ENPARA BANK ANONİM ŞİRKETİ

INDEPENDENT AUDITOR'S REPORT, UNCONSOLIDATED FINANCIAL STATEMENTS AND NOTES FOR THE YEAR ENDED DECEMBER 31, 2024

(Convenience translation of unconsolidated financial statements and independent auditor's report originally issued in Turkish, See Note I. of Section three.)

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 Enpara Bank A.Ş.;

A. Audit of the Unconsolidated Financial Statements

1. Opinion

We have audited the accompanying unconsolidated financial statements of Enpara Bank A.Ş. ("the Bank"), which comprise the statement of unconsolidated balance sheet as at 31 December 2024, unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows for the year then ended, and the notes to the unconsolidated financial statements and a summary of significant accounting policies and unconsolidated financial statement notes.

In our opinion, the unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of the Bank as at 31 December 2024, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and 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 Agency 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 Unconsolidated Financial Statements" section of our report. We hereby declare that we are independent of the Bank 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 unconsolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key Audit Matters

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

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

The Bank management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

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

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with "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 on the basis of these unconsolidated 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank'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 Bank 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 unconsolidated 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 Bank to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the unconsolidated 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 unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

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

Talar Gül, SMMM
Independent Auditor

Istanbul, 30 January 2025

THE UNCONSOLIDATED FINANCIAL REPORT OF ENPARA BANK A.Ş.
FOR THE YEAR ENDED DECEMBER 31, 2024

The Bank's;

Address of the head office	:	Esentepe Mahallesi Büyükdere Caddesi No:215 Şişli - İSTANBUL
Phone number	:	(0 212) 363 50 00
Facsimile number	:	(0 212) 363 59 99
Web page	:	www.enparabank.com

The unconsolidated financial report for the year ended December 31, 2024, designed by the Banking Regulation and Supervision Agency 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 BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES OF THE BANK
- INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK
- FOOTNOTES AND EXPLANATIONS ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS

The audited accompanying unconsolidated financial statements and related disclosures and footnotes for the year ended December 31, 2024, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidances, and in compliance with the financial records of our Bank. Unless otherwise stated, the accompanying unconsolidated financial statements are presented in **thousands of Turkish Lira (TL)**.

Temel Güzeloğlu
Chairman of
the Board of Directors

Ahmet Alkan Altınsu
Member of the Board of
Directors and Chairman of the
Audit Committee

Cumhur Türkmen
General Manager and
Member of the
Board of Directors

Aykut Set
Chief Financial Officer

Information related to the responsible personnel to whom the questions about the financial report can be communicated:

Surname/Title	:	Ali Durmuş / Financial Reporting Manager
E-mail address	:	ali.durmus@enparabank.com
Phone Number	:	(0 212) 318 57 80

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SECTION ONE

GENERAL INFORMATION

I. Explanatory Note on the Establishment Date, Nature of Activities and History of the Bank

Enpara Bank Anonim Şirketi ("Bank") has obtained its establishment permit with the decision numbered 10640 dated August 3, 2023 of the Banking Regulation and Supervision Agency ("BRSA") published in the Official Gazette dated August 5, 2023 and numbered 32270, and has been established in Istanbul in accordance with the provisions of the Banking Law and the Turkish Commercial Code published in the Turkish Trade Registry Gazette dated December 4, 2023 and numbered 10971. It has obtained its operating permit with the board decision numbered 10945 dated August 15, 2024 published in the Official Gazette dated August 23, 2024 and numbered 32641, and has started its operations on December 30, 2024 with the notification made to BRSA.
The Bank is registered in Turkey and its registered address is as follows:
Esentepe Mah. Büyükdere Cad. No: 215 Şişli / İstanbul

II. Information About the Bank's Shareholding Structure, Shareholders Who Individually or Jointly Have Power to Control The Management and Audit Directly or Indirectly, Changes Regarding These Subjects During the Year, If Any, And Information About the Controlling Group of The Bank

The Bank's paid-in capital and ownership ratios as of December 31, 2024 are as follows:

Name Surname/Trade Name	Percentage of Shares	Amount of Shares(Full TRY)
Digital-Q-FS Limited	100.00	8,684,430,000
QNB Faktoring A.Ş.	0.00	1
QNB Finansal Kiralama A.Ş.	0.00	1
QNB Portföy Yönetimi A.Ş.	0.00	1
EFINANS Elektronik Ticaret ve Bilişim Hizmetleri A.Ş.	0.00	1
Total	**100.00**	**8,684,430,004**

As of December 31, 2024, the registered share capital of Enpara Bank is full TRY 8,684,430,004 and its capital consists of 8,684,430,004 shares, each with a nominal value of TRY 1.

The Bank has no capital reserves, legal reserves or extraordinary reserves on its records as of December 31, 2024.

III. Information About the Chairman and Members of Board of Directors, Members of Audit Committee, Managing Directors and Executive Vice Presidents; Any Changes, and the Information About the Bank Shares They Hold and Their Responsibilities

Name	Titles	Date of Appointment	Education
Temel Güzeloğlu	Chairman of the Board of Directors	04.12.2023	Masters
Ali Rashid A. A. Al-Mohannadi	Vice Chairman of the Board of Directors	04.12.2023	Graduate
Yzeed Sultan H. A. Al-Thani	Member of the Board of Directors and Member of the Audit Committee	06.12.2024	Masters
Dylan Cunningham	Board Member	04.12.2023	Associate's degree
Saleh Nofal	Board Member	04.12.2023	Graduate
Cumhur Türkmen	Board Member and General Manager	04.12.2023	Masters
Ahmet Alkan Altınsu	Member of the Board of Directors and Chairman of the Audit Committee	10.10.2024	Graduate
Ahu Serter	Board Member	12.12.2024	Masters

The top level management listed above do not have any significant shares in the Bank.

GENERAL INFORMATION (Continued)

IV. Information About the Persons and Institutions That Have Qualified Shares

Name Surname/Trade Name	Amount of Shares (full TRY)	Percentage of Shares	Paid-up Shares	Unpaid Shares
Digital-Q-FS Limited	8,684,430,000	%100.00	-	-
Other	4	%0.00	-	-

V. Explanations on The Bank's Services and Activities

The Bank was established in accordance with the Banking Law and the relevant legislation in force, and its purpose is to conduct all kinds of banking transactions within the framework of the regulations made by the Banking Regulation and Supervision Agency and the relevant legislation in force, and to provide contemporary banking services to its customers through electronic banking channels and other channels in accordance with the developments in technology and banking in Turkey and abroad.

As of December 31, 2024, the number of Bank employees is 24 (December 31, 2023 - 16).

VI. The Existing Current or Likely Actual or Legal Barriers to Immediate Transfer of Equity or Repayment of Debts Between the Bank and its Subsidiaries

None.

SECTION TWO

UNCONSOLIDATED FINANCIAL STATEMENTS

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II. Statement of Off-Balance Sheet Commitments and Contingencies
III. Statement of Profit or Loss
IV. Statement of Profit or Loss and Other Comprehensive Income
V. Statement of Changes in Shareholders' Equity
VI. Statement of Cash Flows
VII. Statement of Unconsolidated Profit Appopriation

ENPARA BANK ANONİM ŞİRKETİ

UNCONSOLIDATED STATEMENT OF BALANCE SHEET-ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

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

I. BALANCE SHEET-ASSETS

			Current Period 31.12.2024			Prior Period 31.12.2023		
		Section 5 Part I	TRY	FC	Total	TRY	FC	Total
I.	**FINANCIAL ASSETS (Net)**		**6,852,927**	**1,070,822**	**7,923,749**	**-**	**7,534,414**	**7,534,414**
1.1	**Cash and cash equivalents**		**6,852,927**	**1,070,822**	**7,923,749**	**-**	**7,534,414**	**7,534,414**
1.1.1	Cash and balances with Central Bank	(1)	-	-	-	-	-	-
1.1.2	Banks	(3)	6,853,852	1,070,967	7,924,819	-	7,534,414	7,534,414
1.1.3	Money Markets	(4)	-	-	-	-	-	-
1.1.4	Expected credit losses (-)		925	145	1,070	-	-	-
1.2	**Financial Assets at Fair Value Through Profit or Loss**	**(2)**	**-**	**-**	**-**	**-**	**-**	**-**
1.2.1	Government Debt Securities		-	-	-	-	-	-
1.2.2	Equity Securities		-	-	-	-	-	-
1.2.3	Other Financial Assets		-	-	-	-	-	-
1.3	**Financial Assets at Fair Value Through Other Comprehensive Income**	**(5)**	**-**	**-**	**-**	**-**	**-**	**-**
1.3.1	Government Debt Securities		-	-	-	-	-	-
1.3.2	Equity Securities		-	-	-	-	-	-
1.3.3	Other Financial Assets		-	-	-	-	-	-
1.4	**Derivative Financial Assets**	**(12)**	**-**	**-**	**-**	**-**	**-**	**-**
1.4.1	Derivative Financial Assets at Fair Value Through Profit/Loss		-	-	-	-	-	-
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II.	**FINANCIAL ASSETS MEASURED AT AMORTIZED COST (Net)**		**-**	**-**	**-**	**-**	**-**	**-**
2.1	**Loans**	**(6)**	**-**	**-**	**-**	**-**	**-**	**-**
2.2	**Lease Receivables**	**(11)**	**-**	**-**	**-**	**-**	**-**	**-**
2.3	**Factoring Receivables**		**-**	**-**	**-**	**-**	**-**	**-**
2.4	**Other Financial Assets Measured at Amortized Cost**	**(7)**	**-**	**-**	**-**	**-**	**-**	**-**
2.4.1	Public Sector Debt Securities		-	-	-	-	-	-
2.4.2	Other Financial Assets		-	-	-	-	-	-
2.5	**Expected Credit Losses (-)**		**-**	**-**	**-**	**-**	**-**	**-**
III.	**PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)**	**(17)**	**-**	**-**	**-**	**-**	**-**	**-**
3.1	Held for Sale Purpose		-	-	-	-	-	-
3.2	Related to Discontinued Operations		-	-	-	-	-	-
IV.	**EQUITY INVESTMENTS**		**-**	**-**	**-**	**-**	**-**	**-**
4.1	**Investments in Associates (Net)**	**(8)**	**-**	**-**	**-**	**-**	**-**	**-**
4.1.1	Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2	Unconsolidated Associates		-	-	-	-	-	-
4.2	**Subsidiaries (Net)**	**(9)**	**-**	**-**	**-**	**-**	**-**	**-**
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3	**Joint Ventures (Net)**	**(10)**	**-**	**-**	**-**	**-**	**-**	**-**
4.3.1	Jointly Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	**PROPERTY AND EQUIPMENT (Net)**	**(13)**	**1,429,055**	**-**	**1,429,055**	**1,102,458**	**-**	**1,102,458**
VI.	**INTANGIBLE ASSETS (Net)**	**(14)**	**107,159**	**-**	**107,159**	**-**	**-**	**-**
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		107,159	-	107,159	-	-	-
VII.	**INVESTMENT PROPERTY (Net)**	**(15)**	**-**	**-**	**-**	**-**	**-**	**-**
VII	**CURRENT TAX ASSET**	**(16)**	**2,574**	**-**	**2,574**	**576**	**-**	**576**
IX.	**DEFERRED TAX ASSET**	**(16)**	**-**	**-**	**-**	**65,613**	**-**	**65,613**
X.	**OTHER ASSETS**	**(18)**	**231,676**	**-**	**231,676**	**199,018**	**-**	**199,018**
	TOTAL ASSETS		**8,623,391**	**1,070,822**	**9,694,213**	**1,367,665**	**7,534,414**	**8,902,079**

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

ENPARA BANK ANONİM ŞİRKETİ

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

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

I. BALANCE SHEET-LIABILITIES AND EQUITY

			Current Period 31.12.2024			Prior Period 31.12.2023		
		Section 5 Part II	TRY	FC	Total	TRY	FC	Total
I.	**DEPOSITS**	**(1)**	-	-	-	-	-	-
II.	**FUNDS BORROWED**	**(3)**	-	-	-	-	-	-
III.	**MONEY MARKETS**	**(4)**	-	-	-	-	-	-
IV.	**SECURITIES ISSUED (Net)**	**(5)**	-	-	-	-	-	-
4.1	Bills		-	-	-	-	-	-
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	-	-	-	-	-
V.	**FUNDS**		-	-	-	-	-	-
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	**FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT & LOSS**		-	-	-	-	-	-
VII.	**DERIVATIVE FINANCIAL LIABILITIES**		-	-	-	-	-	-
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss	(2)	-	-	-	-	-	-
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(8)	-	-	-	-	-	-
VIII.	**FACTORING PAYABLES**		-	-	-	-	-	-
IX.	**LEASE PAYABLES (NET)**	**(7)**	**3,114**	-	**3,114**	-	-	-
X.	**PROVISIONS**	**(9)**	**13,799**	-	**13,799**	-	-	-
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		13,799	-	13,799	-	-	-
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		-	-	-	-	-	-
XI.	**CURRENT TAX LIABILITY**	**(10)**	-	-	-	-	-	-
XII.	**DEFERRED TAX LIABILITY**		**37,759**	-	**37,759**	-	-	-
XIII.	**LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)**	**(11)**	-	-	-	-	-	-
13.1	Held for Sale		-	-	-	-	-	-
13.2	Discontinued Operations		-	-	-	-	-	-
XIV.	**SUBORDINATED DEBT INSTRUMENTS**	**(12)**	-	-	-	-	-	-
14.1	Subordinated Loans		-	-	-	-	-	-
14.2	Other Debt Instruments		-	-	-	-	-	-
XV.	**OTHER LIABILITIES**		**77,787**	**362,069**	**439,856**	**308,501**	**62,245**	**370,746**
XVI.	**SHAREHOLDERS` EQUITY**		**9,199,685**	-	**9,199,685**	**8,531,333**	-	**8,531,333**
16.1	Paid-in capital	(13)	8,684,430	-	8,684,430	8,684,430	-	8,684,430
16.2	Capital reserves		-	-	-	-	-	-
16.2.1	Share Premium	(14)	-	-	-	-	-	-
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		-	-	-	-	-	-
16.3	Other Comprehensive Income/Expense Items not Reclassified to Profit or Loss		(103)	-	(103)	-	-	-
16.4	Other Comprehensive Income/Expense Items Reclassified to Profit or Loss		-	-	-	-	-	-
16.5	Profit Reserves		-	-	-	-	-	-
16.5.1	Legal Reserves		-	-	-	-	-	-
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		-	-	-	-	-	-
16.5.4	Other Profit Reserves		-	-	-	-	-	-
16.6	Profit/Loss		515,358	-	515,358	(153,097)	-	(153,097)
16.6.1	Prior Periods' Profit/Loss		(153,097)	-	(153,097)	-	-	-
16.6.2	Current Period's Net Profit/Loss		668,455	-	668,455	(153,097)	-	(153,097)
	TOTAL LIABILITIES		**9,332,144**	**362,069**	**9,694,213**	**8,839,834**	**62,245**	**8,902,079**

