-
VI.	**CONFIRMED BILLS OF EXCHANGE AND SURETIES**		**1,596,985**	**-**	**1,596,985**	**1,596,985**	**-**	**1,596,985**
	TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		**912,394,593**	**174,354,739**	**1,086,749,332**	**576,127,931**	**137,348,978**	**713,476,909**

The accompanying notes are an integral part of these consolidated financial statements.

ANADOLUBANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

	INCOME AND EXPENSE ITEMS	Note	Audited Current Period 1 January – 31 December 2024	Audited Prior Period 1 January – 31 December 2023
I.	**INTEREST INCOME**		**24,843,089**	**8,973,335**
1.1	Interest Incomeon Loans	**V-IV-1**	18,482,664	7,103,235
1.2	Interest Received on Reserve Deposits		821,908	118
1.3	Interest Received on Banks	**V-IV-1**	534,438	554,767
1.4	Interest Received on Money Market Transactions		2,495,214	210,463
1.5	Interest Received on Securities Portfolio	**V-IV-1**	911,552	460,668
1.5.1	Financial Assets Measured at Fair Value through Profit or (Loss)		36,879	12,055
1.5.2	Financial Assets Measured at Fair Value Through Other Comprehensive Income		622,437	285,699
1.5.3	Financial Assets Measured at Measured at Amortized Cost		252,236	162,914
1.6	Financial Lease Income		-	-
1.7	Other Interest Income		1,597,313	644,084
II.	**INTEREST EXPENSE (-)**		**16,550,017**	**7,627,673**
2.1	Interest on Deposits	**V-IV-2**	14,931,783	6,996,196
2.2	Interest on Funds Borrowed	**V-IV-2**	1,411,881	484,996
2.3	Interest on Money Market Transactions		3,460	86,892
2.4	Interest on Securities Issued	**V-IV-2**	-	-
2.5	Interest on Leases		52,744	32,385
2.6	Other Interest Expenses		150,149	27,204
III.	**NET INTEREST INCOME/EXPENSE (I - II)**		**8,293,072**	**1,345,662**
IV.	**NET FEES AND COMMISSIONS INCOME/EXPENSE**		**1,762,586**	**1,713,322**
4.1	Fees and Commissions Received		2,845,992	2,060,382
4.1.1	Non-Cash Loans		206,408	161,248
4.1.2	Other	**V-IV-11**	2,639,584	1,899,134
4.2	Fees and Commissions Paid (-)		1,083,406	347,060
4.2.1	Non-Cash Loans		286	153
4.2.2	Other		1,083,120	346,907
V.	**DIVIDEND INCOME**	**V-IV-3**	**2,798**	**3,074**
VI.	**TRADING GAIN/(LOSS) (Net)**	**V-IV-4**	**882,027**	**3,700,252**
6.1	Trading Gains/(Losses) on Securities		144,381	288,579
6.2	Gains/losses from derivative transactions		128,999	725,271
6.3	Foreign Exchange Gains/(Losses)		608,647	2,686,402
VII.	**OTHER OPERATING INCOME**	**V-IV-5**	**628,809**	**418,711**
VIII.	**TOTAL OPERATING GROSS PROFIT (III+IV+V+VI+VII)**		**11,569,292**	**7,181,021**
IX.	**EXPECTED CREDIT LOSSES (-)**	**V-IV-6**	**558,980**	**275,839**
X.	**OTHER PROVISION EXPENSES (-)**	**V-IV-6**	**106,460**	**26,991**
XI.	**PERSONNEL EXPENSES (-)**		**2,068,748**	**1,407,458**
XII.	**OTHER OPERATING EXPENSES (-)**	**V-IV-7**	**1,338,088**	**1,274,156**
XIII.	**NET OPERATING PROFIT/(LOSS) (VIII-IX-X-XI-XII)**		**7,497,016**	**4,196,577**
XIV.	**EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER**		-	-
XV.	**PROFIT/(LOSS) FROM INVESTMENTS UNDER EQUITY ACCOUNTING**		-	-
XVI.	**PROFIT/(LOSS) ON NET MONETARY POSITION**		-	-
XVII.	**OPERATING PROFIT/LOSS BEFORE TAXES (XIII+...+XV)**	**V-IV-9**	**7,497,016**	**4,196,577**
XVIII.	**PROVISION FOR TAXES OF CONTINUING OPERATIONS (±)**	**V-IV-9**	**(2,182,265)**	**(1,257,005)**
18.1	Current Tax Charge		(2,777,532)	(496,442)
18.2	Deferred Tax Charge (+)		(194,643)	(1,035,695)
18.3	Deferred Tax Credit (-)		789,910	275,132
XIX.	**NET PROFIT/LOSS AFTER TAXES (XVII±XVIII)**	**V-IV-9**	**5,314,751**	**2,939,572**
XX.	**INCOME FROM DISCONTINUED OPERATIONS**		-	-
20.1	Income from assets held for sale		-	-
20.2	Income from sale of associates, subsidiaries and joint ventures		-	-
20.3	Others			
XXI.	**EXPENSES FROM DISCONTINUED OPERATIONS (-)**		-	-
21.1	Expenses for Non-Current Assets Held for Resale		-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures (Business Partners)		-	-
21.3	Other Expenses from Discontinued Operations			
XXII.	**PROFIT/LOSSES BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX-XXI)**	**V-IV-9**	-	-
XXIII.	**PROVISION FOR INCOME TAXES FROM DISCONTINUED OPERATIONS (±)**	**V-IV-9**		
23.1	Current Tax Charge		-	-
23.2	Deferred Tax Charge (+)			
23.3	Deferred Tax Credit (-)		-	-
XXIV.	**NET PROFIT/LOSS AFTER TAXES ON DISCONTINUED OPERATIONS (XXII±XXIII)**			
XXV.	**NET PROFIT/LOSSES (XIX+XXIV)**	**V-IV-11**	**5,314,751**	**2,939,572**
25.1	Group's profit/loss		5,305,393	2,931,239
25.2	Non-Controlling interest		9,358	8,333
	Earnings per Share	**III-XXIV**	0.048316	0.026723

The accompanying notes are an integral part of these consolidated financial statements.

ANADOLUBANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

	CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Note	Audited Current Period 1 January – 31 December 2024	Audited Prior Period 1 January – 31 December 2023
I.	**CURRENT PERIOD PROFIT/LOSS**		**5,314,751**	**2,939,572**
II	**OTHER COMPREHENSIVE INCOME**		**689,414**	**1,298,601**
2.1.	**Other Income/Expense Items Not Reclassified Through Profit or Loss**		**441,000**	**747,706**
2.1.1.	Revaluation Surplus on Tangible Assets		514,009	716,732
2.1.2.	Revaluation Surplus on Intangible Assets		-	-
2.1.3.	Defined Benefit Plans' Actuarial Gains/Losses		(81,660)	(55,910)
2.1.4.	Other Income/Expense Items not Reclassified to Profit or Loss		30,238	30,554
2.1.5.	Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss		(21,587)	56,330
2.2.	**Other Income/Expense Items Reclassified to Profit or Loss**		**248,414**	**550,895**
2.2.1.	Exchange Differences on Translation		575,871	1,564,410
2.2.2.	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI		63,531	(198,551)
2.2.3.	Gains/losses from Cash Flow Hedges		-	(7,032)
2.2.4.	Gains/Losses on Hedges of Net Investments in Foreign Operations		(562,347)	(1,365,012)
2.2.5.	Other Income/Expense Items Reclassified to Profit or Loss		-	-
2.2.6.	Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss		171,359	557,080
III.	**TOTAL COMPREHENSIVE INCOME (I+II)**		**6,004,165**	**4,238,173**

The accompanying notes are an integral part of these consolidated financial statements

ANADOLUBANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

							Other Comprehensive Income/Expense Items not to be Reclassified to Profit or Loss			Other Comprehensive Income/Expense Items to be Reclassified to Profit or Loss								
	CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Note	Paid – in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Revaluation surplus on tangible and intangible assets	Defined Benefit Plans' Actuarial Gains/Losses	Others	TranslationDifferences	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	Others	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Shareholders' Equity Before Non-Controlling Interest	Non-Controlling Interest	Total Shareholders' Equity
	Prior Period																	
I.	**Balances at Beginning of Period**		**1,100,000**	**-**	**-**	**-**	**492,241**	**(59,854)**	**18,775**	**1,763,458**	**(59,427)**	**(1,093,842)**	**2,756,677**	**1,985,063**	**-**	**6,903,091**	**11,745**	**6,914,836**
II.	**Correction made as per TAS 8**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	**Adjusted Balances at Beginning of Period (I+II)**	V-II-10	**1,100,000**	**-**	**-**	**-**	**492,241**	**(59,854)**	**18,775**	**1,763,458**	**(59,427)**	**(1,093,842)**	**2,756,677**	**1,985,063**	**-**	**6,903,091**	**11,745**	**6,914,836**
IV.	**Total Comprehensive Income**		-	-	-	-	764,059	(36,489)	20,136	1,552,716	(112,686)	(889,135)	-	-	2,931,239	4,229,840	8,333	4,238,173
V.	**Capital Increase in Cash**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	**Capital Increase from Internal Sources**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	**Adjustments to Paid-in Capital**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	**Convertible Bonds**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	**Subordinated Liabilities**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	**Increase/Decrease Due to Other Changes**		-	-	-	-	-	-	-	-	-	-	**3**	-	-	**3**	**(131)**	**(128)**
XI.	**Profit Distribution**		-	-	-	-	-	-	-	-	-	-	**1,985,063**	**(1,985,063)**	-	-	-	-
11.1	**Dividends**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	**Transfers to Reserves**		-	-	-	-	-	-	-	-	-	-	1,985,063	(1,985,063)	-	-	-	-
11.3	**Others**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Balances at end of the period (III+IV+.....+X+XI)		**1,100,000**	**-**	**-**	**-**	**1,256,300**	**(96,343)**	**38,911**	**3,316,174**	**(172,113)**	**(1,982,977)**	**4,741,743**	**-**	**2,931,239**	**11,132,934**	**19,947**	**11,152,881**

							Other Comprehensive Income/Expense Items not Reclassified to Profit or Loss			Other Comprehensive Income/Expense Items Reclassified to Profit or Loss								
	CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Note	Paid – in Capital	Share Premium	Share Premium	Other Capital Reserves	Revaluation surplus on tangible and intangible assets	Defined Benefit Plans' Actuarial Gains/Losses	Others	TranslationDifferences	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	Others	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/ Loss	Shareholders' Equity Before Non-Controlling Interest	Non-Controlling Interest	Total Shareholders' Equity
	Current Period																	
I.	**Balances at Beginning of Period**		**1,100,000**	**-**	**-**	**-**	**1,256,300**	**(96,343)**	**38,911**	**3,316,174**	**(172,113)**	**(1,982,977)**	**4,741,743**	**2,931,239**	**-**	**11,132,934**	**19,947**	**11,152,881**
II.	**Correction made as per TAS 8**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	**Adjusted Balances at Beginning of Period (I+II)**	V-II-10	**1,100,000**	**-**	**-**	**-**	**1,256,300**	**(96,343)**	**38,911**	**3,316,174**	**(172,113)**	**(1,982,977)**	**4,741,743**	**2,931,239**	**-**	**11,132,934**	**19,947**	**11,152,881**
IV.	**Total Comprehensive Income**		-	-	-	-	475,551	(55,718)	21,167	575,871	66,184	(393,641)	-	-	5,305,393	5,994,807	9,358	6,004,165
V.	**Capital Increase in Cash**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	**Capital Increase from Internal Sources**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	**Adjustments to Paid-in Capital**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	**Convertible Bonds**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	**Subordinated Debt Instruments**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	**Other Changes**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	**9**	**9**
XI.	**Profit Distribution**		-	-	-	-	-	-	-	-	-	-	**2,931,239**	**(2,931,239)**	-	-	-	-
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	2,931,239	(2,931,239)	-	-	-	-
11.3	Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Balances at end of the period (III+IV…+X+XI)		**1,100,000**	**-**	**-**	**-**	**1,731,851**	**(152,061)**	**60,078**	**3,892,045**	**(105,929)**	**(2,376,618)**	**7,672,982**	**-**	**5,305,393**	**17,127,741**	**29,314**	**17,157,055**

The accompanying notes are an integral part of these consolidated financial statements.

ANADOLUBANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

		Note	Audited Current Period 1 January- 31 December 2024	Audited Prior Period 1 January- 31 December 2023
A.	**CASH FLOWS FROM BANKING OPERATIONS**			
1.1	**Operating profit before changes in operating assets and liabilities**		**12,526,123**	**6,096,153**
1.1.1	Interest received		23,312,569	8,956,878
1.1.2	Interest paid		(15,140,128)	(7,088,393)
1.1.3	Dividend received		2,798	3,074
1.1.4	Fees and commissions received		2,845,992	2,060,382
1.1.5	Other income		896,313	3,480,563
1.1.6	Collections from previously written-off loans		197,821	257,485
1.1.7	Cash payments to personnel and service suppliers		(2,068,748)	(1,407,458)
1.1.8	Taxes paid		5,444,035	(311,761)
1.1.9	Other	V-VI-1	7,923,541	145,383
1.2	**Changes in operating assets and liabilities subject to banking operations**		**10,708,973**	**10,347,901**
1.2.1	Net (increase) decrease in financial assets measured at fair value through profit/loss		(203,185)	(124,357)
1.2.2	Net (increase) decrease in due from banks		7,396,716	(313,438)
1.2.3	Net (increase) decrease in loans		(26,277,509)	(11,668,940)
1.2.4	Net (increase) decrease in other assets	V-VI-1	(8,331,198)	(6,061,704)
1.2.5	Net increase (decrease) in bank deposits		4,751,933	2,994,019
1.2.6	Net increase (decrease) in other deposits		31,890,197	25,458,555
1.2.7	Net increase (decrease) in financial liabilities at fair value through profit or loss		-	-
1.2.8	Net increase (decrease) in funds borrowed		-	-
1.2.9	Net increase (decrease) in matured payables	V-VI-1	1,482,019	63,766
I.	**Net cash provided from banking operations**		**23,235,096**	**16,444,054**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
II.	**Net cash provided from / (used in) investing activities**		**(11,159,955)**	**(8,223,798)**
2.1	Cash paid for purchase of entities under common control, associates and subsidiaries		-	-
2.2	Cash obtained from sale of entities under common control, associates and subsidiaries		-	-
2.3	Fixed assets purchases		(146,877)	(163,237)
2.4	Fixed assets sales		17,373	70,079
2.5	Cash paid for purchase of financial assets measured at fair value through other comprehensive income		(10,779,229)	(10,018,397)
2.6	Cash obtained from sale of financial assets measured at fair value through other comprehensive income		6,556,762	2,798,777
2.7	Cash paid for purchase of Financial Assets Measured at Amortized Cost		(6,817,735)	(1,141,992)
2.8	Cash obtained from sale of Financial Assets Measured at Amortized Cost		744,991	1,974,152
2.9	Other		(735,240)	(1,743,180)
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
III.	**Net cash provided from / (used in) financing activities**		**8,039,327**	**(681,660)**
3.1	Cash obtained from funds borrowed and securities issued		10,778,969	1,967,715
3.2	Cash used for repayment of funds borrowed and securities issued		(2,446,529)	(2,507,714)
3.3	Issued equity instruments		-	-
3.4	Dividends paid		-	-
3.5	Payments for finance leases		(293,113)	(141,661)
3.6	Other		-	-
IV.	**Effect of foreign currency exchange differences on cash and cash equivalents**	V-VI-1	**256,436**	**568,318**
V.	**Net increase / (decrease) in cash and cash equivalents**		**20,370,904**	**8,106,914**
VI.	**Cash and cash equivalents at the beginning of the period**		**9,783,242**	**11,107,244**
VII.	**Cash and cash equivalents at end of the period**		**30,154,146**	**19,214,158**

The accompanying notes are an integral part of these consolidated financial statements.

ANADOLUBANK ANONİM ŞİRKETİ

STATEMENT OF PROFIT DISTRIBUTION OF THE PARENT BANK FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

		Note	Current Period 31 December 2024	Prior Period 31 December 2023
I.	**DISTRIBUTION OF CURRENT YEAR INCOME** [(1) (2)]			
1.1	**CURRENT YEAR INCOME**		**6,979,560**	**3,856,440**
1.2	**TAXES AND DUTIES PAYABLE**		**(1,674,167)**	**(925,201)**
1.2.1	Corporate Tax (Income Tax)		-	-
1.2.2	Income Withholding Tax		(1,674,167)	(925,201)
1.2.3	Other Taxes and Duties		-	-
A.	**NET INCOME FOR THE YEAR**		**5,305,393**	**2,931,239**
1.3	**PRIOR YEARS LOSSES (-)**		**-**	**-**
1.4	**FIRST LEGAL RESERVES (-)**		**-**	**-**
1.5	**OTHER STATUTORY RESERVES (-)**		**-**	**-**
B.	**NET INCOME AVAILABLE FOR DISTRIBUTION**		**5,305,393**	**2,931,239**
1.6	**FIRST DIVIDEND TO SHAREHOLDERS**		**-**	**-**
1.6.1	To Owners of Ordinary Shares		-	-
1.6.2	To Owners of Privileged Shares		-	-
1.6.3	To Owners of Preferred Shares		-	-
1.6.4	To Profit Sharing Bonds		-	-
1.6.5	To Holders of Profit and (Loss) Sharing Certificates		-	-
1.7	**DIVIDENDS TO PERSONNEL (-)**		**-**	**-**
1.8	**DIVIDENDS TO BOARD OF DIRECTORS (-)**		**-**	**-**
1.9	**SECOND DIVIDEND TO SHAREHOLDERS (-)**		**-**	**-**
1.9.1	To Owners of Ordinary Shares		-	-
1.9.2	To Owners of Privileged Shares		-	-
1.9.3	To Owners of Preferred Shares		-	-
1.9.4	To Profit Sharing Bonds		-	-
1.9.5	To Holders of Profit and (Loss) Sharing Certificates		-	-
1.10	**SECOND LEGAL RESERVES (-)**		**-**	**-**
1.11	**STATUTORY RESERVES (-)**		**-**	**-**
1.12	**EXTRAORDINARY RESERVES**		**-**	**2,931,239**
1.13	**OTHER RESERVES**		**-**	**-**
1.14	**SPECIAL FUNDS**		**-**	**-**
II.	**DISTRIBUTION OF RESERVES**		**-**	**-**
2.1	**APPROPRIATED RESERVES**		**-**	**-**
2.2	**SECOND LEGAL RESERVES (-)**		**-**	**-**
2.3	**DIVIDENDS TO SHAREHOLDERS (-)**		**-**	**-**
2.3.1	To Owners of Ordinary Shares		-	-
2.3.2	To Owners of Privileged Shares		-	-
2.3.3	To Owners of Preferred Shares		-	-
2.3.4	To Profit Sharing Bonds		-	-
2.3.5	To Holders of Profit and (Loss) Sharing Certificates		-	-
2.4	**DIVIDENDS TO PERSONNEL (-)**		**-**	**-**
2.5	**DIVIDENDS TO BOARD OF DIRECTORS (-)**		**-**	**-**
III.	**EARNINGS PER SHARE**		**-**	**-**
3.1	**TO OWNERS OF ORDINARY SHARES**		**0.00482**	**0.002665**
3.2	**TO OWNERS OF ORDINARY SHARES (%)**		**482.31**	**266.50**
3.3	**TO OWNERS OF PRIVILEGED SHARES**		**-**	**-**
3.4	**TO OWNERS OF PRIVILEGED SHARES (%)**		**-**	**-**
IV.	**DIVIDEND PER SHARE**		**-**	**-**
4.1	**TO OWNERS OF ORDINARY SHARES**		**-**	**-**
4.2	**TO OWNERS OF ORDINARY SHARES (%)**		**-**	**-**
4.3	**TO OWNERS OF PRIVILEGED SHARES**		**-**	**-**
4.4	**TO OWNERS OF PRIVILEGED SHARES (%)**		**-**	**-**

(1) As of the date these financial statements were prepared, the Company's Ordinary General Assembly Meeting has not conducted yet, and no decision had been made regarding the distribution of profits for 2024; therefore, only the net profit for the period is stated in the 2024 profit distribution table.

(2) The profit distribution table is presented as the Consolidated Profit Distribution Table.

SECTION THREE: EXPLANATION ON ACCOUNTING POLICIES

I. Explanation on Basis of Presentation

Preparation of the consolidated financial statements and its explanatory notes in accordance with Turkish Accounting Standards and Regulation on Principles Related to Banks' Accounting Applications and Maintaining the Documents:

Consolidated financial statements are prepared in accordance with the provisions of the Banking Law No. 5411 ("Banking Law"), the Regulation on Accounting Practices of Banks and Retention of Documents published in the Official Gazette No. 26333 on 1 November 2006 ("Regulation"), and other regulations published by the Banking Regulation and Supervision Agency ("BRSA") regarding the accounting records of banks, as well as the general circulars and statements issued by the BRSA. In cases not regulated by these, the provisions of the Turkish Financial Reporting Standards ("TFRS") issued by the Public Oversight, Accounting, and Auditing Standards Authority ("KGK") shall apply (all of which together are referred to as the "BRSA Accounting and Financial Reporting Regulations"). However, the standard TMS 29 "Financial Reporting in High Inflation Economies" under TFRS does not apply to banks, financial leasing, factoring, financing, savings financing, and asset management companies, as explained below.

The format and content of the consolidated financial statements to be disclosed to the public, along with their explanations and footnotes, have been prepared in accordance with the "Communiqué on Financial Statements to be Disclosed to the Public by Banks and the Explanations and Footnotes Related to Them," published in the Official Gazette No. 28337 on 28 June 2012, and the "Communiqué on Public Disclosures Regarding Risk Management by Banks," published in the Official Gazette No. 29511 on 23 October 2015, as well as the amendments and additions made by subsequent communiqués. The Bank, keeps its accounting records in Turkish Lira in accordance with the Banking Law, the Turkish Commercial Code, and the Turkish Tax Legislation.

The consolidated financial statements have been prepared in TRY on the historical cost basis, except for financial assets and liabilities measured at fair value through profit or loss, financial assets and liabilities measured at fair value through other comprehensive income, derivative financial assets and liabilities measured at fair value through profit or loss, and revalued real estates.

The preparation of the consolidated financial statements in conformity with TFRS requires the Parent Bank Management to use of certain make assumptions and estimates on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates are reviewed regularly and, when necessary, corrections are made, and the effects of these corrections are reflected to the income statement. The estimations and projections used are explained in corresponding disclosures.

Changes in Accounting Policies and Disclosures

In the announcement made by the KGK on 23 November 2023, it was decided that the companies applying TFRS will apply the "TMS 29 Financial Reporting in High Inflation Economies" standard in their financial statements as of the 31 December 2023 reporting period, and in addition, institutions or organizations authorized to regulate and audit in their fields were given the freedom to determine different transition dates for the application of the provisions of TMS 29. In this context, in accordance with the BRSA's decision dated 12 December 2023 and numbered 10744, the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated 31 December 2023 will not be subject to the inflation adjustment required to be made within the scope of TAS 29, and in accordance with the decision dated 11 January 2024 and numbered 10825, since the application of inflation accounting will be implemented as of 1 January 2025, TAS 29 will not be applied to the financial statements dated 31 December 2024 and no inflation adjustment will be made. However, in accordance with the BRSA's decision dated 5 December 2024 and numbered 11021, it was decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will not apply inflation accounting in 2025.

SECTION THREE: EXPLANATION ON ACCOUNTING POLICIES (Continued)

I. Explanation on Basis of Presentation (Continued)

Accounting policies and valuation principles used in the preparation of the consolidated financial statements:

The accounting policies and valuations adopted in the preparation of financial statements are determined and implemented in accordance with the regulations, communiqués, explanations and circulars published by ("BRSA"). Unless a special regulation is not made by BRSA, they are determined and implemented in accordance with the TAS/TFRS principles.

New and Revised Standards and Interpretations

The new and revised standards do not have a significant impact on the 31/12/2024 reporting period.

Explanation for convenience translation into English:

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2023. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

II. Explanations on Strategy of Using Financial Instruments and Explanations on Foreign Currency Transactions

Strategy for the use of financial instruments

The main field of activity of the Parent Partnership Bank includes banking activities such as corporate banking, commercial banking, retail banking, investment banking, foreign exchange, money markets and securities transactions, as well as international banking services.

The Parent Bank accepts deposits in various maturities as its main source of funding, and apart from deposits, the Bank's most significant funding sources are its equity and the medium and long-term loans obtained from international financial institutions. The Group follows an effective asset-liability management strategy that balances the risk and return of the resources used and the placements made in various financial assets, reducing risks and keeping returns high. The exchange rate risk, interest rate risk, and liquidity risk carried are measured and monitored by various risk management systems, and balance sheet management is carried out within the risk limits determined in this framework and within legal limits. Asset-liability management models, value-at-risk calculations, stress tests, and scenario analyses are used for this purpose.

Another element in the management of interest and liquidity risk carried on the balance sheet is the emphasis on product diversification in both assets and liabilities.

Trading of short and long-term financial instruments is carried out within the limits of the predetermined risk limits and in a manner that increases the risk-adjusted return on capital.

In order to hedge against currency risk, the existing foreign exchange position is monitored according to a basket balance in certain currencies.

Foreign currency transactions

Transactions are recorded in TRY, which is the Bank’s functional currency. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the dates of the transactions.

As of the reporting date, monetary assets and liabilities denominated in foreign currencies are translated into TRY at the Central Bank of Türkiye's buying exchange rates prevailing on the balance sheet date and are reflected in the income statement under foreign exchange gains or losses, depending on whether the result is positive or negative.

SECTION THREE: EXPLANATION ON ACCOUNTING POLICIES (Continued)

II. Explanations on Strategy of Using Financial Instruments and Explanations on Foreign Currency Transactions (Continued)

Foreign currency transactions (Continued)

Net investments in foreign subsidiaries are accounted for using the equity method in accordance with the "Amendment to the Communiqué on Turkish Accounting Standard for Individual Financial Statements ("TAS 27") published in the Official Gazette No. 29321 on April 9, 2015. The assets and liabilities of foreign subsidiaries are translated into TRY using the exchange rates at the balance sheet date, while income and expense items are translated at average exchange rates. Foreign exchange differences arising from the translation of income and expense items and other equity items are recorded under "Accumulated Other Comprehensive Income or Loss Reclassified to Profit or Loss" within equity.

The Bank has decided to implement a hedging strategy in order to protect itself from the exchange rate difference risk arising from its foreign subsidiary Anadolubank Nederland NV, which it has accounted for using the equity method in its unconsolidated financial statements since May 1, 2018. This strategy is the implementation of a net investment hedging strategy in order to protect itself from the exchange rate difference risk arising from the fact that the net investment value of Anadolubank Nederland NV, as the hedged item, is in Euro. The Group's borrowing has been determined as a "hedging instrument" to the extent of the net investment amount of Anadolubank Nederland NV.

III. Information about Consolidation

In cases where the accounting policies adopted by the consolidated subsidiaries differ from the accounting policies applied by the Parent Bank, the differences are adjusted in the consolidated financial statements in accordance with the accounting policies applied by the Parent Bank, considering the materiality criterion. The financial statements of the subsidiaries subject to consolidation that are domiciled in Türkiye and the financial statements of the foreign subsidiary subject to consolidation, which are prepared in accordance with the accounting and financial reporting principles and rules of the countries in which they are established, are adjusted to comply with the Reporting Standards through certain corrections.

Transactions and balances between the Bank and its consolidated subsidiaries (together referred to as the 'Group') are mutually offset.

The accounting policies followed and the valuation principles used in the preparation of the consolidated financial statements have been determined and applied in accordance with the principles set out in the Reporting Standards.

IV. Information on Subsidiaries and Entities Under Common Control

The Group has no subsidiaries subject to consolidation and no non-financial affiliates.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

V. Explanations on Forward Transactions, Options and Derivative Instruments

The Group's derivative transactions mainly consist of foreign currency swaps, currency options, and forward foreign exchange purchase and sale contracts.

The Group's derivative instruments are classified as 'At Fair Value Through Profit or Loss' under Derivative Financial Assets in accordance with TFRS 9 Financial Instruments standard.

Derivative transactions are initially recognized at acquisition cost, and the transaction costs related to these are accounted for in profit or loss. Additionally, liabilities and receivables arising from derivative transactions are recorded in off-balance sheet accounts at their contract amounts.

The fair value differences of derivative instruments that are reflected in the profit and loss accounts are measured at fair value and associated with income statement during recognition. If the fair value of derivative financial instruments is positive, it is disclosed under the main account “Derivative Financial Assets at Fair Value Through Profit or Loss”; and if the fair value difference is negative, it is disclosed under “Derivative Financial Liabilities at Fair Value Through Profit or Loss”. Changes in the fair values of the relevant derivative financial instruments as a result of the measurement are reflected in the consolidated profit or loss statement. The accounting method of the resulting profit or loss varies depending on whether the relevant derivative transaction is for hedging purposes and the content of the hedged item.

The Group applies fair value hedge accounting and cash flow hedge accounting. Hedge accounting is applied to prevent fluctuations in the income statement that may arise in the short-term due to differences in the valuation methods of assets and liabilities in the balance sheet that are exposed to interest rate risk and the derivative instruments used to hedge them. A portion of the Group’s fixed-rate foreign currency securities and foreign currency loans are subject to fair value hedge accounting. The fair value risk of these fixed-rate financial assets is hedged using interest rate swaps. Additionally, the Group uses interest rate swaps to hedge the cash flow risk of variable-rate foreign currency corporate deposits. The effectiveness of the derivative instruments used for hedging purposes in balancing the changes in the fair value of the hedged item is regularly assessed, and the results of the assessment are documented. If hedge accounting no longer meets the conditions for hedge accounting, it is discontinued. In periods when the relationship between the hedge instrument and the hedged item is effectively measured: a) In the case of fair value hedge accounting, changes in the fair value of the hedged item are recognized in profit or loss, b) In the case of cash flow hedge accounting, changes in the fair value of the hedge instrument are recognized in other comprehensive income, and the ineffective portion of the gain or loss from the hedge instrument is recognized in profit or loss.

TFRS 9 offers an accounting policy choice to defer the adoption of TFRS 9's financial hedging accounting and to continue applying the hedge accounting provisions of TAS 39. In this context, the Group continues to apply the hedge accounting provisions of TAS 39. Accordingly, retrospective and prospective effectiveness analyses are performed, and hedge accounting is considered effective if the effectiveness tests fall within the range of 80% - 125%. The 'dollar-offset' method is applied in effectiveness tests.

The Group recognizes changes in the fair values of hedged items in the 'Other Interest Income' and 'Other Interest Expenses' accounts, while recognizing the corresponding fair value changes of hedging instruments for the same period in the 'Profit/Loss from Derivative Financial Transactions' account. Additionally, the Group amortizes the differences between the fair values and the book values of the hedged items at the inception date of hedge accounting over the maturities of these items and recognizes them in the 'Other Interest Income' and 'Other Interest Expenses' accounts.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

VI. Explanations on Interest Income and Expenses

Interest income and expenses are accounted for on an accrual basis using the effective interest method. The effective interest rate is the rate that discounts the estimated cash payments or cash flows over the life of the financial asset or liability to the net present value of the financial asset or liability. The effective interest rate is calculated at the initial recognition of a financial asset or liability and is not subsequently revised.