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

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

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

II. STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES

		Current Period 31.12.2024			Prior Period 31.12.2023		
	Section 5 Part III	TRY	FC	Total	TRY	FC	Total
A.	**OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)**	-	-	-	-	-	-
I.	**GUARANTEES**	-	-	-	-	-	-
1.1.	Letters of guarantee	-	-	-	-	-	-
1.1.1.	Guarantees subject to State Tender Law	-	-	-	-	-	-
1.1.2.	Guarantees given for foreign trade operations	-	-	-	-	-	-
1.1.3.	Other letters of guarantee	-	-	-	-	-	-
1.2.	Bank loans	-	-	-	-	-	-
1.2.1.	Import letter of acceptance	-	-	-	-	-	-
1.2.2.	Other bank acceptances	-	-	-	-	-	-
1.3.	Letters of credit	-	-	-	-	-	-
1.3.1.	Documentary letters of credit	-	-	-	-	-	-
1.3.2.	Other letters of credit	-	-	-	-	-	-
1.4.	Pre-financing given as guarantee	-	-	-	-	-	-
1.5.	Endorsements	-	-	-	-	-	-
1.5.1.	Endorsements to the Central Bank of Türkiye	-	-	-	-	-	-
1.5.2.	Other endorsements	-	-	-	-	-	-
1.6.	Securities issue purchase guarantees	-	-	-	-	-	-
1.7.	Factoring guarantees	-	-	-	-	-	-
1.8.	Other guarantees	-	-	-	-	-	-
1.9.	Other collaterals	-	-	-	-	-	-
II.	**COMMITMENTS**	-	-	-	-	-	-
2.1.	Irrevocable commitments	-	-	-	-	-	-
2.1.1.	Forward asset purchase commitments	-	-	-	-	-	-
2.1.2.	Forward deposit purchase and sales commitments	-	-	-	-	-	-
2.1.3.	Share capital commitment to associates and subsidiaries	-	-	-	-	-	-
2.1.4.	Loan granting commitments	-	-	-	-	-	-
2.1.5.	Securities underwriting commitments	-	-	-	-	-	-
2.1.6.	Commitments for reserve deposit requirements	-	-	-	-	-	-
2.1.7.	Payment commitment for checks	-	-	-	-	-	-
2.1.8.	Tax and fund liabilities from export commitments	-	-	-	-	-	-
2.1.9.	Commitments for credit card expenditure limits	-	-	-	-	-	-
2.1.10.	Commitments for promotions related with credit cards and banking activities	-	-	-	-	-	-
2.1.11.	Receivables from short sale commitments of marketable securities	-	-	-	-	-	-
2.1.12.	Payables for short sale commitments	-	-	-	-	-	-
2.1.13.	Other irrevocable commitments	-	-	-	-	-	-
2.2.	Revocable commitments	-	-	-	-	-	-
2.2.1.	Revocable loan granting commitments	-	-	-	-	-	-
2.2.2.	Other revocable commitments	-	-	-	-	-	-
III.	**DERIVATIVE FINANCIAL INSTRUMENTS**	-	-	-	-	-	-
3.1	Derivative financial instruments held for hedging purposes	-	-	-	-	-	-
3.1.1	Fair value hedge	-	-	-	-	-	-
3.1.2	Cash flow hedge	-	-	-	-	-	-
3.1.3	Hedge of net investment in foreign operations	-	-	-	-	-	-
3.2	Held for trading transactions	-	-	-	-	-	-
3.2.1	Forward foreign currency buy/sell transactions	-	-	-	-	-	-
3.2.1.1	Forward foreign currency transactions-buy	-	-	-	-	-	-
3.2.1.2	Forward foreign currency transactions-sell	-	-	-	-	-	-
3.2.2	Swap transactions related to foreign currency and interest rates	-	-	-	-	-	-
3.2.2.1	Foreign currency swap-buy	-	-	-	-	-	-
3.2.2.2	Foreign currency swap-sell	-	-	-	-	-	-
3.2.2.3	Interest rate swaps-buy	-	-	-	-	-	-
3.2.2.4	Interest rate swaps-sell	-	-	-	-	-	-
3.2.3	Foreign currency, interest rate and securities options	-	-	-	-	-	-
3.2.3.1	Foreign currency options-buy	-	-	-	-	-	-
3.2.3.2	Foreign currency options-sell	-	-	-	-	-	-
3.2.3.3	Interest rate options-buy	-	-	-	-	-	-
3.2.3.4	Interest rate options-sell	-	-	-	-	-	-
3.2.3.5	Securities options-buy	-	-	-	-	-	-
3.2.3.6	Securities options-sell	-	-	-	-	-	-
3.2.4	Foreign currency futures	-	-	-	-	-	-
3.2.4.1	Foreign currency futures-buy	-	-	-	-	-	-
3.2.4.2	Foreign currency futures-sell	-	-	-	-	-	-
3.2.5	Interest rate futures	-	-	-	-	-	-
3.2.5.1	Interest rate futures-buy	-	-	-	-	-	-
3.2.5.2	Interest rate futures-sell	-	-	-	-	-	-
3.2.6	Other	-	-	-	-	-	-
B.	**CUSTODY AND PLEDGED SECURITIES (IV+V+VI)**	-	-	-	-	-	-
IV.	**ITEMS HELD IN CUSTODY**	-	-	-	-	-	-
4.1.	Customer Fund and Portfolio Assets	-	-	-	-	-	-
4.2.	Investment securities held in custody	-	-	-	-	-	-
4.3.	Checks received for collection	-	-	-	-	-	-
4.4.	Commercial notes received for collection	-	-	-	-	-	-
4.5.	Other assets received for collection	-	-	-	-	-	-
4.6.	Assets received for public offering	-	-	-	-	-	-
4.7.	Other items under custody	-	-	-	-	-	-
4.8.	Custodians	-	-	-	-	-	-
V.	**PLEDGED ITEMS**	-	-	-	-	-	-
5.1.	Marketable securities	-	-	-	-	-	-
5.2.	Guarantee notes	-	-	-	-	-	-
5.3.	Commodity	-	-	-	-	-	-
5.4.	Warranty	-	-	-	-	-	-
5.5.	Properties	-	-	-	-	-	-
5.6.	Other pledged items	-	-	-	-	-	-
5.7.	Pledged items-depository	-	-	-	-	-	-
VI.	**ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES**	-	-	-	-	-	-
		-	-	-	-	-	-
	TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)						

III. STATEMENT OF PROFIT OR LOSS

	INCOME AND EXPENSE ITEMS	Section 5 Part IV	Current Period 01.01 - 31.12.2024	Prior Period 04.12 - 31.12.2023
I.	**INTEREST INCOME**	**(1)**	**296,810**	**29,960**
1.1	Interest income on loans		-	-
1.2	Interest income on reserve deposits		-	-
1.3	Interest income on banks		181,219	29,960
1.4	Interest income on money market transactions		115,591	-
1.5	Interest income on securities portfolio		-	-
1.5.1	Financial assets measured at FVTPL		-	-
1.5.2	Financial assets measured at FVOCI		-	-
1.5.3	Financial assets measured at amortized cost		-	-
1.6	Finance lease income		-	-
1.7	Other interest income		-	-
II.	**INTEREST EXPENSES (-)**	**(2)**	**4,134**	**2,904**
2.1	Interest on deposits		-	-
2.2	Interest on funds borrowed		-	-
2.3	Interest on money market transactions		-	-
2.4	Interest on securities issued		-	-
2.5	Interest on leases		609	-
2.6	Other interest expenses		3,525	2,904
III.	**NET INTEREST INCOME (I - II)**		**292,676**	**27,056**
IV.	**NET FEES AND COMMISSIONS INCOME/EXPENSES**		**(724)**	**(2,438)**
4.1	Fees and commissions received		-	-
4.1.1	Non-cash loans		-	-
4.1.2	Others		-	-
4.2	Fees and commissions paid (-)		724	2,438
4.2.1	Non-cash loans		-	-
4.2.2	Others		724	2,438
V.	**DIVIDEND INCOME**	**(3)**	**-**	**-**
VI.	**TRADING INCOME/LOSS (Net)**	**(4)**	**1,395,480**	**132,161**
6.1	Trading gains / losses on securities		-	-
6.2	Gain/losses from derivative transactions		-	-
6.3	Foreign exchange gain / losses		1,395,480	132,161
VII.	**OTHER OPERATING INCOME**	**(5)**	**2,065**	**-**
VIII.	**TOTAL OPERATING GROSS PROFIT (III+IV+V+VI+VII)**		**1,689,497**	**156,779**
IX.	**EXPECTED CREDIT LOSSES (-)**	**(6)**	**1,070**	**-**
X.	**OTHER PROVISION LOSSES (-)**		**5**	**-**
XI.	**PERSONNEL EXPENSES (-)**		**65,830**	**800**
XII.	**OTHER OPERATING EXPENSES (-)**	**(7)**	**775,550**	**374,689**
XIII.	**NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)**		**847,042**	**(218,710)**
XIV.	**EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER**		-	-
XV.	**INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING**		-	-
XVI.	**GAIN/LOSS ON NET MONETARY POSITION**		-	-
XVII.	**OPERATING PROFIT/LOSS BEFORE TAXES (XII+…+XV)**	**(8)**	**847,042**	**(218,710)**
XVIII.	**PROVISION FOR TAXES OF CONTINUED OPERATIONS (±)**	**(9)**	**178,587**	**(65,613)**
18.1	Current tax charge		75,171	-
18.2	Deferred tax charge (+)		103,416	(65,613)
18.3	Deferred tax credit (-)		-	-
XIX.	**NET OPERATING PROFIT/LOSS AFTER TAXES (XVII±XVIII)**	**(10)**	**668,455**	**(153,097)**
XX.	**INCOME FROM DISCONTINUED OPERATIONS**		**-**	**-**
20.1	Income from assets held for sale		-	-
20.2	Profit from sale of associates, subsidiaries and joint ventures		-	-
20.3	Others		-	-
XXI.	**EXPENSES FROM DISCONTINUED OPERATIONS (-)**		**-**	**-**
21.1	Expenses on assets held for sale		-	-
21.2	Expenses on sale of associates, subsidiaries and joint-ventures		-	-
21.3	Others		-	-
XXII.	**PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XX+XXI)**		**-**	**-**
XXIII.	**PROVISION FOR TAXES OF DISCONTINUED OPERATIONS (±)**		**-**	**-**
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/LOSS (XIX+XXIV)**	**(11)**	**668,455**	**(153,097)**
25.1	Group's profit/loss		668,455	(153,097)
25.2	Minority interest		-	-
	Earnings Per Share		0.0770	(0.0176)

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

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

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Current Period 01.01 - 31.12.2024	Prior Period 04.12 - 31.12.2023
I.	**CURRENT PERIOD PROFIT/LOSS**	**668,455**	**(153,097)**
II.	**OTHER COMPREHENSIVE INCOME**	**(103)**	**-**
2.1	**Other Income/Expense Items not Reclassified to Profit or Loss**	**(103)**	**-**
2.1.1	Revaluation Surplus on Tangible Assets	-	-
2.1.2	Revaluation Surplus on Intangible Assets	-	-
2.1.3	Defined Benefit Plans' Actuarial Gains/Losses	(147)	-
2.1.4	Other Income/Expense Items not Reclassified to Profit or Loss	-	-
2.1.5	Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	44	-
2.2	**Other Income/Expense Items to Reclassified to Profit or Loss**	**-**	**-**
2.2.1	Foreign Currency Translation Differences	-	-
2.2.2	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	-	-
2.2.3	Gains/losses from Cash Flow Hedges	-	-
2.2.4	Gains/Losses on Hedges of Net Investments in Foreign Operations	-	-
2.2.5	Other Income/Expense Items to Reclassified to Profit or Loss	-	-
2.2.6	Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	-	-
III.	**TOTAL PROFIT/LOSS ACCOUNTED FOR IN THE PERIOD (I+II)**	**668,352**	**(153,097)**

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

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

							Other Comprehensive Income/Expense Items not Reclassified to Profit or Loss			Other Comprehensive Income/Expense Items Reclassified to Profit or Loss						
		Section 5 Part V	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Revaluation surplus on tangible and intangible assets	Defined Benefit Plans' Actuarial Gains/Losses	Other	Translation Difference	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	Other	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Shareholders' Equity
	Prior Period - 04.12 - 31.12.2023															
I.	**Prior Period End Balance**		**8,684,430**	-	-	-	-	-	-	-	-	-	-	-	-	**8,684,430**
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)**		**8,684,430**	-	-	-	-	-	-	-	-	-	-	-	-	**8,684,430**
IV.	**Total Comprehensive Income**		-	-	-	-	-	-	-	-	-	-	-	-	**(153,097)**	**(153,097)**
V.	**Capital Increase in Cash**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	**Capital Increase from Internal Sources**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	**Capital Reserves from Inflation Adjustments to Paid-in Capital**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	**Convertible Bonds**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	**Subordinated Debt Instruments**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	**Increase/Decrease by Others Changes**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	**Profit Distribution**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Balances at end of the period (III+IV…+X+XI)		**8,684,430**	-	-	-	-	-	-	-	-	-	-	-	**(153,097)**	**8,531,333**

							Other Comprehensive Income/Expense Items not Reclassified to Profit or Loss			Other Comprehensive Income/Expense Items Reclassified to Profit or Loss						
		Section 5 Part V	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Revaluation surplus on tangible and intangible assets	Defined Benefit Plans' Actuarial Gains/Losses	Other	Translation Difference	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	Other	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Shareholders' Equity
	Current Period - 01.01 – 31.12.2024															
I.	**Prior Period End Balance**		**8,684,430**	-	-	-	-	-	-	-	-	-	-	**(153,097)**	-	**8,531,333**
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)**		**8,684,430**	-	-	-	-	-	-	-	-	-	-	**(153,097)**	-	**8,531,333**
IV.	**Total Comprehensive Income**		-	-	-	-	-	**(103)**	-	-	-	-	-	-	**668,455**	**668,352**
V.	**Capital Increase in Cash**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	**Capital Increase from Internal Sources**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	**Capital Reserves from Inflation Adjustments to Paid-in Capital**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	**Convertible Bonds**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	**Subordinated Debt Instruments**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	**Increase/Decrease by Others Changes**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	**Profit Distribution**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Balances at end of the period (III+IV…+X+XI)		**8,684,430**	-	-	-	-	**(103)**	-	-	-	-	-	**(153,097)**	**668,455**	**9,199,685**

VI. STATEMENT OF CASH FLOWS

		Current Period 01.01 – 31.12.2024	Prior Period 04.12 – 31.12.2023
A.	**CASH FLOWS FROM BANKING OPERATIONS**		
1.1	**Operating Profit Before Changes in Operating Assets and Liabilities**	**114,308**	**(282,203)**
1.1.1	Interest Received	296,810	29,960
1.1.2	Interest Paid	(3,525)	(2,904)
1.1.3	Dividends Received	-	-
1.1.4	Fees and Commissions Received	-	-
1.1.5	Other Income	2,065	-
1.1.6	Collections From Previously Written Off Loans	-	-
1.1.7	Payments To Personnel and Service Suppliers	(65,830)	(800)
1.1.8	Taxes Paid	(178,587)	65,613
1.1.9	Other	63,375	(374,073)
1.2	**Changes in Operating Assets and Liabilities**	**171,040**	**77,884**
1.2.1	Net (Increase) Decrease in Financial Assets Measured at Fair Value Through Profit/Loss	-	-
1.2.2	Net (Increase) Decrease in Due From Banks	18,447	(27,656)
1.2.3	Net (Increase) Decrease in Loans	-	-
1.2.4	Net (Increase) Decrease in Other Assets	32,027	(265,207)
1.2.5	Net Increase (Decrease) in Bank Deposits	-	-
1.2.6	Net Increase (Decrease) in Other Deposits	-	-
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	-	-
1.2.10	Net Increase (Decrease) in Other Liabilities	120,566	370,747
I.	**Net Cash Provided From / (Used in) Banking Operations**	**285,348**	**(204,319)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
II.	**Net Cash Provided From / (Used in) Investing Activities**	**(712,532)**	**(1,109,355)**
2.1	Purchase Of Entities Under Common Control, Associates and Subsidiaries	-	-
2.2	Sale of Entities Under Common Control, Associates and Subsidiaries	-	-
2.3	Fixed Assets Purchases	(716,117)	(1,109,355)
2.4	Fixed Assets Sales	3,585	-
2.5	Purchase of Financial Assets Measured at Fair Value Through Other Comprehensive Income	-	-
2.6	Sale of Financial Assets Measured at Fair Value Through Other Comprehensive Income	-	-
2.7	Purchase of Financial Assets Measured at Amortized Cost	-	-
2.8	Sale of Financial Assets Measured at Amortized Cost	-	-
2.9	Other	-	-
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
III.	**Net Cash Provided From / (Used in) Financing Activities**	**2,505**	**-**
3.1	Cash Obtained From Funds Borrowed and Securities Issued	-	-
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued	-	-
3.3	Capital Increase	-	-
3.4	Dividends Paid	-	-
3.5	Payments for Finance Leases	2,505	-
3.6	Other	-	-
IV.	**Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents**	**833,531**	**136,003**
V.	**Net Increase/(Decrease) in Cash and Cash Equivalents (I+II+III+IV)**	**408,852**	**(1,177,672)**
VI.	**Cash and Cash Equivalents at Beginning of the Period**	**7,506,758**	**8,684,430**
VII.	**Cash and Cash Equivalents at End of the Period (V+VI)**	**7,915,610**	**7,506,758**

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

ENPARA BANK ANONİM ŞİRKETİ

UNCONSOLIDATED STATEMENT OF PROFIT APPROPRIATION FOR THE YEAR ENDED DECEMBER 31, 2024

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

VII. STATEMENT OF PROFIT APPROPRIATION

		Current Period 31.12.2024 (*)	Prior Period 31.12.2023
I.	**DISTRIBUTION OF CURRENT YEAR INCOME**		
1.1	CURRENT YEAR INCOME	847,042	(218,710)
1.2	TAXES AND LEGAL DUTIES PAYABLE (-)	178,587	(65,613)
1.2.1	Corporate tax (Income tax)	75,171	-
1.2.2	Income Withholding Tax	-	-
1.2.3	Other Taxes and Duties	103,416	(65,613)
A.	**NET INCOME FOR THE YEAR (1.1-1.2)**	**668,455**	**(153,097)**
1.3	PRIOR YEAR LOSSES (-)	-	-
1.4	FIRST LEGAL RESERVES (-)	-	-
1.5	OTHER STATUTORY RESERVES (-)	-	-
B.	**NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5)]**	**668,455**	**(153,097)**
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	STATUS RESERVES (-)	-	-
1.12	EXTRAORDINARY RESERVES	-	-
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	**0.0770**	**(0.0176)**
3.2	TO OWNERS OF ORDINARY SHARES (%)	**%7.70**	**(%1.76)**
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 (%)	-	-

(*) Decision regarding the profit distribution for the 2024 will be taken at the General Meeting

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

SECTION THREE

ACCOUNTING POLICIES

I. Basis of Presentation

1. Preparation of the financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and Regulation on Principles Related to Banks' Accounting Applications and Maintaining the Documents

The Bank has prepared its financial statements in accordance with the "Regulation on the Principles and Procedures Regarding Banks' Accounting Practices and Document Storage" published in the Official Gazette dated November 1, 2006 and numbered 26333, and other regulations published by the Banking Regulation and Supervision Agency regarding the accounting and recording system of banks, circulars and explanations of the Banking Regulation and Supervision Agency ("BRSA"), and the provisions of the Turkish Accounting Standard 34 ("TAS 34") Interim Financial Reporting Standard and Turkish Financial Reporting Standards ("TFRS") put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") for matters not regulated by these; "BRSA Accounting and Financial Reporting Legislation".

The Bank received its operating license with the BRSA's decision dated August 15, 2024 and numbered 10945, and started its operations on December 30, 2024. Comparative period information has been rearranged in accordance with the "BRSA Accounting and Financial Reporting Legislation" due to the fact that it did not engage in banking activities as of December 31, 2023.

Amounts included in the financial statements and related explanations and footnotes are expressed in Thousand Turkish Lira ("TRY") unless otherwise stated. Amounts expressed in foreign currencies are stated in full amounts.

Additional Paragraph for Convenience Translation to English:

BRSA Accounting and Financial Reporting Legislation, as described in this section, differ from International Financial Reporting Standards ("TFRS") issued by the International Accounting Standards Board and the differences between accounting principles have not been quantified in the accompanying unconsolidated financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with TFRS.

2. Accounting policies and valuation principles used in preparation of financial statements

The accounting policies and valuation principles used in the preparation of the financial statements are determined and applied, in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"). The accounting policies and valuation principles related with current period are explained in Notes II to XXV below.

The financial statements are prepared according to the historical cost principle, except for the financial assets and liabilities shown at their fair values.

In the preparation of unconsolidated financial statements in accordance with TFRS, the Bank's management is required to make assumptions and estimates about the assets and liabilities in the balance sheet and the contingent issues as of the balance sheet date. These assumptions and estimates are regularly reviewed, necessary adjustments are made and the details of the effects of these adjustments are reflected in the profit or loss statement as explained in the relevant footnotes.

ACCOUNTING POLICIES(Continued)

I. Basis of Presentation (Continued)

2. Accounting policies and valuation principles used in the preparation of the financial statements (Continued)

2.1. Changes in accounting policies and disclosures

None.

2.2. Other

The unconsolidated financial statements have been prepared in accordance with the "Regulation on the Principles and Procedures Regarding Accounting Applications of Banks and Safeguarding of Documents" ("Regulation") published in the Official Gazette dated November 1, 2006 and numbered 26333, in relation to the Banking Law No. 5411 ("Banking Law"), other regulations on accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA") regarding the account recording system of banks, circulars and interpretations of the Banking Regulation and Supervision Agency ("BRSA") and, for matters not regulated by these, the Turkish Financial Reporting Standards ("TFRS") put into effect by the Public Oversight, Accounting and Auditing Standards Authority ("POA") (all together, "BRSA Accounting and Financial Reporting Legislation"). However, TAS 29 "Financial Reporting in Hyperinflationary Economies" standard included in TFRS is not applied to banks and financial leasing, factoring, financing, savings, financing and asset management companies as explained below.

The format and content of the unconsolidated financial statements to be disclosed to the public and 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 These" published in the Official Gazette dated June 28, 2012 and numbered 28337, and the "Communiqué on Disclosures to be Made to the Public by Banks Regarding Risk Management" published in the Official Gazette dated October 23, 2015 and numbered 29511, as well as the communiqués that supplement and amend these communiqués. The Bank keeps its accounting records in Turkish currency in accordance with the Banking Law, the Turkish Commercial Code and the Turkish Tax Legislation.

In the announcement made by the POA on November 23, 2023, it was decided that the companies applying TFRS will apply the "TAS 29 Financial Reporting in High Inflation Economies" standard in their financial statements as of the December 31, 2024 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 TAS 29. In this context, in accordance with the decision of the BRSA dated December 12, 2023 and numbered 10744, it has been decided that the financial statements of banks and financial leasing, factoring, financing, savings, financing and asset management companies as of December 31, 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 of the BRSA dated January 11, 2024 and numbered 10825, they will switch to inflation accounting application as of January 1, 2025. TAS 29 has not been applied to the financial statements as of December 31, 2024 and no inflation adjustment has been made. However, in accordance with the decision of the BRSA dated December 5, 2024 and numbered 11021, it has been decided that inflation accounting will not be applied by banks, as well as by financial leasing, factoring, financing, savings financing, and asset management companies in 2025.

ACCOUNTING POLICIES (Continued)

II. Strategy for the Use of Financial Instruments and the Foreign Currency Transactions

1. Strategy for the use of financial instruments

As of the reporting date, the majority of the Bank's resources consist of equity. The Bank uses the resource to invest mainly in money market transactions. The Bank's liquidity structure is taken into account in a way that all liabilities that are due to mature can be met.

The Bank manages its balance sheet and equity capital within the risk limits determined by the Asset-Liability Committee, regarding the market conditions to the extent possible, in order to keep liquidity, exchange rate and credit risks within certain limits and to maximize profitability. These limits are revised annually.

2. Foreign currency transactions

2.1. Foreign currency exchange rates used in converting transactions denominated in foreign currencies and presentation of them in the financial statements

The Bank accounts for the transactions denominated in foreign currencies in accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign exchange gains and losses arising from transactions that are completed as of December 31, 2024 are translated to TRY by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities except for non-monetary items are converted into TRY by using foreign currency exchange rates of the Bank for the period end and the resulting exchange differences are recorded as foreign exchange gains and losses.

2.2. Net profit or loss is included in the total foreign exchange differences for the period

The profit/loss of the Bank due to the foreign exchange position it carries and the foreign exchange transactions it carries out is included under the foreign exchange transaction profit/loss item in the profit or loss statement. The profit/loss gain/loss from spot foreign exchange transactions in the balance sheet is included under the Foreign exchange gain/losses in the statement of profit or loss.

As of December 31, 2024, there is a net foreign exchange profit of TRY 1,395,480 (December 31, 2023 - TRY 132,161 net foreign exchange income) for the period ending.

III. Information on Associates and Subsidiaries and Entities Under Common Control

None.

IV. Explanations on Futures and Options Contracts and Derivative Products

None.

V. Explanations on Interest Income and Expenses

Interest income is recorded according to the effective interest rate method on an accrual basis. The Bank records the interest expenses on an accrual basis.

VI. Explanations on Fees and Commission Income and Expenses

Except for fees and commissions that are integral part of the effective interest rates of financial instruments measured at amortized costs, the fees and commissions are accounted for in accordance with TFRS 15 Revenue from Contracts with Customers. Except for certain fees related with certain banking transactions and recognized when the related service is given, fees and commissions received or paid, and other fees and commissions paid to financial institutions are accounted under accrual basis of accounting throughout the service period.

ACCOUNTING POLICIES (Continued)

VII. Explanations and Disclosures on Financial Instruments

Initial recognition of financial instruments

The Bank shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets shall be recognized and derecognized, as applicable, using trade date accounting or settlement date accounting. Purchase and sale transactions of securities are accounted at the settlement date.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on the contractual conditions and the relevant business model. A financial asset or financial liability, excluding assets assessed under TFRS 15, is initially measured at its fair value when first recognized in the financial statements. In the initial measurement of financial assets and liabilities, excluding those for which fair value changes are reflected in profit or loss, transaction costs directly attributable to the acquisition or issuance are either added to or deducted from their fair value.

Classification of financial instruments

On which category a financial instruments shall be classified at initial recognition depends on both the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

As per TFRS 9, the Bank classifies a financial asset on the basis of its contractual cash flow characteristics if the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In order to assess whether the element provides consideration for only the passage of time, an entity applies judgement and considers relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set. When the contractual conditions are exposed to the risks which are not consistent with the basic lending arrangement or variability of cash flows, the relevant financial asset is measured at fair value through profit or loss. The Bank tested all financial assets whether their "Contractual cash-flows solely represent payments of principal and interest" and assessed the asset classification within the business model.

Assessment of business model

As per TFRS 9, the Bank's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Bank's business models are divided into three categories.

Business model aimed to hold assets in order to collect contractual cash flows

This is a model whose objective is to hold assets in order to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument. The financial assets that are held within the scope of this business model are measured at amortized cost when the contractual terms of the financial asset meet the condition of giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Receivables from the Central Bank, Banks, Money Market Placements, investments under financial assets measured at amortized cost, loans, leasing receivables, factoring receivables and other receivables are assessed within this business model.

ACCOUNTING POLICIES (Continued)

VII. Explanations and Disclosures on Financial Instruments (Continued)

Business model aimed to collect contractual cash flows and sell financial assets

This is a model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Fair value change of the financial assets that are held within the scope of this business model are accounted under other comprehensive income when the contractual terms of the financial asset meet the condition of giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at fair value through other comprehensive income are assessed in this business model.

Other business models

Financial assets are measured at fair value through profit or loss in case they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Financial assets measured at fair value through profit/loss and derivative financial assets are assessed in this business model.

Measurement categories of financial assets and liabilities

Financial assets are classified in three main categories as listed below in accordance with TFRS 9:

- 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

Financial Assets at Fair Value Through Profit or Loss:

Financial assets at fair value through profit/loss are financial assets other than the ones that are managed with business model that aimed to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and in case of the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; that are either acquired for generating a profit from short term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and measured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the the statement of profit or loss.

In accordance with the Uniform Chart of Accounts (UCoA) explanations, the positive difference between the acquisition cost and the discounted value of a financial asset is recorded under “Interest Income”, if the fair value of the asset exceeds the discounted value, the positive difference is recorded in the “Capital Market Transactions Profits” account. Conversely, if the fair value is lower than the discounted value, the negative difference between the discounted value and the fair value is recorded in the “Capital Market Transactions Losses” account. In cases where such assets are sold before their maturities, the gains/losses on such sales are recorded under trading account income/losses.

As of December 31, 2024, the Bank does not have any financial assets at fair value through profit or loss.

ACCOUNTING POLICIES (Continued)

VII. Explanations and Disclosures on Financial Instruments (Continued)

Financial Assets at Fair Value Through Other Comprehensive Income

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income. Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are measured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to the statement of profit or loss.

Unrealized incomes and losses arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the statement of profit or loss and other comprehensive income of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Other Accumulated Comprehensive Income or Expenses Reclassified to Profit or Loss" under shareholders' equity. When the aforementioned securities are collected or disposed, accumulated fair value differences which were reflected under equity, are reflected in the statement of profit or loss and other comprehensive income. Equity securities, which are classified as financial assets at fair value through other comprehensive income, that have a quoted market price in an active market and whose fair values can be reliably measured are carried at fair value. Equity securities that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are carried at cost, less provision for impairment.

As of December 31, 2024, the Bank does not have any financial assets at fair value through other comprehensive income.

Financial Assets Measured at Amortized Cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost. Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognized at "amortized cost" by using "effective interest rate method". Interest income obtained from financial assets measured at amortized cost is accounted in statement of profit or loss and other comprehensive income.

As of December 31, 2024, the Bank does not have any financial assets measured at amortised cost.

VIII. Explanations on Expected Credit Losses

The Bank recognizes a loss allowance for expected credit losses on financial assets and loans measured at amortized cost, financial assets measured at fair value through other comprehensive income, loan commitments and financial guarantee contracts not measured at fair value through profit/loss based on TFRS 9 and the regulation published in the Official Gazette No. 29750 dated June 22, 2016 in connection with "Procedures and Principals regarding Classification of Loans and Allowances Allocated for Such Loans" effective from January 1, 2018. At each reporting date, the Bank shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. The Bank considers the changes in the default risk of financial instrument, when making the assessment.