The calculation of the effective interest rate includes discounts and premiums that are an integral part of the effective interest rate, fees and commissions paid or received, and transaction costs. Transaction costs are incremental costs that are directly attributable to the acquisition, issue, or disposal of a financial asset or liability.

VII. Explanations on Fees and Commission Income and Expenses

Fee and commission income and expenses, as well as credit fee and commission expenses paid to other credit institutions, are calculated on a cash and accrual basis or included in the effective interest method, depending on the nature of the fee and commission. Income derived from agreements and asset purchases and custodian transactions made on behalf of third parties are recognised as income when they are realised.

VIII. Explanations and Disclosures on Financial Instruments

Financial assets represent cash on hand, a contractual right to receive cash or another financial asset from the counterparty, or to exchange financial instruments with the counterparty under conditions that are potentially favorable, or an equity instrument of the counterparty.

Financial Assets:

- Financial assets measured at fair value through profit/loss
- Financial assets measured at fair value through other comprehensive income
- Financial assets measured at amortized cost

Except for financial assets at fair value through profit or loss, financial assets are recognized initially at cost, which includes transaction costs.

Anadolubank Nederland NV accounts for loans at fair value through other comprehensive income, which are included in other financial assets at fair value through other comprehensive income in its financial statements, in accordance with TFRS 9.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

VIII. Explanations and Disclosures on Financial Instruments (Continued)

Explanations and Disclosures on Financial Assets Measured at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss are financial assets other than those that are held for the collection of contractual cash flows or for the collection of contractual cash flows and for selling. Financial assets that do not result in cash flows consisting solely of payments of principal and interest on the principal amount outstanding on specified dates, and financial assets that are held for the purpose of generating a profit from short-term fluctuations in market prices or similar factors, are classified as Financial Assets at Fair Value Through Profit or Loss.

Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the statement of profit or loss.

Explanations and Disclosures on Financial Assets Measured at Fair Value Through Other Comprehensive Income

Financial assets at fair value through other comprehensive income are financial assets that are held for the collection of contractual cash flows and for selling the financial asset, and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income are initially recognized at cost, and subsequently measured at their fair values in the following periods. For investments that are not traded in an active market, fair value is determined using valuation techniques; fair value is determined by reference to the market prices of similar securities that are traded in markets with the same characteristics in terms of interest, maturity, and other conditions.

Unrealized gains or losses arising from changes in the fair values of financial assets at fair value through other comprehensive income, which represent the difference between the amortized costs calculated using the effective interest method and the fair values of the related financial assets, are recognized in equity under the 'Accumulated Other Comprehensive Income or Expenses to be Reclassified through Profit or Loss' account. In the event of the disposal of financial assets at fair value through other comprehensive income, the valuation differences arising in equity accounts as a result of fair value measurement are transferred to the statement of profit or loss.

Explanations and Disclosures on Financial Assets Measured at Amortized Cost

Financial assets measured at amortized cost are assets that are held for the collection of contractual cash flows, where those cash flows represent solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortized cost are initially recognized at acquisition cost and subsequently measured at amortized cost using the effective interest method.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

VIII. Explanations and Disclosures on Financial Instruments (Continued)

Explanations and Disclosures on Factoring and Loans

Loans consist of financial assets which are created by providing money, goods or services to the debtor. Loans are financial assets with fixed or determinable payments that are not traded in an active markets. Loans are initially recognized at acquisition cost presenting their fair value and thereafter measured at amortized cost using the effective interest rate method. Fees, transaction costs, and other expenses paid in relation to assets received as collateral for loans are considered part of the transaction cost and are passed on to the customer.

Loan and factoring receivables are measured at amortized cost using the effective interest method, after deducting unearned interest income and setting aside provisions for impairment, if any. A factoring receivable that has become doubtful is written off from the records after the completion of all related legal procedures and the determination of the net loss.

IX. Explanations on Impairment of Financial Assets

For assets measured at amortized cost and financial assets measured at fair value through other comprehensive income, an expected loss provision is set aside in accordance with the "Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions to be Set Aside for These Loans" published in the Official Gazette dated 22 June 2016 and numbered 29750 and entered into force as of 1 January 2018, and TFRS 9 Financial Instruments Standard. Equity instruments are measured at their fair values and are not subject to impairment.

Within the scope of TFRS 9, probability of default, loss given default, and exposure at default models, which includes forward-looking macroeconomic forecasts, are used for the measurement of expected credit loss. The measurement of expected credit loss is performed in three stages, which are determined as follows:

Stage 1:

For financial assets that have not experienced a significant increase in credit risk since initial recognition, a 12-month expected credit loss allowance is recognized.

Stage 2:

For financial assets that have experienced a significant increase in credit risk since initial recognition, a lifetime expected credit loss allowance is recognized.

Stage 3:

Includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses allowance are recognized.

Calculation of Expected Credit Losses

Financial assets for which an expected credit loss allowance will be recognized are determined based on the business model applied by the Bank. When estimating the expected credit loss allowance, the probability of default of the financial instrument, the loss given default, the exposure at default, and forward-looking economic expectations are considered.

SECTION THREE: ACCOUNTING POLICIES (Continued)

IX. Explanations on Impairment of Financial Assets (Continued)

Under three different scenarios (baseline, optimistic, pessimistic), provisions are calculated based on these components. The provision amounts calculated in line with the realization probabilities of the scenarios are weighted, and the provision amount related to the financial instrument is determined. For receivables classified as Stage 1, a provision is calculated based on the 12-month probability of default. For receivables classified as Stage 2, a provision is calculated based on the lifetime probability of default of the receivable and discounted to its present value using the receivable's original effective interest rate.

The Bank has continued to calculate Stage 2 loan provisions according to the risk model it uses. The Bank's approach to the components of the provision calculation is presented below.

Below is the Parent Bank's approach to the components of the counterpart calculation.

Probability of Default (PD):

It represents the probability of a financial asset defaulting within a specific period.

The 12-months probability of default and the lifetime probability of default are calculated separately. An internal rating model is used to calculate the probability of default. The internal rating model is based on the customers' demographic information, financial information, and behavioral information in the sector. The probability of default is calculated considering the relationship between past credit losses and economic variables. Financial assets are divided into homogeneous groups that show similar characteristics and attitudes, and different probability of default models are applied.

For financial assets classified as Stage 1, a 12-months probability of default is calculated, while for financial assets classified as Stage 2, a lifetime probability of default is calculated. For loans classified as Stage 3, the probability of default is considered to be 100%.

Default is defined as a 90-day delay in payment of a debt or the conviction that the debt will not be paid, regardless of whether there is a delay or not.

Loss Given Default (LGD):

The loss given default of a financial asset represents the loss that occurs after the asset defaults, taking into account the time value of money and the expected collections. When creating the loss given default model, homogeneous groups with similar characteristics and attitudes were formed.

Exposure at Default (EAD):

In cash loans, the exposure at default represents the balance at the date of default. The exposure at default for installment loans is calculated using cash flow. "For loans operating as debtor current accounts and without a specific cash flow, the default amount is determined based on the credit conversion model, which is created from the Group's historical data and is based on the balance-limit relationship. For non-cash loans and commitments, the default amount is determined based on the cash conversion rate created from historical data.

Forward-looking economic forecasts: In forward-looking estimates, an economic forecast model that determines the relationship between historical credit loss data and macro and microeconomic variables for the relevant periods is used. Separate econometric models can be applied for products divided into homogeneous groups that exhibit common characteristics and attitudes. When calculating the probability of default of the debtor, forward-looking macroeconomic adjustments based on the outputs of these models are utilized.

SECTION THREE: ACCOUNTING POLICIES (Continued)

IX. Explanations on Impairment of Financial Assets (Continued)

Significant Increase in Credit Risk: Quantitative and qualitative criteria have been defined to determine a significant increase in credit risk. Without being limited to the following, the definitions used in the classification of financial receivables as Stage 2 includes the quantitative and qualitative elements listed below:

- Financial receivables with days past due exceeding 30 days
- Financial receivables included in the 2nd Group under close monitoring
- Financial receivables restructured due to temporary disruptions in cash flow and considered to be temporarily impaired
- Financial receivables with a significant increase in default probability between the date of recognition on the balance sheet and the reporting date, determined by statistical methods based on the bank's historical data

Individual Assessment: In accordance with the documented procedure, the bank performs an individual assessment in the calculation of provisions for financial assets in Stage 3 above a certain amount and for loans in Stage 2, provided they meet certain criteria. During the execution of the individual assessment, the present value of future expected cash flows is calculated using the original effective interest rate. Calculations are made by weighting the probabilities assigned to scenarios that predict future economic conditions, which are constructed based on reasonable and supportable information available.

X. Explanations on Netting of Financial Instruments

Financial assets and liabilities are presented net in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

XI. Explanation on Sales and Repurchase Agreements and Lending of Securities

Securities subject to repurchase agreements (‘‘repo’’) are classified in the balance sheet accounts in accordance with the Uniform Chart of Accounts. Accordingly, government bonds and treasury bills sold to customers under Repo agreements are classified as ‘‘Subject to Repo’’ under the relevant securities accounts and are measured at their fair values or amortized costs using the effective interest method, depending on the purpose for which they are held in the portfolio. Funds obtained from repo transactions are accounted as ‘‘Money Markets Borrowings’’ in the liability accounts, and an expense accrual is recorded for the interest expense.

Securities purchased with resale commitment (‘‘reverse repo’’) are presented as ‘‘Money Markets Receivables’’ under the main heading of ‘‘Cash and Cash Equivalents’’. A income accrual is calculated for the portion of the difference between the purchase and resale prices of securities purchased under reverse repurchase agreements that pertains to the period.

XII. Explanations on Assets Held for Sale and Discontinued Operations

An asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and fair value less costs to sell. An asset (or a disposal group) is regarded as “asset held for sale” only when the sale is highly probable and the asset (disposal group) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset (or a disposal group) should be actively marketed at a price consistent with its fair value.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

XIII. Explanations on Goodwill and Other Intangible Assets

The Group's intangible assets consist of software programs and intangible rights.

The costs of the intangible assets purchased before 31 December 2004 end of the high inflation period is accepted as 31 December 2004, are subject to inflation indexation until 31 December 2004. Intangible assets purchased after 31 December 2004 are recognized with their acquisition cost in the financial statements. The Group allocates depletion shares related to intangible assets over their inflation-adjusted values using the straight-line depreciation method, based on the useful lives of the assets.

The estimated useful life of the Group's intangible assets is between 5 and 15 years.

XIV. Explanations on tangible assets

The property and equipment acquired before 31 December 2004 are recorded at restated historical costs in accordance with inflation accounting and subsequent additions to 31 December 2004 are recorded at their historical purchase costs. Until 31 December 2004, the exchange differences, financing expenses, and revaluation increase, if any, added to the cost of depreciable assets that were subject to adjustment for the first time, were deducted from the cost of the related asset, and the adjustment was made according to inflation over the new value found. Tangible fixed assets purchased after 31 December 2004 are recorded with their remaining values after deducting amounts such as exchange rate differences and financing expenses from their costs.

Gains and losses arising from disposal of tangible fixed assets are calculated as the difference between the net disposal proceeds and the net book value of the tangible fixed asset and are reflected in the profit or loss statement in the relevant period.

Expenditures for the repair and renewal of property and equipment are recognised as expense.

There are no restrictions such as pledges, mortgages or any other restrictions on the property and equipment.

There are no changes in the accounting estimates that would have significant effects in the current period or in the following periods.

The rates used in the depreciation of tangible fixed assets and the estimated useful lives are as follows.

Tangible Assets	Estimated useful lives (years)	Amortization Rate (%)
Buildings	50	2
Safe Deposit Boxes	20-50	2-5
Vehicles	5	20
Other Tangible Assets	4	25

The Group assesses at each reporting period whether there is any indication that its assets may be impaired. If any such indication exists, the Bank estimates the recoverable amount of the related asset within the framework of the TAS 36 - *Impairment of Assets* standard, and if the recoverable amount is less than the book value of the related asset, it recognizes an impairment loss.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

XIV. Explanations on tangible assets (Continued)

Starting from 1 January 2017, the Parent Bank has adopted the revaluation model for the real estates included in tangible assets within the framework of TAS 16 'Accounting for Property, Plant and Equipment' standard. For this purpose, the fair values of the real estates have been determined by an independent appraisal firm authorized by the BRSA and the Capital Markets Board. The increase in the book value of the buildings as a result of the revaluation study has been reflected in the 'Revaluation Differences of Tangible and Intangible Assets' account under the equity group.

Right-of-use assets

As a result of internal evaluations, branch and service buildings and vehicles acquired through operating leases are accounted for within the scope of TFRS 16.

In accordance with TFRS 16, real estates considered as right-of-use assets at the commencement date of the lease are measured at the cost value of the right-of-use asset. The cost of the right-of-use asset includes the initial measurement amount of the lease liability, the amount obtained by deducting any lease incentives received from all lease payments made at or before the commencement date of the lease, any initial direct costs incurred by the lessee, and the estimated costs to be incurred by the lessee for dismantling and removing the underlying asset, restoring the site on which it is located, or restoring the underlying asset to the condition required by the terms and conditions of the lease.

After the commencement date of the lease, the right-of-use asset is measured using the cost method. When applying the bank cost method, the right-of-use asset accumulated depreciation and accumulated impairment losses are deducted, and it measures over its adjusted cost according to remeasurement of the lease liability.

When real estates considered as right-of-use assets are depreciated, the depreciation provisions included in TAS 16 Property, Plant and Equipment standard are applied.

TAS 36 Impairment of Assets standard is applied to determine whether the real estates with the right to use have been impaired and to account for the determined impairment loss.

XV. Explanations on Leasing Transactions

The Group measures the operational lease liabilities based on the present value of the lease payments that have not been paid at the date of lease is started in accordance with TFRS 16. Lease payments are discounted by using the Bank's incremental borrowing rate.

After the commencement date of the lease, the Group remeasures the lease liability by increasing the carrying amount to reflect interest on the lease obligation, decreasing the carrying amount to reflect lease payments made, reflecting all reassessments and modifications to the lease, or reflecting revised, in-substance fixed lease payments.

The interest on the lease liability for each period of the lease term, is the amount calculated by charging a fixed periodic interest rate on remaining balance of lease liability. After the date of lease started, the Bank remeasures the lease liability to reflect the changes in lease payments. The Bank reflects the remeasurement amount of the lease liability, in financial statements as adjustments in right to use assets.

The Group uses a revised discount rate that reflects changes in the interest rate if there is a change in the initial lease period or the use of the purchase option. However, in the event of a change in lease liabilities resulting from a change in an index used to determine future lease payments or in amounts expected to be paid under a residual value guarantee, the unchanged discount rate is used.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

XV. Explanations on Leasing Transactions (Continued)

The Parent Bank remeasures the lease liability by discounting the revised lease payments using a revised discount rate for a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification. The revised discount rate is determined as the alternative borrowing interest rate at the effective date of the modification. The Bank decreases carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The Bank recognizes any gain or loss on the partial or full termination of the lease in profit or loss. A corresponding adjustment to the right-of-use asset is made for all other lease modifications.

XVI. Explanations on Provisions and Contingent Liabilities and Contingent Assets

Provisions are recognized when the Bank has 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 a reliable estimate of the amount can be made. Provisions are calculated based on the best estimate of the expenditure required to settle the obligation, as determined by the management of the Parent Bank and the relevant subsidiaries as of the balance sheet date. Where the effect of the time value of money is material, provisions are discounted to their present value.When the amount of the obligation cannot be estimated and there is no possibility of an outflow of resources from the Group, it is considered that a contingent liability exists and it is disclosed in the related notes to the financial statements.

Contingent assets are assets that arise from past events and will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. The Group does not recognize contingent assets in the financial statements but continuously assesses them to ensure that the developments are appropriately reflected in the consolidated financial statements. When the inflow of economic benefits to the Group becomes virtually certain, the related asset and income are recognized in the consolidated financial statements of the period in which the change occurs. If the inflow of economic benefits is probable, the Group discloses the contingent asset in the notes to the financial statements.

XVII. Explanations on Obligations Related to Employee Rights

Severance Pay Provision

According to the Turkish Labor Law, the Group is obliged to pay severance pay for employees who have completed one year of service and whose relationship with the Group is terminated for reasons other than resignation or misconduct, or for those who have completed their service year and have earned retirement, as well as for male employees who are called to military service, female employees who get married, or employees who pass away.

In the accompanying consolidated financial statements, the Group calculates and recognizes provision for severance pay in accordance with the TAS 19 - *Employee Benefits* standard, using the actuarial method.

Provisions for Other Employee Benefits

The Group provides for undiscounted short-term employee benefits expected to be paid in exchange for services rendered by employees during an accounting period in its consolidated financial statements in accordance with TAS 19.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

XVIII. Explanations on Taxation

Corporate tax

No withholding tax is levied on dividends paid to corporations that generate income through a workplace or permanent representative in Türkiye or to corporations resident in Türkiye. With the Council of Ministers' decisions numbered 2009/14593 and 2009/14594, published in the Official Gazette No. 27130 dated 3 February 2009, certain withholding tax rates specified in Articles 15 and 30 of the Corporate Tax Law No. 5520 were redefined. In this context, the withholding tax rate applied to dividend payments made to non-resident institutions earning income through a workplace or a permanent representative in Türkiye, and other than those made to institutions resident in Türkiye, was 15%. However, this rate was changed to 10% with the Presidential Decree published in the Official Gazette No. 31697 dated 22 December 2021. In the application of the withholding tax rates for profit distributions to limited taxpayer institutions and real persons, the practices included in the relevant "Double Taxation Avoidance Agreements" are also taken into consideration. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied.

With the Decree No. 9286 published in the Official Gazette dated 22 December 2024, the withholding tax rate on profit distributions (dividends) made by fully taxable corporations, as per Article 94 of the Income Tax Law and Articles 15 and 30 of the Corporate Tax Law, has been increased from 10% to 15%.

Provisional taxes are paid by calculating at the corporate tax rate to which the earnings of that year are subject. Provisional taxes paid during the year can be deducted from the corporate tax calculated on the annual corporate tax return of that year.

Between 1 January 2017 and 4 December 2017, the revenues obtained from the transfer of real estate, shares in affiliates, founding certificates, usufruct certificates, and preemptive rights owned by institutions whose debts have been subject to legal follow-up by banks or are indebted to the Savings Deposit Insurance Fund, and by their guarantors and mortgagors, to banks or the Fund, corresponding to the debts, are exempt from corporate tax on the portion of the income used in the liquidation of these debts. Additionally, 75% of the profits derived from the sale of such assets by the banks are also exempt from corporate tax.

Meanwhile, in accordance with the regulation introduced by Law No. 7061 on 'Amendments to Certain Tax Laws and Other Certain Laws', the corporate tax exemption rate mentioned above has been applied as 50% for gains from the sale of real estates and 75% for gains from the sale of others, effective from 5 December 2017.

According to the regulation introduced by Law No. 7456, titled "Law on the Introduction of Additional Motor Vehicle Tax to Compensate for Economic Losses Caused by the Earthquakes on 6 February 2023 and Amending Certain Laws and Decree Law No. 375," published in the Official Gazette dated 15 July 2023 and numbered 32249, a 25% rate will apply to real estate sale profits realized after the enactment date of this article (15 July 2023).

Additionally, subparagraph (e) of paragraph 1 of Article 5 of the Corporate Tax Law states that a portion of the gains derived from the sale of participation shares, founder certificates, usufruct certificates, preemptive rights, and participation shares of investment funds is exempt from corporate tax. This exemption applies to the extent of 75% for gains that generate exempt income under subparagraph (a) (exemption on participation earnings) of the same paragraph, under the condition that the assets have been held by corporations for at least two full years.

However, with the Presidential Decree No. 9160 published in the Official Gazette dated 27 November 2024, the exemption rate has been reduced from 75% to 50%.

SECTION THREE: EXPLANATION ACCOUNTING POLICIES (Continued)

XVIII. Explanations on Taxation (Continued)

As a result, gains derived from the sale of participation shares, founder certificates, usufruct and preemptive rights, and participation shares in investment funds—where these generate exempt income under subparagraph (a) of paragraph 1 of Article 5—will be considered exempt from corporate tax, provided they have been held by corporations in their assets for at least two full years. The exemption will apply to 50% of these gains.

As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the regulation made with the Law No. 7352 dated 20 January 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this; the TPL financial statements for the 2021 and 2022 accounting periods, including the provisional tax periods, will not be subject to inflation adjustment, and for the 2023 accounting period; will not be subject to inflation adjustment as of the temporary tax periods, and the TPL financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met. Profit / loss difference arising from inflation adjustment in TPL financial statements will be shown in the profit / loss accounts of previous years and will not affect the corporate tax base.

The applicable corporate tax rates for Anadolubank Nederland NV, a subsidiary of the Parent Bank operating outside of Türkiye and included in the scope of consolidation, are determined within the framework of the legislation of the country in which it operates. As of 31 December 2024, the effective corporate tax rate for Nederland NV is 25.8%.

Deferred Tax

Consolidated deferred tax liability or asset is determined by calculating the tax effects on the "temporary differences" between the values of assets and liabilities shown in the consolidated financial statements and the amounts taken into account in the legal tax base calculation in accordance with TAS 12 – Income Taxes Standard. According to tax legislation, differences that do not affect the financial or commercial profits of assets or liabilities at the acquisition date are excluded from this calculation.

If the valuation differences resulting from subsequent measurements of the relevant assets are recognized in the profit or loss statement, the current period corporate tax or deferred tax income or expense related to them are also recognized in the profit or loss statement. If the valuation differences resulting from subsequent measurements of the relevant assets are recognized directly in equity accounts, the tax effects are also recognized in equity accounts.

Deferred tax receivables and deferred tax liabilities calculated for each subsidiary subject to consolidation are shown by netting since the relevant subsidiary has the legal right to set off period tax assets against period tax liabilities in its own financial statements. In the consolidated financial statements, deferred tax assets and deferred tax liabilities are shown without netting, since the subsidiaries subject to consolidation do not have the legal right to receive a single net payment or to make a net payment.

As of 1 January 2018, in accordance with the provisions of IFRS 9, deferred tax assets have started to be calculated based on expected loss provisions that constitute temporary differences.

As stated in the Corporate Tax disclosures, the rate has been set at 25% to be applied to corporate earnings for the taxation periods of 2023 and 2022; According to the regulation introduced by Law No. 7456, titled "Law on the Introduction of Additional Motor Vehicle Tax to Compensate for Economic Losses Caused by the Earthquakes on 6 February 2023 and Amending Certain Laws and Decree Law No. 375," published in the Official Gazette dated 15 July 2023 and numbered 32249, the rate has been set at 30%.

SECTION THREE: ACCOUNTING POLICIES (Continued)

XVIII. Explanations on Taxation (Continued)

While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly probable to benefit from these differences by generating taxable profit in the future. Deferred tax liabilities or assets are not calculated for temporary timing differences that arise due to the initial recognition of assets or liabilities in the financial statements, other than goodwill or business combinations, and that do not affect both commercial and financial profits or losses.

Since deferred tax assets or liabilities within the scope of TAS 12 Income Taxes are calculated based on the tax rates (and tax laws) that are in effect or close to being in effect as of the end of the reporting period (balance sheet date) and are expected to be applied in the periods when assets are converted into income or liabilities are paid, the Bank has calculated a deferred tax of 30% for its assets and liabilities as of 31 December 2024.

With the regulation made by the Law on Amendments to Certain Laws and Legislative Decrees No. 7491, it has been regulated that the profit/loss difference arising from the inflation adjustment to be made by banks in the 2024 and 2025 accounting periods, including temporary tax periods, will not be taken into account in determining the profit. With the TPL General Communiqué No. 560 published in the Official Gazette dated 30 April 2024 and numbered 32532, it has been declared appropriate not to make inflation adjustment in the first temporary tax period of the 2024 accounting period. Within the framework of the Temporary Article 33 of the Tax Procedure Law, the tax effects arising within the scope of subjecting the financial statements dated 31 December 2024 to inflation adjustment in accordance with the TPL have been included in the deferred tax calculation as of 31 December 2024.

Global Minimum Supplementary Corporate Tax

In September 2023, the POA published amendments to IAS 12, which introduced a mandatory exception for the recognition and disclosure of deferred tax assets and liabilities related to income taxes under the Pillar Two framework. These changes clarify that IAS 12 will apply to income data arising from tax laws that have come into effect or are about to come into effect, with the aim of implementing the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development (OECD). The amendments also introduce specific disclosure requirements for businesses affected by such tax laws. With the publication of the amendment, the Parent Bank applies the exception regarding the non-recognition and non-disclosure of information related to deferred taxes within this scope.

On July 16, 2024, a Bill was submitted to the Turkish Grand National Assembly to adopt the OECD's Global Minimum Supplementary Corporate Tax regulations (Pillar Two). These regulations came into force with the laws published in the Official Gazette on August 2, 2024. The implementation in Turkey is largely aligned with the OECD's Pillar Two Model Rules, showing similarities in scope, exemptions, consolidation, tax calculations, and reporting periods. Although secondary regulations regarding calculation details and implementation methods have not yet been published, preliminary assessments based on the OECD regulations indicate that these regulations are not expected to have a significant impact on the financials. Nevertheless, legislative changes in Turkey and other countries where the Bank/Company operates are being monitored.

Domestic Minimum Corporate Tax

Turkey has implemented the Domestic Minimum Corporate Tax through laws published in the Official Gazette on August 2, 2024. This tax will be applied starting from the 2025 fiscal period. Law No. 7524 has introduced the Domestic Minimum Corporate Tax, stipulating that the corporate tax calculated within this scope cannot be less than 10% of the corporate income before deductions and exemptions. The regulation will come into force as of its publication date for corporate income for the 2025 taxation period. Additionally, General Communique on Corporate Tax No. 23 regarding this matter has been published.

Transfer Pricing

The article no.13 of the Corporate Tax Law describes the issue of transfer pricing under the title of “disguised profit distribution” by way of transfer pricing. “The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing” published at 18 November 2007, explains the application related issues on this topic.

According to the relevant communiqué, if taxpayers engage in transactions of purchasing and selling products, services, or goods with related parties where the pricing is not conducted in accordance with the arm's length principle, it will be deemed that the related profits are implicitly distributed through transfer pricing. Such implicit profit distributions through transfer pricing cannot be deducted from the tax base for corporate tax purposes.

SECTION THREE: ACCOUNTING POLICIES (Continued)

XIX. Explanations on borrowings

Financial assets at fair value through profit or loss are measured at their fair values, while other financial liabilities are measured at amortized cost using the effective interest method. No convertible bonds or debt instruments representing borrowing have been issued.

XX. Explanations on Issuance of Share Certificates

None.

XXI. Explanations on Avalized Drafts and Acceptances

Avalized drafts and acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts, if any.

XXII. Explanations on Government Incentivies

As of 31 December 2024, the Group does not have any governmental incentives or support (31 December 2023 : None).

XXIII. Explanations on segment reporting

In consideration of the structure and primary sources of the Bank's risks and returns, operating segments have been selected as the primary segment reporting method.

XXIV. Explanation on Other Matters

Earnings/Loss Per Share

Earnings per share is calculated by dividing the Group's net profit for the period by the weighted average number of shares for the period. In Türkiye, companies can make capital increases from previous years' profits by distributing them in proportion to the shares of current shareholders ("Free Shares"). In the calculation of earnings per share, free shares are considered as shares issued since the beginning of the previous period.

Earnings per share for the accounting period ended 31 December 2024, is Full TRY 0.048316 (31 December 2023: Full TRY 0.026723).

Related Parties

For the purposes of these consolidated financial statements, shareholders, senior management, and board members, together with their families and the companies controlled by them or affiliated with them, as well as associates and jointly controlled entities, are considered related parties within the scope of the *TAS 24 - Related Party Disclosures* standard. Transactions with related parties are presented in Note VII of Section Five.

Cash and Cash Equivalents

For the purposes of the cash flow statement, “Cash” includes cash box, effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and “Cash equivalents” includes interbank money markets placements and time deposits at banks with original maturity periods of less than three months, as well as investments in securities.

SECTION FOUR: Explanations Related to Financial Structure and Risk Management

I. Explanations on Consolidated Equity

The Group's consolidated capital adequacy standart ratio is 18.08% (31 December 2023: 17.84%). The Bank's unconsolidated capital adequacy standart ratio is 22.13% (31 December 2023 : 21.22%).

The Group's tier 1 capital adequacy ratio is 17.69% (31 December 2023: 17.39%); the core capital adequacy ratio is 17.69% (31 December 2023: 17.39%). The calculation of the capital adequacy standard ratio is made within the framework of the 'Regulation on the Measurement and Evaluation of Capital Adequacy of Banks' published in the Official Gazette dated 6 September 2014 and numbered 29111.

a. Information about consolidated shareholders' equity items

COMMON EQUITY TIER 1 CAPITAL	31 December 2024	31 December 2023
Paid-in capital following all debts in terms of claim in liquidation of the Bank	1,100,000	1,100,000
Share issue premiums	-	-
Reserves	7,672,982	4,741,743
Gains recognized in equity as per TAS	5,900,723	4,743,643
Profit	5,305,393	2,931,239
Current Period Profit	5,305,393	2,931,239
Prior Period Profit	-	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	249	249
Minorities' Share	29,314	19,947
Common Equity Tier 1 Capital Before Deductions	**20,008,661**	**13,536,821**
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-)	2,471,241	2,383,941
Improvement costs for operating leasing (-)	17,160	17,536
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	137,333	97,895
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	532,041	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions from Common Equity Tier 1 Capital	**3,157,775**	**2,499,372**
Total Common Equity Tier 1 Capital	**16,850,886**	**11,037,449**

SECTION FOUR: Explanations Related to Financial Structure and Risk Management (Continued)

I. Explanations on Consolidated Equity (Continued)

a. Information about consolidated shareholders' equity items (Continued)

COMMON EQUITY TIER 1 CAPITAL	31 December 2024	31 December 2023
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	-	-
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	-	-
Deductions from Additional Tier I Capital	-	-
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7. (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA (-)	-	-
Transition from the Core Capital to Continue to deduce Components	-	-
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions From Additional Tier I Capital	-	-
Total Additional Tier I Capital	-	-
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	**16,850,886**	**11,037,449**
TIER II CAPITAL		
Debt instruments and premiums deemed suitable by the BRSA	-	-
Debt instruments and premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	375,959	288,682
Tier II Capital Before Deductions	**375,959**	**288,682**
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	**375,959**	**288,682**
Total Capital (The sum of Tier I Capital and Tier II Capital)	**17,226,845**	**11,326,131**
Total Capital	**17,226,845**	**11,326,131**

SECTION FOUR: Explanations Related to Financial Structure and Risk Management (Continued)

I. Explanations on Consolidated Equity (Continued)

a. Information about consolidated shareholders' equity items (Continued)

COMMON EQUITY TIER 1 CAPITAL	31 December 2024	31 December 2023
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
The loan amounts specified in the fifth paragraph of Article 12/A of the Regulation on Credit Transactions of Banks published in the Official Gazette dated 1/11/2006 and numbered 26333	2,365	63
Other items to be Defined by the BRSA	-	-
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components	-	
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
CAPITAL		
Total Capital	**17,224,480**	**11,326,068**
Total risk weighted amounts	**95,250,151**	**63,487,447**
CAPITAL ADEQUACY RATIOS		
Core Capital Adequacy Ratio (%)	17.69	17.39
Tier 1 Capital Adequacy Ratio (%)	17.69	17.39
Capital Adequacy Ratio (%)	18.08	17.84
BUFFERS		
Total buffer ratio	2.50	2.50
Capital conservation buffer requirement (%)	2.50	2.50
Bank specific counter-cyclical buffer requirement (%)	-	-
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	13.19	12.89
Amounts below the Excess Limits as per the Deduction Principles	-	-
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Amount arising from mortgage-servicing rights	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before ten thousand twenty-five limitation)	-	-
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	375,959	288,682
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018, and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

SECTION FOUR : Explanations Related to Financial Structure and Risk Management (Continued)

I. Explanations on Consolidated Equity (Continued)

b. Information about instruments that will be included in total capital calculation

None.