ACCOUNTING POLICIES (Continued)

VIII. Explanations on Expected Credit Losses (Continued)

Stage 1:

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk is recorded in the amount of expected credit losses on the 12-month default risk. It is calculated 12-month expected credit loss based on a probability of default realized within 12 months after the reporting date. Such expected 12-month probability of default is applied on an expected exposure at default, multiplied with loss given default rate and discounted with the original effective interest rate.

The Bank started its operations with treasury transactions in the nature of bank placement and foreign exchange sales on December 30, 2024 without accepting active customers. Basel II minimum default probability rate was used in the expected loss calculations for receivables subject to placement transactions as of December 31, 2024.

Stage 2:

As of the reporting date of the financial asset, in the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined on the basis of the instrument's lifetime expected credit losses. The calculation method is similar to the one described in the above paragraph, but the probability of default and the loss rate in default are estimated throughout the life of the instrument.

As of December 31, 2024, the Bank does not have any financial assets classified as Stage 2.

Stage 3:

Financial assets considered as impaired at the reporting date are classified as Stage 3. The probability of default is taken into account as 100% in the calculation of impairment provision and the Bank accounts lifetime expected credit losses. In determining the impairment, the Bank takes into consideration the following criteria:

- Delay of over 90 days and impairment of creditworthiness.
- Collateral and/or equity of debtor is inadequate cover the payment of receivables on the maturity.
- In case the management believes that collection of receivables will be delayed by more than 90 days due to the macroeconomic, sector-specific or customer-specific reasons.

As of December 31, 2024, the Bank does not have any financial assets classified as Stage 3.

Calculation of expected credit losses

The Bank measured expected credit losses with the reasonable, objective and supportable information based on a probability-weighted including estimations about time value of money, past events, current conditions and future economic conditions as of the reporting date, without undue cost or effort. The calculation of expected credit losses consists of three main parameters: Basel II minimum default probability and loss given default rate are used in the expected loss calculations for receivables subject to placement transactions as of December 31, 2024.

ACCOUNTING POLICIES (Continued)

VIII. Explanations on Expected Credit Losses (Continued)

Write-off Policy

Receivables that are classified as non-performing loans are collected primarily within the framework of administrative contacts with the debtors, and if no results are obtained, through legal means, in case the write-off of the uncollectible receivables comes to the agenda, one of the methods of destruction, sale of receivables and write-off can be applied.

In accordance with the provisions of the "Regulation on the Amendment of the Regulation on the Classification of Loans and the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated July, 2021 and numbered 31533, they are classified under the "Fifth Group-Loans with Losses" and are expected for life due to the default of the debtor. The portion of the loans for which there is no reasonable expectation of the recovery of the loan loss provision is deducted from the records within the period determined specifically for the situation of the borrower within the scope of TFRS 9, starting from the first reporting period (interim or year-end reporting period) following their classification in this Group. In this context, deducting the loans that cannot be collected from the records is an accounting practice and does not result in the waiver of the right to receivable.

IX. Explanations on Netting of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported on the balance sheet when the Bank has a legally enforceable right to offset the recognized amounts, and the intention of collecting or paying the net amount of related assets and liabilities or to realize the asset and settle the liability simultaneously.

X. Explanations on Sales and Repurchase Agreements and Lending of Securities

None.

XI. Explanations on Assets Held for Sale and Discontinued Operations

None.

XII. Explanations on Goodwill and Other Intangible Assets

The Bank’s intangible assets consist of software and intangible rights.

The intangible assets are recorded at their historical cost less accumulated amortization and provision for impairment, if any. Amortization is calculated on a straight-line basis.

Softwares have been classified as other intangible fixed assets. The useful life of softwares is determined as 3-5 years.

If there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the “Turkish Accounting Standard on Impairment of Assets” (TAS 36) and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made. There is no goodwill in the attached unconsolidated financial statements since there is no associates, entities under common controls and subsidiaries in financial statements.

ACCOUNTING POLICIES (Continued)

XIII. Explanations on Tangible Assets

Initial records of tangible fixed assets are made based on their cost, which is calculated by adding the acquisition amount and other direct expenses necessary to make the asset usable. Tangible assets are valued at their remaining amounts after deducting accumulated depreciation and accumulated value decreases, if any, from their cost in the period following their recording.

Depreciation for tangible fixed assets is separated by taking into account the estimated useful lives of the assets using the straight-line method.

The Bank depreciates special expenses on real estate acquired through operating leases before December, 2009 according to their useful lives. Depreciation of the leasehold improvements acquired after this date is calculated over the lease period not exceeding 5 years where the lease duration is certain; or 5 years where the lease period is not certain in accordance with "Communiqué on the Amendment of Communiqué on Uniform Chart of Accounts and Explanatory Notes" dated January 10, 2011.

As of the balance sheet date, with respect to assets which are monitored under tangible assets for less than one year, the projected depreciation amount for a full year, is allocated in proportion to the tangible asset's period of stay in the assets.

The profit or loss arising from the disposal of tangible fixed assets is reflected in the profit or loss statement as the difference between the net disposal proceeds and the net book value of the tangible fixed asset.

Expenses for repairs are capitalized if the expenditure increases economic life of the asset; otherwise they are expensed.

There are no changes in the accounting estimates in regards to amortization duration that could have a significant impact on the current and future financial statements. There are no pledges, mortgages or other restrictions on the tangible assets. There are no purchase commitments related to the fixed assets.

XIV. Explanations on Leasing Transactions

With the introduction of TFRS 16 Leases, the distinction between operating leases and finance leases has been eliminated. Fixed assets acquired through leasing are recorded as "Tangible Fixed Assets" on the asset side and "Finance Lease Liabilities" on the liability side of the Bank's balance sheet at the commencement of the lease. At the start of the lease, the Bank calculates the right-of-use asset by taking the present value of the lease payments and presents it under "Tangible Fixed Assets." On the liability side, the Bank records the unpaid lease payments as "Finance Lease Liabilities," measured at their present value as of the relevant date. Lease payments are discounted using the borrowing interest rate. Direct costs incurred for the lease are added to the cost of the assets acquired through financial leasing and capitalized. Lease payments include both the financing costs arising from the lease and the portion of the leased asset's value attributable to that period.

TFRS 16 Leases

The TFRS 16 Standard eliminates the dual accounting model, which is the current practice for lessees, whereby financial leases are shown on the balance sheet and operational leases are shown off the balance sheet. Instead, a single balance sheet-based accounting model similar to the current financial lease accounting is introduced. For lessors, accounting continues to be substantially similar to current practices.

Set out below are the accounting policies of the Bank upon application of TFRS 16:

ACCOUNTING POLICIES (Continued)

XIV. Explanations on Leasing Transactions (Continued)

Right of Use Assets

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The right use includes the presence of:

- The initial measurement of the lease,
- The amount obtained by deducting all lease incentives received from all lease payments made on or before the date the lease actually begins and
- All initial direct costs incurred by the Bank.

At the end of the lease term of the underlying asset's service, the transfer of the Bank is reasonably finalized, and the Bank depreciates the asset until the end of the life of the underlying asset on which the lease actually began. Right-of-use assets are subject to impairment.

Lease Liabilities

The Bank measures the lease obligation at the present value of the unpaid lease payments on the date that the lease commences.

Lease payments included in the measurement of the lease obligation on the date that the lease actually commences, consists of the following payments to be made for the right of use of the underlying asset during the lease period and not paid on the date the lease actually starts:

- Fixed payments,
- Variable lease payments based on an index or rate, the first measurement made using an index or rate on the actual date of the lease,
- Amounts expected to be paid by the Bank under the residual value commitments,
- Fines for termination of the lease if the lease term indicates that the Bank will use an option to terminate the lease.

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or condition that triggered the payment occurred. The Bank revises the revised discount rate for the remainder of the lease term, if the implicit interest rate in the lease can be easily determined; the Bank’s alternative borrowing interest rate at the date of the revaluation.

After the effective date of the lease, the Bank measures the lease obligation as follows:

- Increase the carrying amount to reflect the interest on the lease obligation and
- Decreases the carrying amount to reflect the lease payments made.
- In addition, in the event of a change in the lease term, in essence a change in fixed lease payments or a change in the assessment of the option to buy the underlying asset, the value of the lease obligations is remeasured.

Short-Term Leases and Leases of Low-Value Assets

The Bank applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

ACCOUNTING POLICIES (Continued)

XIV. Explanations on Leasing Transactions (Continued)

Extension and early termination options

The leasing obligation is determined by taking into account the extension and early termination options in the contracts. The majority of the extension and early termination options in the contracts consist of options that can be applied jointly by the Bank and the lessor. However, if the extension and early termination options in question are at the discretion of the Bank according to the contract and the exercise of the options is reasonably certain, the lease term is determined by taking this into account. If there is a significant change in the conditions, the evaluation made is reviewed by the Bank.

Due to the Bank's TFRS 16 application, the right of use asset classified under property, plant and equipment is TRY 3,041 as of December 31, 2024 (December 31, 2023 - None), the lease liability is TRY 3,114 (December 31, 2023 - None), the finance expense is TRY 609 (December 31, 2023 - None), and the depreciation expense is TRY 3,103 (December 31, 2023 - None).

XV. Explanations on Provisions and Contingent Liabilities

Provisions, other than expected credit loss for loans and other receivables, and contingent liabilities are provided for in accordance with TAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. Provisions are accounted for immediately when obligations arise as a result of past events and a reliable estimate of the obligation is made by the Bank. Whenever the amount of such obligations cannot be measured, they are regarded as “contingent”. In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled, and a reliable estimate can be made of the amount obligation. If these criteria are not met, the Bank discloses these issues in the explanations and notes related to the financial statements. In cases where reliable estimate cannot be made of the amount of the obligation, it is considered contingent liabilities. For contingent liabilities if the probability that the event will occur is greater than the probability that it will not and the amount of the obligation can be measured reliably, a provision is made.

XVI. Explanations on Obligations of the Bank Concerning Employee Benefits

Provision for employee severance benefits has been accounted for in accordance with Employee Benefits (“TAS 19”).

In accordance with the existing social legislation in Türkiye, the Bank is required to make lump-sum termination indemnities including retirement and notice payments to each employee whose employment is terminated due to resignation or for reasons other than misconduct. The retirement pay is calculated for every working year within the Bank over salary for 30 days or the official ceiling amount per year of employment and the notice pay is calculated for the relevant notice period time as determined based on the number of years worked for the Bank.

The Bank has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements. According to TAS 19, The Bank recognizes all actuarial incomes and losses immediately through other comprehensive income.

Provision for the employees’ unused vacations has been booked in accordance with TAS 19 and reflected to the financial statements.

There are no foundations, pension funds or similar associations of which the employees are members.

ACCOUNTING POLICIES (Continued)

XVII. Explanations on Taxation

1. Corporate tax

According to the Corporate Tax Law No. 5520 published in the Official Gazette No. 26205 dated June 21, 2006, it is stated that; "While corporate tax is calculated at a rate of 20% on corporate profits, Corporate tax is collected at a rate of 25% on the corporate earnings of banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies".

Law No. 7456, which entered into force after being published in the Official Gazette No. 32249 dated July 15, 2023, on the Issue of Additional Motor Vehicle Tax to Compensate the Economic Losses Caused by the Earthquakes that Occurred on February 6, 2023 and in the 21st article of Amending Certain Laws and the Decree Law No. 375 with in the first paragraph of the 32nd article of the Law No. 5520 the phrase "20%" has been changed to "25%" and the phrase "25%" to "30%". This change is valid to be applied to the earnings earned in 2023 and subsequent taxation periods, starting from the returns that must be submitted as of October 1, 2023. Prepaid taxes are tracked in the "Current Tax Liability" or "Current Tax Asset" accounts to be offset with the corporate tax liability of the relevant year.

Banks calculate provisional tax at the rate of 30% on their quarterly financial profits to be applied to their profits earned in 2024 and subsequent taxation periods, starting from the declarations that must be submitted as of October 1, 2023 for the 2023 taxation periods, and they declare and pay it until the 17th day of the second month following that period. With the 9th article of the Law No. 7338 on the Amendment of the Tax Procedure Law and Some Laws published in the Official Gazette dated October 26, 2021 and numbered 31640, the repetitive article 120 of the Income Tax Law No. 193 was amended and it has been stated that provisional tax will be calculated and paid on the quarterly earnings determined for the first nine months of the relevant accounting period, which is applied from the declarations submitted. The temporary tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year. If the amount of temporary tax paid remains despite the deduction, this amount can be refunded in cash or deducted.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, if they do not exceed 5 years. According to the Tax Procedure Law, declarations and related accounting records can be examined by the tax office within five years. On the other hand, if the provision of a document subject to stamp duty, whose tax and penalty is time-barred, is utilized after the expiry of the statute of limitations, the tax receivable of the aforementioned document arises.

The corporate tax provisions calculated over the profit for the period are recorded in the "Current Tax Provision" account in the profit or loss statement, and the current tax effects of the transactions that are directly accounted for in equity are reflected in the shareholders' equity.

In cases where the profit for the period is not distributed or added to the capital, it is not subject to withholding tax.

The financial statements should be subject to inflation if both of the following conditions are met within the framework of the Tax Procedure Law's reiterated article 298/A:

- The increase in the price index (D-PPI- Domestic Producer Price Index) exceeded 100% in the last three accounting periods, including the current period, and
- To be more than 10% in the current accounting period

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. Explanations on Taxation (Continued)

1. Corporate Tax (Continued)

The law on the amendment of the Tax Procedure Law and the Corporate Tax Law was enacted on January 20, 2022, with the Law No. 7352, and the conditions regarding the inflation adjustment within the scope of the repeated article 298 are determined in the 2021 and 2022 accounting periods and the 2023 accounting period temporary tax periods, including the temporary accounting periods. It has been decided that the financial statements will not be subject to inflation adjustment, regardless of whether the financial statements have been made. In line with the Law No. 7352, inflation adjustment will be applied to the financial statements dated December 31, 2023, and the profit/loss difference arising from the inflation adjustment will be shown in the previous years' profit/loss account and will not be taxed. The provision added by Article 17 of Law No. 7491, following the third paragraph of temporary Article 33 of Law No. 213, states that 'Banks, companies within the scope of Law No. 6361 on Financial Leasing, Factoring, Financing, and Savings Financing Companies, payment and electronic money institutions, authorized exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies, are not taken into account in determining income for the fiscal periods, including temporary tax periods, in 2024 and 2025, regarding the profit/loss difference arising from the inflation adjustment.

2. Deferred Taxes

The Bank calculates deferred tax in accordance with the provisions of the Turkish Accounting Standard on Income Taxes (“TAS 12”) for taxable temporary differences arising between the book value of an asset or liability and its taxable value determined in accordance with tax legislation and reflects these in its records. In the Bank's deferred tax calculation, the enacted tax rates valid in accordance with the current tax legislation are used for the relevant items in accordance with the period in which the tax will occur.

The Corporate Tax rate for banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and retirement companies will be applied as 30% starting from the declarations to be submitted as of October 1, 2023, and will also be applied to the profits obtained in 2023 and the following taxation periods. As of December 31, 2024, a deferred tax calculation was made according to the rate of 30% for assets and liabilities.

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.

The Bank records deferred tax for Stage 1 and Stage 2 expected loss provisions. Deferred tax effects related to transactions whose profit/loss effect is directly recognized in equity are also reflected in equity.

3. Local and Global Minimum Supplementary Corporate Tax

In September 2023, POA issued amendments to TAS 12 that introduce a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws that have been enacted, or are substantively enacted, for the purpose of applying the Second Pillar Model Rules issued by the Organization for Economic Cooperation and Development (OECD). These amendments also introduce certain disclosure requirements for entities affected by such tax laws. The exemption from recognizing and disclosing information about deferred taxes and the disclosure requirement for when the exemption has been applied are effective upon issuance of the amendments.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. Explanations on taxation (Continued)

3. Local and Global Minimum Supplementary Corporate Tax (Continued)

Pillar 2 regulations agreed upon by OECD member countries entered into force in Türkiye with the Law No. 7524 on Amendments to Tax Laws, Certain Laws and Decree Law No. 375 published in the Official Gazette dated August 2, 2024. Although secondary legislation on the subject has not been published, preliminary assessments based on the regulations published by the OECD indicate that these regulations will not have any impact on the financials. However, changes in legislation in Türkiye and other countries where Enpara Bank A.Ş. operates are monitored.

4. 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 Communique on Disguised Profit Distribution by way of Transfer Pricing" published on November 18, 2007 explains the application related issues in detail. According to this Communique, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm's length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes. Disguised profit distribution amount will be recognized as share in net profit and stoppage tax will be calculated depending on whether the profit distributing institution is a real or corporate entity, full-fledged or foreign based taxpayer, is subject to or exempt from tax.

As discussed under subject Communique's 7.5 Annual Documentation section, taxpayers are required to fill out the "Transfer Pricing, Controlled Foreign Entities and Thin Capitalization" form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices.

XVIII. Additional Explanations on Borrowings

The Bank generates funds from domestically and internationally resident people and institutions by using debt instruments such as syndication, securitization, collateralized debt and bond issuance, when necessary. Aforementioned transactions are initially recorded at transaction cost plus acquisition cost, reflective of their fair value, and are subsequently measured at amortized cost by using effective interest rate method. As of December 31, 2024, the Bank's liabilities do not include any debt instruments obtained from individuals and institutions resident in the country or abroad.

XIX. Explanations on Share Issues

There are no shares issued in 2024 (December 31, 2023 – None).

XX. Explanations on Confirmed Bills of Exchange and Acceptances

None (December 31, 2023 – None).

XXI. Explanations on Government Incentives

As of December 31, 2024 the Bank does not have any government incentives or supports (December 31, 2023 – None).

ACCOUNTING POLICIES (Continued)

XXII. Explanations on Segment Reporting

As of December 31, 2024, the Bank carries out its activities through treasury transactions.

Current Period (January 1–December 31, 2024)	Retail Banking	Corporate and Commercial Banking	Treasury and Head Office	Total Operations of the Bank
Operating income	**-**	**-**	**1,689,497**	**1,689,497**
Profit Before Taxes	**-**	**-**	**847,042**	**847,042**
Provision Tax (-)	**-**	**-**	**178,587**	**178,587**
Net Profit/Loss	**-**	**-**	**668,455**	**668,455**
Total Assests	**-**	**-**	**9,694,213**	**9,694,213**
Segment Assets	-	-	9,694,213	9,694,213
Total Liabilities	**-**	**-**	**9,694,213**	**9,694,213**
Segment Liabilities	-	-	494,528	494,528
Equity	-	-	9,199,685	9,199,685

Prior Period (January 1 – December 31, 2023)	Retail Banking	Corporate and Commercial Banking	Treasury and Head Office	Total Operations of the Bank
Operating income	**-**	**-**	**156,779**	**156,779**
Profit Before Taxes	**-**	**-**	**(218,710)**	**(218,710)**
Provision Tax (-)	**-**	**-**	**(65,613)**	**(65,613)**
Net Profit/Loss	**-**	**-**	**(153,097)**	**(153,097)**
Total Assests	**-**	**-**	**8,902,079**	**8,902,079**
Segment Assets	-	-	8,902,079	8,902,079
Total Liabilities	**-**	**-**	**8,902,079**	**8,902,079**
Segment Liabilities	-	-	370,746	370,746
Equity	-	-	8,531,333	8,531,333

XXIII. Explanations on Profit Reserves and Profit Distribution

At the Bank's Ordinary General Assembly meeting held on March 27, 2024, it was decided that no profit distribution would be made for 2023, as the company had not started its operations at that time and there was no accrued profit subject to distribution.

XXIV. Explanations on Earnings Per Share

Earnings per share listed on the statement of profit or loss and other comprehensive income is calculated by dividing net profit to weighted average amount of shares issued within respective year.

	Current Period	Prior Period
Net Profit for the Period (Full TRY)	668,454,993	(153,097,067)
Weighted Average Amount of Shares Issued	8,684,430,004	8,684,430,004
Earnings Per Share	**0.0770**	**(0.0176)**

In Türkiye, companies can increase capital through “bonus share” distributed from previous year In Türkiye, companies can increase capital through “bonus share” distributed from previous year earnings to current shareholders. Such “bonus share” distributions are accounted as issued shares while calculating earnings per share. Accordingly, weighted average amount of shares issued used in these calculations is found through taking into consideration retroactive effects of subject share distributions. In case, amount of shares issued increases after the balance sheet date but before the date of financial statement preparation due to distribution of “bonus share”, earnings per share is calculated taking into consideration the new amount of shares.

As of December 31, 2024, there are no bonus shares issued (December 31, 2023 - None).

XXV. Explanations on Other matters

None.

SECTION FOUR

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK

I. Explanations on Equity

Total capital and Capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks". As of December 31, 2024 Bank's total capital has been calculated as TRY 9,084,841 and the capital adequacy standard ratio is 233.53%.

In the calculation of the amount subject to credit risk, in accordance with the Regulation on the Measurement and Evaluation of Capital Adequacy of Banks (Regulation) published in the Official Gazette dated October 23, 2015, as stated in the Board Decision dated December 12, 2023 and numbered 10747; when calculating the values of monetary assets and non-monetary assets, other than items in foreign currency measured in historical cost, pursuant to TAS and related special provisions; the application for the use of the Central Bank of the Republic of Türkiye foreign exchange buying rate as of June 26, 2023 has been decided to continue using the CBRT's foreign exchange buying rate as of June 28, 2024 as of January 1, 2025, until a BRSA Decision to the contrary is taken.

In accordance with the BRSA Decision No. 10747 dated December 12, 2023, if the net valuation differences of the securities held by the banks in the "Securities at Fair Value Through Other Comprehensive Income" portfolio are negative as of January 1, 2024, to be calculated in accordance with the Regulation on Equity of Banks published in the Official Gazette dated September 5, 2013 and numbered 28756, and to continue to apply the existing provisions of the said Regulation for "Securities at Fair Value Through Other Comprehensive Income" acquired after the date of this decision.

Since the Bank has its operating license with the BRSA's decision numbered 10945 dated August 15, 2024, started its operations on December 30, 2024 and was not engaged in banking activities on December 31, 2023, information regarding the Prior Period is not included in the tables regarding explanations on total capital.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. Explanations on Equity (Continued)

Explanations on Equity	Current Period December 31, 2024
COMMON EQUITY TIER 1 CAPITAL	
Paid-in capital following all debts in terms of claim in liquidation of the Bank	8,684,430
Share issue premiums	-
Reserves	(103)
Gains recognized in equity as per TAS	-
Profit	515,358
Current Period Profit	668,455
Prior Period Profit	(153,097)
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-
Common Equity Tier 1 Capital Before Deductions	**9,199,685**
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	-
Improvement costs for operating leasing	8,755
Goodwill (net of related tax liability)	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	107,159
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-
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	**115,914**
The positive difference between the expected credit loss provisions under TFRS 9 and the total provision amount calculated before the application of TFRS 9	-
Total Common Equity Tier I Capital	**9,083,771**

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. Explanations on Equity (Continued)

ADDITIONAL TIER I CAPITAL	Current Period December 31, 2024
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	-
Total of Net Long Positions of the 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	-
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)	**9,083,771**
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)	1,070
Tier II Capital Before Deductions	**1,070**
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	**1,070**
Total Capital (The sum of Tier I Capital and Tier II Capital)	**9,084,841**
Deductions from Total Capital	
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	-
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 owns 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 owns 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	-

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. Explanations on Equity (Continued)

	Current Period December 31, 2024
TOTAL CAPITAL	
Total Capital	9,084,841
Total Risk Weighted Amounts	3,890,183
Capital Adequacy Ratios	
Core Capital Adequacy Ratio (%)	233.50
Tier 1 Capital Adequacy Ratio (%)	233.50
Capital Adequacy Ratio (%)	233.53
BUFFERS	
Bank specific total common equity tier 1 capital ratio (%)	2.50
a) Capital conservation buffer requirement (%)	2.50
b) 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 (%)	229.00
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 tenthousandtwentyfive limitation)	1,070
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	1,070
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, 2023)	
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	-

1. Information on debt instruments to be included in the equity calculation

None. (31.12.2023 – None.)

2. Explanations on the reconciliation of shareholders' equity items and balance sheet amounts

	Current Period
Balance sheet total equity	**9,199,685**
Hedge funds	-
Discounts made within the scope of the regulation	115,914
TFRS 9 transition period application (Temporary Article 5)	-
Accumulated revaluation and/or reclassification gains/losses on financial assets at fair value through other comprehensive income	-
Core Capital	**9,083,771**
Additional capital	-
Capital	**9,083,771**
Expected loss allowance (Stages 1 and 2)	1,070
Debt instruments deemed appropriate by the institution	-
Discounts made within the scope of the regulation	-
Total Equity	**9,084,841**

II. Explanations on Risk Management

Since the Bank has its operating license with the BRSA's decision numbered 10945 dated August 15, 2024, started its operations on December 30, 2024 and was not engaged in banking activities on December 31, 2023, information from the Previous Period is not included in the tables regarding Disclosures on Risk Management.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk

Explanations Regarding Credit Risk Credit risk refers to the risks and losses that may arise from the failure of the counterparty with which the Bank has a relationship to partially or completely fulfill its obligations on time by not complying with the requirements of the contract it has made with the Bank.

Credit strategies and policies are determined by the relevant committees. These policies and strategies are created in accordance with the practices of the parent company and credit risk is managed in accordance with these policies and strategies. The desired credit portfolio quality is regularly monitored with the help of metrics compatible with the Bank's risk appetite specified in the Risk Appetite Statement document.

Credit risk management takes place at every stage of the Bank's credit process from the beginning. Credit requests are evaluated by independent allocation departments that do not have a profit target. Credit limits are determined on a product basis and in total for each individual customer, corporate customer and risk group.

The Bank's policies regarding the calculation of expected loss provisions are explained in footnote VIII of section three.
In accordance with the Regulation on the Measurement and Assessment of Capital Adequacy of Banks (Regulation) published in the Official Gazette dated October 23, 2015 and specified in the Board Decision dated December 12, 2023 and numbered 10747, in the calculation of the amount subject to credit risk; in calculating the amounts valued in accordance with the Turkish Accounting Standards and the relevant special provision amounts of monetary and non-monetary assets, other than items in foreign currency measured in terms of historical cost, the practice of using the Central Bank of the Republic of Turkey foreign exchange buying rate as of June 26, 2023 shall be continued by using the CBRT foreign exchange buying rate as of June 28, 2024, to be applied as of January 1, 2025, until a Board Decision to the contrary is taken.

It has been announced that, in the event that the net valuation differences of the securities held by banks in the "Securities at Fair Value Through Other Comprehensive Income" portfolio are negative as of January 1, 2024, it has been decided to grant the opportunity to not take these differences into account in the equity amount to be calculated and used for the capital adequacy ratio in accordance with the Regulation on Equity of Banks published in the Official Gazette dated September 5, 2013 and numbered 28756, and to continue to apply the existing provisions of the said Regulation for the "Securities at Fair Value Through Other Comprehensive Income" acquired after January 1, 2024.

	Current Period	
Risk Classes:	**Risk Amount (**)**	**Average Risk Amount (*)**
Conditional and unconditional receivables from central governments and Central Banks	2,574	2,574
Conditional and unconditional receivables from regional or local governments	-	-
Conditional and unconditional receivables from administrative bodies and noncommercial enterprises	-	-
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	7,637,737	7,637,737
Conditional and unconditional receivables from corporates	-	-
Conditional and unconditional receivables from retail portfolios	-	-
Conditional and unconditional receivables secured by mortgages	-	-
Past due receivables	-	-
Receivables defined under high risk category by BRSA	-	-
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	1,651,976	1,651,976

(*) Since the bank started its treasury operations on December 30, 2024 without accepting active customers, the average risk amount is given as December 2024.
(**) The risk amounts are given after the loan conversion rate, and before Loan Risk Reduction.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Profile of Significant Risks in Major Regions :

	Exposure Categories (*)																	
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**Total**
Current Period																		
1. Domestic	2,574	-	-	-	-	7,637,737	-	-	-	-	-	-	-	-	-	-	1,651,976	9,292,287
2. EU Countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. OECD Countries (**)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. USA, Canada	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Other Countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Undistributed Assets/Liabilities (***)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**2,574**	**-**	**-**	**-**	**-**	**7,637,737**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,651,976**	**9,292,287**

(*) Exposure categories based on "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks. The risk amounts are given after the loan conversion rate, and before Loan Risk Reduction.
(**) Includes OECD countries other than EU countries, USA and Canada.
(***) Includes assets and liability items that cannot be allocated on a consistent basis

1-Conditional and unconditional receivables from central governments or central banks
2-Conditional and unconditional receivables from regional or local governments
3-Conditional and unconditional receivables from administrative units and non-commercial enterprises
4-Conditional and unconditional receivables from multilateral development banks
5-Conditional and unconditional receivables from international organizations
6-Conditional and unconditional receivables from banks and brokerage houses
7-Conditional and unconditional receivables from corporates
8-Conditional and unconditional retail receivables
9-Conditional and unconditional receivables secured by mortgages
10-Past due receivables
11-Receivables defined as high risk category by the Regulator
12-Mortgage-backed Securities
13-Securitization Positions
14-Short-Term Receivables and Short-Term Corporate Receivables from banks and brokerage houses
15-Investments in the Nature of Collective Investment
16-Investment in equities
17-Other receivables

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Risk Profile by Sectors or Counterparties :

	Exposure Categories (*)																			
Current Period	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**TRY**	**FC**	**Total**
Agriculture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Farming and Livestock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forestation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fishing Industry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mining and Quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing Industry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity, Gas, Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	**2,574**	-	-	-	-	**7,637,737**	-	-	-	-	-	-	-	-	-	-	-	**6,856,427**	**783,884**	**7,640,311**
Wholesale and Retail Trade	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hotels and Restaurants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation and Communications	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Institutions	2,574	-	-	-	-	7,637,737	-	-	-	-	-	-	-	-	-	-	-	6,856,427	783,884	7,640,311
Real Estate and Rent Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Business Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Education Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1,651,976**	**1,651,976**	-	**1,651,976**
Total	**2,574**	-	-	-	-	**7,637,737**	-	-	-	-	-	-	-	-	-	-	**1,651,976**	**8,508,403**	**783,884**	**9,292,287**

(*) Includes risk amounts before the effect of credit risk mitigation but after the credit conversions.