Information on the approaches applied for the assessment of the adequacy of internal capital requirements in terms of current and future activities within the scope of the internal capital adequacy assessment process

In parallel with the Parent Bank's 3-years strategic plan preparation processes, in addition to credit risk, market risk, and operational risk used in the calculation of forward-looking regulatory capital requirements, other risks such as interest rate risk arising from banking accounts, concentration risk, strategic risk, reputation risk, and country risk are also taken into consideration.

II. Explanations on consolidated credit risk

In terms of credit risks, subjecting borrower or a group of borrowers or geographic region and sectors to a risk limitation, the segmentation structure of the risk limits and determining the risk limit ranges

Companies for which loans are allocated are grouped according to their capital owners, and in addition to the credit limits allocated on a company basis, group credit limits are also allocated, which determine the maximum credit amount that can be extended to the capital group to which the company belongs.

Apart from firm or capital group limits, there are no risk restrictions or limitations based on geographical regions or sectors. However, sector concentrations are taken into account in credit allocations to prevent the concentration of credits in certain sectors.

Determining daily risk limits and allocating risks regarding the transactions conducted, customer's and bank's treasury department staff based monitoring on daily risk concentrations of off-balance risks

Daily loan disbursement requests made in favor of companies from the allocated credit limits are examined by the Credit Monitoring Department and the Central Operations Departments in terms of compliance with the limits, collateral, and other credit allocation conditions. If it is determined that there is no violation as a result of the examination, the limits are made available in the banking system.

Off-balance sheet derivative transactions that create risk are carried out by the Treasury Department within the authorities granted by the Board of Directors, and risk concentration is also taken into account by the said department.

Monitoring loan valuableness of the debtors of loan and other receivables at regular intervals in accordance with the relevant legislation, if the financial tables which are obtained for opened credits are audited in accordance with the relevant legislation or not, and if not the reasons of not auditing, changing the limits of loans, guarantees of the loans and other receivables

The creditworthiness of loan debtors is re-evaluated with each limit increase or loan disbursement request, and as a result of the evaluation, it is decided to increase the existing limit, maintain it as is or with additional collateral, or to urgently liquidate the risk by blocking the existing limits.

On the other hand, during the evaluation of both the companies that are proposed for the first time for credit allocation and the requests for the increase of the existing limit or disbursement from the existing limit, it is ensured that the company's current balance sheet and profit or loss statements are audited as stipulated in the legislation.

SECTION FOUR : Explanations Related to Financial Structure and Risk Management (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Definitions of Past Due and Impaired Elements in Accounting Practices

The Parent Bank considers loans classified as Group II under the Regulation on the Procedures and Principles for Determining the Qualifications of Loans and Other Receivables by Banks and the Provisions to be Set Aside for them as past due if the collection of principal and interest payments has not occurred at their maturities or on the dates they are due. Loans for which the collection of principal and interest payments is more than 90 days past due from their maturities or due dates, and loans for which the Bank has determined that the debtor has lost creditworthiness, are considered impaired loans.

Movements in value adjustments and provisions

Within the scope of the "Regulation on the Procedures and Principles for Determining the Qualifications of Loans and Other Receivables by Banks and Provisions to be Set Aside for Them", the Parent Bank calculates general loan provisions for overdue loans and specific provisions for loans that have lost value.

Total amount of risks after offsetting transactions and average amount of risks allocated to different risk classes and types for relevant period without considering effects of credit risk mitigation

Exposure Categories	Current Period Risk Amount [1]	Current Period Average Risk Amount [2]	Prior Period Risk Amount [1]	Prior Period Average Risk Amount [2]
Conditional and unconditional receivables from central governments and Central Banks	29,537,850	22,551,733	12,913,800	10,952,299
Conditional and unconditional receivables from regional or local governments	3,540,710	1,097,428	116,577	132,041
Conditional and unconditional receivables from administrative bodies and noncommercial enterprises	247,045	70,985	15,313	19,515
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	22,838,607	19,102,671	13,279,178	12,975,647
kConditional and unconditional receivables from corporates	58,570,789	46,206,048	32,174,181	27,993,710
Conditional and unconditional receivables from retail portfolios	14,225,998	15,372,644	14,666,709	14,245,555
Conditional and unconditional receivables secured by mortgages	3,494,731	2,456,156	1,739,603	1,511,764
Past due receivables	309,226	231,038	173,362	194,696
Receivables defined in high risk category by BRSA	7,913	185,586	269,956	159,767
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-
Investments similar to collective investment Funds	-	-	-	-
Investment in equities	-	-	-	-
Other receivables	9,419,724	6,577,988	4,556,434	3,650,296

[1] Represents the total risk amount before credit risk mitigation and after the credit conversion factor.
[2] The average risk amount is determined by taking the arithmetic average of the risk amounts in the monthly reports prepared during the current period.

Control limits over the positions of the Group in terms of forward and option contracts and other similar contracts, the manageability of the credit risk assumed for such instruments together with the potential risks arising from market movements

Including forward transactions made on behalf of group companies, such transactions are managed by the Treasury Department just like transactions made on behalf of other customers, and the potential risks arising from market movements of these transactions are also taken into account by the said department.

SECTION FOUR: Explanations Related to Financial Structure and Risk Management (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

When the Group is significantly subject to the loan risk, in order to reduce the total risks, the Bank terminates the forward transactions, option and similar agreements in a short time period through using, fulfilling the acts or selling

There has been no exposure to credit risk from futures and options contracts, and no situation has arisen that would result in the fulfillment or sale of obligations.

Whether the risk weight of indemnified non-cash loans are imposed upon the same weighted risk as those such as non-performing loans

Indemnified non-cash loans are weighted in the same risk group with the past due but not impaired loans.

Information on whether the loans that are renewed and rescheduled are included in a new rating group as determined by the Bank's risk management system, other than the follow-up plan defined in the banking regulations or not; whether new precautions are considered in these methods or not; whether the Bank's risk management accepts long-term commitments as having more risk than short-term commitments which results in a diversification of risk or not

There is no credit risk in the current year or in the past year that has been transferred to the account of rescheduled and restructured loans from the loans granted and monitored in this account.

Evaluation of whether the banking activities and credit transactions conducted by banks abroad with a small number of countries or financial institutions pose a significant risk, considering the economic conditions of the relevant country

When evaluated in terms of the unconsolidated financial statements, the Parent Bank does not have any banking transactions conducted abroad or any loans extended abroad, other than intermediating import-export transactions. In intermediating import-export transactions, efforts are made to work with banks that are considered to be of the highest standard according to international evaluation criteria. Therefore, the Bank's management perceives the likelihood of encountering a risk arising from either the economic conditions of the country where the correspondent bank operates or the structure of the correspondent bank itself as low.

Anadolubank Nederland N.V., a 100% subsidiary of Anadolubank A.Ş., commenced its banking operations in 2008. It operates under the supervision of the Dutch Central Bank, primarily focusing on meeting the financing needs of medium and large-scale enterprises operating in the Netherlands and the Eurozone, financing international trade and trade-related commodities, financing ships involved in international commercial shipping, refinancing existing loans within this scope, and funding the overseas subsidiaries of Turkish companies.

Evaluation of the Bank's competitive credit risk as being an active participant in the international banking transactions market

Due to the significantly lower amount of these transactions compared to the total volume of import and export intermediation transactions of other financial institutions, there is no significant credit risk concentration in this area.

a) The proportion of the Group's top 100 and 200 cash loan balances in total cash loan

The percentage of top 100 and top 200 cash loans in the total cash loan portfolio is 41.40% and 53.65% respectively (31 December 2023: 45.78% and 56.67%).

b) The proportion of the Group's top 100 and 200 non-cash loan balances in total non-cash loans

The percentage of top 100 and top 200 non-cash loans in the total non-cash loan portfolio is 54.84% and 69.40% respectively (31 December 2023: 47.35% and 61.34%).

c) The proportion of the Group's cash and non-cash loan balances with the first 100 and 200 customers comprises of total cash loans and non-cash loans

The percentage of top 100 and top 200 cash and non-cash loans in the total cash and non-cash loan portfolio is 36.43% and 48.07% respectively (31 December 2022: 36.54% and 47.87%).

SECTION FOUR: Explanations Related to Financial Structure and Risk Management (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Profile of significant exposures in major regions

	Risk Classifications [1][1]											
Current Period	**Conditional and unconditional exposures to central governments or central banks**	**Conditional and unconditional receivables from regional or local governments**	**Conditional and unconditional exposures to administrative bodies and non-commercial undertakings**	**Conditional and unconditional exposures to banks and brokerage houses**	**Conditional and unconditional exposures to corporates**	**Conditional and unconditional retail exposures**	**Conditional and unconditional exposures secured by real estate property**	**Past due items**	**Receivables defined in high risk category by BRSA**	**Receivables Secured by Commercial Real Estate Mortgages**	**Other Receivables**	**Total**
Domestic	16,943,724	3,540,709	247,045	12,155,056	47,602,263	14,155,162	768,642	295,772	7,911	2,725,992	9,348,531	107,790,807
European Union Countries	12,501,030	-	-	3,259,026	8,911,728	34	97	13,454	1		71,193	24,756,563
OEC Countries [2]	-	-	-	28,993	103,056	-	-	-	-	-		132,049
Offshore Banking Areas	-	-	-	-	-	-	-	-	-	-	-	-
USA, Canada	-	-	-	168,275	91,119	-	-	-	-	-	-	259,394
Other Countries	-	-	-	142,612	1,183,738	-	-	-	-	-	-	1,326,350
Associates, Subsidiaries and Joint-Ventures	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Assets/Liabilities [3]	-	-	-	-	-	-	-	-	-	-	-	-
Total	**29,444,754**	**3,540,709**	**247,045**	**15,753,962**	**57,891,904**	**14,155,196**	**768,739**	**309,226**	**7,912**	**2,725,992**	**9,419,724**	**134,265,163**

(1) Exposure categories based on "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks."

(2) OECD countries other than EU Countries, USA and Canada.

(3) Includes assets and liability items that cannot be allocated on a consistent basis.

SECTION FOUR: Explanations Related to Financial Structure and Risk Management (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Profile of significant exposures in major regions (Continued)

	Risk Classifications [1]											
Prior Period	**Conditional and unconditional exposures to central governments or central banks**	**Conditional and unconditional receivables from regional or local governments**	**Conditional and unconditional exposures to administrative bodies and non-commercial undertakings**	**Conditional and unconditional exposures to banks and brokerage houses**	**Conditional and unconditional exposures to corporates**	**Conditional and unconditional retail exposures**	**Conditional and unconditional exposures secured by real estate property**	**Past due items**	**Receivables defined in high risk category by BRSA**	**Receivables Secured by Commercial Real Estate Mortgages**	**Other Receivables**	**Total**
Domestic	6,915,639	116,578	15,313	5,679,036	24,608,390	14,595,354	464,556	167,731	269,947	1,274,808	4,516,364	58,623,716
European Union Countries	5,934,086	-	-	3,449,676	4,559,512	37	118	5,631	9		40,070	13,989,139
OEC Countries [2]	-	-	-	230,920	185,880	-	122	-	-	-		416,922
Offshore Banking Areas	-	-	-	-	-	-	-	-	-	-	-	-
USA, Canada	-	-	-	363,197	395,628	2	-	-	-	-	-	758,827
Other Countries	-	-	-	74,770	489,721	-	-	-	-	-	-	564,491
Associates, Subsidiaries and Joint-Ventures	-	-	-	-	93,906	-	-	-	-	-	-	93,906
Unallocated Assets/Liabilities [3]	-	-	-	-	-	-	-	-	-	-	-	-
Total	**12,849,725**	**116,578**	**15,313**	**9,797,599**	**30,333,037**	**14,595,393**	**464,796**	**173,362**	**269,956**	**1,274,808**	**4,556,434**	**74,447,001**

(1) Exposure categories based on "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".
(2) OECD countries other than EU Countries, USA and Canada.
(3) Includes assets and liability items that cannot be allocated on a consistent basis

SECTION FOUR: Explanations Related to Financial Structure and Risk Management (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Profile of significant exposures in major regions

		Risk Classifications												
	Current Period	**Conditional and unconditional exposures to central governments or central banks**	**Conditional and unconditional receivables from regional or local governments**	**Conditional and unconditional exposures to administrative bodies and non-commercial undertakings**	**Conditional and unconditional exposures to banks and brokerage houses**	**Conditional and unconditional exposures to corporates**	**Conditional and unconditional retail exposures**	**Conditional and unconditional exposures secured by real estate property**	**Past due items**	**Short-term exposures to banks, brokerage houses and corporates**	**Other receivables**	**TRY**	**FC**	**Total(1)**
1	**Agriculture**	**-**	**-**	**-**	**-**	**612,279**	**838,379**	**591,958**	**13,463**	**13**	**-**	**1,801,444**	**254,648**	**2,056,092**
1.1	Farming and Raising Livestock	-	-	-	-	476,747	747,358	583,178	12,862	13	-	1,594,094	226,064	1,820,158
1.2	Forestry	-	-	-	-	93,097	25,929	3,859	601	-	-	123,486	-	123,486
1.3	Fishing	-	-	-	-	42,435	65,092	4,921	-	-	-	83,864	28,584	112,448
2	**Industrial**	**-**	**-**	**-**	**-**	28,244,621	5,072,173	1,235,533	124,082	-	-	24,218,461	10,457,948	34,676,409
2.1	Mining and Quarrying	-	-	-	-	1,450,204	160,136	15	11,995	-	-	866,733	755,617	1,622,350
2.2	Production	-	-	-	-	25,257,221	4,799,589	1,224,789	93,740	-	-	22,501,121	8,874,218	31,375,339
2.3	Electricity, Gas, Water	-	-	-	-	1,537,196	112,448	10,729	18,347	-	-	850,607	828,113	1,678,720
3	**Construction**	**-**	**-**	**-**	**-**	**3,499,734**	**1,204,841**	**455,880**	**78,720**	**57**	**-**	**4,787,170**	**452,062**	**5,239,232**
4	**Services**	**29,444,754**	**3,540,710**	**247,045**	**15,753,962**	**24,244,828**	**6,410,220**	**1,167,476**	**87,401**	**10**	**9,343,697**	**46,708,619**	**43,531,484**	**90,240,103**
4.1	Wholesale and retail trade	-	-	-	-	10,756,189	5,126,861	874,169	66,299	-	-	13,873,142	2,950,376	16,823,518
4.2	Hotel, food and beverage	-	-	-	-	469,928	140,645	40,114	1,449	-	-	564,446	87,690	652,136
4.3	Transportation and Communication	-	-	-	-	3,152,361	502,157	64,669	3,080	-	-	1,610,423	2,111,844	3,722,267
4.4	Financial Institutions	29,444,754	-	-	15,753,962	8,259,753	41,401	1,411	-	-	9,343,697	24,757,548	38,087,430	62,844,978
4.5	Real Estate and Rent Services	-	48,882	-	-	84,597	13,453	44,354	9,207	-	-	200,493	-	200,493
4.6	Self- Employment Services	-	-	-	-	857	1,664	1,489	-	-	-	4,010	-	4,010
4.7	Educational Services	-	-	-	-	992,079	370,586	15,342	7,156	-	-	1,127,353	257,810	1,385,163
4.8	Health and Social Services	-	3,491,828	247,045	-	529,064	213,453	125,928	210	10	-	4,571,204	36,334	4,607,538
5	**Other**	**-**	**-**	**-**	**-**	**1,290,441**	**629,583**	**43,883**	**5,560**	**7,833**	**76,027**	**1,866,379**	**186,948**	**2,053,327**
6	**Total**	**29,444,754**	**3,540,710**	**247,045**	**15,753,962**	**57,891,903**	**14,155,196**	**3,494,730**	**309,226**	**7,913**	**9,419,724**	**79,382,073**	**54,883,090**	**134,265,163**

(1) Risk amounts are given as prior to loan reduction and after the loan conversion.

SECTION FOUR: Explanations Related to Financial Structure and Risk Management (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Risk profile regarding sectors or counter parties (Continued)

		Risk Classifications												
	Prior Period	**Conditional and unconditional exposures to central governments or central banks**	**Conditional and unconditional receivables from regional or local governments**	**Conditional and unconditional exposures to administrative bodies and non-commercial undertakings**	**Conditional and unconditional exposures to banks and brokerage houses**	**Conditional and unconditional exposures to corporates**	**Conditional and unconditional retail exposures**	**Conditional and unconditional exposures secured by real estate property**	**Past due items**	**Short-term exposures to banks, brokerage houses and corporates**	**Other receivables**	**TRY**	**FC**	**Total(1)**
1	**Agriculture**	**-**	**-**	**-**	**-**	**592,412**	**755,002**	**364,866**	**6,957**	**1,298**	**-**	**1,534,749**	**185,786**	**1,720,535**
1.1	Farming and Raising Livestock	-	-	-	-	503,871	692,624	357,199	6,941	1,298	-	1,377,549	184,384	1,561,933
1.2	Forestry	-	-	-	-	52,496	32,683	2,032	-	-	-	87,211	-	87,211
1.3	Fishing	-	-	-	-	36,045	29,695	5,635	16	-	-	69,989	1,402	71,391
2	**Industrial**	**-**	**-**	**-**	**-**	**15,039,967**	**5,501,049**	**506,368**	**29,065**	**37**	**-**	**15,496,193**	**5,580,293**	**21,076,486**
2.1	Mining and Quarrying	-	-	-	-	1,366,021	109,464	3,743	6,070	9	-	628,083	857,224	1,485,307
2.2	Production	-	-	-	-	13,328,692	5,247,806	492,469	22,703	23	-	14,592,617	4,499,076	19,091,693
2.3	Electricity, Gas, Water	-	-	-	-	345,254	143,779	10,156	292	5	-	275,493	223,993	499,486
3	**Construction**	**-**	**-**	**-**	**-**	**1,433,365**	**1,500,531**	**200,551**	**81,087**	**191**	**-**	**2,747,625**	**468,100**	**3,215,725**
4	**Services**	**12,849,726**	**93,559**	**15,313**	**9,797,599**	**12,206,990**	**6,376,540**	**618,405**	**49,532**	**915**	**4,556,434**	**23,575,752**	**22,989,261**	**46,565,013**
4.1	Wholesale and retail trade	-	-	-	-	5,321,538	4,919,747	509,254	30,072	560	-	9,186,046	1,595,125	10,781,171
4.2	Hotel, food and beverage	-	-	-	-	174,909	150,171	9,102	1,375	14	-	292,848	42,723	335,571
4.3	Transportation and Communication	-	-	-	-	1,370,114	598,577	62,299	3,007	166	-	896,278	1,137,885	2,034,163
4.4	Financial Institutions	12,849,726	-	-	9,797,599	4,624,276	41,465	820	-	8	4,556,434	11,973,183	19,897,145	31,870,328
4.5	Real Estate and Rent Services	-	-	-	-	3,962	10,825	7,814	11,641	4	-	34,246	-	34,246
4.6	Self- Employment Services	-	-	-	-	422	1,895	1,363	-	-	-	3,680	-	3,680
4.7	Educational Services	-	-	-	-	509,952	406,137	14,721	528	85	-	631,962	299,461	931,423
4.8	Health and Social Services	-	93,559	15,313	-	201,817	247,723	13,032	2,909	78	-	557,509	16,922	574,431
5	**Other**	**-**	**23,019**	**-**	**-**	**1,060,303**	**462,272**	**49,413**	**6,721**	**267,514**	**-**	**1,465,130**	**404,112**	**1,869,242**
6	**Total**	**12,849,726**	**116,578**	**15,313**	**9,797,599**	**30,333,037**	**14,595,394**	**1,739,603**	**173,362**	**269,955**	**4,556,434**	**44,819,449**	**29,627,552**	**74,447,001**

(1) Risk amounts are given as prior to loan reduction and after the loan conversion.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Analysis of maturity-bearing exposures according to remaining maturities

	Term To Maturity					
Current Period Exposure Categories	**Up to 1 month**	**1-3 months**	**3-6 months**	**6-12 months**	**Over 1 year**	**Unallocated**
Conditional and unconditional receivables from central governments and Central Banks	29,444,754	-	-	-	-	-
Conditional and unconditional receivables from regional or local governments	456	1,075	36,010	152,225	3,350,944	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	-	-	4,270	-	242,775	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	4,549,434	1,013,874	1,456,335	4,605,560	4,128,759	-
Conditional and unconditional receivables from corporates	6,830,186	12,437,642	12,318,359	13,123,261	13,182,456	-
Conditional and unconditional receivables from retail portfolios	1,608,827	3,642,877	4,757,075	2,887,044	1,259,372	-
Conditional and unconditional receivables secured by mortgages	302,881	480,619	901,319	1,185,388	624,524	-
Past due receivables	51,792	2,121	1,682	18	-	253,613
Receivables defined in high risk category by BRSA	1,197	5,748	674	293	-	
Securities collateralized by mortgages	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-
Short-term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-
Exposures in the nature of collective investment undertakings	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	9,419,724
Total [(1)]	**42,789,527**	**17,583,956**	**19,475,724**	**21,953,789**	**22,788,830**	**9,673,337**

(1) Risk amounts are given as prior to loan reduction and after the loan conversion.

	Term To Maturity					
Prior Period Exposure Categories	**Up to 1 month**	**1-3 months**	**3-6 months**	**6-12 months**	**Over 1 year**	**Unallocated**
Conditional and unconditional receivables from central governments and Central Banks	12,849,725	-	-	-	-	-
Conditional and unconditional receivables from regional or local governments	-	5,258	10,497	33,703	67,120	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	-	-	-	-	15,313	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	2,487,718	783,095	2,048,242	2,891,299	1,587,243	-
Conditional and unconditional receivables from corporates	4,910,883	7,708,685	4,358,629	6,472,179	6,882,660	-
Conditional and unconditional receivables from retail portfolios	2,502,686	4,411,509	2,936,883	3,498,667	1,245,648	-
Conditional and unconditional receivables secured by mortgages	204,810	422,867	296,981	572,032	242,913	-
Past due receivables	13,410	-	-	-	-	159,953
Receivables defined in high risk category by BRSA	165,682	156	10,994	10,504	82,622	-
Securities collateralized by mortgages	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-
Short-term receivables to banks, brokerage houses and corporates	-	-	-	-	-	-
Exposures in the nature of collective investment undertakings	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	4,556,435
Total[(1)]	**23,134,914**	**13,331,570**	**9,662,226**	**13,478,384**	**10,123,519**	**4,716,388**

(1) Risk amounts are given as prior to loan reduction and after the loan conversion.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Information on Risk Classifications

In determining the risk weights for the risk classes specified in 6th article of the Regulation on the Measurement and Assesment of Capital Adequacy of Banks, while the international rating scores are taken into account for the entire risk class of receivables from central governments or central banks, for central governments and central banks that are not rated by an International Rating Agency, the country risk classification published by the Organisation for Economic Co-operation and Development (OECD) is taken as basis.

According to capital adequacy regulations, the use of external rating scores for the risk weight of receivables from banks and intermediary institutions and corporate receivables risk classes is limited to receivables whose counterparties are domiciled abroad. Receivables from counterparties domiciled in the country are included in the capital adequacy calculation by being considered unrated.

For determination of risk weight regarding items that export or issuer rating not included to purchase/sale accounts are firstly considered to export rating, and also issuer's credit rating is considered in the absence of export rating.

The mapping of the ratings given by the international rating agency to risk weights according to credit quality steps and risk classes is shown in the table below:

		Risk Categories				
				Receivables from Banks and Brokerage Houses		
Credit Quality Degrees	Fitch Risk Rating	Receivables from Central Governments or Central Banks	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Receivables With Remaining Maturity Less Than 3 Months	Receivables With Remaining Maturity More Than 3 Months	Receivables from Corporates
1	AAA	0%	20%	20%	20%	20%
	AA+					
	AA					
	AA-					
2	A+	20%	50%	20%	50%	50%
	A					
	A-					
3	BBB+	50%	100%	20%	50%	100%
	BBB					
	BBB-					
4	BB+	100%	100%	50%	100%	100%
	BB					
	BB-					
5	B+	100%	100%	50%	100%	150%
	B					
	B-					
6	CCC+	150%	150%	150%	150%	150%

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Risk Amounts According to Risk Weights

	Distribution of Risk Weights													
Current Period	0%	10%	20%	20% (Unrated)	35% exposures secured by real estate property	50%	50% (Unrated)	75%	100%	100% (Unrated)	150%	200%	500%	Deducted From Equity
Amount Before Credit Risk Mitigation	31,857,394	-	270,927	6,394,163	-	648,859	21,880,393	14,680,366	-	58,412,093	19,961	-	101,008	3,157,775
Amount After Credit Risk Mitigation	31,861,803	-	270,927	6,394,163	766,412	648,859	21,880,393	13,912,101	-	57,428,813	8,485	-	101,008	3,157,775

	Distribution of Risk Weights													
Prior Period	0%	10%	20%	20% (Unrated)	35% exposures secured by real estate property	50%	50% (Unrated)	75%	100%	100% (Unrated)	150%	200%	500%	Deducted From Equity
Amount Before Credit Risk Mitigation	14,385,590	-	108,509	2,297,694	-	185,783	11,433,337	14,978,539	-	26,427,501	328,445	4,296,084	5,517	2,499,372
Amount After Credit Risk Mitigation	14,410,240	-	108,509	2,297,694	459,289	185,783	11,431,205	14,346,481	-	25,624,757	283,371	4,296,084	5,517	2,499,372

Miscellaneous Information Regarding Major Sectors or Counterparty Type

		Loans		
	Current Period	Significant Increase in Credit Risk (Stage 2)	Defaulted (Stage 3)	Provision of Expected Credit Losses("TFRS 9") (1)
1	**Agricultural**	**67,419**	**39,684**	**29,749**
1.1	Farming and Raising Livestock	67,419	38,277	28,342
1.2	Forestry	-	61	61
1.3	Fishing	-	1,346	1,346
2	**Industry**	**326,368**	**269,831**	**212,965**
2.1	Mining and Quarrying	-	55,572	43,577
2.2	Production	326,315	212,136	167,801
2.3	Electricity, Gas, Water	53	2,123	1,587
3	**Construction**	**96,978**	**226,036**	**176,008**
4	**Services**	**300,828**	**332,247**	**257,009**
4.1	Wholesale and Retail Trade	228,042	266,874	208,734
4.2	Hotel and Beverage Service	480	7,581	6,136
4.3	Transportation and Telecommunication	5,734	6,460	5,049
4.4	Financial Institutions	23,313	43	205
4.5	Real Estate and Lending Service	13,035	19,763	9,005
4.6	Self-Employment Service	19,148	24,924	21,028
4.7	Education Service	-	98	96
4.8	Health and Social Services	11,076	6,504	6,756
5	**Other**	**76,945**	**163,667**	**108,019**
	Total	**868,538**	**1,031,465**	**783,750**

(1) Unindemnified non-cash loans and the provisions related to these loans are not included.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Miscellaneous Information Regarding Major Sectors or Counterparty Type (Continued)

		Loans		
	Prior Period	Significant Increase in Credit Risk (Stage 2)	Defaulted (Stage 3)	Provision of Expected Credit Losses("TFRS 9") [1]
1	**Agricultural**	**13,558**	**40,868**	**34,256**
1.1	Farming and Raising Livestock	13,558	38,665	32,068
1.2	Forestry	-	883	883
1.3	Fishing	-	1,320	1,305
2	**Industry**	**62,717**	**207,174**	**212,226**
2.1	Mining and Quarrying	-	55,504	50,873
2.2	Production	62,717	96,372	106,226
2.3	Electricity, Gas, Water	-	55,298	55,127
3	**Construction**	**118,224**	**193,353**	**134,492**
4	**Services**	**173,127**	**263,737**	**222,237**
4.1	Wholesale and Retail Trade	31,124	199,992	168,791
4.2	Hotel and Restaurant Service	-	10,982	9,652
4.3	Transportation and Telecommunication	2,083	10,644	8,153
4.4	Financial Institutions	137,346	43	1,857
4.5	Real Estate and Lending Service	2,574	12,454	6,865
4.6	Self-Employment Service	-	19,625	19,384
4.7	Education Service	-	98	97
4.8	Health and Social Services	-	9,899	7,438
5	**Other**	**44,800**	**58,617**	**59,380**
	Total	**412,426**	**763,749**	**662,591**

[1] Unindemnified non-cash loans and the provisions related to these loans are not included

Movements in value adjustments and provisions

Current Period	Opening Balance	Provisions Allocated During the Period	Provision Reversal [2]	Other Adjustments[1]	Closing Balance
Stage 3 Provisions	589,118	402,830	(322,061)	38,760	708,647
Stage 1 and 2 Provisions	242,847	640,091	(526,237)	(24,791)	331,908

(1) Determined based on exchange rate differences, business combinations, acquisitions and disposal of subsidiaries.

(2) Represents the loans written off from the assets amounting to TRY 51,621 for which the Group has allocated 100% provision in the follow-up portfolio, and the loans sold from the assets amounting to TRY 132,868. The sales made from the non-performing loans portfolio are also shown here.

Prior Period	Opening Balance	Provisions Allocated During the Period	Provision Reversal[2]	Other Adjustments[1]	Closing Balance
Stage 3 Provisions	579,257	118,084	(150,822)	42,599	589,118
Stage 1 and 2 Provisions	166,307	451,374	(370,317)	(4,517)	242,847

(2) Determined according to exchange rate differences, business combinations, acquisitions, and disposals of subsidiaries

(3) Represents the loans written off from the assets amounting to TRY 616 for which the Group has allocated 100% provision in the follow-up portfolio, and the sales made from the non-performing loans portfolio are also shown here.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Gross and Net Amounts of Specific Loan Provisions by Risk Ratings

	Loans		Other Assets	
31 December 2024	**Gross**	**Net**	**Gross**	**Net**
Provisions for loans and other receivables with limited collectability	324,770	134,585	-	-
Provisions for doubtful loans and other receivables	220,890	66,391	-	-
Provisions for loans and other receivables classified as loss	474,683	121,842	11,122	-
Total	**1,020,343**	**322,818**	**11,122**	**-**

	Loans		Other Assets	
31 December 2023	**Gross**	**Net**	**Gross**	**Net**
Provisions for loans and other receivables with limited collectability	33,494	17,915	-	-
Provisions for doubtful loans and other receivables	126,992	14,453	-	-
Provisions for loans and other receivables classified as loss	592,143	142,263	11,120	-
Total	**752,629**	**174,631**	**11,120**	**-**

The Group rates its customers from rate one to five according to the criteria included in the intelligence studies. Loans rated at 1 and 2 represent live loans, and those rated between 3 and 5 comprise non-performing loans. When rating a company, the Group considers debt receiver's revenues, relevant balance sheet analysis, cash flows, operating performance, status within the industry, its industry expertise, management effectiveness, off-balance sheet risks and general economic and sectoral status.