1-Conditional and unconditional receivables from central governments or central banks
2-Conditional and unconditional receivables from regional or local governments
3-Conditional and unconditional receivables from administrative units and non-commercial enterprises
4-Conditional and unconditional receivables from multilateral development banks
5-Conditional and unconditional receivables from international organizations
6-Conditional and unconditional receivables from banks and brokerage houses
7-Conditional and unconditional receivables from corporates
8-Conditional and unconditional retail receivables
9-Conditional and unconditional receivables secured by mortgages
10-Past due receivables
11-Receivables defined as high risk category by the Regulator
12-Mortgage-backed Securities
13-Securitization Positions
14-Short-Term Receivables and Short-Term Corporate Receivables from banks and brokerage houses
15-Investments in the Nature of Collective Investment
16-Investment in equities
17-Other receivable

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Analysis of maturity-bearing exposures according to remaining maturities (*):

Current Period	Term to Maturity				
Exposure Categories	Up to 1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Conditional and unconditional receivables from central governments and Central Banks	-	-	-	-	-
Conditional and unconditional receivables from regional or local governments	-	-	-	-	-
Conditional and unconditional receivables from administrative bodies and noncommercial enterprises	-	-	-	-	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	7,637,737	-	-	-	-
Conditional and unconditional receivables from corporates	-	-	-	-	-
Conditional and unconditional receivables from retail portfolios	-	-	-	-	-
Conditional and unconditional receivables secured by mortgages	-	-	-	-	-
Past due receivables	-	-	-	-	-
Receivables defined under high risk category by BRSA	-	-	-	-	-
Securities collateralized by mortgages	-	-	-	-	-
Securitization positions	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-
Equity Investments	-	-	-	-	-
Other Receivables	-	-	-	-	-
Total	**7,637,737**	**-**	**-**	**-**	**-**

(*) Risk amounts are given before Credit Risk Reduction and after credit conversion rate.

Risk Amounts According to Risk Weight:

Current Period

Risk Weight	%0	%10	%20	%35	%50	%75	%100	150%	%200	%250	%500	%2	Deductions from Equity
1. Exposures Before Credit Risk Mitigation	2,574	-	7,637,737	-	-	-	1,651,976	-	-		-	-	
2. Exposures After Credit Risk Mitigation	2,574	-	7,637,737	-	-	-	1,651,976	-	-		-	-	

Information by major sectors and type of counterparties:

Information about impaired credits and past due credits and value adjustments and provisioning methods are described in Note II of Section Four.

The Bank has no impaired and overdue loan balances as of December 31, 2024.

Movements in value adjustments and provisions

The Bank has no outstanding balances for value adjustments and loan provisions as of December 31, 2024.

Exposures subject to countercyclical capital buffer

The geographical distribution of receivables from the private sector taken into account in the calculation of bank-specific countercyclical capital buffers within the scope of the "Regulation on Capital Conservation and Countercyclical Capital Buffers" and its sub-regulations published in the Official Gazette dated November 5, 2013 and numbered 28812 is explained in the table below:

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Information on receivables from the private sector

Current Period Ultimately the country where the risk is taken	RAV calculated for private sector loans in banking accounts	Risk weighted amount calculated within the trading accounts	Total
Türkiye	3,179,524	-	3,179,524
Malta	-	-	-
Other	-	-	-
Total	**3,179,524**	**-**	**3,179,524**

2. Risk Management and General Disclosures regarding Risk Weighted Amounts

2.1 GBA - Bank's Risk Management Approach:

a) The way risk profile of the Bank is determined by business model and the interaction between (e.g. key risks related to business model and in which way those risks are reflected to disclosures) and in which way the risk profile of the Bank is related to risk appetite approved by board of directors

Bank acknowledges that business and strategy risks are material since the Bank's growth oriented business plan is sensitive to changes in market conditions. From this point of view, Bank classifies business and strategy risk as an important risk. Bank reviews its 5-year long term business plans once a year periodically. If the economic developments and market conditions require, then business plans are reviewed and revised more often.

b) Risk management structure: Allocation of responsibilities in the Bank (e.g. supervision and delegation of authorization; separation of responsibilities with respect to their risk type, business unit etc.; relations between structures included in risk management processes [e.g. board of directors, senior management, separate risk committee, risk management unit, legal compliance, internal audit function])

The Bank's risk measurement, monitoring and control functions have clearly defined responsibilities that are sufficiently independent from executive units. The Bank's exposure to risks is reported directly to the Board of Directors, its committees and senior management. The Bank's internal control systems are designed to prevent conflicts of interest by separating tasks among separate functions such as risk taking, approval, monitoring and control. In particular, the functions that undertake the transactions carried out in the first step are administratively and operationally separate from functions such as safe custody of bank or customer assets, reconciliation of transactions, accounting and oversight of legal compliance.

The Bank's risk management activities begin at the highest level, at the Board of Directors level. The Board of Directors Risk Committee, Audit Committee ("AC"), Asset-Liability Committee ("ALCO"), Credit Management Risk Committee, Operational Risk Management Committee, Reputation Risk Management Committee and Risk Management Department are important bodies of the risk management structure. The Board of Directors determines the general risk policy and the Bank's risk appetite.

The Audit Committee monitors whether the provisions in the legislation on risk management and the internal policies and application procedures approved by the Board of Directors are complied with and makes recommendations to the Board of Directors on the measures deemed necessary to be taken. It evaluates whether the necessary methods, tools and application procedures are available to identify, measure, monitor and control the risks posed by the Bank.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

2. Risk Management and General Disclosures regarding Risk Weighted Amounts (Continued)

2.1 GBA - Bank's Risk Management Approach(Continued):

ALCO holds monthly meetings and is responsible for monitoring and managing the Bank's structural asset-liability mismatches, as well as monitoring and controlling liquidity and exchange rate risks.

The Credit Management Risk Committee meets once a month; is responsible for determining the policies and principles related to credit risk management processes such as credit approval, limit determination, rating, risk monitoring and problem management, and monitoring and evaluating the Bank's credit portfolio. The Operational Risk Management Committee meets every three months and is responsible for reviewing the Bank's operational risk issues and defining the necessary measures to be taken to minimize these risks. The Reputation Risk Management Committee was established to define, evaluate, monitor the reputation risks to which the Bank is exposed, and to ensure that necessary actions are taken to prevent risks, and meets every six months. If deemed necessary, the Operational Risk and Reputation Risk Committees may meet more frequently.

The Risk Management Department, which carries out its activities independently of executive functions and reports to the Board of Directors; consists of three sub-sections, each with the responsibility of defining, measuring, controlling, managing and monitoring the relevant risk types, namely Credit Risk, Market Risk and Operational Risk, and the Model Validation team responsible for monitoring the performance of the models used in risk estimations.

The legal compliance function establishes appropriate processes to monitor the validity and effective dates of changes in banking legislation and regulations. The legal compliance function informs all bank employees about changes in the legal framework and guides them on relevant changes in internal rules and processes. Legal compliance risk is considered a subcategory of operational risk, therefore the legal compliance function carries out its activities in necessary cooperation and coordination with the risk management unit.

The Internal Audit function constitutes one of the three different risk defense lines of the Bank's risk management model and provides an independent oversight function. In Internal Audit, risk assessments are carried out by the internal audit unit by determining the areas to be prioritized in audit work, details to be taken into consideration and the frequency of audit, taking into account the risks the bank is exposed to and the controls related to these.

c) Channels which are used to extend and apply risk culture in the Bank (e.g. behavior rules, manuals including operation limits or procedures which shall be applied when the risk limits are exceeded, procedures regarding sharing of risk matters between business units and risk units)

The Risk Appetite Statement stands out as the basic risk management policy document in which the Bank defines its risks, determines its risk appetite and management principles. In addition, it defines the current and targeted risk profile and appetite, risk management organization and basic risk management capabilities.

Credit Policies and implementation instructions also determine the Bank's credit risk management workflow and procedures.

TFRS 9 Impairment Policy defines the TFRS 9 Impairment and related activities to be performed in accordance with the requirements of the TFRS 9 Implementation Guide. The policy aims to determine the roles and responsibilities of the Bank's units within the framework of TFRS 9, determine changes specific to TFRS 9 outside of the existing credit policy guides, create guides for TFRS 9 risk monitoring, control and reporting activities and establish the TFRS 9 Impairment framework applied within the Bank and ensure the management of the areas.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

2. General Explanations Regarding Risk Management and Risk Weighted Amounts(Continued)

2.1 GBA - Bank's Risk Management Approach(Continued):

The Capital Management Policy aims to determine a framework for the management of capital requirements and to establish capital adequacy assessment, capital planning, capital measurement and monitoring, and capital allocation.

Counterparty Credit Risk Policy is to establish effective and sufficient counterparty credit risk management processes based on the principles of prudence and continuous applicability in a way that will comply with the Bank's determined risk strategy, risk policies and local legislation.

Country Risk Policy is to determine a consistent framework for the identification, management and reporting of country risk that Enpara Bank is exposed to through its counterparties in different countries.

Market Risk Policy determines the basic principles and limit structure regarding the operation of the Bank's activities in the capital and money markets.

Banking Account Interest Rate Risk (BHFOR) Policy determines the basic principles for the management of interest rate risk regarding banking activities carried out outside of trading accounts.
Liquidity Risk Policy is the guide that determines the principles and actions required for the management of the liquidity risk that the Bank is exposed to and the continuity of the Bank.

Fair Value Policy aims to define the main principles, roles and responsibilities for the measurement of the fair value of financial instruments in accordance with accounting provisions and legislative principles.

Investment Portfolio Risk Policy ensures that the activities related to the management of the Bank's investment portfolio are carried out in accordance with generally accepted practices. This policy explains the objectives and targets of the investment portfolio, the management of which is assigned to the Treasury Purchase-Sales and Asset-Liability Management units by the Asset-Liability Committee (ALCO). It also defines the management and risk control framework for managing and maintaining the investment portfolio.

The Operational Risk Management Policy ensures that operational risks are managed within a defined framework by all Bank stakeholders in line with business objectives. The Reputation Risk Policy determines the framework and rules for the management of reputation risk.

d) Key elements and scope of risk measurement systems

There are information systems and analytical applications that measure credit, concentration, market, liquidity, interest rate and counterparty credit risks arising from the Bank's activities, taking into account legal obligations and international best practices.

The Bank started its activities on December 30, 2024, without accepting active customers, with treasury transactions in the nature of Bank placement and foreign exchange sales. With the acceptance of active customers, it is planned to start performing risk measurement and reporting as included in our risk policies using the relevant applications.

e) Disclosures regarding risk reporting processes provided to Board of Directors and senior management (especially on the scope and main content of reporting)

As of December 31, 2024, the risks and limits subject to the risk appetite declaration have been reported to the Board of Directors and senior management. With active customer acceptance, it is planned to carry out comprehensive reporting as included in our risk policies.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

2. General Explanations Regarding Risk Management and Risk Weighted Amounts(Continued)

2.1 GBA - Bank's Risk Management Approach(Continued):

f) Disclosures regarding stress test (e.g. assets included in stress test, adapted scenarios and used methodologies and use of stress test in risk management)

Stress tests form the basis of the Bank's capital and liquidity planning. All risk types are aggregated and prepared comprehensively in line with the business plan. The Bank's stress test application is supported by sensitivity tests in addition to scenario analysis.

It is planned to conduct stress test analyses for all relevant risk categories, primarily credit risk, liquidity risk, and market risk, as included in our risk policies, together with active customer acceptance.

g) Risk management, protection and mitigation strategies and process of the Bank sourcing from its business model and Monitoring processes of continuing effects of protection and mitigation

The Bank has primarily adopted the use of unsecured loans in line with its business model and activities. In addition, risk management systems have been designed by taking into account possible activities subject to risk protection or reduction within the scope of the Communiqué on Credit Risk Reduction Techniques.

2.2. GB1 - Overview of Risk Weighted Assets:

		Risk Weighted Amount	Minimum Capital Requirement
		31.12.2024	**31.12.2024**
1	Credit Risk (excluding counterparty Credit Risk)	3,179,524	254,362
2	Standardized approach	3,179,524	254,362
3	Internal rating-based approach	-	-
4	Counterparty credit risk	-	-
5	Standardized approach for counterparty credit Risk	-	-
6	Internal model method	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-
8	Investments made in collective investment companies – look-through approach	-	-
9	Investments made in collective investment companies – mandate-based approach	-	-
10	Investments made in collective investment companies - 1250% weighted risk approach	-	-
11	Settlement risk	-	-
12	Securitization positions in banking accounts	-	-
13	IRB ratings-based approach	-	-
14	IRB Supervisory Formula Approach	-	-
15	SA/simplified supervisory formula approach	-	-
16	Market risk	710,659	56,853
17	Standardized approach	710,659	56,853
18	Internal model approaches	-	-
19	Operational Risk	-	-
20	Basic Indicator Approach	-	-
21	Standard Approach	-	-
22	Advanced measurement approach	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-
24	Floor adjustment	-	-
25	**TOTAL(1+4+7+8+9+10+11+12+16+19+23+24)**	**3,890,183**	**311,215**

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

3. Connections Between Financial Statements and Risk Amounts

3.1. B1- Differences and matching between the scope of accounting consolidation and legal consolidation:

		Carrying values of items in accordance with TAS				
Current Period						
Assets	**Financial statements prepared as per TAS**	**Subject to credit risk**	**Subject to counterparty credit risk**	**Subject to the Securitization framework**	**Subject to market risk**	**Not subject to capital requirements or subject to deduction from capital**
Cash and balances with the Central Bank	-	-	-	-	-	-
Trading Financial Assets(*)	-	-	-	-	-	-
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-
Banks	7,923,749	7,637,737	-	-	1,070,967	-
Money Market Placements	-	-	-	-	-	-
Financial Assets Available-for-Sale (net)	-	-	-	-	-	-
Loans and Receivables	-	-	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Held-to-maturity investments (net)	-	-	-	-	-	-
Investment in Associates (net)	-	-	-	-	-	-
Investment in Subsidiaries (net)	-	-	-	-	-	-
Investment in Joint ventures (net)	-	-	-	-	-	-
Lease Receivables	-	-	-	-	-	-
Derivative Financial Assets Held For Hedging	-	-	-	-	-	-
Property And Equipment (Net)	1,429,055	-	-	-	-	-
Intangible Assets (Net)	107,159	-	-	-	-	-
Investment Property (Net)	-	-	-	-	-	-
Tax Asset	2,574	-	-	-	-	-
Assets Held For Resale And Related To Discontinued Operations (Net)	-	-	-	-	-	-
Other Assets	231,676	-	-	-	-	-
Total assets	**9,694,213**	**7,637,737**	**-**	**-**	**1,070,967**	**-**
Liabilities						
Deposits	-	-	-	-	-	-
Derivative Financial Liabilities Held for Trading	-	-	-	-	-	-
Funds Borrowed	-	-	-	-	-	-
Money Markets	-	-	-	-	-	-
Marketable Securities Issued	-	-	-	-	-	-
Funds	-	-	-	-	-	-
Miscellaneous Payables(***)	-	-	-	-	-	-
Other Liabilities(*)	439,856	-	-	-	362,069	-
Factoring Payables	-	-	-	-	-	-
Lease Payables	3,114	-	-	-	-	-
Derivative Financial Liabilities Held For Hedging(**)	-	-	-	-	-	-
Provisions	13,799	-	-	-	-	-
Tax Liability	37,759	-	-	-	-	-
Liabilities For Property And Equipment Held For Sale And Related To Discontinued Operations (net)	-	-	-	-	-	-
Subordinated Loans	-	-	-	-	-	-
Shareholder's Equity	9,199,685	-	-	-	-	-
Total liabilities	**9,694,213**	**-**	**-**	**-**	**362,069**	**-**

(*) Miscellaneous payables and other libailities are shown under the "Other Liabilities" item in the financial statements.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK(Continued)

II. Explanations on Risk Management (Continued)

3. Connections Between Financial Statements and Risk Amounts (Continued)

3.2. B2- Main sources of differences between risk amounts and amounts valued in accordance with TAS in the financial statements:

	Current Period	Total	Subject to credit risk	Securitization positions	Subject to counterparty credit risk	Subject to market risk
1	Asset carrying value amount under scope of regulatory consolidation	8,708,704	7,637,737	-	-	1,070,967
2	Liabilities carrying value amount under regulatory scope of consolidation	362,069	-	-	-	362,069
3	Total net amount under regulatory scope of consolidation	8,346,635	7,637,737	-	-	708,898
4	Off-Balance Sheet Amounts	-	-	-	-	-
5	Differences due to different netting rules	-	-	-	-	-
6	Repo transactions	-	-	-	-	-
7	Potential credit risk amount calculated for the counterparty	-	-	-	-	-
8	Credit Risk Reduction Effect	-	-	-	-	-
9	Fixed exchange rate effect(*)	-	-	-	-	-
	Risk amounts	**8,346,635**	**7,637,737**	**-**	**-**	**708,898**

(*) It shows the fixed exchange rate effect used in credit risk calculation within the scope of BRSA's article dated December 12, 2023 and numbered 10747.

3.3. BA- Disclosures regarding differences between amounts valued according to TAS and risk exposures:

a) None.

b) None.

4. Credit Risk Disclosures

4.1. General Information on Credit Risk

4.1.1. CRA - General qualitative information on credit risk:

a) How the bank's business model translates into components of its credit risk profile

The Bank has forward-looking risk-sensitive measurement and estimation tools, including appropriate information technology applications and management information systems, to account for expected or unexpected losses in all types of risks, both under normal and adverse market conditions.

b) Criteria and approach used in determining credit risk policy and credit risk limits

The Bank's credit risk policies are established in line with the Bank's Group Credit Policies and the risk limits determined by official authorities in order to create credit allocation processes that will meet the needs, based on the principles of prudence and applicability. The Bank's credit risk management policy is based on the following:

- BRSA (Banking Regulation and Supervision Agency) Rules and Regulations
- Decisions of the institutions that audit the QNB Group
- Group level credit policies and procedures
- Bank level credit policies and procedures
- Risk Appetite Declaration Document

The Risk Appetite Declaration Document is the basic risk management policy document in which the Bank defines its risks, determines its risk appetite and management principles, and credit risk limits are reviewed annually in accordance with the risk strategy.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

4. Credit Risk Disclosures (Continued)

4.1. General Information on Credit Risk (Continued)

c) Structure and organization of the credit risk management and control function

All processes related to the Bank's direct or indirect allocation, use, monitoring and operation of credits to real or legal persons are evaluated within the scope of credit risk management. Activities related to Capital Management are evaluated within the scope of the legal and economic capital needs required by the Bank's annual and long-term business plans and are taken into account in the preparation of the Bank's business plans.

Activities related to Credit Risk and Capital Management are carried out by the Credit Risk Management Unit. The Bank's Credit Risk Management organization, duties and responsibilities, related units and the responsibilities of these units are defined in detail in the Bank's Credit Policy documents, Risk Appetite Declaration Document and Risk Management Department Transaction Instruction document.

The main responsibilities of the Credit Risk Management Department are as follows:

- Creating risk management policies and strategies regarding the risks to which the bank is exposed and submitting them to the Board of Directors Risk Committee for approval,
- To ensure that risk identification, measurement, analysis, monitoring, control and reduction activities are carried out in accordance with the risk management policies and processes approved at the Board level and to report to the senior management all significant on- and off-balance sheet risks undertaken at the group level,
- To conduct internal capital adequacy assessment covering all risks, to make estimates regarding the future course of the capital adequacy ratio within the framework of the Bank's long-term business plans,
- Regularly conducting stress tests and scenario analyses and establishing early warning systems,
- To support the bank's decision-making processes by providing risk management assessments and risk perspectives,
- Promoting risk awareness and management culture throughout the bank,
- Developing estimation models/approaches for Probability of Default (PD), Loss Given Default (LGD) and Default Amount (DD) and measuring and monitoring portfolio credit risk based on these metrics,
- To perform risk-based Credit Classification and Expected Credit Loss (ECL) calculations within the scope of TFRS 9, to determine the credit risk measurement framework and to develop, organize and implement the relevant models/approaches.

d) The relationship between credit risk management, risk control, legal compliance and internal audit functions

The credit risk management model consists of three different risk defense lines:

- Risk-taking units at the first level are responsible for evaluating and minimizing risks for a certain amount of return.
- The Risk Management Department, which is at the second level, defines, observes, controls, measures the risk, provides appropriate tools and methods, provides coordination and support; reports to the relevant units and suggests measures to reduce the risk with the support of the business lines where the risk is actually created and the specialized units.
- Internal Audit provides an independent oversight function.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

4. Credit Risk Disclosures (Continued)

4.1. General Information About Credit Risk (Continued)

The legal compliance function establishes appropriate processes to monitor the validity and effective dates of changes in banking legislation and regulations. The legal compliance function informs all bank employees about changes in the legal framework and guides them on relevant changes in internal rules and processes. Legal compliance risk is considered a subcategory of operational risk, therefore the legal compliance function carries out its activities in necessary cooperation and coordination with the risk management unit.

The Internal Audit function constitutes one of the three different risk defense lines of the Bank's risk management model and provides an independent oversight function. In Internal Audit, risk assessments are carried out by the internal audit unit by determining the areas to be prioritized in audit work, details to be taken into consideration and the frequency of audit, taking into account the risks to which the bank is exposed and the controls related to these.

e) The scope and main content of the reporting to be made to senior management and board members regarding the credit risk management function and the credit risk exposure.

As of December 31, 2024, the risks and limits subject to the risk appetite declaration have been reported to the Board of Directors and senior management. It is planned to carry out comprehensive reporting as included in our risk policies with active customer acceptance. The Board of Directors Risk Committee Report will be prepared monthly to be submitted to the Board of Directors Risk Committee. The monthly risk report mainly consists of information on Capital Adequacy, Market Risk, Credit Risk, Counterparty Credit Risk and Operational Risk. The main content of the report within the scope of credit risk; development in risk parameters, change in risk profile both in total portfolio and in detail in individual segments, concentration and risk metrics, stress tests and results, delay amounts and rates in segments, third stage, second stage, rating and default probability distributions, aging analyses, collection amounts in segments and products, problematic loan restructurings.

4.2. CR1 - Credit quality of assets:

The Bank has no outstanding loan receivables as of December 31, 2024.

4.3. CR2 - Changes in the stock of defaulted receivables and debt instruments:

The Bank does not have any defaulted receivables or debt instruments as of December 31, 2024.

4.4. CRB - Additional disclosures regarding the credit quality of assets:

The Bank has no outstanding loan receivables as of December 31, 2024.

5. Credit Risk Reduction

5.1. CRM - Qualitative requirements to be disclosed to the public regarding credit risk mitigation techniques

Collateralization is used as the basic risk reduction method. The bank has primarily adopted unsecured credit provision in line with its business model and activity. In addition, risk management systems have been designed by taking into account possible activities subject to risk protection or reduction within the scope of the Communiqué on Credit Risk Reduction Techniques.

Legality and operational applicability are prerequisites for the validity of collateral. Legal teams must have conducted sufficient legal reviews before obtaining collateral and confirmed all legal regulations related to the collateral and the validity of the collateral. In addition, all contracts and other relevant documents must be received.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

5. Credit Risk Reduction (Continued)

5.1. CRM - Qualitative requirements to be disclosed to the public regarding credit risk mitigation techniques (Continued)

Collateralization is used as the primary risk mitigation method. In line with its business model and activities, the Bank primarily adopts unsecured lending. However, its risk management systems are designed in consideration of potential activities subject to risk protection or mitigation within the scope of the Regulation on Credit Risk Mitigation Techniques.

Legality and operational feasibility are prerequisites for the validity of collaterals. Legal teams must conduct adequate legal reviews before accepting collateral and confirm compliance with all legal regulations and the validity of the collateral. In addition, all contracts and other related documents must be received.

The collateral value must not have a positive correlation with the credit worthiness of the borrower.

Monitoring the value of collateral is important in order to maintain credit quality. The market value of the collateral is evaluated periodically in line with the frequencies specified in the directives and the necessary measures are taken when there is a significant deterioration in the market value of the collateral.

Insurance policies of the collateral must be received.

The value of the collateral meets the Debt-Collateral-Ratio determined by law or the Bank's internal practices for the loan type or specific sectors.

5.2. CR3 - Credit risk reduction techniques - Overview:

The Bank has no outstanding loan receivables as of December 31, 2024.

6. Credit Risk When Using Standard Approach

6.1. CRA - Qualitative explanations regarding the ratings used by banks when calculating credit risk with the standard approach:

a) In the credit risk standard approach calculations, the ratings of Fitch and JCR Avrasya Rating Inc. credit rating agencies are used.
b) The Fitch credit rating agency's ratings are used to determine the risk weights subject to the risk classes of receivables from central governments or central banks, receivables from banks and brokerage firms, and the JCR Avrasya Rating Inc. ratings are used to determine the risk weights subject to the risk classes of corporate receivables.
c) The rating assigned to a debtor is taken into account for all of the debtor's assets.
d) KDK that is not included in the institution's matching table is not used.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

6. Credit Risk When Using Standard Approach (Continued)

6.2. CR4 - Standardized approach - Credit risk exposure and credit risk mitigation techniques:

	Current Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	Risk Classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	2,574	-	2,574	-	-	-
2	Exposures to regional governments or local authorities	-	-	-	-	-	-
3	Exposures to public sector entities	-	-	-	-	-	-
4	Exposures to multilateral development banks	-	-	-	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-
6	Exposures to institutions	7,637,737	-	7,637,737	-	1,527,547	48%
7	Exposures to corporates	-	-	-	-	-	-
8	Retail exposures	-	-	-	-	-	-
9	Exposures secured by residential property	-	-	-	-	-	-
10	Exposures secured by commercial real estate	-	-	-	-	-	-
11	Past-due loans	-	-	-	-	-	-
12	Higher-risk categories by the Agency Board	-	-	-	-	-	-
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 (CIUs)	-	-	-	-	-	-
16	Other assets	1,651,976	-	1,651,976	-	1,651,976	52%
17	Investments in equities	-	-	-	-	-	-
18	**Total**	**9,292,287**	**-**	**9,292,287**	**-**	**3,179,523**	**100%**

6.3. CR5 - Standard approach - Receivables according to risk classes and risk weights:

	Current Period										
	Risk Classes/Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	Other	Total amount of risk
1	Exposures to central governments or central banks	2,574	-	-	-	-	-	-	-	-	2,574
2	Exposures to regional governments or local authorities	-	-	-	-	-	-	-	-	-	-
3	Exposures to public sector entities	-	-	-	-	-	-	-	-	-	-
4	Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
6	Exposures to institutions	-	-	7,637,737	-	-	-	-	-	-	7,637,737
7	Exposures to corporates	-	-	-	-	-	-	-	-	-	-
8	Retail exposures	-	-	-	-	-	-	-	-	-	-
9	Exposures secured by residential property	-	-	-	-	-	-	-	-	-	-
10	Exposures secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
11	Past-due loans	-	-	-	-	-	-	-	-	-	-
12	Higher-risk categories by the Agency Board	-	-	-	-	-	-	-	-	-	-
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 (CIUs)	-	-	-	-	-	-	-	-	-	-
16	Investments in equities	-	-	-	-	-	-	-	-	-	-
17	Other Assets	-	-	-	-	-	-	1,651,976	-	-	1,651,976
18	**Total**	**2,574**		**7,637,737**	**-**	**-**	**-**	**1,651,976**	**-**	**-**	**9,292,287**

7. Counterparty Credit Risk Disclosures

7.1. Table CCR - Qualitative explanations regarding DCCR:

Counterparty credit risk (CCR) refers to the risk that the counterparty, who is the addressee of a transaction that imposes obligations on both parties, will default before the final payment included in the cash flow of this transaction. CCR causes credit risk for banks that perform money and capital market transactions. Derivative financial instruments, repo and reverse repo transactions, securities or commodity lending transactions, transactions with long clearing periods and credit securities transactions are within this scope.

The Bank does not have any transactions subject to counterparty credit risk as of December 31, 2024.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

7. Counterparty Credit Risk Disclosures (Continued)

7.2. CCR1 - Evaluation of CCR according to measurement methods:

The Bank has no transactions subject to counterparty credit risk as of December 31, 2024.

7.3. CCR2 - Capital requirement for CVA:

The Bank has no transactions subject to counterparty credit risk as of December 31, 2024.

7.4. CCR3 - Standard approach - CCR according to risk classes and risk weights:

The Bank has no transactions subject to counterparty credit risk as of December 31, 2024.

7.5. CCR4 - Counterparty credit risk based on risk class and PD

Since the Standard method is used in the calculation of capital adequacy, the relevant table is not provided.

7.6. CCR5 - Collateral used for CCR:

The Bank has no transactions subject to counterparty credit risk as of December 31, 2024.

7.7. CCR6 -Credit derivatives

The relevant table is not provided since the Bank does not have any risks arising from credit derivatives purchased or sold.

7.8. CCR7 - RWA changes related to CCR within the scope of the internal model method

Since the Standard method is used in the calculation of capital adequacy, the relevant table is not provided.

7.9. CCR8 - Exposures to central counterparties

The Bank has no transactions subject to counterparty credit risk as of December 31, 2024.

8. Securitization exposures

The Bank does not have any securitization transactions (December 31, 2023 - None).

9. Disclosures Regarding Market Risk

9.1. MRD - Qualitative information to be disclosed to the public regarding market risk:

Market Risk refers to the risk arising from changes in market prices of positions held in trading accounts in order to make a profit in line with short-term expectations in market prices or interest rates. Trading accounts include all derivative products except financial assets whose fair value difference is reflected in profit or loss, the portion of derivative financial assets whose fair value difference is reflected in profit or loss, and those with open foreign exchange positions.

As of December 31, 2024, the bank's transactions subject to market risk consist only of open foreign exchange positions.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. Explanations on Risk Management (Continued)

9. Disclosures Regarding Market Risk (Continued)

9.2. MR1 - Standardized approach:

		RWA (**)
		Current Period
	Outright products (*)	**710,659**
1	*Interest rate risk (general and specific)*	-
2	*Equity risk (general and specific)*	-
3	*Foreign exchange risk*	710,659
4	*Commodity risk*	-
	Options	-
5	*Simplified approach*	-
6	*Delta-plus method*	-
7	*Scenario approach*	-
8	Securitization	-
9	**Total**	**710,659**

(*) Outright products refer to position in products that are not optional.
(**) The Market Risk represents the capital requirement multiplied by 12.5 times Risk Weighted Amount.