Details of Collaterals Held by the Group for Cash and Non-Cash Loan in Active Status

Cash-loans	**31 December 2024**	**31 December 2023**
Secured Loans:		
Cash Secured Loans	870,742	1,414,457
Loans Secured by Real Estate Mortgage	7,270,432	3,625,479
Loans Secured by Treasury Guarantee or Public Sector Securities	11,314	1,108
Guarantees Issued by Financial Institutions	-	1,398
Other Collaterals (pledges on assets, corporate and personal guarantees, promissory notes)	50,127,310	28,790,146
Unsecured Loans	11,289,719	8,431,437
Total Cash - Loans	**69,569,518**	**42,264,025**

(*) Limited by risk amount.

Non-cash loans	**31 December 2024**	**31 December 2023**
Secured Loans:		
Cash Secured Loans	318,483	413,880
Loans Secured by Real Estate Mortgage	522,575	490,980
Loans Secured by Treasury Guarantee or Public Sector Securities	1,661	12,974
Guarantees Issued by Financial Institutions	432	540
Other Collaterals (pledges on assets, corporate and personal guarantees, promissory notes)	19,740,017	15,000,486
Unsecured Loans	1,793,139	1,768,934
Total non-cash loans	**22,376,307**	**17,687,794**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Information on Collaterals for Non-Performing Receivables

Current Period	Corporate/Commercial Loans	Consumer Loans	Credit Cards	Total
Cash	42	-	-	42
Mortgage	199,684	1,826	479	201,989
Pledge	-	-	-	-
Checks and Notes	-	-	-	-
Other	541,584	1,746	5,204	548,534
Unsecured	260,339	20,306	255	280,900
Total	**1,001,649**	**23,878**	**5,938**	**1,031,465**

(*) Limited by risk amount.

Prior Period	Corporate/Commercial Loans	Consumer Loans	Credit Cards	Total
Cash	1,609	-	-	1,609
Mortgage	100,100	2,907	327	103,334
Pledge	-	-	-	-
Checks and Notes	-	-	-	-
Other	418,809	1,132	4,656	424,597
Unsecured	218,427	15,300	452	234,209
Total	**738,945**	**19,369**	**5,435**	**763,749**

(*) Limited by risk amount.

Regional concentration of impaired loans and receivables

Regional	31 December 2024	31 December 2023
Turkey	952,925	678,705
Holland	40,890	85,044
Germany	37,650	-
Total	**1,031,465**	**763,749**

Past due but not yet impaired loans and receivables

	31 December 2024	31 December 2023
Group 1: Low-risk loans and receivables	19,269	16,094
Group 2: Loans and receivables under close monitoring	119,290	34,307
Total	**138,559**	**50,401**
Restructured Loans	7,153	2,214
Total	**145,712**	**52,615**

Aging of past due but not yet impaired loans and receivables

	31 December 2024	31 December 2023
0-30 days	66,375	32,043
30-60 days	55,160	10,389
60-90 days	24,177	10,183
Total	**145,712**	**52,615**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations on Consolidated Credit Risk (Continued)

Non-overdue and unimpaired loans and receivables

	31 December 2024	31 December 2023
Group 1: Low-risk loans and receivables	81,791,106	50,379,349
Group 2: Loans and receivables under close monitoring	599,895	275,814
Total	**82,391,001**	**50,655,163**
Restructured Loans	142,202	100,091
Total	**82,533,203**	**50,755,254**

III. Explanations on Consolidated Market Risk

The risk policies and implementation procedures determined for the market risk to which the Parent Bank is exposed are approved by the Board of Directors and are reviewed regularly. Market risk is managed by measuring and limiting risks in accordance with international standards, allocating capital accordingly, and also by risk mitigation through hedging transactions.

In the measurement of market risk related to portfolios held for trading purposes, the 'standard method' and the 'value at risk (VAR) method' are used. Measurements made within the scope of the standard method are carried out monthly and are taken into account in the calculation of capital adequacy. Measurements made within the scope of VAR calculations are carried out on a daily basis. VAR is calculated using three different methods: Historical Simulation, Monte Carlo Simulation, and Parametric Method. The Bank bases its internal management of market risk and the determination of limits on the VAR results of the Monte Carlo simulation.

Calculations made with the other two methods are used for comparison and monitoring purposes. A one-year historical market data set is used in the VAR calculation, considering a 99% confidence interval and a one-day holding period (10 days for legal capital calculation). Backtesting is performed to measure the reliability of the VAR model. Stress tests and scenario analyses are applied to ensure that the VAR calculations can also reflect large-scale market fluctuations.

In addition to VAR limits, there are also transaction, trader, desk, and stop-loss limits approved by the Board of Directors for the trading portfolio in limiting market risk.

The details of the market risk calculated as of 31 December 2023, in accordance with the principles set out in the third section of the 'Regulation on the Measurement and Evaluation of Capital Adequacy of Banks' published in the Official Gazette dated 23 October 2015, and numbered 29511, are provided in the table below.

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Market risk under standardized approach

		RWA
	Outright Products	
1	Interest rate risk (general and specific)	1,591,625
2	Equity risk (general and specific)	325
3	Foreign Exchange Risk	222,825
4	Commodity Risk	1,416,125
	Options	
5	Simplified approach	-
6	Delta-plus method	840,038
7	Scenario approach	-
8	Securitization	-
9	**Total**	**4,070,938**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

IV. Explanations on Consolidated Operational Risk

The amount subject to operational risk has been calculated according to the basic indicator approach in accordance with Article 25 of the Regulation on the Measurement and Evaluation of Capital Adequacy of Banks. Annual gross income consists of the sum of net interest income and net non-interest income realized as of the year-end. In the calculation of annual gross income, operating expenses related to the incomes included in the calculation, including provisions and payments made to persons or institutions from which the bank receives support services, are not deducted. Income from the sale of securities monitored outside the trading account, extraordinary income, and income from amounts indemnified by insurance are not included in the annual gross income.

	2021	2022	2023	Total number of years for which gross income is positive	Ratio (%)	Total
Gross Income	1,721,378	4,160,230	6,898,502	4,260,037	15	639,006
Amount subject to operational risk (Total*12.5))				7,987,569		

V. Explanations on Consolidated Currency Risk

The Group's exposure to exchange rate risk, the estimation of the effects of this situation, the limits set by the Parent Bank's Board of Directors for the positions monitored on a daily basis

In measuring the exchange rate risk to which the Group is exposed, the Standard Method used in legal reporting and the Value at Risk Method are used.

In calculating the consolidated capital requirement for exchange rate risk, the Group's total foreign currency assets, liabilities, and forward foreign exchange transactions are taken into account. The net short and long positions of each currency in terms of Turkish Lira equivalents are calculated, and the position with the greater absolute value is determined as the amount subject to the capital requirement. The capital requirement is calculated based on this amount.

The Board of Directors monitors on a daily basis whether the positions related to exchange rate risk are within the limits.

Hedge against foreign exchange debt instruments and net foreign exchange investments by hedging derivative instruments, if material

As of 31 December 2024, the Group's derivative financial instruments classified as hedging against fair value risk amounted to TRY 1,377,608 (31 December 2023: TRY 960,930).

Management policy for foreign currency risk

Foreign currency risk is monitored within the framework of national legislation and international practices. Foreign currency risk management is monitored within the framework of position and loss limits defined in the treasury department and ALCO decisions. It is essential that foreign currency positions originating from the bank’s balance sheet are monitored daily and closed within the framework of limited amounts.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

V. Explanations on Consolidated Currency Risk (Continued)

Current foreign exchange bid rates of the Parent Bank for the last five business days prior to the financial statement date:

	US Dollar	Euro
Spot foreign exchange bid rates in the balance sheet date	**35.2803**	**36.7362**
Prior balance sheet date;		
Spot foreign exchange purchase rate of first day	35.2233	36.7429
Spot foreign exchange purchase rate of second day	35.1368	36.6134
Spot foreign exchange purchase rate of third day	35.2033	36.6076
Spot foreign exchange purchase rate of fourth day	35.2162	36.6592
Spot foreign exchange purchase rate of fifth day	35.1814	36.5693
The basic arithmetical average of last 30 days	**34.9357**	**36.5856**

Exposure to foreign currency risk

The increase/decrease that will occur in equity and profit or loss statement (excluding tax effect) for the accounting period ending on 31 December 2024 and 31 December 2023, assuming a 10 percent depreciation of TRY against the following currencies, is shown in the table below. This analysis has been prepared under the assumption that all other variables, especially interest rates, remain constant.

	31 December 2024		31 December 2023	
	Statement of profit and loss	Equity[(1)]	Statement of profit and loss	Equity[(1)]
US Dollar	120,724	(53,519)	860,317	(11,311)
Euro	17,992	18,922	21,202	21,202
Other currencies	45,007	45,007	4,761	4,761
Total, net	**183,723**	**10,410**	**886,280**	**14,652**

(1) The equity effect also includes the impact on the profit/loss statement that would result from a 10% depreciation of the TRY against the relevant foreign currencies.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

V. Explanations on Consolidated Currency Risk (Continued)

Information on Consolidated Currency Risk

Current Period	Euro	US Dollar	Other	Total
Assets:				
Cash and Balances with CBRT	2,721,717	4,581,143	781,925	8,084,785
Banks	12,332,526	1,294,435	186,982	13,813,943
Financial Assets at Fair Value through Profit or Loss (Net)	32,195	308,849	-	341,044
Receivables from Money Markets	293,994	-	-	293,994
Financial Assets at Fair Value Through Other Comprehensive Income	2,800,351	8,861,593	-	11,661,944
Loans	12,406,357	11,106,227	2,613,218	26,125,802
Investments in Associates, Subsidiaries and Joint Ventures (Business Partners)	-	-	-	-
Financial Assets Measured at Amortized Cost	9,469,678	477,829	-	9,947,507
Tangible Assets	52,758	308	-	53,066
Intangible Assets	-	-	-	-
Others[3]	70,862	45,596	15	116,473
Total Assets	**40,180,438**	**26,675,980**	**3,582,140**	**70,438,558**
Liabilities*:*				
Bank Deposits	1,999,959	5,286,376	33	7,286,368
Foreign Currency Deposits	32,999,260	21,641,503	3,778,871	58,419,634
Money Market Funds	-	-	-	-
Loans Received	6,828,839	55,469	307,859	7,192,167
Securities Issued	-	-	-	-
Lease Liabilities	41,271	310	-	41,581
Other Liabilities[2][3]	141,203	235,321	6,846	383,370
Total Liabilities	**42,010,532**	**27,218,979**	**4,093,609**	**73,323,120**
Net On Balance Sheet Position	**(1,830,094)**	**(542,999)**	**(511,469)**	**(2,884,562)**
Net Off-Balance Sheet Position	**2,019,312**	**7,809**	**961,534**	**2,988,655**
Financial Derivative Assets	19,758,441	25,445,872	1,963,894	47,168,207
Financial Derivative Liabilities	17,739,129	25,438,063	1,002,360	44,179,552
Non-cash loans [1][3]	2,975,261	4,150,334	-	7,125,595
Prior Period	**Euro**	**US Dollar**	**Other**	**Total**
Total Assets	**26,024,960**	**18,007,246**	**2,176,339**	**46,208,545**
Total Liabilities	**23,475,003**	**19,882,734**	**1,337,864**	**44,695,601**
Net on-Balance Sheet Position	**2,549,957**	**(1,875,488)**	**838,475**	**1,512,944**
Net off-Balance Sheet Position	**(2,337,937)**	**1,762,381**	**(790,868)**	**(1,366,424)**
Financial Derivative Assets	14,386,488	22,554,502	924,865	37,865,855
Financial Derivative Liabilities	16,724,425	20,792,121	1,715,733	39,232,279
Non-cash loans [1][3]	2,257,380	3,167,751	-	5,425,131

(1) Non-cash loans are not taken into account in the foreign currency position account.

(2) The foreign exchange income rediscount of TRY 263,553 and the two-day value commitments of TRY 2,258 related to derivative financial instruments are not included in other assets, and the foreign exchange expense rediscount of TRY 475,140 is not included in other liabilities.

(3) Provisions for non-cash loans amounting to TRY 4,283 are included in the other liabilities item.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VI. Explanations on Consolidated Interest Rate Risk

Interest rate sensitivity of assets, liabilities and off-balance sheet items is analyzed by top management in the Asset/Liability Committee meetings held monthly by taking the market developments into consideration.

In measuring the interest rate risk to which the Parent Bank is exposed, the standard method, value at risk (VAR), and Asset-Liability risk measurement methods are used. Measurements made within the scope of the standard method are carried out monthly using the maturity ladder, while measurements made within the scope of VAR calculations are carried out on a daily basis. The Asset-Liability risk measurement model is run on a monthly basis.

During the daily VAR calculations, the interest rate risk of financial assets in the Bank's portfolio, denominated in foreign currency and TRY, whose fair value difference is reflected in profit or loss and whose fair value difference is reflected in other comprehensive income, as well as off-balance sheet positions, is measured. These calculations are supported by scenario analyses and stress tests.

Interest rate sensitivity of assets, liabilities and off-balance sheet items

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years And Over	Non – Interest Bearing	Total
Assets :							
Cash and Balances with CBRT	10,933,039	-	-	-	-	4,745,465	15,678,504
Banks [5]	13,231,860	115,000	-	-	-	1,139,576	14,486,436
Financial Assets at Fair Value Through Profit or Loss	983	11,141	24,384	280,708	87,448	-	404,664
Receivables from Money Markets	5,895,477	-	-	-	-	-	5,895,477
Financial Assets at Fair Value Through Other Comprehensive Income	322,611	733,166	5,493,069	5,696,799	2,170,242	250,377	14,666,264
Loans [4][5]	9,607,580	17,864,780	36,939,692	9,083,036	6,191	335,348	73,836,627
Financial Assets Measured at Amortized Cost [5]	72,864	112,403	941,333	8,725,002	95,905	-	9,947,507
Other Assets [1]	170,488	119,093	356,568	22,370	-	6,918,005	7,586,524
Total Assets	**40,234,902**	**18,955,583**	**43,755,046**	**23,807,915**	**2,359,786**	**13,388,771**	**142,502,003**
Liabilities :							
Bank Deposits	3,514,365	1,766,039	2,165,927	395,811	-	291	7,842,433
Other Deposits	52,768,807	21,226,512	11,849,314	5,219,583	47,144	9,677,323	100,788,683
Funds from Interbank Money Market	148,195	-	-	-	-	-	148,195
Miscellaneous Payables	-	-	-	-	-	-	-
Loans received[3]	1,920,165	1,155,045	1,303,032	6,017,702	-	-	10,395,944
Other Liabilities[2]	275,992	240,669	410,641	235,848	100,143	22,063,455	23,326,748
Total Liabilities	**58,627,524**	**24,388,265**	**15,728,914**	**11,868,944**	**147,287**	**31,741,069**	**142,502,003**
Balance Sheet Long Position	-	-	28,026,132	11,938,971	2,212,499	-	42,177,602
Balance Sheet Short Position	(18,392,622)	(5,432,682)	-	-	-	(18,352,928)	(42,177,602)
Off-Balance Sheet Long Position	4,693,750	890,926	10,375,602	9,876,680	-	-	25,836,958
Off-Balance Sheet Short Position	(4,726,785)	(890,926)	(10,492,480)	(9,966,534)	-	-	(26,076,725)
Total Position	**(18,425,657)**	**(5,432,682)**	**27,909,254**	**11,849,117**	**2,212,499**	**(18,352,928)**	**(239,767)**

(1) Tangible fixed assets, intangible fixed assets and assets held for sale are shown in the tax income non-interest column
(2) Equity items, tax expenses, and provisions are shown in the non-interest column under other liabilities.
(3) Includes factoring payables.
(4) Includes factoring receivables.
(5) Expected loss provisions for financial assets measured at amortized cost are netted off against the related items..

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VI. Explanations On Consolidated Interest Rate Risk (Continued)

Interest rate sensitivity of assets, liabilities and off-balance sheet items (Continued)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years And Over	Non – Interest Bearing	Total
Assets:							
Cash and Balances with CBRT	6,497,857	-	-	-	-	2,323,577	8,821,434
Banks [5]	9,370,485	-	-	-	-	2,084,367	11,454,852
Financial Assets at Fair Value Through Profit or Loss	-	329	14,765	33,239	69,905	-	118,238
Receivables from Money Markets	2,810,043	-	-	-	-	-	2,810,043
Financial Assets at Fair Value Through Other Comprehensive Income	892,744	818,743	4,213,552	1,930,291	1,826,719	169,542	9,851,591
Loans [4][5]	8,865,461	12,945,382	18,522,357	4,148,309	29,328	175,585	44,686,422
Financial Assets Measured at Amortized Cost [5]	75,868	210,545	785,983	1,827,686	476,920	-	3,377,002
Other Assets [1]	524,767	939,826	786,670	-	-	3,267,768	5,519,031
Total Assets	**29,037,225**	**14,914,825**	**24,323,327**	**7,939,525**	**2,402,872**	**8,020,839**	**86,638,613**
Liabilities:							
Bank Deposits	1,530,061	213,929	1,050,132	254,137	-	257	3,048,516
Other Deposits	32,176,163	12,380,191	9,787,593	5,270,075	35,921	8,086,623	67,736,566
Funds from Interbank Money Market	94,784	-	-	-	-	-	94,784
Marketable Securities Issued	-	-	-	-	-	-	-
Loans received [3]	969,721	630,390	365,711	5,270	-	54,408	2,025,500
Other liabilities [2]	178,739	168,345	118,548	96,640	92,485	13,078,490	13,733,247
Total Liabilities	**34,949,468**	**13,392,855**	**11,321,984**	**5,626,122**	**128,406**	**21,219,778**	**86,638,613**
Balance Sheet Long Position	-	1,521,970	13,001,343	2,313,403	2,274,466	-	19,111,192
Balance Sheet Short Position	(5,912,243)	-	-	-	-	(13,198,949)	(19,111,192)
Off-Balance Sheet Long Position	22,406,421	15,537,303	14,041,834	2,172,864	570,043	-	54,728,465
Off-Balance Sheet Short Position	(22,062,602)	(14,872,780)	(12,926,612)	(2,170,370)	(570,043)	-	(52,602,407)
Total Position	**(5,568,424)**	**2,186,493**	**14,116,575**	**2,315,897**	**2,274,466**	**(13,198,949)**	**2,126,058**

(1) Tangible fixed assets, intangible fixed assets and assets held for sale are shown in the tax income non-interest column.
(2) Equity items, tax expenses, and provisions are shown in the non-interest column under other liabilities.
(3) Includes factoring payables.
(4) Includes factoring receivables.
(5) Expected loss provisions for financial assets measured at amortized cost are netted off against the related items.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VI. Explanation on Consolidated Interest Rate Risk (Continued)

Average interest rates on monetary financial instruments:

Current Period	Euro %	US Dollar %	Yen %	TRY %
Assets:				
Cash Equivalents and Central Bank of the Republic of Türkiye	-	-	-	-
Receivables from Banks and Other Financial Institutions	2.79	3.32	-	47.11
Financial Assets Measured at Fair Value Through Profit or Loss	3.68	6.59	-	33.27
Receivables from Money Markets	3.25	-	-	41.45
Financial Assets Measured at Fair Value through Other Comprehensive Income	4.62	6.59	-	35.07
Loans	6.06	7.69	-	32.17
Financial Assets Measured at Amortized Cost	2.85	5.69	-	-
Liabilities:				
Bank Deposits	3.44	5.16	-	35.82
Other Deposits	0.73	2.23	-	48.65
Funds From Interbank Money Market	-	-	-	48.80
Other Liabilities	-	-	-	-
Marketable Securities Issued	-	-	-	-
Loans Received	2.94	0.71	-	45.16

Prior Period	Euro %	US Dollar %	Yen %	TRY %
Assets:				
Cash Equivalents and Central Bank of the Republic of Türkiye	-	-	-	-
Receivables from Banks and Other Financial Institutions	4.35	2.30	-	23.76
Financial Assets Measured at Fair Value Through Profit or Loss	4.70	7.05	-	-
Receivables from Money Markets	-	-	-	37.09
Financial Assets Measured at Fair Value through Other Comprehensive Income	3.09	6.90	-	13.49
Loans	7.08	8.18	-	33.49
Financial Assets Measured at Amortized Cost	3.27	6.05	-	-
Liabilities:				
Bank Deposits	7.05	10.27	-	23.69
Other Deposits	2.89	3.90	-	37.41
Funds From Interbank Money Market	-	-	-	-
Other Liabilities	-	-	-	-
Securities Issued	-	-	-	-
Loans Received	9.15	3.24	-	35.00

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VI. Explanations on Consolidated Interest Rate Risk (Continued)

Interest rate risk on banking book

Interest rate risk arising from banking accounts is evaluated within the framework of repricing risk, yield curve risk, basis risk, and optionality risk, measured in accordance with international standards, and managed by risk mitigation through limiting and hedging transactions. The sensitivity of assets, liabilities, and off-balance sheet items to interest rates is evaluated in weekly Asset-Liability Committee meetings, taking into account market developments.

The interest rate risk measurement process arising from banking accounts is designed and implemented to includes the interest rate positions defined by the Bank as banking accounts and to take into account the relevant repricing and maturity data.

In the scope of monitoring repricing risk arising from maturity mismatch, duration gap, gap by maturity bucket, and sensitivity analyses are used. Duration-gap and sensitivity analyses are performed on a weekly basis.

In the duration-gap analysis, the present values of interest-sensitive assets and liabilities are calculated using the cash flows of these items and the yield curves constructed using market interest rates.

These results are supported by periodic sensitivity and scenario analyses conducted against potential market fluctuations.

The interest rate risk on banking book is measured legally as per the "Regulation on Measurement and Evaluation of Interest Rate Risk Resulted from Banking Book as per Standard Shock Method" published in the Official Gazette No. 28034 dated 23 August 2011, and the legal limit as per this measurement is monitored and reported monthly. A proportional level of capital is maintained for the interest rate risk arising from banking books.

The interest rate risk related to interest-sensitive financial instruments in the trading portfolio is considered within the scope of market risk.

	Type of Currency	Shocks Applied (+/- x basis point)	Gains / Losses	Gains / Equity - Losses / Equity
1	TRY	(+) 500bp	(222,323)	(%1.33)
2	TRY	(-) 400bp	193,831	%1.16
3	USD	(+) 200bp	(197,885)	(%1.18)
4	USD	(-) 200bp	236,364	%1.41
5	EURO	(+) 200bp	36,780	%0.22
6	EURO	(-) 200bp	(45,351)	(%0.27)
	Total (of Negative Shocks)		**384,844**	**%2.30**
	Total (of Positive Shocks)		**(383,428)**	**(%2.29)**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VII. Explanations on Consolidated Position Risk of Equity Securities in Banking Book

None.

VIII. Explanations on Consolidated Liquidity Risk Management and Consolidated Liquidity Coverage Ratio

Liquidity risk can arise as a result of funding long-term assets with short-term liabilities. The management of liquidity risk at the bank is carried out in accordance with the "Asset-Liability Management Regulation," taking into account the strategies related to balance sheet management and the requirements of legal obligations, as well as current market conditions and expectations regarding the economic and financial outlook.

The primary funding source of the Parent Bank is deposits. Although the average maturity of deposits is shorter compared to assets due to market conditions, loans are also obtained from foreign institutions for funding purposes. To prevent potential concentrations on the funding side from negatively impacting the Bank's liquidity risk profile, concentration limits for deposits and non-deposit borrowings are actively utilized.

According to the "Regulation on the Calculation of Liquidity Coverage Ratio of Banks," published by the BRSA in the Official Gazette dated 21 March 2014, and numbered 28948, banks are required to achieve a total Liquidity Coverage Ratio (LCR) of 100% and a foreign currency LCR of 80% by 2019. Under the relevant regulation, the Liquidity Coverage Ratio is calculated by dividing high-quality liquid assets by net cash outflows.

a. Information about the liquidity risk management including factors such as risk capacity of the Parent Bank, responsibilities and the structure of liquidity risk management, reporting of the liquidity risk within the Parent Bank and providing communication with Board of Directors and line of businesses in terms of liquidity risk strategy, policy and applications

The primary priority is to ensure that the liquidity risk to which the Parent Bank is exposed is in line with the risk appetite arising from the Bank's core strategies and within the risk capacity determined by the regulations. It is essential for the Bank to maintain a sufficient level of free liquid assets that can be sold or pledged at any time to counter significant reductions in liquidity sources. The level of the liquidity buffer, composed of these liquid assets, is determined in accordance with the Bank's liquidity risk tolerance, as expressed by the liquidity risk limits set by the Board of Directors. The review of the liquidity position, determination of the appropriate liquidity level, and identification of the necessary funding sources and maturity structure within the limits approved by the Board of Directors are the responsibilities of the Bank's Asset-Liability Committee (ALCO).

b. Information regarding functioning of liquidity management and the extent of centralization in funding strategy amid the Parent Bank and its subsidiaries

The responsibility for managing liquidity risk within the risk limits set by the Board of Directors of the Parent Bank lies with the Treasury Department. The measurement and reporting of liquidity risk levels across the bank are the responsibility of the Risk Management Department. The bank's liquidity management and funding strategy are determined in regular Asset-Liability Committee meetings.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

c. The information about the Parent Bank's funding strategy including policies on diversification of its sources and tenor of funding

The Board of Directors of the Parent Bank has approved the "Liquidity Risk Management Policy" for effective liquidity risk management. The primary funding source of the bank is deposits. To ensure maturity diversification, loans obtained from financial institutions are also considered as funding sources. Although the maturity of deposits is formed according to market conditions, the core deposit ratio is aimed to be kept as high as possible due to the concentration in the short-term. Non-deposit funding sources are preferred to be long-term.

ç. Information on liquidity management based on currency, which consists of a minimum of 5% of the Parent Bank's total liabilities

The currencies that constitute at least five percent of the Parent Bank's liabilities are Turkish Lira, US Dollar and Euro. Both legal reporting and liquidity risk management reporting can be conducted for all defined foreign currency types within the Bank.

d. Information on liquidity risk mitigation techniques used

Assets defined as liquid assets in the relevant regulations are considered as risk mitigation elements in liquidity management, taking into account their maturities and market liquidity conditions.

e. Explanation of the usage of stress test

The Parent Bank utilizes liquidity stress tests for the internal measurement of liquidity risk. In this approach, the level at which the Bank's liquid assets can cover the likely net cash outflows within one month under liquidity stress scenarios, whose parameters are determined by the Board of Directors, is demonstrated.

Stress tests within the scope of liquidity risk are presented in detail in the Internal Capital Adequacy Assessment Process (ICAAP) report. The stress test results, evaluated and approved at the Board of Directors level, are shared with the Banking Regulation and Supervision Agency (BRSA).

f. General information on liquidity emergency and contingency plans

Information regarding the bank's liquidity emergency and contingency plan is detailed within the "Liquidity Risk Management Policy." The policy outlines the action plan the bank will implement in the event of emergencies, as defined, and specifies the duties and responsibilities of the "Liquidity Emergency Management Team.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

1. Consolidated Liquidity Coverage Rate

Liquidity risk may arise as a result of funding long-term assets with short-term liabilities. The management of liquidity risk in the Bank is carried out in accordance with the 'Asset-Liability Management Regulation,' taking into account the requirements of balance sheet management strategies and legal obligations, as well as current market conditions and expectations regarding the economic and financial outlook.

The primary source of funding for the Bank is deposits. Although the average maturity of deposits is shorter compared to assets due to market conditions, loans are also obtained from foreign institutions for funding purposes. To prevent potential concentrations on the funding side from negatively impacting the Bank's liquidity risk profile, concentration limits on deposits and non-deposit borrowings are actively utilized.

The primary priority is to ensure that the liquidity risk to which the Bank is exposed aligns with the risk appetite arising from the Bank's core strategies and within the risk capacity determined by the regulations. It is essential for the Bank to maintain a sufficient level of free liquid assets that can be sold or pledged at any time to counter significant reductions in liquidity sources. The level of the liquidity buffer, composed of these liquid assets, is determined in accordance with the Bank's liquidity risk tolerance, as expressed by the liquidity risk limits set by the Board of Directors. The review of the liquidity position, determination of the appropriate liquidity level, and identification of the necessary funding sources and maturity structure within the limits approved by the Board of Directors are the responsibilities of the Bank's Asset-Liability Committee (ALCO).

The Bank utilizes liquidity stress tests for the internal measurement of liquidity risk. In this approach, the level at which the Bank's liquid assets can cover the likely net cash outflows within one month under liquidity stress scenarios, whose parameters are determined by the Board of Directors, is demonstrated. Liquidity adequacy limits, both in Turkish Lira and foreign currency, are determined by the Board of Directors, taking into account the specific requirements and risk tolerance of the Bank's liquidity risk management. Measurements related to liquidity risk are carried out by the Risk Management Department, and the results of these measurements are regularly reported to the relevant executive units responsible for managing the risk, as well as to senior management and the Board of Directors.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

Explanations Related to Financial Structure and Risk Management (Continued)

VIII. Explanations on Consolidated Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

1. Consolidated Liquidity Coverage Rate (Continued)

	Total value to which the consideration ratio is not applied (*)		Total value to which the consideration ratio is applied (*)	
Current Period	**TRY+FC**	**FC**	**TRY+FC**	**FC**
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			24,281,675	17,191,637
Cash Outflows			-	-
Retail and customer deposits	53,392,411	27,089,104	4,928,685	2,701,282
Stable deposits	8,211,108	152,550	410,555	7,627
Less stable deposits	45,181,303	26,936,554	4,518,130	2,693,655
Unsecured funding other than retail and small business customers deposits	47,872,107	30,000,214	22,975,516	13,371,370
Operational deposits	-	-		
Non-Operational deposits	45,105,209	29,423,536	20,422,371	12,794,692
Other unsecured funding	2,766,898	576,678	2,553,145	576,678
Secured funding			-	-
Other cash outflows	712,489	7,891,906	712,489	7,891,906
Liquidity needs related to derivatives and market valuation changes on derivatives transactions	712,489	7,891,906	712,489	7,891,906
Debts related to the structured financial products	-	-	-	-
Commitment related to debts to financial markets and other off-balance sheet liabilities	-	-	-	-
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	866,946	866,946	43,347	43,347
Other irrevocable or conditionally revocable commitments	19,287,454	5,401,876	1,501,597	477,534
TOTAL CASH OUTFLOWS			**30,161,634**	**24,485,439**
Cash Inflows	-	-	-	-
Secured lending transactions	466,227	3,196	-	-
Unsecured lending transactions	17,296,454	7,088,275	14,215,940	6,650,162
Other cash inflows	878,530	5,847,182	878,530	5,847,182
TOTAL CASH INFLOWS	**18,641,211**	**12,938,653**	**15,094,470**	**12,497,344**
			Max limit applied values	
TOTAL HQLA STOCK			24,281,675	17,191,637
TOTAL NET CASH OUTFLOWS			15,067,164	11,988,095
LIQUIDITY COVERAGE RATIO (%)			161.16	143.41

(*) The consolidated liquidity coverage ratio, calculated by taking the weekly simple arithmetic average, is calculated by taking the average of the last three months.

Current Period	Highest	Date	Lowest	Date	Average
TRY+FC	231.43%	23 October 2024	136.65%	31 December 2024	163.42%
FC	193.27%	26 December 2024	121.36%	25 October 2024	144.16%

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquity Risk Management and Liquidity Coverage Ratio (Continued)

1. Consolidated Liquidity Coverage Rate (Continued)

	Total value to which the consideration ratio is not applied (*)		Total value to which the consideration ratio is applied(*)	
Prior Period	**TRY+FC**	**FC**	**TRY+FC**	**FC**
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			20,273,422	14,541,903
Cash Outflows			-	-
Retail and customer deposits	35,843,726	19,823,872	3,384,832	1,972,367
Stable deposits	3,990,815	200,390	199,541	10,019
Less stable deposits	31,852,911	19,623,482	3,185,291	1,962,348
Unsecured funding other than retail and small business customers deposits	34,873,683	19,265,945	17,252,299	8,412,363
Operational deposits	-	-		
Non-Operational deposits	31,897,008	18,787,466	14,311,163	7,933,898
Other unsecured funding	2,976,675	478,479	2,941,136	478,465
Secured funding			97,983	97,983
Other cash outflows	334,891	3,311,467	334,891	3,311,467
Liquidity needs related to derivatives and market valuation changes on derivatives transactions	334,891	3,311,467	334,891	3,311,467
Debts related to the structured financial products	-	-	-	-
Commitment related to debts to financial markets and other off-balance sheet liabilities	-	-	-	-
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	1,109,501	1,109,501	55,475	55,475
Other irrevocable or conditionally revocable commitments	15,810,307	3,999,060	1,384,824	512,072
TOTAL CASH OUTFLOWS			**22,412,321**	**14,263,744**
Cash Inflows	-	-	-	-
Secured lending transactions	860,791	-	-	-
Unsecured lending transactions	11,453,902	3,447,331	8,192,498	2,863,584
Other cash inflows	594,569	2,541,421	594,569	2,541,421
TOTAL CASH INFLOWS	**12,909,262**	**5,988,752**	**8,787,067**	**5,405,005**
			Max limit applied values	
TOTAL HQLA STOCK			**20,273,422**	**14,541,903**
TOTAL NET CASH OUTFLOWS			**13,625,255**	**8,858,740**
LIQUIDITY COVERAGE RATIO (%)			**148.79**	**164.15**

(*) The consolidated liquidity coverage ratio, calculated by taking the weekly simple arithmetic average, is calculated by taking the average of the last three months.

Prior Period	Highest	Date	Lowest	Date	Average
TRY+FC	202.77%	17 October 2023	120.11%	30 November 2023	150.83%
FC	203.39%	20 November 2023	123.86%	30 November 2023	165.93%

The liquidity coverage ratio aims to ensure that the Bank maintains a sufficient stock of high-quality liquid assets to cover net cash outflows. High-quality liquid assets include cash values, required reserves held at the CBRT, and free securities, which hold a significant share. On the other hand, time deposits, derivative transactions, loans up to one month, and non-cash loans are important balance sheet items in the quantitative calculation of net cash inflows and outflows. Periodic changes in quantitative figures do not significantly affect the coverage ratio.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquity Risk Management and Liquidity Coverage Ratio (Continued)

2. Minimum Disclosures by Banks Regarding the Consolidated Liquidity Coverage Ratio

a. The change in matters that impact the consolidated liquidity coverage ratio and the units that are used for the calculation of the ratio

The liquidity coverage ratio aims to ensure that the Bank maintains a sufficient stock of high-quality liquid assets to cover net cash outflows. On the other hand, time deposits, derivative transactions, loans up to one month, and non-cash loans are important balance sheet items in the quantitative calculation of net cash inflows and outflows. Periodic changes in quantitative figures do not significantly affect the coverage ratio.

b Explanation regarding the components of high quality liquid assets

High-quality liquid assets consist of cash values, central bank reserves, free securities, reverse repos, and stocks traded on BIST-100. Of the Bank's high-quality liquid assets, 66% are accounts held at the CBRT, 31% are free securities, and 3% are cash values.

c. Components density of fund resources in all funds

Among the primary funding sources, unsecured fundings such as deposits and loans, and secured fundings such as repo transactions hold the most significant positions. As of the balance sheet date, 91.2% of the funding sources consist of deposits, 8.7% of loans used and 0.1% of debts to money markets Cash outflows comprise 84% unsecured fundings and 16% off-balance sheet fundings.

ç. Information about cash outflows resulted from derivative transactions and transactions that are likely to be collateralized

Cash flows related to derivative financial instruments are included in the calculation by considering the provisions of the Regulation. The Group calculates cash outflows within the framework of the Regulation, taking into account situations where changes in the fair value of liabilities result in margin call requirements.

d. Concentration limits of collaterals in terms of fund resources based on counterparty and products

As of the balance sheet date, 50% of the Bank's time deposits consist of individual customers, 1% of retail customers, 44% of other individual customers, and 5% of other deposit accounts.

e. Liquidity risk and needed funding on the basis of the Bank itself, the branches in foreign countries and the partnerships consolidated by considering operational and legal factors preventing liquidity transfer

There is no risk related to this matter when considering the Bank and its consolidated subsidiaries.

f. Explanations of cash in-flow and cash out-flow items that are considered to be related to liquidity profile of the Bank and to be placed on the calculation of liquidity coverage ratio but not on the second paragraph of the disclosure template

Currently, there are no cash inflow or outflow items that have not been included in the relevant table within this scope.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquity Risk Management and Liquidity Coverage Ratio (Continued)

Breakdown of assets and liabilities according to their outstanding maturities:

Current Period	Demand	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	5 Years and Over	Unallocated[1]	Total
Assets:								
Cash Equivalents (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the CBRT	4,745,465	10,933,039	-	-	-	-	-	15,678,504
Receivables from Banks and Other Financial Institutions	936,927	13,502,748	45,000	-	-	-	1,761	14,486,436
Financial Assets at Fair Value through Profit or Loss	-	983	11,141	24,384	280,708	87,448	-	404,664
Receivables from Money Markets	-	5,895,477	-	-	-	-	-	5,895,477
Financial Assets at Fair Value through Other Comprehensive Income	250,377	118,108	326,191	5,477,897	6,118,946	2,374,745	-	14,666,264
Loans [3][4][5]	112,347	7,703,748	15,061,887	33,389,455	15,515,549	1,776,014	277,627	73,836,627
Financial Assets at Fair Value Through Amortized Cost	-	72,864	112,403	336,910	9,137,960	287,370	-	9,947,507
Other Assets	-	3,716,992	108,145	292,531	629,401	-	2,839,455	7,586,524
Total Assets	**6,045,116**	**41,943,959**	**15,664,767**	**39,521,177**	**31,682,564**	**4,525,577**	**3,118,843**	**142,502,003**
Liabilites:								
Bank Deposits	291	3,514,365	1,766,039	2,165,927	395,811	-	-	7,842,433
Other Deposits	15,931,846	52,395,576	17,929,594	11,849,314	2,635,209	47,144	-	100,788,683
Loans received [2]	200,000	2,724,995	148,297	1,304,950	6,017,702	-	-	10,395,944
Money Market Borrowings	54,069	94,126	-	-	-	-	-	148,195
Marketable Securities Issued	-	-	-	-	-	-	-	-
Other Liabilities	-	264,753	240,669	366,780	270,864	120,227	22,063,455	23,326,748
Total Liabilities	**16,186,206**	**58,993,815**	**20,084,599**	**15,686,971**	**9,319,586**	**167,371**	**22,063,455**	**142,502,003**
Net Liquidity Gap	**(10,141,090)**	**(17,049,856)**	**(4,419,832)**	**23,834,206**	**22,362,978**	**4,358,206**	**(18,944,612)**	**-**

Prior Period	Demand	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	5 Years and Over	Unallocated[1]	Total
Total Assets	**4,783,376**	**28,297,511**	**14,224,089**	**21,919,655**	**12,176,999**	**2,840,008**	**2,396,975**	**86,638,613**
Total Liabilities	**14,363,699**	**34,735,386**	**13,279,186**	**8,045,862**	**2,983,745**	**152,245**	**13,078,490**	**86,638,613**
Net Liquidity Gap	**(9,580,323)**	**(6,437,875)**	**944,903**	**13,873,793**	**9,193,254**	**2,687,763**	**(10,681,515)**	**-**

(1) Accounts that are part of the balance sheet's assets, such as subsidiaries, tangible fixed assets, intangible fixed assets, and assets held for sale, which are not likely to be converted into cash in the short-term, are recorded here. It includes provisions and equity items from the liability accounts that make up the balance sheet.
(2) Includes factoring payables.
(3) Includes factoring receivables.
(4) The net amount of non-performing loans is shown in the undistributed column within loans.
(5) Expected loss provisions are shown net of the related items.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquity Risk Management and Liquidity Coverage Ratio (Continued)

Net Stable Funding Ratio:

The net stable funding ratio (NSFR), which is a complementary liquidity measurement method to the LKO that measures banks' resilience to short-term liquidity shocks and is calculated by taking into account maturity compliance, began to be shared legally as of 1 January 2024. BRSA has determined the procedures and principles to ensure that banks provide stable funding in order to prevent the deterioration of their liquidity levels due to the funding risk that they may be exposed to on a consolidated and non-consolidated basis in the long term. In accordance with the "Regulation on the Calculation of the Net Stable Funding Ratio of Banks" published in the Official Gazette dated 26 May 2023 and numbered 32202, the three-month simple arithmetic average of the consolidated and non-consolidated net stable funding ratio calculated monthly as of equity calculation periods cannot be less than 100 percent as of the periods of March, June, September and December.

NSFR is defined as the ratio of the amount of available stable funding (SFT) to the amount of required stable funding (GFT). The book values of assets and liabilities are taken into account in accordance with TFRS and the notification schedules published by the BRSA are weighted by multiplying them with the MIF and GIF factors. Current stable funding is the capital and liabilities that create resources for the bank for more than 1 year. The required stable funding is a function of the maturity of the assets of the bank, their liquidity capacity and the liquidity risk arising from off-balance sheet transactions.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquity Risk Management and Liquidity Coverage Ratio (Continued)

Net Stable Funding Ratio (Continued):

	Amount Not Subject to Maturity-Based Consideration Ratio				Total Amount Subject to Consideration Ratio
Current Period	**Demand***	**Short-Term (less than 6 months)**	**Residual Maturity of 6 Months and Longer But Less Than 1 Year**	**Residual Maturity of 1 Year and More**	
Current Stable Fund					
Equity Instruments	16,152,874	-	-	8,079,493	24,232,367
Core Capital and Supplementary Capital	16,152,874	-	-	-	16,152,874
Other Equity Instruments	-	-	-	8,079,493	8,079,493
Individual and Retail Customer Deposits	11,037,625	37,725,227	4,608,879	1,801,167	50,737,125
Stable deposits	6,163,710	10,610,070	3,331,317	1,525,234	20,548,815
Less stable deposits	4,873,915	27,115,157	1,277,562	275,933	30,188,310
Payables to Other Persons	4,796,384	43,391,024	3,685,773	-	22,015,690
Operational Deposits/Participation Fund	-	-	-	-	-
Other Payables	4,796,384	43,391,024	3,685,773	-	22,015,690
Equivalent Liabilities to Interdependent Assets	-	-	-	-	
Other Liabilities	3,119,150	604,023	-	-	-
Derivative Liabilities		604,023	-	-	-
Other Equity Elements and Liabilities Not Included Above	3,119,150	-	-	-	-
Current Stable Fund	-	-	-	-	**96,985,182**
Required Stable Fund	-	-	-	-	
High Quality Liquid Assets	-	-	-	-	980,757
Operational Deposits/Participation Fund Deposited with Credit Institutions or Financial Institutions	-	-	-	-	-
Performing Receivables	2,038,461	50,118,067	17,259,822	37,113,936	58,946,666
Receivables from Credit Institutions or Financial Institutions with First Quality Liquid Assets as Collateral	2,006,977	-	-	-	200,698
Receivables from Credit Institutions or Financial Institutions without or without First Quality Liquid Assets as Collateral Secured Receivables	-	23,965,330	10,264,382	12,548,677	21,275,668
Corporate Customers Other Than Credit Institutions or Financial Institutions, Institutions, Individuals and Retail Customers, Central Governments, CBRT and Public Institutions	31,484	26,152,737	6,995,440	24,565,259	37,470,300
Receivables Subject to a Low Risk Weight of 35% or Less	-	-	-	213,005	138,453
Receivables Secured by Residential Real Estate Mortgages	-	-	-	-	-
Receivables Subject to a Low Risk Weight of 35% or Less	-	-	-	377,164	245,156
Stock Exchange Traded Shares and Debt Instruments That Do Not Have the Characteristics of High Quality Liquid Assets	-	-	-	-	-
Assets Equivalent to Interdependent Liabilities	-	-	-	-	-
Other Assets	14,733,539	20,338	229	-	14,815,211
Physically Deliverable Commodities Including Gold	-	-	-	-	-
Initial Collateral of Derivative Contracts or Guarantee Fund Given to Central Counterparty	-	20,338	-	-	17,287
Derivative Assets	-	-	229	-	-
Amount of Derivative Liabilities Before Deducting Variation Collateral	-	-	-	-	64,385
Other Assets Not Included Above	14,733,539	-	-	-	14,733,539
Off-Balance Sheet Liabilities	-	17,159,184	3,636,058	2,684,654	1,173,995
Required Stable Fund	-	-	-	-	**75,916,629**
Net Stable Funding Rate (%) (Current/Required Stable Fund)	-	-	-	-	**127.75**

(*) Items in the non-term column do not have a specific maturity date. These include, but are not limited to, equity items with no specific maturity date, demand deposits, short positions, positions with no specific maturity date, high-quality illiquid stocks, and physically deliverable commodities.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquity Risk Management and Liquidity Coverage Ratio (Continued)

	Amount Not Subject to Maturity-Based Consideration Ratio				Total Amount Subject to Consideration Ratio
Prior Period	**Demand***	**Short-Term (less than 6 months)**	**Residual Maturity of 6 Months and Longer But Less Than 1 Year**	**Residual Maturity of 1 Year and More**	
Current Stable Fund					
Equity Instruments	10,388,529	-	-	2,632,649	13,021,178
Core Capital and Supplementary Capital	10,388,529	-	-	-	10,388,529
Other Equity Instruments	-	-	-	2,632,649	2,632,649
Individual and Retail Customer Deposits	8,935,757	22,618,970	2,671,511	-	31,431,625
Stable deposits	5,840,074	4,757,003	1,963,153	-	11,932,218
Less stable deposits	3,095,683	17,861,967	708,358	-	19,499,407
Payables to Other Persons	5,443,870	26,990,564	877,759	307,890	15,172,284
Operational Deposits/Participation Fund	-	-	-	-	-
Other Payables	5,443,870	26,990,564	877,759	307,890	15,172,284
Equivalent Liabilities to Interdependent Assets	-	-	-	-	
Other Liabilities	4,033,140	613,522	-	-	-
Derivative Liabilities		613,522	-	-	-
Other Equity Elements and Liabilities Not Included Above	4,033,140	-	-	-	-
Prior Stable Fund	-	-	-	-	**59,625,087**
Required Stable Fund	-	-	-	-	
High Quality Liquid Assets	-	-	-	-	740,447
Operational Deposits/Participation Fund Deposited with Credit Institutions or Financial Institutions	-	-	-	-	-
Performing Receivables	1,816,160	40,604,056	9,303,600	12,456,454	30,539,833
Receivables from Credit Institutions or Financial Institutions with First Quality Liquid Assets as Collateral	1,113,013	-	-	-	111,301
Receivables from Credit Institutions or Financial Institutions without or without First Quality Liquid Assets as Collateral Secured Receivables	446,790	17,652,422	6,376,641	5,799,247	11,702,431
Corporate Customers Other Than Credit Institutions or Financial Institutions, Institutions, Individuals and Retail Customers, Central Governments, CBRT and Public Institutions	256,357	22,951,634	2,926,959	6,657,207	18,726,101
Receivables Subject to a Low Risk Weight of 35% or Less	-	-	-	205,223	133,395
Receivables Secured by Residential Real Estate Mortgages	-	-	-	-	-
Receivables Subject to a Low Risk Weight of 35% or Less	-	-	-	208,482	135,513
Stock Exchange Traded Shares and Debt Instruments That Do Not Have the Characteristics of High Quality Liquid Assets	-	-	-	-	-
Assets Equivalent to Interdependent Liabilities	-	-	-	-	-
Other Assets	8,776,014	2,192,103	177,705	-	11,124,033
Physically Deliverable Commodities Including Gold	-	-	-	-	-
Initial Collateral of Derivative Contracts or Guarantee Fund Given to Central Counterparty	-	145,258	-	-	123,470
Derivative Assets	-	2,013,421	166,122	-	2,179,542
Amount of Derivative Liabilities Before Deducting Variation Collateral	-	33,424	11,583	-	45,007
Other Assets Not Included Above	8,776,014	-	-	-	8,776,014
Off-Balance Sheet Liabilities	-	12,987,425	4,228,076	2,183,939	969,972
Required Stable Fund	-	-	-	-	**43,374,285**
Net Stable Funding Rate (%) (Current/Required Stable Fund)	-	-	-	-	**137.47**

(*) In the non-maturity column, the items listed do not have a specific maturity date. These include, but are not limited to, equity elements without a specific maturity, non-maturity deposits, short positions, positions with unspecified maturity, non-high-quality liquid assets stocks, and physically delivered commodities.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Consolidated Liquity Risk Management and Liquidity Coverage Ratio (Continued)

Maturity distribution of derivative financial instruments held for trading purposes

The Group's derivative financial instruments include forward trading, swap, and option transactions. The table below shows the distribution of the nominal amounts of derivative financial instruments by maturity. The nominal amounts of derivative instruments represent the amount of the underlying asset, benchmark interest rate, or index subject to the derivative transaction and serve as the basis for measuring changes in the value of the derivative transaction. The nominal amounts of derivative instruments reflect the volumes of transactions existing at year-end and do not represent any credit risk or market risk.

Derivative financial instruments held for trading purposes (at amounts specified in the contract)

Current Period	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	5 Years and Over	Total
Forward Foreign Currency buying	2,719,418	1,106,726	1,421,207	-	-	5,247,351
Forward Foreign Currency selling	2,754,119	1,281,111	1,650,041	-	-	5,685,271
Swap contracts buying	26,421,394	2,442,206	1,242,406	2,571,535	80,525	32,758,066
Swap contracts selling	26,471,506	2,487,632	1,268,936	2,748,294	83,985	33,060,353
Interest rate swap buying	225,000	3,885,000	5,340,606	5,954,197	1,157,697	16,562,500
Interest rate swap selling	225,000	3,885,000	5,340,606	5,954,197	1,157,697	16,562,500
Options buying	2,637,816	2,275,415	5,276,103	-	-	10,189,334
Options selling	2,883,515	2,718,906	5,940,195	-	-	11,542,616
Other	-	-	-	367,362	-	367,362
Total	**64,337,768**	**20,081,996**	**27,480,100**	**17,595,585**	**2,479,904**	**131,975,353**

Prior Period	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	5 Years and Over	Total
Forward Foreign Currency buying	3,166,937	2,650,964	3,511,350	-	-	9,329,251
Forward Foreign Currency selling	3,123,238	2,515,128	3,091,761	-	-	8,730,127
Swap contracts buying	14,529,354	8,227,005	1,243,458	3,908,868	128,364	28,037,049
Swap contracts selling	14,567,117	8,322,733	1,077,374	3,889,788	125,870	27,982,882
Interest rate swap buying	-	1,996,000	2,775,000	1,996,780	2,549,396	9,317,176
Interest rate swap selling	-	1,996,000	2,775,000	1,996,780	2,549,396	9,317,176
Options buying	2,151,688	3,437,989	2,455,314	-	-	8,044,991
Options selling	1,770,075	2,838,225	1,963,922	-	-	6,572,222
Total	**39,308,409**	**31,984,044**	**18,893,179**	**11,792,216**	**5,353,026**	**107,330,874**

Information on securitization position

None.

Information on Credit Risk Mitigation Techniques

The bank applies credit risk mitigation according to the comprehensive financial collateral method, where the effects of risk mitigation are calculated based on the volatility-adjusted values of financial collateral, in accordance with Article 34 of the "Communiqué on Credit Risk Mitigation Techniques" ("Communiqué").

In credit risk mitigation, cash or similar assets and debt instruments with high credit quality grades are used.

Volatility adjustments related to the receivable, collateral, and currency mismatch of the collateral are made using the standard volatility adjustment approach specified in Article 37 of the Communiqué.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

IX. Explanations on Consolidated Leverage Ratio

The Group's leverage ratio, calculated in accordance with the "Regulation on Measurement and Evaluation of Bank's Leverage Levels" is 9.40% (31 December 2023: 9.86%). The primary reason for the decrease in the leverage ratio for the current period compared to the previous period is that the growth rate of the core capital is less than the growth rate of the total risk-weighted assets. Subject level is above the minimum requirement which is determined as 3% by the regulation.

	Current Period	Prior Period
Assets On the Balance Sheet		
Assets on the balance sheet (excluding derivative financial instruments and loan derivatives, including collaterals)	134,262,351	84,243,924
Assets deducted from core capital	(665,349)	(115,338)
Total risk amount for assets on the balance sheet	133,597,002	84,128,586
Derivative Financial Instruments and Loan Derivatives		
Renewal cost of derivative financial instruments and loan derivatives	674,139	2,245,655
Potential credit risk amount of derivative financial instruments and loan derivatives	1,130,702	563,066
Total risk amount of derivative financial instruments and loan derivatives	1,804,841	2,808,721
Financing Transactions with Securities or Goods Warranties		
Risk amount of financial transactions with securities or good warranties (excluding those in the balance sheet)	11,408,471	2,957,227
Risk amount arising from intermediated transactions	-	-
Total risk amount of financing transactions with securities or goods warranties	11,408,471	2,957,227
Off-Balance Sheet Commitments		
Gross nominal amount of the off-the-balance sheet transactions	21,387,149	13,529,458
Adjustment amount arising from multiplying by the credit conversion rate	-	-
Total risk amount for off-the-balance sheet transactions	21,387,149	13,529,458
Capital and Total Risk		
Core capital	15,787,133	10,213,073
Total risk amount	168,197,463	103,423,992
Leverage Ratio	**9.40**	**9.86**

The amounts presented in the Leverage Ratio Disclosure Table have been calculated using the three-months average.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management

Risk-weighted assets have been calculated in accordance with the provisions of the 'Regulation on the Measurement and Evaluation of Capital Adequacy of Banks' published in the Official Gazette dated 23 October 2015 and numbered 29511, and the 'Communiqué on Credit Risk Mitigation Techniques' published in the Official Gazette dated 6 September 2014 and numbered 29111. The standard approach has been used for credit and market risk, and the basic indicator approach has been used for operational risk. The difference between the current period and the previous period is due to the increase in the balance sheet size.

Explanations on risk management and risk weighted amount

		Risk Weighted Amounts		Minimum Capital Requirements
		31 December 2024	31 December 2023	31 December 2024
1	**Credit risk (excluding counterparty credit risk)**	**81,248,817**	**51,879,912**	**6,499,905**
2	Standardized approach	81,248,817	51,879,912	6,499,905
3	Internal rating-based approach			
4	**Counterparty credit risk**	**1,942,827**	**2,722,428**	**155,426**
5	Standardized approach for counterparty credit risk	1,942,827	2,722,428	155,426
6	Internal model method			
7	Equity position in banking book under basic risk weighting or internal rating-based	-	-	-
8	**Equity investments in funds – look-through approach**	-	-	-
9	**Equity investments in funds – mandate-based approach**	-	-	-
10	**Equity investments in funds – 1250% risk weighting approach**	-	-	-
11	Settlement risk	-	-	-
12	Securitization exposures in banking book	-	-	-
13	IRB ratings-based approach	-	-	-
14	IRB supervisory formula approach	-	-	-
15	SA/simplified supervisory formula approach	-	-	-
16	**Market risk**	**4,070,938**	**4,433,538**	**325,675**
17	Standardized approach	4,070,938	4,433,538	325,675
18	Internal model approaches			
19	**Operational risk**	**7,987,569**	**4,451,569**	**639,006**
20	Basic indicator approach	7,987,569	4,451,569	639,006
21	Standardized approach	-	-	-
22	Advanced measurement approach	-	-	-
23	**Amounts below the thresholds for deduction from capital (subject to 250% risk weight)**	-	-	-
24	**Floor adjustment**	-	-	-
25	**Total (1+4+7+8+9+10+16+19+23+24)**	**95,250,151**	**63,487,447**	**7,620,012**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management (Continued)

Explanations on Consolidated Credit Risk

a. Credit Quality of Assets

		The gross amount evaluated in accordance with TAS in the financial statements prepared according to legal consolidation		Provisions / Amortization and Impairments	Net values (a+b-c)
		Defaulted Exposures	Non-defaulted Exposures		
1	Loans	1,031,465	82,678,185	(1,040,556)	82,669,094
2	Debt securities	-	25,654,392	(635,957)	25,018,435
3	Off-balance sheet receivables	-	39,651,999	(21,035)	39,630,964
4	**Total**	**1,031,465**	**147,984,576**	**(1,697,548)**	**147,318,943**

b. Changes in Stock of Defaulted Loans and Debt Securities

1	**Defaulted loans and debt securities at end of the previous reporting period**	**763,749**
2	Loans and debt securities that have defaulted since the last reporting period	696,863
3	Returned to non-defaulted status	197,821
4	Amounts written off from assets	184,489
5	Other Changes	(46,837)
6	**Defaulted loans and debt securities at end of the reporting period end (1+2+3+4+5)**	**1,031,465**

c. Credit Risk Mitigation Techniques - Overview

		Exposures unsecure: carrying amount	Exposures secured by collaterals	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1	Loans	143,458,924	2,553,171	991,594	5,638	4,410	-	-
2	Debt Securities	8,906,173	-	-	-	-	-	-
3	**Total**	**152,365,097**	**2,553,171**	**991,594**	**5,638**	**4,410**	**-**	**-**
4	Defaulted	309,001	236	126	-	-	-	-

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management (Continued)

Explanations on Consolidated Credit Risk (Continued)

d Standardized Approach-Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects

		Exposures before CCF and CRM		Exposures post CCF and CRM		Risk Weighted Amount and Risk Weighted Amount density	
	Asset Classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk Weighted Amount	Risk Weighted Amount density
1	Exposures to central governments or central banks	29,444,754	-	29,449,163	-	378,615	1%
2	Exposures to regional governments or local authorities	3,538,390	4,885	3,538,390	2,320	1,770,355	50%
3	Exposures to public sector entities	247,045	-	247,045	-	247,045	100%
4	Exposures to multilateral development banks	-	-	-	-	-	
5	Exposures to international organizations	-	-	-	-	-	
6	Exposures to institutions	15,197,526	11,514,655	15,197,526	556,437	6,621,204	42%
7	Exposures to corporates	45,184,628	19,554,127	44,422,578	12,703,354	53,537,231	94%
8	Retail exposures	12,232,909	4,623,026	12,009,251	1,922,286	10,531,256	76%
9	Exposures secured by residential property	749,933	51,789	747,606	18,806	268,244	35%
10	Exposures secured by commercial real estate	2,605,118	236,716	2,605,118	120,874	1,576,757	58%
11	Past-due loans	309,226	-	309,100	-	221,545	72%
12	Higher-risk categories by the Agency Board	7,913	-	7,913	-	11,870	150%
13	Exposures in the form of covered bonds	-	-	-	-	-	
14	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	
15	Exposures in the form of units or shares in collective investment undertakings	-	-	-	-	-	
16	Other assets	9,356,905	-	9,356,905	-	6,021,876	64%
17	Investment in equities	62,819	-	62,819	-	62,819	100%
18	**Total**	**118,937,166**	**35,985,198**	**117,953,414**	**15,324,077**	**81,248,817**	**61%**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management (Continued)

e Standardized approach – Exposures by asset classes and risk weights

Assets Classes / Risk weight*	0%	20% Unrated	20% Unrated (S24)	35% Secured by real estate	50% (S26)	50% Unrated(S27)	75%	100%	150%	200%	500%	Total credit risk exposure amount (After CCF and CRM)
Exposures to central governments or central banks	28,529,377	270,927	-	-	648,859	-	-	-	-	-	-	29,449,163
Exposures to regional governments or local authorities	-	-	-	-	-	3,540,710	116,577	-	-	-	-	3,540,710
Exposures to public sector entities	-	-	-	-	-	-	-	247,045	-	-	-	247,045
Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to banks and financial intermediaries	-	-	4,423,614	-	-	11,187,736	-	142,613	-	-	-	15,753,963
Exposures to corporates	-	-	1,967,268	-	-	4,682,349	-	50,394,743	-	-	-	57,125,932
Retail exposures	-	-	-	-	-	-	13,912,101	-	-	-	81,572	13,931,537
Exposures secured by residential property	-	-	-	766,412	-	-	-	-	-	-	19,436	766,412
Exposures secured by commercial real estate	-	-	-	-	-	2,298,470	-	427,522	-	-	-	2,725,992
Past-due loans	-	-	-	-	-	175,682	-	132,846	572	-	-	309,100
Higher Risk categories by the Agency Board	-	-	-	-	-	-	-	-	7,913	-	-	7,913
Exposures in the form of covered bonds	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to institutions and corporates with a short-term credit assessments	-	-	-	-	-	-	-	-	-	-	-	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	-	-	-	-	-
Investments in equities	-	-	-	-	-	-	-	62,819	-	-	-	62,819
Other assets	3,332,426	-	1,088	-	-	-	-	6,021,225	-	-	-	9,356,905
Total	**31,861,803**	**270,927**	**6,394,136**	**766,412**	**648,859**	**21,884,947**	**13,912,101**	**57,428,813**	**8,485**	**-**	**101,008**	**133,277,491**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management (Continued)

Explanations on Consolidated Counterparty Credit Risk (CCR)

a. Analysis of counterparty credit risk (CCR) exposure by approach

		Replacement cost	Potential future exposure4	EEPE	Alpha used for computing regulatory exposure at default	Exposure at default post CRM	Risk Weighted Amount
1	Standardized Approach - CCR (For Derivatives)	138,194	1,777,526		1,4	1,915,720	1,178,127
2	Internal Model Method (for derivatives, repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3	Simple Approach for Credit Mitigation (for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4	Comprehensive Approach for Credit Risk Mitigation (for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					1,937,721	387,544
5	Value at Risk for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6	**Total**						**1,565,671**

b. Credit valuation adjustment (CVA) capital charge

		Total subject to the CVA capital charge	Total subject to the CVA capital charge
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) Value at Risk component (Including the 3* multiplier)		-
2	(ii) Stressed Value at Risk component (Including the 3* multiplier)		-
3	All portfolios subject to the Standardized CVA capital charge	1,915,720	375,312
4	**Total subject to the CVA capital charge**	**1,915,720**	**375,312**

Counterparty credit risk is calculated for repo transactions, securities and commodities lending transactions, and derivative transactions. In the calculation of counterparty credit risk, the Fair Value Valuation Method is used within the framework of Appendix-2 of the 'Regulation on the Measurement and Evaluation of Capital Adequacy of Banks'. For derivative transactions, the sum of the replacement cost and the potential credit risk amount is considered as the risk amount. Replacement costs are calculated by valuing the contracts at their fair value, while the potential credit risk amount is calculated by multiplying the contract amounts by the credit conversion factors specified in the appendix of the regulation.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management (Continued)

Explanations on Consolidated Counterparty Credit Risk (CCR) (Continued)

c. Standard Approach – CCR according yo risk classification and risk weights

Risk weights / Risk classes	0%	10%	20%	35%	50%	75%	100%	150%	Other	Credit Risk Exposures
Exposures to central governments and central bank	93,095	-	-	-	-	-	-	-	-	93,095
Exposures to regional or local governments	-	-	-	-	-	-	-	-	-	-
Exposures to administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-
Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-
Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
Exposures to banks and financial intermediaries	-	-	2,393,801	-	709,950	-	-	-	91,818	3,195,569
Exposures to corporates	-	-	65	-	-	-	678,821	-	-	678,886
Retail exposures	-	-	-	-	-	70,803	-	-	-	70,803
Exposures secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
Past-due loan	-	-	-	-	-	-	-	-	-	-
Higher Risk categories by the Agency Board	-	-	-	-	-	-	-	-	-	-
Exposures in the form of covered bonds	-	-	-	-	-	-	-	-	-	-
Securitization positions in banking accounts	-	-	-	-	-	-	-	-	-	-
Exposures to institutions and corporates with a short-term credit assessments	-	-	-	-	-	-	-	-	-	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	-	-	-
Investments in equities	-	-	-	-	-	-	-	-	-	-
Other exposures	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**93,095**	**-**	**2,393,866**	**-**	**709,950**	**70,803**	**678,821**	**-**	**91,818**	**4,038,353**

d. Composition of colleteral for CCR exposure

	Collateral used in derivative transactions				Collateral used in other Transactions	
	Collateral Taken		Collateral Given		Collateral	Collateral
	Segregated	Unsegregated	Segregated	Unsegregated	Received	Given
Cash – domestic currency	-	-	-	-	94,126	3,744,841
Cash – other currencies	-	-	-	-	-	326,754
Domestic sovereign deb	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency bonds	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collaterals	-	-	-	-	-	-
Total	-	-	-	-	**94,126**	**4,071,594**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management(Continued)

Explanations on Consolidated Counterparty Credit Risk (CCR) (Continued)

e. Risks to the Central Counterparty ("CCP")

		Risk Amount After CRM	RWA
1	**Total risks arising from transactions to qualified CCP**		**1,020**
2	Regarding risks arising from transactions in CCP (excluding initial margin and guarantee fund amount)	-	-
3	(i) OTC derivative financial instruments	-	-
4	(ii) Other derivative financial instruments	42	5
5	(iii) Repo-reverse repo transactions, overdraft transactions, and lending or borrowing securities or commodities	-	-
6	(iv) Netting groups to which cross product netting is applied	-	-
7	Reserved initial margin	-	
8	Unreserved initial margin	-	-
9	Paid guarantee fund amount	8,120	1,015
10	Unpaid guarantee fund commitment	-	-
11	**Total risks arising from transactions with non-qualified CCPs**		-
12	Regarding risks arising from transactions in CCP (excluding initial margin and guarantee fund amount)	-	-
13	(i) OTC derivative financial instruments	-	-
14	(ii) Other derivative financial instruments	-	-
15	(iii) Repo-reverse repo transactions, overdraft transactions, and lending or borrowing securities or commodities	-	-
16	(iv) Netting groups to which cross product netting is applied	-	-
17	Reserved initial margin	-	
18	Unreserved initial margin	-	-
19	Paid guarantee fund amount	-	-
20	Unpaid guarantee fund commitment	-	-

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management(Continued)

Explanations on Consolidated Counterparty Credit Risk (CCR) (Continued)

f. Differences and Reconciliation Between Accounting Consolidation and Regulatory Consolidation Scope

	Carrying values in financial statements prepared as per TAS	Subject to credit risk	Subject to counterparty credit risk	Subject to market risk	Considered in equity calculations	Not subject to capital requirements or subject to deduction from capital
Asset						
Cash and cash equivalents	36,044,452	36,044,452	-	-	-	-
Financial assets at fair value through profit or loss	404,664	-	-	404,664	-	-
Financial assets at fair value through other comprehensive income	14,666,264	-	-	14,666,264	-	-
Financial assets measured at amortized cost	9,954,557	-	9,954,557	-	-	-
Derivative financial assets	668,519	-	668,519	-	-	-
Non-performing loans	-	-	-	-	-	-
Allowances for Expected Credit Losses (-)	15,965	-	-	-	-	15,965
Loans (Net)	73,829,577	73,829,577	-	-	-	-
Loans	69,793,467	69,793,467	-	-	-	-
Lease receivables	-	-	-	-	-	-
Factoring Receivables	4,319,966	4,319,966	-	-	-	-
Non-performing loans	763,749	763,749	-	-	-	-
Allowances for Expected Credit Losses (-)	1,047,605	1,047,605	-	-	-	-
Assets held for sale and assets of discontinued operations (net)	190,178	190,178	-	-	-	-
Equity investments	-	-	-	-	-	-
Tangible assets (net)	2,336,216	2,336,216	-	-	-	-
Intangible assets (net)	137,333	137,333	-	-	-	-
Investment property (net)	-	-	-	-	-	-
Tax assets	8,937	8,937	-	-	-	-
Deferred tax assets	546,211	546,211	-	-	-	-
Other assets	3,699,130	3,699,130	-	-	-	-
Total Assets	**142,502,003**	**116,792,034**	**10,623,076**	**15,070,928**	**-**	**15,965**
Liabilities						
Deposits	108,631,116	-	-	-	-	108,631,116
Funds borrowed	10,395,944	-	-	-	-	10,395,944
Interbank money markets	148,195	-	148,195	-	-	-
Marketable securities issued	-	-	-	-	-	-
Funds	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-
Derivative financial liabilities	947,722	-	-	-	-	947,722
Factoring payables	66	-	-	-	-	66
Lease payables	357,931	-	-	-	-	357,931
Provisions	431,532	-	-	-	-	431,532
Tax liability	1,116,151	-	-	-	-	1,116,151
Deferred tax liabilities	24,318	-	-	-	-	24,318
Liabilities held for sale and liabilities of discontinued operations (net)	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-
Other liabilities	3,291,973	-	-	-	-	3,291,973
Shareholders' equity	17,157,055	-	-	-	17,157,055	-
Total Liabilities	**142,502,003**	**-**	**148,195**	**-**	**17,157,055**	**125,196,753**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

X. Explanations on Consolidated Risk Management (Continued)

Explanations on Consolidated Counterparty Credit Risk (CCR) (Continued)

g. The main sources of differences between the risk amounts and the amounts assessed in accordance with TAS in the financial statements

		Total	Subject to credit risk	Subject to securitization	Subject to counterparty credit risk	Subject to market risk
1	**Asset carrying value amount under scope of regulatory consolidation**	**142,486,038**	**116,792,034**	**-**	**10,623,076**	**15,070,928**
2	Liabilities carrying value amount under regulatory scope of consolidation in accordance with TAS	-	-	-	-	-
3	**Total net amount under regulatory scope of consolidation**	**142,486,038**	**116,792,034**	**-**	**10,623,076**	**15,070,928**
4	Off-balance sheet amount	174,382,566	39,651,999	-	134,730,567	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules (other than those already included in row 2)	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences due to prudential filters	-	-	-	-	-
9	**Differences due to risk mitigation**	**316,868,604**	**156,444,033**	**-**	**145,353,643**	**15,070,928**

XI. Explanations on the presentation of financial assets and liabilities at their fair values

	Carrying value		Fair value	
	Current Period	Prior Period	Current Period	Prior Period
Assets				
Receivables from Money Markets	5,895,477	2,810,043	5,883,464	2,810,043
Banks and financial institutions received	14,484,515	11,454,848	14,334,045	11,455,887
Financial Assets at Fair Value through Other Comprehensive Income	14,666,264	9,851,591	14,666,264	9,851,591
Financial Assets Measured at Amortized Cost	9,947,507	3,377,002	9,913,277	3,411,385
Loans	82,745,790	44,680,568	79,147,287	41,095,364
Liabilities				
Bank Deposits	7,842,433	2,005,228	7,621,558	1,623,960
Other Deposits	100,788,683	68,779,855	99,203,017	67,710,653
Funds Provided from Other Financial Institutions	10,497,966	2,025,500	9,772,730	1,994,427
Funds From Interbank Money Market	148,195	94,784	147,994	94,784
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	1,108,359	595,760	1,108,359	595,760

Due to the short-term nature of receivables from money markets, receivables from banks and other financial institutions, funds obtained from other financial institutions, payables to money markets, issued securities, and various payables, the fair value refers to the book value.

The fair value of fixed-rate long-term loans is calculated by discounting the future cash flows using current market interest rates. The fair values of other short-term loans refer to the book value. The carrying amount of variable-rate loans refers to their fair value. For other assets and liabilities, the fair value refers to the sum of acquisition cost and accrued interest discounts.

The fair value of bank deposits and other deposits is calculated by discounting the future cash flows using current market interest rates.

The fair values of financial assets measured at amortized cost presented for illustrative purposes are determined based on market prices, and the fair value hierarchy is classified as Stage 2.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

XI. Explanations on the presentation of consolidated financial assets and liabilities at their fair values (Continued)

Classification of fair value

"TFRS 7 - Financial Instruments: Disclosures" standard requires financial instruments measured at fair value in the financial statements to be classified in a hierarchy that reflects the significance of the data used in determining their fair values. This classification is primarily based on whether or not the inputs are observable. Observable inputs refer to the use of market data obtained from independent sources, while unobservable inputs refer to the use of the Group's own market estimates and assumptions. This distinction generally results in the following classifications."

Stage 1: Fair value measurements using listed prices (unadjusted) in active markets for identical assets or liabilities;

Stage 2: Fair value measurements using inputs other than listed prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);

Stage 3: Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The classification requires the use of observable market data when available.

In addition to financial assets and liabilities, the Bank recognizes real estate classified under tangible assets in the balance sheet at fair value. Level 3 inputs are used in determining the mentioned fair value.

In this context, the fair value classification of financial assets and liabilities measured at fair value is as follows:

	31 December 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Financial Assets at Fair Value Through Profit or Loss				
Government Debt Securities	305,988	-	-	305,988
Share Certificates	-	-	-	-
Other Financial Assets	-	98,676	-	98,676
Derivative Financial Asset	-	668,519	-	668,519
Loans at fair value through profit or loss	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income:				
Loans	-	-	8,833,199	8,833,199
Government debt securities	5,145,688	-	-	5,145,688
Share certificates	-	114,145	13,941	128,086
Other Financial Assets	-	559,291	-	559,291
Total Assets	**5,451,676**	**1,440,631**	**8,847,140**	**15,739,447**
Financial Liabilities at fair value through profit or loss	-	-	-	-
Derivative financial liabilities	-	947,722	-	947,722
Total Liabilities	**-**	**947,722**	**-**	**947,722**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

XI. Explanations on the presentation of consolidated financial assets and liabilities at their fair values (Continued)

Classification of fair value (Continued)

	31 December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Financial assets at fair value through profit or loss				
Government debt securities	102,803	-	-	102,803
Share certificates	-	-	-	-
Other Financial Assets	-	15,435	-	15,435
Derivative financial asset	-	2,251,263	-	2,251,263
Loans at fair value through profit or loss	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income				
Loans	-	-	6,053,232	6,053,232
Government debt securities	3,628,817	-	-	3,628,817
Share certificates	-	79,458	13,941	93,399
Other Financial Assets	-	76,143	-	76,143
		-	138,310	- 138,310
Total Assets	**3,731,620**	**2,422,299**	**6,067,173**	**12,221,092**
Financial Liabilities at fair value through profit or loss				
Derivative financial liabilities	-	419,041	-	419,041
Total Liabilities	**-**	**419,041**	**-**	**419,041**

The movement table of Level 3 financial assets is presented in the table below.

	Current Period
Balance at the end of the prior period	**13,941**
Purchases	-
Redemption/Disposals	-
Revaluation Difference	-
Transfers	-
Balance at the end of the period	**13,941**

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

XII. Explanations on consolidated operating segments

The Parent Bank provides services in the business lines of corporate banking, commercial banking, SME banking, retail banking, and investment banking. In this context, the Bank offers services and products such as clearing and custody services, time and demand deposits, savings accounts, repos, overdraft loans, spot loans, foreign currency indexed loans, consumer loans, auto and mortgage loans, business loans, discount loans, single account (overdraft account), gold loans, foreign currency loans, Eximbank loans, pre-financing loans, country loans, letters of guarantee, letters of credit, export factoring, acceptance/aval loans, forfaiting, financial leasing, insurance, forward, futures, salary payments, investment accounts, checks, safe deposit boxes, tax collection, bill payments, payment orders.

The Parent Bank offers service packages consisting of deposits, loans, foreign trade transactions, investment products, cash management, financial leasing brokerage, factoring brokerage, insurance brokerage, credit cards, and other banking products to its corporate, commercial, and retail customers. The Parent Bank has built its branch structure on customer-oriented banking in order to meet the different financial needs of its customers.

The Parent Bank also provides commercial banking services to businesses and employees operating in the retail and service sectors with a product package that includes overdraft accounts, POS machines, credit cards, checkbooks, TRY and foreign currency deposits, investment accounts, internet and call center services, debit cards, and bill payment modules.

Individual banking customers constitute a widespread and regular deposit base for the Parent Bank. The needs of individual customers, who are served with a wide range of individual banking products, are met through branch and non-branch banking channels.

Presentation of certain financial statement items by operating segments(*):

Current Period	Commercial and SME Banking	Retail banking	Other	Group's Total Activities
Operating Income	4,393,519	459,277	6,716,496	11,569,292
Operating Expense	-	-	(4,072,276)	(4,072,276)
Profit before Tax	**4,393,519**	**459,277**	**2,644,220**	**7,497,016**
Corporate Tax Provision	-	-	(2,182,265)	(2,182,265)
Profit after Tax	**4,393,519**	**459,277**	**461,955**	**5,314,751**
Segment Assets	49,989,151	98,109	92,414,743	142,502,003
Total Assets	**49,989,151**	**98,109**	**92,414,743**	**142,502,003**
Segment Liabilities	24,139,511	41,850,686	59,354,751	125,344,948
Equity	-	-	17,157,055	17,157,055
Total Liabilities	**24,139,511**	**41,850,686**	**76,511,806**	**142,502,003**

(*) Since 10 August 2020, the bank has been operating in three main business segments: corporate, commercial, and SME banking; retail banking; and treasury. Retail banking offers a variety of banking services to individual customers, including deposits, loans, credit cards, automatic payment services, and internet banking. Corporate, commercial, and SME banking provides commercial banking services to its clients, such as loans, deposits, cash management, trade finance, non-cash loans, and foreign exchange transactions. Treasury operations includes activities such as investments in fixed-income securities, fund management, foreign exchange transactions, money market transactions, and derivative.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

XII. Explanations on consolidated operating segments (Continued)

Presentation of certain financial statement items by operating segments(*)

Perior Period	Commercial and SME Banking	Retail banking	Other	Group's Total Activities
Operating Income	3,252,528	762,368	3,166,125	7,181,021
Operating Expense	-	-	(2,984,444)	(2,984,444)
Profit before Tax	**3,252,528**	**762,368**	**181,681**	**4,196,577**
Corporate Tax Provision	-	-	(1,257,005)	(1,257,005)
Profit after Tax	**3,252,528**	**762,368**	**(1,075,324)**	**2,939,572**
Segment Assets	27,852,062	129,143	58,657,408	86,638,613
Total Assets	**27,852,062**	**129,143**	**58,657,408**	**86,638,613**
Segment Liabilities	15,355,706	24,355,331	35,774,695	75,485,732
Equity	-	-	11,152,881	11,152,881
Total Liabilities	**15,355,706**	**24,355,331**	**46,927,576**	**86,638,613**

(*) Since 10 August, 2020, the bank has been operating in three main business segments: corporate, commercial, and SME banking; retail banking; and treasury. Retail banking offers a variety of banking services to individual customers, including deposits, loans, credit cards, automatic payment services, and internet banking. Corporate, commercial, and SME banking provides commercial banking services to its clients, such as loans, deposits, cash management, trade finance, non-cash loans, and foreign exchange transactions. Treasury operations includes activities such as investments in fixed-income securities, fund management, foreign exchange transactions, money market transactions, and derivative products.

XIII. Explanations on Net Investment Hedge Accounting

Starting from 1 May 2018, the Parent Bank has decided to implement a hedging strategy to mitigate the foreign exchange risk arising from its overseas subsidiary, Anadolubank Nederland NV, which is accounted for using the equity method in the non-consolidated financial statements. This strategy constitutes a net investment hedging strategy aimed at mitigating the foreign exchange risk arising from the portion of Anadolubank Nederland NV's net investment value amounting to Euro 156.4 million, designated as the hedged item. Starting from April 2024, the Bank has designated Euro 156.4 million of its borrowings as a 'hedging instrument. Between 1 May 2018, and April 2024, a portion of Euro-denominated time deposit accounts (31 December 2023 : 108 mio Euro) was designated as a hedging instrument for net investment hedge purposes.

The 'Hedging Gains/Losses Related to Net Investment in Foreign Operations,' classified under equity, amounted to TRY 2,376,867 as of 31 December 2024 (31 December 2023: TRY 1,983,223).

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

XII. Explanations on Net Investment Hedge Accounting (Continued)

i. Risk Management Objectives and Hedging Strategy

a) Risk Management Objectives

Portfolios in Euro consisting of financial instruments that generate long-term interest income (such as bonds and loans included in assets) and are denominated in fixed interest rates are more sensitive to interest rate changes. The bank, within the risk appetite limits on Economic Value of Equity (EVE), uses a hedging strategy in line with the Market & ALM Risk Policy to manage the interest rate risk. By adopting a hedging strategy that eliminates the effects of market interest rate changes on the fair value of assets, the bank aims to maintain a stable EVE.

The book value of the hedged item is adjusted based on changes in fair value, depending on the risk to be hedged, and these changes are accounted for in the profit and loss statement.

b) Hedging Strategy

The hedging strategy is implemented by entering into interest rate swap transactions in Euro, where fixed interest is paid and variable interest is received. In this way, the aim is to reduce the impact on the Economic Value of Equity (EVE).

c) Hedged Risk

The risk to be hedged is the changes in the fair value of the hedged items (the portfolio specified in the risk management objective) due to market changes in interest rates.

d. Explanations on the Relationships Between the Hedged Items and the Hedging Instruments

This section explains the relationships between the hedged items and the financial instruments used in the hedging transactions.

1. Hedged Items

According to IAS 39.78, the hedged item may be a specific financial asset or a portion of a financial liability portfolio that shares the hedged risk. According to IAS 39.83, similar assets can be grouped and hedged together only if they share the same risk exposure.

Anadolubank N.V. defines a portion of its Euro fixed-interest loan and bond portfolio as the hedged item. The Euro fixed-interest loans and bonds in the portfolio have the same interest rate risk resulting from changes in the Euro discount curve. Although the Euro loan and bond portfolio consists of both fixed and floating-rate products, only the fixed-rate products are considered eligible for hedging.

The Euro fixed-interest loans and bonds do not contain prepayment options, and any early payments are made according to market conditions. Therefore, Anadolubank N.V. defines the hedged item’s cash flows as being equivalent to the contractual cash flows of the underlying assets. Anadolubank N.V. is only hedging the interest rate risk of the Euro fixed-interest loan and bond portfolio. The credit risk premium (spread) is not part of the hedged risk. Therefore, changes in the credit risk premium are not included in the valuation for hedge accounting purposes.

2. Hedging Instruments

Anadolubank N.V. uses standard interest rate swaps (plain vanilla interest rate swaps) as hedging instruments. Anadolubank N.V. pays fixed interest and receives a variable interest index. Both legs of the IRS are included in the hedging relationship.

SECTION FOUR: EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

XII. Explanations on consolidated operating segments (Continued)

i. Risk Management Objectives and Hedging Strategy

3. Designation and Bucketing

The designation of the hedging relationship can be based on several different criteria. Anadolubank defines the hedging relationship based on nominal cash flows. The nominal cash flows of the hedged items and hedging instruments are grouped into monthly buckets. The purpose of this designation is to achieve the best matching between the nominal cash flows of the hedging instruments and the nominal cash flows of the hedged items.

	Hedging Instrument	Hedged Item	Exposure Risk	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items*	Ineffective Portion
31/12/2024	Interest Rate Swap	Fixed Rate Euro Financial Assets and Other Comprehensive Income	Interest Rate Risk	1,073,629	(914,899)	158,730
31/12/2023	Interest Rate Swap	Fixed Rate Euro Financial Assets and Other Comprehensive Income	Interest Rate Risk	1,854,601	(1,372,214)	482,387

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Disclosures Related to Consolidated Assets

1. Information on cash equivalents and balances with the CBRT

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Cash/Foreign Currency	140,467	584,290	110,544	658,899
CBRT [1]	7,454,188	7,298,994	4,096,778	3,918,551
Other [2]	-	202,486	-	37,676
Total	**7,594,655**	**8,085,770**	**4,207,322**	**4,615,126**

[1] Includes TRY 10,933,039 held as reserve requirements.
[2] Includes precious metal accounts.

As of 31 December 2024, banks operating in Türkiye are required to maintain reserve requirements ranging from 0% to 33% for Turkish lira liabilities based on their maturities (31 December, 2023: 0%-30%) and from 5% to 30% for foreign currency liabilities based on their maturities (31 December 2023: 5%-30%), in accordance with the Communiqué on Required Reserves.

Additionally, as per the Communiqué on Required Reserves published in the Official Gazette dated 31 December 2022, and numbered 32060, the option to maintain Turkish lira reserve requirements in gold was discontinued as of 23 June 2023.

Information related to balances with the CBRT:

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Unrestricted Demand Deposit	964,921	2,855,222	562,119	955,353
Unrestricted Time Deposit	-	-	-	-
Restricted Time Deposit	-	-	-	-
Reserve Requirements	6,489,267	4,443,772	3,534,659	2,963,198
Total	**7,454,188**	**7,298,994**	**4,096,778**	**3,918,551**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

Information on foreign banks account

2. Information on banks and other financial institutions:

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Banks	672,538	13,827,942	188,079	11,267,812
Domestic	672,538	3,509,073	188,079	63,810
Foreign(*)	-	10,318,869	-	11,204,002
Total	**672,538**	**13,827,942**	**188,079**	**11,267,812**

(*) The account with foreign banks includes a collateral of TRY 200,884 for foreign credit collateral, options, and swap transactions (31 December 2023: TRY 167,450), and a required reserve amount of TRY 289,962 for Anadolubank Nederland NV (31 December 2023: TRY 229,501)

	Unrestricted Amount	Restricted Amount	Unrestricted Amount	Restricted Amount
	Current Period	**Prior Period**	**Current Period**	**Prior Period**
EU Countries	9,304,332	490,846	10,185,397	263,704
USA, Canada	349,392	-	558,857	-
OECD Contries	145,790	28,509	62,797	133,247
Other	-	-	-	-
Total	**9,799,514**	**519,355**	**10,807,051**	**396,951**

Within the foreign banks account, the collateral for foreign derivative transactions is TRY 229,393 (31 December 2023: TRY 167,450).

3. Explanations on Receivables from Money Markets

As of 31 December 2024, the amount of receivables from money markets stands at TRY 5,895,477 (31 December 2023: TRY 2,810,043).

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

4. Information *on financial assets measured at fair value through profit or loss*

Financial assets at fair value through profit/loss provided as collateral/blocked

None (31 December 2023: None).

Financial assets at fair value through profit/loss subject to repurchase agreements

None (31 December 2023: None)

Securities at Fair Value Through Profit or Loss

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Government debt securities	63,620	242,368	-	102,803
Share certificates	-	-	-	-
Other Assets (*)	-	98,676	-	15,435
Total	**63,620**	**341,044**	**-**	**118,238**

(*) Other Financial Assets include TRY 16,004 in Türkiye Vakıflar Bankası, TRY 43,600 in İş Bankası, TRY 24,628 in Ziraat Bankası, TRY 10,747 in Türkiye Export Credit Bank, and TRY 3,697 in Türkiye Wealth Fund bonds (as of December 31, 2023: TRY 8,334 in TürkiyeVakıflar Bankası, TRY 6,371 in İş Bankası, TRY 450 in Ziraat Bankası, and TRY 280 in Türkiye Export Credit Bank bonds).

5. Information on financial assets measured at fair value through other comprehensive income

Information on financial assets measured at fair value through other comprehensive income

	Current Period	Prior Period
Debt Securities	**6,333,241**	**4,215,603**
Quoted at the Stock Exchange	6,210,950	4,139,460
Unquoted at the Stock Exchange	122,291	76,143
Share Certificate	**128,086**	**93,399**
Quoted at Stock Exchange	-	-
Unquoted at the Stock Exchange	128,086	93,399
Impairment Provision (-)	**628,262**	**510,643**
Total	**5,833,065**	**3,798,359**

As of 31 December 2024 there are no the financial assets at fair value through other comprehensive income that are subject to repo transactions amount to TRY 97,412. (31 December 2023: None).

Statement of movement in bank's loans at fair value through other comprehensive income

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Value at the Beginning of the Period	-	**6,053,232**	-	-
Purchases during the year	-	8,501,008	-	5,725,673
Disposals	-	(6,053,232)	-	-
Rediscount and principal redemption share	-	332,191	-	327,559
End of the Period	**-**	**8,833,199**	**-**	**6,053,232**

(*) In the financial statements of Anadolubank Nederland NV, the fair value difference recognized in other comprehensive income within other financial assets refers to loans with fair value differences recognized in other comprehensive income.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

Statement of movement in financial assets at fair value through other comprehensive income of the bank

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Value at the Beginning of the Period	**1,441,363**	**2,356,996**	**867,767**	**1,663,139**
Purchases during the year	2,035,300	242,921	3,596,702	368,463
Transfers (Portfolio changes)	-	-	-	-
Disposals	(503,530)	-	(2,798,726)	(51)
Stock exchange valuation difference	-	-	-	-
Redemption	-	(179,415)	-	-
Exchange rate differences in monetary assets	-	397,508	-	706,025
Rediscount and principal redemption share	25,730	18,504	-	(469,178)
Value increase/decrease	5,457	(7,769)	(224,380)	88,598
End of the Period	**3,004,320**	**2,828,745**	**1,441,363**	**2,356,996**

6. Positive differences table related to trading derivative financial assets

	Current Period		Prior Period	
Trading derivative financial assets	**TRY**	**FC**	**TRY**	**FC**
Forward Transactions	25,615	13,390	58,460	6,615
Swap Transactions	43,282	144,830	141,144	221,931
Futures Transactions	-	-		
Options	336,089	105,313	1,778,781	44,332
Other	-	-	-	-
Total	**404,986**	**263,533**	**1,978,385**	**272,878**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

7. Information Related to Loans

Information on all types of loans and advances given to shareholders and employees of the Bank

	Current Period		Prior Period	
	Cash	**Non-Cash**	**Cash**	**Non-Cash**
Direct Loans Granted to Shareholders	**122,003**	**171,610**	**428,134**	**46,435**
Corporate Shareholders	121,166	171,610	427,314	46,435
Real Person Shareholders	837	-	820	-
Indirect Loans Granted to Shareholders	**1,227,802**	**60,437**	**848,744**	**21,319**
Loans Granted to Employees	**19,164**	**83**	**14,807**	**83**
Total	**1,368,969**	**232,130**	**1,291,685**	**67,837**

Loans at fair value through other comprehensive income

	Current Period Carrying Value	Prior Period Carrying Value
Loans at fair value through other comprehensive income (*)	8,833,199	6,053,232

Loans measures at amortized cost

Current Period		Loans under Close Monitoring		
			Loans under restructuring	
Cash Loans	**Standard Loans**	**Not Under the Scope of Restructuring**	**Loans with Revised Contract Terms**	**Refinance**
Non-specialized Loans	**68,700,980**	**719,184**	**149,354**	**-**
Enterprise Loans	-	-	-	-
Export Loans	10,222,954	144,745	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	7,925,484	-	-	-
Retail Loans	84,816	3,592	143	-
Credit Cards	214,733	3,693	-	-
Other	50,252,993	567,154	149,211	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	**68,700,980**	**719,184**	**149,354**	**-**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

7. Information Related to Loans (Continued)

	Current Period		Prior Period	
	Standard Loans	Loans Under Follow-up	Standard Loans	Loans Under Follow-up
12 Months Expected Credit Loss	256,805	-	162,639	-
Significant Increase in Credit Risk	-	75,103	-	80,208

Breakdown of cash loans according to their maturities

	Standard Loans and Other Receivables		Loans and Other Receivables under Close Monitoring	
	Loans and Other Receivables	Loan Loans with Revised Contract Terms	Loans and Other Receivables	Loans with Revised Contract Terms
Short-Term Loans and Other Receivables	**46,062,199**	**-**	**557,929**	**52,181**
Non-Specialized Loans	46,062,199	-	557,929	52,181
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Medium and Long-Term Loans and Other Receivables	**31,471,980**	**-**	**161,255**	**97,173**
Non-Specialized Loans	31,471,980	-	161,255	97,173
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	**77,534,179**	**-**	**719,184**	**149,354**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

7. Information Related to Loans (Continued)

Information on consumer loans, individual credit cards and personnel credit cards

Current Period	Short-term	Medium and Long-term	Total
Consumer Loans-TRY	**8,180**	**49,736**	**57,916**
Mortgage Loans	-	13,539	13,539
Automative Loans	-	268	268
Consumer Loans	8,180	35,929	44,109
Other	-	-	-
Consumer Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TRY	**34,022**	**-**	**34,022**
Installment	3,540	-	3,540
Non Installment	30,482	-	30,482
Individual Credit Cards-FC	**124**	**-**	**124**
Installment	-	-	-
Non Installment	124	-	124
Personnel Loans-TRY	**3,766**	**10,543**	**14,309**
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	3,766	10,543	14,309
Other	-	-	-
Personnel Loans- Indexed to FC	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TRY	**5,692**	**-**	**5,692**
Installment	659	-	659
Non Installment	5,033	-	5,033
Personnel Credit Cards-FC	-	-	-
Installment	-	-	-
Non Installment	-	-	-
Overdraft Account-TRY (Individual)	**16,326**	**-**	**16,326**
Overdraft Account-FC (Individual)	-	-	-
Total	**68,110**	**60,279**	**128,389**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

7. Information Related to Loans (Continued)

Prior Period	Short-term	Medium and Long-term	Total
Consumer Loans-TRY	**18,818**	**107,561**	**126,379**
Mortgage Loans	710	21,717	22,427
Automative Loans	-	1,283	1,283
Consumer Loans	18,108	84,561	102,669
Other	-	-	-
Consumer Loans- Indexed to FC	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TRY	**27,718**	**-**	**27,718**
Installment	6,013	-	6,013
Non Installment	21,705	-	21,705
Individual Credit Cards-FC	**469**	**-**	**469**
Installment	-	-	-
Non Installment	469	-	469
Personnel Loans-TRY	**4,321**	**5,172**	**9,493**
Mortgage Loans	-	-	-
Automative Loan	-	-	-
Consumer Loans	4,321	5,172	9,493
Other	-	-	-
Personnel Loans- Indexed to FC	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automative Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TRY	**5,967**	**-**	**5,967**
Installment	1,509	-	1,509
Non Installment	4,458	-	4,458
Personnel Credit Cards-FC	**293**	**-**	**293**
Installment	-	-	-
Non Installment	293	-	293
Overdraft Account-TRY (Individual)	**18,940**	**-**	**18,940**
Overdraft Account-FC (Individual)	**-**	**-**	**-**
Total	**76,526**	**112,733**	**189,259**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

Information on commercial installment loans and corporate credit cards:

Current Period	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TRY	**6,424,884**	**7,690,893**	**14,115,777**
Mortgage Loans	-	-	-
Automotive Loans	146,993	1,093,134	1,240,127
Consumer Loans	6,277,891	6,597,759	12,875,650
Other	-	-	-
Commercial Installment Loans- FC Indexed	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Installment Loans-FC	**36,177**	**164,632**	**200,809**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	36,177	164,632	200,809
Other	-	-	-
Corporate Credit Cards-TRY	**178,576**	**-**	**178,576**
Installment	9,793	-	9,793
Non Installment	168,783	-	168,783
Corporate Credit Cards-FC	**12**	**-**	**12**
Installment	-	-	-
Non Installment	12	-	12
Overdraft Account-TRY (Commercial)	**83,846**	**-**	**83,846**
Overdraft Account-FC (Commercial)	**-**	**-**	**-**
Total	**6,723,495**	**7,855,525**	**14,579,020**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

7. Information Related to Loans (Continued)

Prior Period	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TRY	**3,201,857**	**1,640,141**	**4,841,998**
Mortgage Loans	-	9,270	9,270
Automotive Loans	138,127	205,468	343,595
Consumer Loans	3,063,730	1,425,403	4,489,133
Other	-	-	-
Commercial Installment Loans- FC Indexed	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Installment Loans-FC	**14,959**	**214,617**	**229,576**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	14,959	214,617	229,576
Other	-	-	-
Corporate Credit Cards-TRY	**122,570**	**-**	**122,570**
Installment	22,919	-	22,919
Non Installment	99,651	-	99,651
Corporate Credit Cards-FC	**128**	**-**	**128**
Installment	-	-	-
Non Installment	128	-	128
Overdraft Account-TRY (Commercial)	**59,777**	**-**	**59,777**
Overdraft Account-FC (Commercial)	**-**	**-**	**-**
Total	**3,399,291**	**1,854,758**	**5,254,049**

Loans according to types of borrowers

	Current Period	Prior Period
Public	6,874,546	1,089,057
Private (*)	71,528,171	47,234,933
Total	**78,402,717**	**48,323,990**

(*) The fair value difference also includes credits reflected under equity.

Distribution of domestic and foreign loans:

	Current Period	Prior Period
Domestic Loans (*)	67,084,974	38,945,384
Foreign Loans	11,317,743	9,378,606
Total	**78,402,717**	**48,323,990**

(*) The fair value difference also includes credits reflected under equity.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

7. Information Related to Loans (Continued)

Specific provisions provided against loans

Specific Provisions	Current Period	Prior Period
Loans with Limited Collectability	190,185	15,579
Loans with Doubtful Collectability	154,499	112,539
Uncollectible Loans	363,963	461,000
Total	**708,647**	**589,118**

Information on non-performing loans (Net)

Information on non-performing loans and other receivables restructured or rescheduled by the Bank

	III. Group:	IV. Group:	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period			
Gross Amounts Before Provisions	467	1,044	31,602
Rescheduled Loans	467	1,044	31,602
Prior Period			
Gross Amounts Before Provisions	2,407	-	37,428
Rescheduled Loans	2,407	-	37,428

Information on non-performing loans (Net)

Information on non-performing loans and other receivables restructured or rescheduled by the Group

None.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

7. Information Related to Loans (Continued)

Information on the movement of total non-performing loans:

Current Period	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans and Other Receivables
Balance at the end of Prior Period	**33,494**	**126,992**	**603,263**
Additions (+)	451,930	132,886	60,880
Transfers from Other Categories of Non-Performing Loans (+)	-	59,416	36,189
Transfers to Other Categories of Non-Performing Loans (-)	59,416	36,189	-
Collection During the Period (-)	101,238	15,378	81,205
Removed from assets (-)	-	51,167	133,322
Corporate and Commercial Loans	-	*51,166*	*133,319*
Consumer Loans	-	*1*	-
Credit Cards	-	-	*1*
Other	-	-	*2*
Foreign Currency Difference	-	4,330	-
Balance at the End of the Period	**324,770**	**220,890**	**485,805**
Provisions (-)	190,185	154,499	363,963
Net Balance in Balance Sheet	**134,585**	**66,391**	**121,842**

The Parent Bank has sold its non-performing loans with a principal amount of TRY 77,287 to GSD Asset Management Company Inc. for TRY 33,000.

Prior Period	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans and Other Receivables
Balance at the end of Prior Period	**10,515**	**68,059**	**752,056**
Additions (+)	93,536	7,910	56,781
Transfers from Other Categories of Non-Performing Loans (+)	-	58,580	32,273
Transfers to Other Categories of Non-Performing Loans (-)	58,580	32,273	-
Collection During the Period (-)	11,977	8,277	237,231
Removed from assets (-)	-	-	616
Corporate and Commercial Loans	-	-	*616*
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Foreign Currency Difference	-	32,993	-
Balance at the End of the Period	**33,494**	**126,992**	**603,263**
Provisions (-)	15,579	112,539	461,000
Net Balance in Balance Sheet	**17,915**	**14,453**	**142,263**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

7. Information Related to Loans (Continued)

Information on Expected Credit Loss

	Stage 1	Stage 2	Stage 3	Total
Provision at the Beginning of Period	**169,374**	**73,473**	**589,118**	**831,967**
Additional provision during the period	554,700	85,389	402,830	991,751
Exits During the Period	(458,864)	(67,373)	(137,572)	(663,809)
Sold Loans	-	-	(132,868)	(132,868)
Write-off / Sales	-	-	(51,621)	(51,621)
Transfer to Stage 1	3,694	(3,694)	-	-
Transfer to Stage 2	(15,950)	(15,950)	-	-
Transfer to Stage 3	(133)	(28,642)	28,775	-
Foreign Currency Difference	3,984	-	9,985	13,969
Provision at the End of Period	**256,805**	**75,103**	**708,647**	**1,040,555**

Information on Non-Performing Loans Granted as Foreign Currency Loans

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans and Other Receivables
Current Period			
Balance at the end of the period [(1)]	80,192	171,998	61,462
Specific Provision (-) [(1)]	46,932	118,600	30,642
Net balance in the balance sheet	33,260	53,398	30,820
Prior Year			
Balance at the end of the period [(1)]	8,288	86,008	59,004
Specific Provision (-) [(1)]	4,602	78,959	28,526
Net balance in the balance sheet	3,686	7,049	30,478

(1) Balances of receivables and special provisions in foreign currency are being followed in TRY and shown in the TRY column in the balance sheet.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

6. Information Related to Loans (Continued)

Breakdown of gross and net values of the non-performing loans according to their beneficiary group:

	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Limited Collectability	Uncollectible Loans and Other Receivables
Current Period (Net)			
Loans granted to corporate entities and real persons (Gross)	324,770	220,890	474,683
Provisions Amount (-)	190,185	154,499	352,841
Loans granted to corporate entities and real persons (Net)	134,585	66,391	121,842
Banks (Gross)	-	-	-
Provisions Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	11,122
Provisions Amount (-)	-	-	11,122
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)			
Loans granted to corporate entities and real persons (Gross)	33,494	126,992	592,143
Provisions Amount (-)	15,579	112,539	449,880
Loans granted to corporate entities and real persons (Net)	17,915	14,453	142,263
Banks (Gross)	-	-	-
Provisions Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	11,120
Provisions Amount (-)	-	-	11,120
Other Loans and Receivables (Net)	-	-	-

Uncollectible loans and other receivables are collected through legal proceedings and liquidation of collaterals.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanatıons and Notes Related to Consolidated Assets (Continued)

7. Information Related to Loans (Continued)

Information on Interest Accruals, Rediscount and Valuation Effect and Their Provisions Calculated for Non-Performing Loans Banks which Provide Expected Credit Loss According to TFRS 9

	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period (Net)	25,718	11,844	27,865
Interest Accruals and Rediscount with Valuation Differences	63,601	38,172	132,361
Provision amount (-)	37,883	26,328	104,496
Prior Period (Net)	1,822	1,249	44,239
Interest Accruals and Rediscount with Valuation Differences	3,783	11,090	178,906
Provision amount (-)	1,961	9,841	134,667

Explanations regarding the write-off policy

Loans and receivables deemed uncollectible are recovered through legal proceedings and liquidation of collateral or written off from the books based on the Bank's Board of Directors' decision. As of 31 December 2024, the Bank wrote off loans amounting to TRY 51,621 (31 December 2023: TRY 616), included in the non-performing loans portfolio and fully provisioned, in accordance with the decision of the Bank's Board of Directors, and sold loans amounting to TRY 132,868 (31 December 2023: None).

8. Information on financial assets measured at amortized cost

Information on Government Debt Securities measured at amortized cost

	Current Period	Prior Period
Government Bond	7,248,082	646,464
Treasury Bill	-	-
Other Public Debt Securities	-	151,592
Total	**7,248,082**	**798,056**

Information on financial assets measured at amortized cost

	Current Period	Prior Period
Debt Securities	9,954,557	3,411,385
Quoted at Stock Exchange	*9,954,557*	*3,411,385*
Unquoted at Stock Exchange	-	-
Impairment Provision (-)	-	-
Total	**9,954,557**	**3,411,385**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

8. Information on financial assets measured at amortized cost (Continued)

Movements of financial assets measured at amortized cost during the year

	Current Period	Prior Period
Value at the Beginning of the Period	3,411,385	3,378,607
Currency Differences in Monetary Assets	340,711	880,063
Purchases During the Year	6,817,735	1,141,992
Disposal through Sale and Redemption	(744,991)	(1,974,152)
Valuation Effect	129,717	(15,125)
Total at the end of the Period	**9,954,557**	**3,411,385**

9. Information related to factoring receivables

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-Term	4,270,776	-	2,481,603	-
Medium and Long-Term	49,190	-	18,381	-
Total	**4,319,966**	**-**	**2,499,984**	**-**

The total ECL allocated for factoring receivables is TRY 21,933 (31 December 2023: TRY 16,275), while factoring receivables classified as impaired amount to TRY 43,767 (31 December 2023: TRY 16,105), with a total ECL of TRY 19,953 (31 December 2023: TRY 8,326) allocated for these receivables.

There are no restructured factoring receivables.

10. Information on lease receivables

None.

11. Information on investments in associates

None.

12. Consolidated Subsidiaries:

	Title	Address (City/Country)	The Bank's Share Percentage- If Different Voting Percentage (%)	Bank's Risk Group Share Percentage (%)
1	Anadolubank Nederland NV	Amsterdam/Hollanda	100.00	-
2	Anadolu Yatırım Menkul Kıymetler A.Ş.	İstanbul/Türkiye	91.90	8.10
3	Anadolu Faktoring A.Ş.	İstanbul/Türkiye	99.99	0.01

	Total Assets	Shareholders' Equity	Total Fixed Asset	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
1	40,861,542	5,744,849	52,758	2,584,183	169,957	813,321	490,697	-
2	696,944	360,539	1,410	205,537	-	115,012	102,533	-
3	4,557,656	1,092,864	483	1,605,693	-	417,775	276,043	-

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

12. Information on Subsidiaries (Continued)

Investments in associates sold during the current period

There are no disposed investment in associates.

Subsidiaries acquired within the scope of consolidation during the current period

There are no subsidiaries acquired and included in the scope of consolidation.

13. Information on investments in joint ventures

None.

14. Information on tangible assets

Current Period	Real Estates	Tangible Fixed Assets Acquired through Financial Leasing	Vehicles	Right of Use Asset	Other tangible fixed assets	Total
Prior Period End:						
Cost	1,429,308	-	861	389,077	289,906	2,109,152
Accumulated Depreciation and Impairment (-)	(13)	-	(861)	(169,416)	(168,325)	(338,615)
Net Book Value	1,429,295	-	-	219,661	121,581	1,770,537
Current Period End:						
Net Book Value at the Beginning	1,429,295	-	-	219,661	121,581	1,770,537
Additions	-	-	-	214,252	51,186	265,438
Disposals (Cost)	-	-	-	(173,007)	(11,165)	(184,172)
Disposals (Depreciation)	-	-	-	(142,917)	(3,488)	(146,405)
Depreciation (-)	(285)	-	-	(111,575)	(53,802)	(165,662)
Revaluation	497,570	-	-	-	-	497,570
Revaluation Depreciation	-	-	-	-	-	-
Exchange Difference Cost	-	-	216	76	15,504	15,796
Exchange Difference Depreciation	-	-	(216)	(25)	(9,455)	(9,696)
Cost at Period End	1,926,878	-	1,077	430,398	345,431	2,703,784
Accumulated Depreciation at Period End (-)	(298)	-	(1,077)	(138,099)	(228,094)	(367,568)
Closing Net Book Value	**1,926,580**	**-**	**-**	**292,299**	**117,337**	**2,336,216**

Prior Period	Real Estates	Tangible Fixed Assets Acquired through Financial Leasing	Vehicles	Right of Use Asset	Other tangible fixed assets	Total
Prior Period End:						
Cost	698,555	-	903	219,931	185,897	1,105,286
Accumulated Depreciation and Impairment (-)	-	-	(903)	(102,199)	(113,824)	(216,926)
Net Book Value	698,555	-	-	117,732	72,073	888,360
Current Period End:						
Net Book Value at the Beginning	698,555	-	-	117,732	72,073	888,360
Additions	1,661	-	-	169,003	81,842	252,506
Disposals (Cost)	-	-	(42)	-	(8,771)	(8,813)
Disposals (Depreciation)	-	-	42	-	3,653	3,695
Depreciation (-)	(13)	-	-	(67,170)	(33,939)	(101,122)
Revaluation	24,110	-	-	-	-	24,110
Revaluation Depreciation	704,982	-	-	-	-	704,982
Exchange Difference Cost	-	-	-	143	30,938	31,081
Exchange Difference Depreciation	-	-	-	(47)	(24,215)	(24,262)
Cost at Period End	1,429,308	-	861	389,077	289,906	2,109,152
Accumulated Depreciation at Period End (-)	(13)	-	(861)	(169,416)	(168,325)	(338,615)
Closing Net Book Value	**1,429,295**	**-**	**-**	**219,661**	**121,581**	**1,770,537**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

14. Information on tangible assets (Continued)

If impairment on individual asset recorded or reversed in the current period is material for the overall financial statements. Events and conditions for recording or reversing impairment and amount of recorded or reversed impairment in the financial statements

None.

Amount of impairment recorded or reversed in the financial statements

None.

The impairment provision set or cancelled in the current period according to the asset groups not individually significant but materially effecting the overall financial statements, and the reason and conditions for this

None.

15. Explanations on Intangible Assets

Useful lives and depreciation rates used

The depreciable amount of an intangible asset is allocated on a systematic basis over its useful life, and the amortization period begins when the asset is available for use and is amortized over its estimated useful life.

Depreciation Methods Used

For assets that have been held for less than one fiscal period as of the balance sheet date, depreciation has been calculated on a straight-line basis by prorating the annual depreciation amount projected for a full year to the period the asset has been held.

Gross book value and accumulated depreciation amounts at the beginning and ending of the period:

	End of the period		Beginning of the period	
	Carrying value	Accumulated amortization	Carrying value	Accumulated amortization
Intangible assets	226,151	88,818	150,949	53,054

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

Movement table containing the information below between the beginning and end of the period

	Current Period	Prior Period
Beginning of the Period	**97,895**	**71,238**
Internally Generated Amounts	-	-
Additions due to mergers, transfers and acquisitions	75,157	51,212
Disposals and Sales (*)	-	-
Depreciation of Disposals and sales	-	-
Depreciation of disposals and sales		
Amounts Recorded in The Valuation Fund Due to Increase or Decrease In Value	-	-
Value Decreases Recorded in The Profit or Loss Statement	-	-
Value Decreases Cancelled from the Profit or Loss Statement (-)	35,719	24,555
Net Exchange Rate Differences from Foreign Subsidiaries	-	-
Other Changes in Book Value	-	-
End of the Period	**137,333**	**97,895**

Disclosures for book value, description and remaining life to be amortized for a specific intangible fixed asset that is material to the financial statements

None.

Disclosure for intangible fixed assets acquired through government grants and accounted for at fair value at initial recognition

None.

The method of subsequent measurement for intangible fixed assets that are acquired through government incentives and recorded at fair value at the initial recognition

None.

The book value of intangible fixed assets that are pledged or restricted for use

None.

Amount of purchase commitments for intangible fixed assets

None.

Information on revalued intangible assets according to their types

None.

Amount of total research and development expenses recorded within the period if any

None.

Explanations on goodwill

None.

16. Explanations on investment properties

None.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

17. Explanations on deferred tax asset:

As of 31 December 2024, and 31 December 2023, the items giving rise to deferred tax assets and liabilities are as follows:

	Current Period	Prior Period
Deferred tax asset	**1,008,223**	**740,091**
Provisions for severance pay and unused leave	68,910	43,309
TAS – TPL Depreciation differences	342,045	269,915
Stage 1 and 2 expected credit loss provisions	102,722	66,185
Financial Asset Valuation Differences	117,135	103,552
Other Provisions	39,656	10,169
Fixed Assets and Equity Participations – Inflation Accounting	208,720	183,556
Derivative Financial Insruments Rediscount	69,627	-
IFRS 16	6,293	4,139
Other	53,115	59,266
Deferred tax liability	**486,330**	**953,054**
Securities valuation differences	36,815	33,392
Tangible fixed assets valuation differences	425,196	287,840
Derivative financial instruments discount	-	616,761
Other	24,319	15,061
Deferred tax asset/liability, net	**521,893**	**(212,963)**

18. Information on assets held for sale and discontinued operations

	Current Period	Prior Period
Prior Period End		
Cost	211,695	218,265
Accumulated Depreciation (-)	(39)	(39)
Impairment	-	-
Net Book Value	**211,656**	**218,226**
Current Period End		
Additions	20,489	30,183
Disposals (Cost)	(41,972)	(36,753)
Disposals (-) (Depreciation)	5	-
Disposal of Securities Held for Sale	-	-
Impairment	-	-
Cost	190,212	211,695
Impairment	-	-
Accumulated Depreciation	(34)	(39)
Net Book Value	**190,178**	**211,656**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued)

19. Information on other assets

Other assets of the balance sheet do not exceed 10% of the balance sheet total, excluding off-balance sheet commitments.

Information on prepaid expenses, taxes and similar transactions

	Current Period	Prior Period
Prepaid Taxes	325,083	130,566
Prepaid Expenses	263,303	66,497

II. Explanations and Disclosures Related to Consolidated Liabilities

1. Information on maturity structure of deposits

Current Period	Demand	With 7 Days Maturity	Up to 1 Month	1-3 Months	3-6 Months	6 Months - 1 Year	1 Year And Over	Cumulative Deposit	Total
Saving Deposits	**1,004,770**	**-**	**11,621,461**	**7,049,383**	**7,148,869**	**1,877,662**	**1,785,517**	**-**	**30,487,662**
Foreign Currency Deposits	**11,039,751**	**-**	**3,389,594**	**26,681,552**	**3,396,358**	**3,215,098**	**7,239,744**	**-**	**54,962,097**
Residents in Türkiye	2,923,284	-	2,762,182	24,325,306	3,379,035	278,319	95,613	-	33,763,739
Residents Abroad	8,116,467	-	627,412	2,356,246	17,323	2,936,779	7,144,131	-	21,198,358
Public Sector Deposits	**170,588**	**-**	**6**	**28**	**-**	**-**	**-**	**-**	**170,622**
Commercial Deposits	**1,199,212**	**-**	**1,846,156**	**3,654,393**	**2,260,479**	**897,683**	**1,441,458**	**-**	**11,299,381**
Other Institutions Deposits	**12,075**	**-**	**2,738**	**24,798**	**182,395**	**-**	**5,680**	**-**	**227,686**
Precious Metal Deposit	**2,505,079**	**-**	**157,117**	**916,179**	**31,126**	**29,607**	**2,127**	**-**	**3,641,235**
Bank Deposit	**291**	**-**	**3,476,946**	**1,803,458**	**368,868**	**1,797,059**	**395,811**	**-**	**7,842,433**
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	2,361,182	1,766,039	-	-	-	-	4,127,221
Foreign Banks	291	-	1,115,764	37,419	368,868	1,797,059	395,811	-	3,715,212
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	**15,931,766**	**-**	**20,494,018**	**40,129,791**	**13,388,095**	**7,817,109**	**10,870,337**	**-**	**108,631,116**

Prior Period	Demand	With 7 Days Maturity	Up to 1 Month	1-3 Months	3-6 Months	6 Months - 1 Year	1 Year And Over	Cumulative Deposit	Total
Saving Deposits	**248,354**	**-**	**1,849,036**	**8,693,891**	**3,223,986**	**380,885**	**1,652,355**	**-**	**16,048,507**
Foreign Currency Deposits	**12,247,696**	**-**	**2,243,559**	**15,355,759**	**1,205,638**	**2,566,275**	**6,583,713**	**-**	**40,202,640**
Residents in Türkiye	3,726,519	-	2,238,115	11,665,807	1,129,157	1,663,714	159,951	-	20,583,263
Residents Abroad	8,521,177	-	5,444	3,689,952	76,481	902,561	6,423,762	-	19,619,377
Public Sector Deposits	**30,703**	**-**	**6**	**18,724**	**-**	**-**	**-**	**-**	**49,433**
Commercial Deposits	**1,063,177**	**-**	**2,203,135**	**5,423,202**	**336,891**	**700,383**	**389,267**	**-**	**10,116,055**
Other Institutions Deposits	**8,325**	**-**	**1,373**	**37,963**	**56,783**	**675**	**-**	**-**	**105,119**
Precious Metal Deposit	**605,995**	**-**	**73,422**	**515,425**	**10,269**	**8,583**	**1,118**	**-**	**1,214,812**
Bank Deposit	**257**	**-**	**1,323,480**	**236,379**	**-**	**1,234,263**	**254,137**	**-**	**3,048,516**
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	1	-	-	-	-	-	-	-	1
Foreign Banks	256	-	1,323,480	236,379	-	1,234,263	254,137	-	3,048,515
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	**14,204,507**	**-**	**7,694,011**	**30,281,343**	**4,833,567**	**4,891,064**	**8,880,590**	**-**	**70,785,082**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)

1. Information on maturity structure of deposits (Continued)

Information on savings deposits under the guarantee of the saving deposits insurance fund and exceeding the limit of deposit insurance fund

	Covered by Deposit Insurance Fund		Exceeding Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	8,884,771	3,346,025	21,614,820	12,704,311
Foreign Currency Saving Deposits	1,689,506	1,326,162	13,972,752	7,538,744
Other Deposits in the Form of Saving	-	-	-	-
Foreign Branches' Deposits under Foreign Authorities' Insurance Coverage	-	-	-	-
Off-Shore Banking Regions' Deposits under Foreign Authorities' Insurance Coverage	-	-	-	-
Total	**10,574,277**	**4,672,187**	**35,587,572**	**20,243,055**

Saving deposits of individuals, which are not under guarantee of saving deposit insurance fund

	Current Period	Prior Period
Foreign Branches' Deposits and other accounts	-	-
Saving Deposits and Other Accounts of Major Shareholders and Deposits of their Mother, Father, Spouse, Children under their wardship	5,559,479	2,945,909
Saving Deposits and Other Accounts of President and Members of Board of Directors, CEO and Vice Presidents and Deposits of their Mother, Father, Spouse, Children under their wardship	146,551	42,382
Saving Deposits and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in Article 282 of Turkish Criminal Law No:5237 dated 26.09.2004	-	-
Saving Deposits in Deposit Bank Which Established in Türkiye in Order to Engage in Off-shore Banking Activities	-	-

Information on commercial deposits under the guarantee of the saving deposits insurance fund and exceeding the limit of deposit insurance fund

	Covered by Deposit Insurance Fund		Exceeding Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Commercial Deposits	725,071	605,934	9,871,217	9,684,697
Foreign Currency Commercial Deposits	209,146	164,982	11,433,934	5,400,454
Other Commercial Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	**934,217**	**770,916**	**21,305,151**	**15,085,151**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)

1. Information on maturity structure of deposits (Continued)

Commercial deposits not covered by insurance

	Current Period	Prior Period
Foreign Branches' Deposits and other accounts	-	-
Saving Deposits and Other Accounts of Major Shareholders and Deposits of their Mother, Father, Spouse, Children under their wardship	8,060,871	1,628,188
Deposits and Other Accounts of Official Institutions	170,621	49,367
Deposits and other accounts of credit institutions and financial institutions	5,161,230	5,622,533
Saving Deposits in Deposit Bank Which Established in Türkiye in Order to Engage in Off-shore Banking Activities	-	-

2. Information on banks and other financial institutions

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Domestic Bank and Institutions	3,203,777	58,635	1,953,806	17,287
Foreign Banks and Institutions and Funds	-	7,133,532	-	54,407
Total	**3,203,777**	**7,192,167**	**1,953,806**	**71,694**

Information on the maturity structure of funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-Term [(1)]	3,194,619	1,183,623	1,953,806	14,459
Medium and Long-Term [(1)]	9,158	6,008,544	-	57,235
Total	**3,203,777**	**7,192,167**	**1,953,806**	**71,694**

(1) The maturity breakdown of the borrowings has been prepared considering the original maturities.

3. Information on Derivative Financial Liabilities

Table of negative differences for trading derivative financial liabilities

	Current Period		Prior Period	
Derivative Financial Liabilities	TRY	FC	TRY	FC
Forward Transactions	211,157	2,366	86,303	946
Swap Transactions	73,871	346,258	44,407	275,051
Future Transactions	-	-	-	-
Options	187,554	126,516	86	12,248
Other	-	-	-	-
Total	**472,582**	**475,140**	**130,796**	**288,245**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)

4. Information on lease liability (Continued)

With the "TFRS 16 Leases" standard valid from 1 January 2019, the difference between operating leases and finance leases has been eliminated and the lease transactions have been expressed under the "Lease Payables" as liability by lessees. The application and effects of the transition to TFRS 16 are explained in Note XXIV of Section Three.

The Bank's liabilities from lease transactions since 31 December 2023 are as follows.

31 December 2024	Gross	Net
Less than 1 year	92,566	78,924
Between 1- 4 years	151,152	122,135
More than 4 years	278,575	156,872
Total	**522,293**	**357,931**

31 December 2023	Gross	Net
Less than 1 year	68,933	55,766
Between 1- 4 years	114,872	93,383
More than 4 years	228,627	129,921
Total	**412,432**	**279,070**

5. Explanation on provisions

Information on provisions related with foreign currency difference of foreign indexed loans

None (31 Aralık 2023: None).

Information on other provisions

Information on items and amounts causing an excess if other provisions exceed 10% of the total provisions

	Current Period	Prior Period
Provisions for non-cash loans	21,035	14,436
Provisions for lawsuit	128,857	23,702
Provision for credit card promotion expenses	1,014	617
Other provisions	25,392	32,936
Total	**176,298**	**71,691**

(*) Provisions for lawsuits include personnel-related provisions amounting to TRY 110,710 (31 December 2023: TRY 11,753).

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)

5. Information on provisions (Continued)

Reserve for Employee Benefits

As of 31 December 2024, the Group presented the provision for severance pay of TRY 147,207 (31 December 2023: TRY 91,832), the vacation liability of TRY 86,455 (31 December 2023: TRY 54,691), and the bonus provision of TRY 21,572 (31 December 2023: TRY 20,067) under the 'Provision for Employee Benefits' item in the financial statements.

Balance Sheet Obligations for:	31 December 2024	31 December 2023
-Reserve for employment termination benefits	147,207	91,832
-Reserve for unused vacation	86,455	54,691

The Bank is obliged to pay severance compensation under the Turkish Labor Law to employees who have completed one year of service and whose employment is terminated due to mandatory reasons, such as retirement, death, military service, or other similar circumstances.

The compensation to be paid is equal to one month's salary for each year of service, capped at the maximum severance pay limit.

The severance pay provision is allocated by calculating the present value of the Group's potential obligation to be paid upon employee retirement. IAS 19 requires the use of actuarial valuation methods for the calculation of an entity's obligations. In this context, the following actuarial assumptions have been used in the calculation of total obligations.

Balance Sheet Obligations for :	31 December 2024	31 December 2023
-Discount Rate (%)	3	3
-Rate for the probability of retirement(%)	100	100

The fundamental assumption is that the severance pay ceiling applicable for each year of service will increase annually in line with the inflation rate. Accordingly, the applied discount rate represents the real rate, net of the expected effects of inflation.

The provision for severance pay is determined by calculating the present value of the Bank's potential obligation under Turkish Labor Laws in the event of employee retirement. The "TAS 19 - Employee Benefits" standard requires the use of actuarial valuation methods to assess the company's liabilities.

The following actuarial assumptions, calculated using the Group's own parameters, have been applied in the calculation of total liabilities.

Information on Provisions for Severance Pay

	Current Period	Prior Period
Balance at the beginning of the period	91,832	96,121
Changes during the period	44,233	31,418
Actuarial loss/(gain) transferred to equity	82,947	55,910
Paid current period	(71,805)	(91,616)
Total	**147,207**	**91,832**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)

6. Explanations on current tax liability

Information on tax provision

As of 31 December 2024, the Bank's tax liability after deducting the prepaid taxes paid during the period from the corporate tax is TRY 707,013 (31 December 2023: TRY 51,444). If the differences arising between the carrying amount and the tax base of the assets subject to the current tax liability are related to the equity accounts group, the current tax asset or liability is offset with the related accounts in this group.

Information on taxes payable

	Current Period	Prior Period
Corporate Tax Payable	707,013	51,444
Banking Insurance Transaction Tax	153,329	61,257
Taxation on Marketable Securities	128,165	24,092
Capital Gains Tax on Property	1,708	1,249
Value Added Tax Payable	6,370	3,596
Other	81,028	24,188
Total	**1,077,613**	**165,826**

Information on premium payables

	Current Period	Prior Period
Social Security Premiums – Employee	14,797	10,441
Social Security Premiums – Employer	21,077	12,093
Bank Social Aid Pension Fund Premium – Employee	-	-
Bank Social Aid Pension Fund Premium – Employer	-	-
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee	773	523
Unemployment Insurance – Employer	1,671	1,158
Other	220	139
Total	**38,538**	**24,354**

7. Information on Deferred Tax Liability

Section Five, I. Matters to be disclosed regarding the asset items of the balance sheet are explained in Note 16 (V-I-16).

8. Information on Liabilities Regarding Assets Held for Sale and Discontinued Operations

None.

9. Information on subordinated loans

None.

10. At least 20% of account of other liabilities on the balance sheet, exceeding 10% of the total liabilities excluding the off balance sheet items

None.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)

11. Information on consolidated shareholder's equity

Presentation of paid-in capital

	Current Period	Prior Period
Common Stock Provision	1,100,000	1,100,000
Preferred Stock Provision	-	-

Amount of paid-in-capital, explanations as to whether the registered share capital system is applied, if so the amount of registered share capital ceiling

The Parent Bank is not subject to registered share capital system.

Information on the share capital increases from capital reserves during the current period

None.

Information on share capital increases from revaluation funds

None.

Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and estimated resources required to meet these commitments

None.

Information on prior period's indicators on the Group's income, profitability and liquidity, and possible effects of these future assumptions on the Bank's equity due to uncertainties of these indicators

None.

Information on privileges given to shares representing the capital

None.

12. Common stock issue premiums, shares and equity instruments

	Current Period	Prior Period
Number of Stocks (Thousands)	110,000,000	110,000,000
Preferred Capital Stock	-	-
Common Stock Issue Premiums	-	-
Common Stock Withdrawal Profits	-	-
Other equity instruments	-	-
Total common stock isssue	-	-

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)

13. Information on securities value increase fund

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
From Associates and Subsidiaries	3,892,045	-	3,316,174	-
Securities Measured at FV Through Other Comprehensive Income	(71,947)	(55,831)	(54,118)	(79,084)
From the Securities Subject to Structural Position	-	-	-	-
Total	**3,820,098**	**(55,831)**	**3,262,056**	**(79,084)**

III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items

1. Explanations on off-balance-sheet-commitments

Type and amount of irrevocable commitments

	Current Period	**Prior Period**
Payment Commitments for Cheques	1,122,019	815,921
Commitment For Use Guaranteed Credit Allocation	3,226,871	2,317,989
Credit Cards Limit Commitments	380,868	323,994
Liabilities From Guarantee Letters Issued in Our Favor	126,743	68,083
Forward Asset Purchase Commitments	12,418,138	3,839,557
Commitments for Promotions Related with Credit Cards and Banking Activities	1,014	617
Payment Commitments for Cheques	39	12
Total	**17,275,692**	**7,366,173**

Possible losses and commitments resulted from off-balance sheet items including the following

Certain guarantees, tentative guarantees, sureties and similar transactions

	Current Period	**Prior Period**
Certain Guarantees	8,140,376	7,263,172
Customs Guarantees	128,052	120,594
Tentative Guarantees	815,620	272,627
Advance Letters of Guarantee	483,505	423,316
Other Letters of Guarantee	5,104,365	4,287,466
Total	**14,671,918**	**12,367,175**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans granted for Obtaining Cash Loans	5,213,911	4,376,455
Less Than or Equal to One Year with Original Maturity	1,697,702	372,235
More Than One Year with Original Maturity	3,516,209	4,004,220
Other Non-Cash Loans	17,162,396	13,311,339
Total	**22,376,307**	**17,687,794**

3. Non-cash loans classified under Group I and II

	Group I		Group II	
Current Period	**TRY**	**FC**	**TRY**	**FC**
Letters of Guarantee	11,665,786	2,886,441	115,577	4,114
Bank Acceptances	-	130,340	-	-
Letters of Credit	-	4,104,699	-	-
Endorsements				
Factoring Guarantees				
Other Commitments and Contingencies	3,469,350	-	-	-
Non-cash loans	**15,135,136**	**7,121,480**	**115,577**	**4,114**

	Group I		Group II	
Prior Period	**TRY**	**FC**	**TRY**	**FC**
Letters of Guarantee	9,927,217	2,374,284	62,477	3,197
Bank Acceptances	-	74,195	-	-
Letters of Credit	-	2,852,313	-	-
Endorsements				
Factoring Guarantees				
Other Commitments and Contingencies	2,345,250	48,861	-	-
Non-cash loans	**12,272,467**	**5,349,653**	**62,477**	**3,197**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)

4. Information on risk concentration in sector terms in non-cash loans

	Current Period				Prior Period			
	TRY	%	FC	%	TRY	%	FC	%
Agricultural	**74,584**	**0.49**	**-**	**-**	**92,817**	**0.75**	**7,772**	**0.15**
Farming and Raising Livestock	71,055	0.47	-	-	74,364	0.60	7,772	0.15
Forestry	1,542	0.01	-	-	11,825	0.10	-	-
Fishing	1,987	0.01	-	-	6,628	0.05	-	-
Manufacturing	**5,408,158**	**35.46**	**3,525,430**	**49.48**	**4,555,293**	**36.93**	**2,162,697**	**40.40**
Mining and Quarrying	38,672	0.25	-	0.00	132,009	1.07	1,792	0.03
Production	5,032,791	33.00	3,510,888	49.27	4,196,452	34.02	2,018,194	37.70
Electric, Gas and Water	336,695	2.21	14,542	0.20	226,832	1.84	142,711	2.67
Construction	**3,004,228**	**19.70**	**498,935**	**7.00**	**1,852,306**	**15.02**	**596,815**	**11.15**
Services	**6,317,991**	**41.43**	**2,893,824**	**40.61**	**5,479,160**	**44.42**	**2,457,881**	**45.92**
Wholesale and Retail Trade	3,059,511	20.06	1,216,631	17.07	2,990,343	24.24	701,901	13.11
Hotel, Food and Beverage Services	82,207	0.54	-	-	43,147	0.35	-	-
Transportation and Telecommunication	149,542	0.98	139,485	1.96	178,053	1.44	109,776	2.05
Financial Institutions	2,621,765	17.19	1,434,852	20.14	2,009,159	16.29	1,518,992	28.38
Real Estate and Leasing Services	12,709	0.08	1,679	0.02	7,494	0.06	1,401	0.03
Self-employment Services	281,422	1.85	58,858	0.83	135,650	1.10	90,682	1.69
Education Services	15,274	0.10	-	-	13,974	0.11	-	-
Health and Social Services	95,561	0.63	42,319	0.59	101,340	0.82	35,128	0.66
Other	**445,752**	**2.92**	**207,405**	**2.91**	**355,368**	**2.88**	**127,686**	**2.39**
Total	**15,250,713**	**100.00**	**7,125,594**	**100.00**	**12,334,944**	**100.00**	**5,352,850**	**100.00**

5. Information on Provisions for Expected Credit Losses for Non-Cash Loans and Irrevocable Commitments

	Stage 1	Stage 2	Stage 3	Total
Provision at the Beginning of the Period	**13,957**	**1,590**	**-**	**15,547**
Additional provision during the period	50,206	7,283	-	57,489
Exits during the Period	(45,424)	(6,623)	-	(52,047)
Write off / Sales	46	-	-	46
Transfer to stage 1	656	(656)	-	-
Transfer to stage 2	(2,126)	2,126	-	-
Transfer to stage 3	-	-	-	-
Provision at the End of the Period	**17,315**	**3,720**	**-**	**21,035**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)

6. Information on derivative financial instruments

	Current Period	Prior Period
Types of trading transactions		
Foreign Currency Related Derivative Transactions (I)	**98,482,991**	**88,696,522**
Forward transactions	10,932,622	18,059,378
Swap transactions	65,818,419	56,019,931
Futures transactions	-	-
Option transactions	21,731,950	14,617,213
Interest Related Derivative Transactions (II)	**33,125,000**	**16,712,492**
Forward rate transactions	-	-
Interest rate swap transactions	33,125,000	16,712,492
Interest option transactions	-	-
Futures interest transactions	-	-
Other trading derivative transactions (III)	**367,362**	**-**
A. Total Trading Derivative Transactions (I+II+III)	**131,975,353**	**105,409,014**
Types of hedging transactions		
Fair value hedge	2,755,215	1,921,860
Cash flow hedge	-	-
Net investment hedge	-	-
B. Total Hedging Related Derivatives	**2,755,215**	**1,921,860**
Total of derivative financial İnstruments (A+B)	**134,730,568**	**107,330,874**

7. Explanations on Credit Derivatives and Risk Exposures on Credit Derivatives

None.

8. Explanations on Contingent Liabilities and Assets

None.

9. Explanations on Fiduciary Services Rendered on Behalf of Third Parties

The Group acts as an investment agent for banking transactions on behalf of its customers and provides custody services. Such transactions are followed under off-balance sheet accounts.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income

1. Interest Income

Information on interest income on loans

	Current Period [1]		Prior Period[1]	
	TRY	**FC**	**TRY**	**FC**
Short-Term Loans	12,895,662	1,388,573	5,051,357	928,579
Medium and Long-Term Loans	3,099,315	1,024,481	428,979	613,403
Non-Performing Loans	58,277	16,356	75,321	5,596
Total	**16,053,254**	**2,429,410**	**5,555,657**	**1,547,578**

[1] Includes fee and commission income related to cash loans.

Information on interest income from banks

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Domestic Banks	116,937	22,386	321,792	7,527
Foreign Banks	-	395,115	-	225,448
Total	**116,937**	**417,501**	**321,792**	**232,975**

Information on interest income on marketable securities

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Financial Assets Measured at Fair Value through Profit/Loss	10,965	25,914	223	11,832
Financial Assets Measured at Fair Value through Other Comprehensive Income	551,204	71,233	263,181	22,518
Financial Assets Measured at Amortized Cost	-	252,236	78,774	84,140
Total	**562,169**	**349,383**	**342,178**	**118,490**

Information on interest income received from associates and subsidiaries

None.

Information on other interest income

Of the other interest income amounting to TRY 1,597,313 for the accounting period ending on 31 December 2024 (31 December 2023: TRY 644,084), TRY 1,562,601 (31 December 2023: TRY 635,945) consists of interest income from factoring transactions.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

2. Interest Expense

Information on interest expense on borrowings

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Banks	1,228,735	183,146	475,613	9,383
CBRT	-	-	-	-
Domestic Banks	1,164,480	2,061	475,613	373
Foreign Banks	64,255	181,085	-	9,010
Other Institutions	-	-	-	-
Total	**1,228,735**	**183,146**	**475,613**	**9,383**

Information on interest expense paid to associates and subsidiaries

None.

Information on maturity structure of interest expenses on deposits

			Time Deposit					
Current Period	**Demand Deposits**	**Up to 1 Month**	**Demand Deposits**	**Up to 6 Months**	**Demand Deposits**	**Over 1 Year**	**Demand Deposits**	**Total**
Turkish Lira								
Bank Deposits	-	103,660	-	-	-	-	-	103,660
Saving Deposits	-	3,283,198	2,435,155	1,927,399	1,271,867	541,032	-	9,458,651
Public Sector Deposits	-	184	1,349	-	-	-	-	1,533
Commercial Deposits	-	235,058	855,935	412,837	1,611,956	287,367	-	3,403,153
Other Deposits	-	515	10,333	1,293	59,682	760	-	72,583
7 Days Call Accounts	-	-	-	-	-	-	-	-
Total	**-**	**3,622,615**	**3,302,772**	**2,341,529**	**2,943,505**	**829,159**	**-**	**13,039,580**
Foreign Currency								
Deposits	138,541	153,931	771,104	111,625	290,944	223,387	-	1,689,532
Bank Deposits	-	143,947	17,315	-	25,204	-	-	186,466
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	649	4,012	699	10,841	4	-	16,205
Total	138,541	298,527	792,431	112,324	326,989	223,391	-	1,892,203
Grand Total	**138,541**	**3,921,142**	**4,095,203**	**2,453,853**	**3,270,494**	**1,052,550**	**-**	**14,931,783**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

2. Interest Expense (Continued)

	Time Deposit							
Prior Year	**Demand Deposits**	**Up to 1 Month**	**Demand Deposits**	**Up to 6 Months**	**Demand Deposits**	**Over 1 Year**	**Demand Deposits**	**Total**
Turkish Lira								
Bank Deposits	-	97,031	-	-	-	-	-	97,031
Saving Deposits	-	481,311	2,233,147	832,932	175,028	378,747	-	4,101,165
Public Sector Deposits	-	4	6,148	-	-	-	-	6,152
Commercial Deposits	-	305,655	1,228,343	87,585	77,673	113,073	-	1,812,329
Other Deposits	-	529	26,920	539	600	13	-	28,601
7 Days Call Accounts	-	-	-	-	-	-	-	-
Total	**-**	**884,530**	**3,494,558**	**921,056**	**253,301**	**491,833**	**-**	**6,045,278**
Foreign Currency								
Deposits	87,677	25,361	561,740	95,047	59,232	45,122	-	874,179
Bank Deposits	-	18,770	10,556	31,490	9,778	-	-	70,594
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	324	4,874	879	11	57	-	6,145
Total	**87,677**	**44,455**	**577,170**	**127,416**	**69,021**	**45,179**	**-**	**950,918**
Grand Total	**87,677**	**928,985**	**4,071,728**	**1,048,472**	**322,322**	**537,012**	**-**	**6,996,196**

3. Information on dividend income

	Current Period	**Prior Period**
Financial Assets at Fair Value Through Profit or Loss	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	551	339
Other	2,247	2,735
Total	**2,798**	**3,074**

4. Information on trading income/loss

	Current Period	**Prior Period**
Trading Gain	**14,914,185**	**13,181,312**
Gain on Capital Market Transactions	159,339	299,910
From Derivative Transactions	10,209,925	6,436,104
Foreign Exchange Gains	4,544,921	6,445,298
Trading Loss (-)	**14,032,158**	**9,481,060**
Losses on Capital Market Transactions	14,958	11,331
From Derivative Transactions	10,080,926	5,710,833
Foreign Exchange Losses	3,936,274	3,758,896
Net Trading Gain/Loss	**882,027**	**3,700,252**

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

5. Information on Other Operating Income

	Current Period	Prior Period
Released Provisions	306,717	213,527
Checkbook Fee	29,254	20,226
Provision for Notary Statement Expenses	2,729	748
Communication Revenues	2,002	1,833
Income from the Sale of Assets	42,528	2,494
Collections Related to Expenses of Previous Years	4,756	24,036
Income from the Sale of Real Estate	36,652	25,160
Collections Due to Right of Redemption Agreement	37,565	22,241
Other	166,606	108,446
Total	**628,809**	**418,711**

6. Provision for Losses and Other Provision Expenses

	Current Period	Prior Period(*)
Expected Credit Losses	**558,980**	**275,839**
12 Months Expected Credit Loss (Stage 1)	231,196	143,925
Significant Increase in Credit Risk (Stage 2)	43,797	38,778
Lifetime ECL Impaired Credits (Stage 3)	283,987	93,136
Other Provision Expenses	**106,460**	**26,991**
Marketable Securities Impairment Provision	890	12,220
Financial Assets Measured at Fair Value Through Profit/Loss	619	-
Financial Assets Measured at Other Comprehensive Income	271	12,220
Provisions for Impairment of Associates, Subsidiaries and Joint Ventures	-	-
Investment in Associates	-	-
Subsidiaries	-	-
Other(*)	105,570	14,771
Total	**665,440**	**302,830**

(*) Out of the TRY 105,570 reported under the 'other' line for the current period, TRY 105,173 consists of provisions for lawsuits.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

7. Other Operating Expenses

	Current Period(**)	Prior Period(**)
Reserve for Employee Termination Benefits	4,601	530
Bank Social Aid Provision Fund Deficit Provision	-	-
Impairment Expenses of Property and Equipment	-	-
Depreciation Expenses of Property and Equipment	53,802	43,806
Impairment Expenses of Intangible Assets	-	-
Amortization Expenses of Intangible Assets	35,719	24,074
Impairment Expenses of Assets Held for Sale	-	-
Depreciation Expenses on Assets Held for Sale	-	-
Depreciation Expenses of Right-of-Use Assets	111,405	69,319
Impairment Expenses on Non-Current Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	585,952	872,383
Operating Lease Expenses (*)	11,687	*7,902*
Repair and Maintenance Expenses	64,389	*40,758*
Advertisement Expenses	28,643	*53,963*
Other Expenses (****)	481,233	*769,760*
Loss on Sales of Assets	79,813	543
Other (***)	466,796	263,501
Total	**1,338,088**	**1,274,156**

(*) Includes lease expenses not considered within the scope of TFRS 16.
(**) The Provision for Severance Pay is not included in the Personnel Expenses line of the Profit or Loss Statement.
(***) Includes provisions for bonus premiums, SDIF, and financial activity fees.
(****) Other expenses include TRY 59,075 for communication expenses, TRY 33,902 for heating, lighting, and water expenses, and TRY 12,862 for representation and hospitality expenses.

8. Fees for Services Obtained from an Independent Auditor/Independent Audit Firm

In accordance with the decision of the Public Oversight Authority dated 26 March 2021, the fee information for the reporting period regarding the services received from the independent auditor or independent audit firm is given in the table below.

	Current Period	Prior Period
Independent Audit Fee for the Reporting Period	12,033	7,178
Fees for Tax Advisory Services	1,075	503
Fee for Other Assurance Services	1,851	3,240
Fee for Services Other than Independent Audit	1,097	174
Total(*)	**16,056**	**11,095**

(*) Amounts are given excluding VAT.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

9. Explanation on profit/loss before tax from continuing and discontinued operations

As of 31 December 2024, the Group has no discontinued operations.

The explanations and tables related to the profit/loss before tax from the Group's continuing operations for the accounting period ended 31 December 2024, are shown in detail in notes 1 to 7 of this section.

Explanation on tax provision for continuing and discontinued operations

As of 31 December 2024, the Group has no discontinued operations.

The explanations and tables related to the tax provision arising from the Group's continuing operations for the accounting period ended 31 December 2024, are shown in detail in note 9 of this section.
The Group has no tax provision for discontinued operations for the accounting period ended 31 December 2024.

Explanation of net profit/loss for the period continuing/discontinued operations

As of 31 December 2024, the Group has no discontinued operations.

The explanations and tables related to the period net profit/loss arising from the Group's continuing operations for the accounting period ended 31 December 2024, are shown in detail in notes 1 to 7 and 9 to 11 of this section. The Group has no period net profit/loss for discontinued operations for the accounting period ended 31 December 2024.

10. Tax Provision

Calculated current tax income or expense and deferred tax income or expense

For the accounting period ended 31 December 2024, the Group's current tax expense is TRY 2,777,532 (31 December 2023: current tax expense TRY 496,442).

For the accounting period ended 31 December 2024, the Group has a net deferred tax expense of TRY 595,267 (31 December 2023: deferred tax expense of TRY 760,563).

11. Explanations on net profit and loss for the period

If disclosure of the nature, amount and recurrence rate of income and expense items arising from ordinary banking transactions is necessary for an understanding of the Parent Bank's performance during the period, the nature and amount of these items

None.

If it is possible that the effect on profit/loss of a change in an estimate related to financial statement items will affect subsequent periods, it shall be disclosed in a manner that includes those periods as well
None.

12. Information on the components of other items in the statement of consolidated profit or loss and other comprehensive income exceeding 10% of the total, or items that comprise at least 20% of the statement of profit or loss and other comprehensive income

The 'Other' item under 'Fees and Commissions Received' consists of fees and commissions received from various banking transactions, primarily including credit and credit card transactions, insurance services, and capital market transactions.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

V. Explanations and Disclosures Related to Consolidated Changes in Shareholders' Equity

1. Changes arising from the revaluation of financial assets at fair value through other comprehensive income

As of 31 December 2024, the net amount of the valuation gain/(loss) followed under equity for securities classified as financial assets at fair value through other comprehensive income, after deducting the tax effect and expected credit loss, is TRY (45,852) (31 December 2023: TRY (133,202).

2. Information on increases due to cash flow hedges

None.

3. Reconciliation of foreign exchange differences at beginning and end of current period

As of 31 December 2024, the Group's foreign currency translation differences arising from exchange differences amount to TRY 3,892,050 (31 December 2023: TRY 3,316,174). The exchange differences of TRY 575,876 (31 December 2023: TRY 1,564,410) for the current period are shown in the foreign currency translation differences column of the statement of changes in equity.

4. Explanations on dividends

Dividends declared subsequent to the balance sheet date, but before the announcement of the financial statements

None.

Dividends per share proposed subsequent to the balance sheet date

As of the report date, no decision has been made regarding the distribution of the profit for the year 2024.

5. Transfers to legal reserves

	Current Period	Prior Period
Amount Transferred to Legal Reserves from Undistributed Profits	-	54,962
Amount Transferred from Undistributed Profits to Extraordinary Reserves	2,931,239	1,930,101
Total[(1)]	**2,931,239**	**1,985,063**

(1) Represents the amounts transferred to reserves by the Parent Bank.

6. Information on issuance of share certificates

The rights, priorities and restrictions regarding the share capital including distribution of income and repayment of the capital

There are no rights, priorities, or restrictions regarding the distribution of dividends, repayment of capital, etc., for classes of capital shares.

7. Information on the other capital increase items in the statement of changes in shareholders' equity

None.

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VI. Explanations and Disclosures Related to Consolidates Statements of Cash Flows

1. The effects of the other items stated in the cash flow statement and the changes in foreign currency exchange rates on cash and cash equivalents

The 'Other' item amounting to TRY 7,923,541 (31 December 2023: TRY 145,383) included in the 'Operating profit before changes in banking activity-related assets and liabilities' comprises foreign exchange transaction gains/losses, other operating income, and fees and commissions paid.

The 'Net increase/decrease in other liabilities' item amounting to TRY 1,482,018 (31 December 2023: TRY 63,766) included in the 'Change in assets and liabilities subject to banking activities' consists of changes in payables to money markets, other liabilities, taxes payable, fees, charges, and premiums.

The 'Net increase/decrease in other assets' item amounting to TRY (8,331,197) (31 December 2023: TRY (6,061,704) included in the 'Change in assets and liabilities subject to banking activities' consists of changes in other assets items.

As of 31 December 2024, the effect of the change in the exchange rate on cash and cash equivalents has been calculated as TRY 256,436 (31 December 2023: TRY 568,318).

2. Information regarding the balances of cash and cash equivalents at the beginning of the period

	Current Period 31 December 2024	Prior Period 31 December 2023
Cash	**8,822,448**	**6,029,617**
Cash and cash equivalents	769,443	625,782
Central Bank of the Republic of Türkiye, required reserves and other [1]	8,053,005	5,403,835
Cash and cash equivalents[2]	**14,265,934**	**8,630,148**
Banks and Other Financial Institutions	11,455,891	7,821,669
Receivables from Money Markets	2,810,043	808,479
Cash Equivalents and Banks	**(3,874,224)**	**(3,552,521)**
Bank Balances with Maturities Longer Than Three Months	-	-
Restricted Cash and Cash Equivalents	(167,666)	(1,374,906)
Required Reserves	(3,696,445)	(2,175,767)
Banks and Money Markets Discount	(10,113)	(1,848)
Total cash and cash equivalents	**19,214,158**	**11,107,244**

(1) The 'Other' item includes funds in transit.
(2) The total Expected Credit Loss provision allocated for cash and cash equivalents is TRY 2,053 (1 January 2023: TRY 5,669).

3. Information regarding the balances of cash and cash equivalents at the end of the period

	Current Period 31 December 2024	Prior Period 31 December 2023
Cash	**15,680,425**	**8,822,448**
Cash and cash equivalents	724,757	769,443
Central Bank of the Republic of Türkiye, required reserves and other [1]	14,955,668	8,053,005
Cash Equivalents[2]	**20,395,957**	**14,265,934**
Banks and Other Financial Institutions	14,500,480	11,455,891
Receivables from Money Markets	5,895,477	2,810,043
Cash Equivalents and banks	**(5,922,236)**	**(3,874,224)**
Bank balances with maturities longer than three months	-	-
Restricted Cash and Cash Equivalents	(229,393)	(167,666)
Reserve requirements	(5,162,834)	(3,696,445)
Banks and Money Market Rediscounts	(530,009)	(10,113)
Total cash and cash equivalents	**30,154,146**	**19,214,158**

(1) The 'Other' item includes funds in transit
(2) The ECL allocated for cash and cash equivalents is TRY 15,965 (31 December 2023: TRY 2,053).

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VI. Explanations and Disclosures Related to Consolidates Statements of Cash Flows (Continued)

4. Restricted cash and cash equivalents due to legal requirements or other reasons

There are no deposits with a maturity of more than 3 months in the account of foreign banks (31 December 2023: None). The placements made to other banks amounting to TRY 229,393 (31 December 2023: TRY 167,665) includes the collateral held in return for interest rate swap transactions.

5. Additional information

Restrictions on the potential borrowings that can be used for banking operations or capital commitment

None.

VII. Explanations and Disclosures Related to Parent Bank's Risk Group

1. The volume of transactions relating to the Parent Bank's risk group, outstanding loan and deposit transactions and profit and loss of the period

Explanations and Disclosures Related to the Parent Bank's Risk Group

Parent Bank's Risk Group- current period	Associates and Subsidiaries (Partnerships)		Bank's Direct and Indirect Shareholders		Other Individuals and Legal Entities in the Risk Group	
	Cash	Non- Cash	Cash	Non-cash	Cash	Non- Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	1,276,878	67,754	1,881	83
Balance at the End of the Period	-	-	1,349,805	232,047	1,012	83
Interest and Commission Income	-	-	71,808	18	242	-

Parent Bank's Risk Group- prior period	Associates and Subsidiaries (Partnerships)		Bank's Direct and Indirect Shareholders		Other Individuals and Legal Entities in the Risk Group	
	Cash	Non- Cash	Cash	Non- Cash	Cash	Non- Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	407,727	105,067	278	71
Balance at the End of the Period	-	-	1,276,878	67,754	1,881	83
Interest and Commission Income	-	-	71,808	18	242	-

Information on deposits of the Parent Bank's risk group

Parent Bank's Risk Group	Subsidiaries, Associates and Jointly Controlled Entities (Joint Ventures)		Direct or Indirect Shareholders of the Parent Bank		Other Individuals and Legal Entities in the Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposit						
Balance at the Beginning of the Period	-	-	12,607,673	5,075,996	45,393	32,766
Balance at the End of the Period	-	-	22,398,924	12,607,673	123,396	45,393
Deposit interest expense	-	-	1,479,496	661,167	30,620	4,267

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VII. Explanations and Disclosures Related to the Parent Bank's Risk Group (Continued)

1. The volume of transactions relating to the Parent Bank's risk group, outstanding loan and deposit transactions and profit and loss of the period (Continued)

Information on forward and option agreements and similar agreements made with the Parent Bank's risk group

	Subsidiaries, Associates and Jointly Controlled Entities (Joint Ventures)		Direct or Indirect Shareholders of the Parent Bank		Other Individuals and Legal Entities in the Risk Group	
Group's Risk Group	**Current Period**	**Prior Period**	**Current Period**	**Prior Period**	**Current Period**	**Prior Period**
The Fair Value Differences Through Profit and Loss						
Opening Balance	-	-	3,379,285	1,852,253	-	-
Closing Balance	-	-	1,871,548	3,379,285	-	-
Total Profit/Loss	-	-	82,153	(47,919)	1,217	-
Transactions for Hedging Purposes						
Opening Balance	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-
Total Profit/Loss	-	-	-	-	-	-

(1) Transactions at fair value through profit or loss consist of leveraged transactions and futures transactions conducted with Anadolu Yatırım Menkul Kıymetler A.Ş.

2. Information on transactions with the risk group that includes the Parent Bank

Relations with entities in the risk group of/or controlled by the Parent Bank regardless of the nature of relationship among the parties

The Parent Bank conducts various transactions with group companies during banking operations. These transactions are commercial in nature and are within the scope of ordinary banking activities.

For the accounting period ending on 31 December 2024, the Parent Bank collected a total of TRY 2,165 in stock trading commissions and mutual fund commissions from Anadolu Yatırım Menkul Kıymetler A.Ş. (31 December 2023: TRY 2,111).

In addition to the structure of the relationship, type of transaction, amount, and share in total transaction volume, amount of significant items, and share in all items, pricing policy and other matters

		According to the Magnitudes in the Financial Statements
Current Period	**Balance**	**%**
Cash loans	1,350,817	1.63
Non-cash loans	232,130	1.04
Deposit	22,522,320	20.73
Forward and option contracts	1,871,548	2.82

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VII. Explanations and Disclosures Related to the Parent Bank's Risk Group (Continued)

2. Information on transactions with the risk group that includes the Parent Bank(Continued)

Prior Period	Balance	According to the Magnitudes in the Financial Statements %
Cash loans	1,278,759	2.6
Non-cash loans	67,837	0.4
Deposit	12,653,066	17.9
Forward and option contracts	3,379,285	6.17

Explanations on purchase and sale of real estate and other assets, sales and purchases of services, agent contracts, financial lease agreements, transfer of data obtained from research and development, licensing agreements, financing (including loans and cash and in-kind capital support), guarantees and promissory notes, and management contracts

There are Support Service Agreements between the Parent Bank and Anadolu Yatırım Menkul Kıymetler A.Ş., Anadolu Faktoring A.Ş., Anadolu Finansal Kiralama A.Ş., and Anadolubank Nederland NV, which are in the same risk group as the Parent Bank, covering Human Resources, Training, Information Technologies, Risk Management, Legal Issues, Call Center Service, Document Management, and Administrative matters.

For the accounting period ending on 31 December 2024, the income obtained by the Parent Bank from its subsidiary Anadolubank Nederland NV within the framework of service procurement and license agreements is TRY 12,633 (31 December 2023: TRY 7,621).

There are no transactions for the purchase and sale of real estate and other assets, transfer of information obtained as a result of research and development, or management agreements with the risk group to which the Bank belongs.

Information on benefits provided to the Group's top management

For the accounting period ending on 31 December 2024, the amount of tangible benefits provided and to be provided to the Group's senior management is TRY 186,236 (31 December 2023: TRY 145,740).

SECTION FIVE: EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VIII. Explanations on the Parent Bank's Domestic, Foreign and Off-Shore Banking Branches and Foreign Representatives of the Group

Information relating to the Parent Bank's domestic and foreign branch and representatives

	Number	Number of employees			
Domestic Branch	95	1,385			
			Country of incorporation		
Foreign Representation Office	-	-	1- -		
	-	-	2- -		
	-	-	3- -		
				Total Assets	Statutory Share Capital
Foreign Branch	-	-	1- -	-	-
	-	-	2- -	-	-
	-	-	3- -	-	-
Off-shore banking region branches	-	-	1- -	-	-
	-	-	2- -	-	-
	-	-	3- -	-	-

SECTION SIX: OTHER EXPLANATIONS

I. Other Explanations Related to the Parent Bank's Operations

None.

II. Summary of Informations Regarding the Ratings of the Parent Bank by International Rating Agencies

The most recently announced ratings of the parent bank by fitch ratings are provided below.

FITCH Ratings: November 2024	
Foreign currency-Long-term	B (Positive)
Domestic currency -Long-term	B (Positive)
Financial Capacity Rating	b

III. Unsettled transactions after balance sheet date and related effects on financial tables

The bank has decided to issue bonds abroad, without a public offering, through one or more issuances, totaling up to 150 million USD or equivalent foreign currency, as a borrowing instrument to be included in the equity calculation within the framework of the Banking Regulation and Supervision Agency's Regulation on Banks' Equity.

In line with this decision, the Board of Directors authorized the General Directorate on November 11, 2024, and the decision was announced on the Public Disclosure Platform (KAP) on November 12, 2024.

An application for approval was submitted to the Capital Markets Board (SPK) on December 5, 2024, and the issuance certificate approved by the CMB with decision number 2/63 dated January 9, 2025, was published on the Public Disclosure Platform (KAP) on January 14, 2025.

Approval from the Banking Regulation and Supervision Agency (BDDK) was obtained with the letter dated February 17, 2025, and numbered E-32521522-101.02.01[72]-145411.

The sale of the overseas bond issuance will be conducted in Ireland with an interest rate of 9.125%, maturing on February 26, 2035, and redeemable at the end of the fifth year. As of February 26, 2025, it has been issued with ISIN code XS2993969596.

IV. The Impact of Significant Changes in Exchange Rates that Occurred after the Balance Sheet Date, Which If not Disclosed, Would Affect the Users' Ability to Assess and Make Decisions Based on the Financial Statements, Including the Effect on Foreign Currency Transactions, Line Items, and Financial Statements, as well as the Impact on the Bank's Overseas Operations.

None.

SECTION SEVEN: EXPLANATION ON INDEPENDENT AUDITOR'S REPORT

I. Explanations on Independent Auditor's Report

The consolidated financial statements for the period ended 31 December 2024 have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The auditor's report dated 20 March 2025 is presented preceding the consolidated financial statements.

II. Explanations and Notes Prepared by the Independent Auditor

None.

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