10. Disclosures Regarding Operational Risk

The operational risk basis amount is calculated using the "Basic Indicator Method" by using the Bank's year-end gross income for the last 3 years in accordance with the "Calculation of the Amount Subject to Operational Risk" Section 3 of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette dated June 28, 2012 and numbered 28337. The Bank started its operations on December 30, 2024 with treasury transactions in the nature of bank placement and foreign exchange sales without accepting active customers. Therefore, there is no operational risk basis amount as of December 31, 2024 calculated by considering the current year.

III. Explanations on Foreign Currency Exchange Rate Risk

1. The exchange rate risk to which the Bank is exposed, the estimation of the effects of this situation, the limits determined by the Bank's Board of Directors for the positions monitored on a daily basis

The difference between the Bank's foreign currency and foreign currency indexed assets and foreign currency liabilities is defined as the "Net Foreign Currency Position" and forms the basis for exchange rate risk. Another important dimension of exchange rate risk is the risk arising from the change in the values of different types of foreign currencies within the Net Foreign Currency Position ("cross rate risk").

The Board of Directors has determined limits to ensure compliance with the "Net Foreign Currency Position" and compliance with these is monitored daily and reviewed at least once a year according to changes in economic conditions and the Bank's strategy and updated when deemed necessary.

In measuring the exchange rate risk to which the Bank is exposed, the "standard method" used in legal reporting and the internal method, RMD, are used. Measurements made within the scope of the standard method are carried out monthly, while measurements made within the scope of RMD calculations are carried out daily. In addition, the maximum foreign currency position that can be taken is determined on a currency type and desk basis, and compliance with the limits is controlled by Risk Management on a daily basis.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

III. Explanations on Foreign Currency Exchange Rate Risk (Continued)

2. The extent to which foreign currency debt instruments and net foreign currency investments are hedged with derivative instruments for hedging purposes, if material.

None.

3. The Bank's financial statement date and the current foreign exchange buying rates announced to the public for the last five business days from this date.

US Dollar Exchange Rate on the balance sheet date	TRY 35.2803
Euro Exchange Rate on the balance sheet date	TRY 36.7362

Date	US Dollar	Euro
December 31, 2024	35.2803	36.7362
December 30, 2024	35.2233	36.7429
December 27, 2024	35.1368	36.6134
December 26, 2024	35.2033	36.6076
December 25, 2024	35.2162	36.6592

4. The simple arithmetic average value of the Bank's current foreign exchange buying rate for the last thirty days, starting from the financial statement date.

The simple arithmetic average of the December 2024 US Dollar exchange rate is TRY 34.5176 and the Euro exchange rate is TRY 36.7960.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

III. Explanations on Foreign Currency Exchange Rate Risk (Continued)

5. Information on exchange rate risk

Current Period	Euro	US Dollar	Other	Total
Assets				
Cash Values (Cash, Cash Deposit, Cash in Transit, Purchased Checks) and TCMB	-	-	-	-
Banks	-	1,070,822	-	1,070,822
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Money Market Receivables	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-
Credits [4]	-	-	-	-
Affiliates, Subsidiaries and Jointly Controlled Partnerships (Joint Ventures)	-	-	-	-
Financial Assets Measured at Amortized Cost	-	-	-	-
Derivative Financial Assets for Hedging Purposes	-	-	-	-
Tangible Fixed Assets	-	-	-	-
Intangible Fixed Assets	-	-	-	-
Other Assets	-	-	-	-
Total Assets	**-**	**1,070,822**	**-**	**1,070,822**
Liabilities				
Bank Deposits	-	-	-	-
Foreign Currency Deposit Account	-	-	-	-
Money Market Debts	-	-	-	-
Funds Provided by Other Financial Institutions	-	-	-	-
Issued Securities	-	-	-	-
Miscellaneous Debts	-	-	-	-
Hedging Derivative Financial Liabilities	-	-	-	-
Other Liabilities	1,907	360,162	-	362,069
Total Liabilities	**1,907**	**360,162**	**-**	**362,069**
Net Balance Sheet Position	**(1,907)**	**710,660**	**-**	**708,753**
Net Balance Sheet Position	**-**	**-**	**-**	**-**
Derivative Financial Instruments Receivables	-	-	-	-
Derivative Financial Instruments Payables	-	-	-	-
Non-Cash Loans	-	-	-	-
Previous Period				
Total Assets	-	7,534,414	-	7,534,414
Total Liabilities	-	62,245	-	62,245
Net Balance Sheet Position	**-**	**7,472,169**	**-**	**7,472,169**
Net Off-Balance Sheet Position	-	-	-	-
Receivables from Derivative Financial Instruments	-	-	-	-
Payables from Derivative Financial Instruments	-	-	-	-
Non-Cash Loans	-	-	-	-

6. Sensitivity to exchange rate risk

The Bank is exposed to currency risk largely in terms of Euro and US Dollar.

The table below shows the Bank's sensitivity to a 10% change in the Euro and US Dollar exchange rates. All other variables are assumed to remain constant.

	Exchange rate % change	Impact on Profit/Loss (after tax)	Net Effect on Equity	Impact on Profit/Loss (after tax)	Net Effect on Equity
		Current Period	Current Period	Prior Period	Prior Period
US Dollar	%10 increase	49,746	-	523,052	-
	%10 decrease	(49,746)	-	(523,052)	-
EURO	%10 increase	(133)	-	-	-
	%10 decrease	133	-	-	-

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. Explanations on Interest Rate Risk

The losses that the Bank may incur due to movements in interest rates, depending on its position, are managed by the Asset/Liability Committee.

The sensitivity of assets and liabilities to interest is assessed in the Asset/Liability Committee meetings held monthly with the participation of senior management, taking into account market developments. The Bank's management monitors market interest rates daily and determines the Bank's interest rates as necessary.

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

(As of the remaining time for repricing)

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Above	Interest free	Total
End of Current Period							
Assets							
Cash Values (Cash, Cash Deposit, Cash in Transit, Purchased Checks, Mined Metal Deposit) and TCMB	-	-	-	-	-	-	-
Banks (1)	7,915,609	-	-	-	-	8,140	7,923,749
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-
Money Market Receivables	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-	-	-
Credits and Receivables	-	-	-	-	-	-	-
Financial Assets Measured at Amortized Cost	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	1,770,464	1,770,464
Total Assets	**7,915,609**	**-**	**-**	**-**	**-**	**1,778,604**	**9,694,213**
Liabilities							
Bank Deposits	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-
Money Market Debts	-	-	-	-	-	-	-
Miscellaneous Debts	-	-	-	-	-	-	-
Issued Securities	-	-	-	-	-	-	-
Other Financial Institutions. Funds	-	-	-	-	-	-	-
Other Liabilities	-	-	-	3,114	-	9,691,099	9,694,213
Total Liabilities	**-**	**-**	**-**	**3,114**	**-**	**9,691,099**	**9,694,213**
Long Position in Balance Sheet	7,915,609	-	-	-	-	-	7,915,609
Short Position in Balance Sheet	-	-	-	(3,114)	-	(7,912,495)	(7,915,609)
Long Position in Off-Balance Accounts	-	-	-	-	-	-	-
Short Position in Off-Balance Accounts	-	-	-	-	-	-	-
Total Position	**7,915,609**	**-**	**-**	**(3,114)**	**-**	**(7,912,495)**	**-**

(1) Banks include an expected loss provision balance of TRY 1,070.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. Explanations on Interest Rate Risk (Continued)

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Above	Interest free	Total
End of Prior Period							
Assets							
Cash Values (Cash, Cash Deposit, Cash in Transit, Purchased Checks, Mined Metal Deposit) and TCMB	-	-	-	-	-	-	-
Banks (1)	7,534,414	-	-	-	-	-	7,534,414
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-
Money Market Receivables	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-	-	-
Credits and Receivables	-	-	-	-	-	-	-
Financial Assets Measured at Amortized Cost	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	1,367,665	1,367,665
Total Assets	**7,534,414**	**-**	**-**	**-**	**-**	**1,367,665**	**8,902,079**
Liabilities							
Bank Deposits	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-
Money Market Debts	-	-	-	-	-	-	-
Miscellaneous Debts	-	-	-	-	-	-	-
Issued Securities	-	-	-	-	-	-	-
Other Financial Institutions. Funds	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	8,902,079	8,902,079
Total Liabilities	**-**	**-**	**-**	**-**	**-**	**8,902,079**	**8,902,079**
Long Position in Balance Sheet	7,534,414	-	-	-	-	-	7,534,414
Short Position in Balance Sheet	-	-	-	-	-	(7,534,414)	(7,534,414)
Long Position in Off-Balance Accounts	-	-	-	-	-	-	-
Short Position in Off-Balance Accounts	-	-	-	-	-	-	-
Total Position	**7,534,414**	**-**	**-**	**-**	**-**	**(7,534,414)**	**-**

Average interest rates applied to monetary financial instruments

	Euro %	US Dollar %	Japanese Yen %	TRY %
End of Current Period				
Assets				
Cash (Cash, Cash Deposit, Cash in Transit, Purchased Checks) and TCMB	-	-	-	-
Banks	-	4.53	-	-
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Money Market Receivables	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-
Loans and Receivables	-	-	-	-
Financial Assets Measured at Amortized Cost	-	-	-	-
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Money Market Debts	-	-	-	-
Miscellaneous Debts	-	-	-	-
Issued Securities	-	-	-	-
Funds from Other Financial Institutions	-	-	-	-

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. Explanations on Interest Rate Risk (Continued)

	Euro %	US Dollar %	Japanese Yen %	TRY %
End of Prior Period				
Assets				
Cash (Cash, Cash Deposit, Cash in Transit, Purchased Checks) and TCMB	-	-	-	-
Banks	-	5.00	-	-
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Money Market Receivables	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-
Loans and Receivables	-	-	-	-
Financial Assets Measured at Amortized Cost	-	-	-	-
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	-	-	-	-
Money Market Debts	-	-	-	-
Miscellaneous Debts	-	-	-	-
Issued Securities	-	-	-	-
Funds from Other Financial Institutions	-	-	-	-

Interest rate risk from banking accounts

Interest rate risk arising from banking accounts consists of maturity mismatch risk, yield curve risk, basis risk and option risk. Risks are regularly measured, monitored and limited within the scope of "Banking Accounts Interest Rate Risk Management".

Interest rate risk arising from banking accounts is measured legally in accordance with the "Regulation on the Measurement and Evaluation of Interest Rate Risk Arising from Banking Accounts with the Standard Shock Method" published in the Official Gazette dated August 23, 2011 and numbered 28034.

Currency	Applied Shock (+/- x basis points)	Gains/Losses	Gains/ Equity-Losses/ Equity
1. TRY	+500 bp	(8,564)	(0.09%)
	-400 bp	7,053	0.08%
2. EURO	+200 bp	0	0.00%
	-200 bp	0	0.00%
3. US Dollar	+200 bp	(845)	(0.01%)
	-200 bp	862	0.01%
Total (For Negative Shocks)		**7,915**	**0.09%**
Total (For Positive Shocks)		**(9,409)**	**(0.10%)**

V. Explanations on Position Risk of Equity Securities

None. (December 31, 2023 – None.)

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio

The Bank's Liquidity Risk is monitored and managed in accordance with the Liquidity Risk Management Policy. According to this policy, the Board of Directors is responsible for reviewing and approving the Bank's risk profile and appetite at certain intervals. The Senior Management takes the necessary measures to monitor this risk; and controls the liquidity risk in accordance with accepted strategies and policies.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

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

The Treasury Department is responsible for executing the liquidity strategy determined and approved by the Board of Directors. The Risk Management Department is responsible for defining, measuring, monitoring and controlling liquidity risk, as well as developing policies, internal and external methods and procedures that are compatible with the content and structure of the activities applicable in the Bank to monitor the relevant limits. In order to ensure that the Bank's liquidity risk profile remains within the approved limits; the Bank's senior management is regularly informed about the current liquidity risk exposure. The Asset Liability Committee (ALCO) meetings, which provide the necessary supervision for liquidity risk, are held monthly. Apart from these meetings, the Risk Committee reviews the Bank's liquidity risk in monthly meetings and informs the Board of Directors. The Bank evaluates its total liquidity position on a daily basis. Internal and legal reports on the liquidity status are reviewed in monthly ALCO meetings attended by the senior management. Within this scope, decisions are made regarding the management of short- and long-term liquidity. In addition to the liquidity coverage ratio (LCR) for measuring liquidity adequacy, internal metrics such as reserve liquidity and deposit concentration are also monitored daily. Internal limit and warning levels approved by the Board of Directors are regularly monitored and reported to the relevant parties.

It is essential that the Bank continuously monitors its liquidity position and funding strategy. The primary priority is for the liquidity risk to which the Bank is exposed to to be in line with the risk capacity determined within the limits stipulated by the legislation and the risk appetite that emerges depending on the Bank's basic strategies. It is essential that the Bank maintains sufficient free liquid assets that can be sold or repoed in any case against major decreases in liquidity resources.

The Bank's funding management is carried out in accordance with legal limits and internal warning levels within the framework of ALCO decisions. The liquidity position is evaluated by taking into account maturity and customer-based concentration levels and a funding strategy is developed. While developing this strategy, it is aimed to provide funding from long-term and stable sources as much as possible. Deposits, which constitute the Bank's primary funding source, are obtained from a large number of customers as a natural result of the stable core deposit base.

The vast majority of the Bank's total liabilities consist of Turkish Lira, US Dollar, Euro and Gold currencies. Gap reports prepared in foreign currency and Turkish Lira are presented at ALCO meetings. In case of maturity mismatches on the basis of currencies, mismatches are managed with FX swap and FX forward transactions.

In order to reduce liquidity risk, the Bank diversifies its funding sources into customer deposits and funds obtained from abroad. Precautions are taken against liquidity crises by investing in assets with high cash generation capacity. The Bank takes care to reduce customer deposit concentration and regularly monitors the concentration level. The liquidity life cycle approach has been determined as the liquidity risk stress test methodology.

This approach is a stress test that measures how long the Bank can meet cumulative cash outflows without providing new funds from the market. The liquidity life cycle is calculated according to various scenarios, and simulations are made according to possible scenarios in crisis situations, and the results are reported to the Risk Committee and the Board of Directors.

The Bank's emergency funding plan (EFP) organizes funding activities to be used in financial market crises or specifically in liquidity crisis periods belonging to the Bank. The EFP defines the elements that trigger the crisis and early warning indicators that will help assess and manage the liquidity crisis and determines the priority funding structure. The EFP also defines the actions to be taken by the Bank for cash and collateral needs. In addition to those listed, the EFP also determines the duties and responsibilities in managing the risk and implementing the actions included in the emergency funding plan in the event of a liquidity crisis. Our Bank started its activities on December 30, 2024 with treasury transactions in the nature of Bank placement and foreign exchange sales without accepting active customers.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

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

The Bank started its activities with treasury transactions such as bank placement and foreign exchange sales on December 30, 2024, without accepting active customers. As of December 31, 2024, there are no transactions in the status of high-quality liquid assets. Liability items consist of equity elements and other liabilities, while assets consist of Bank placement.

Display of active and passive items according to their remaining maturities

Current Period	Non-maturity	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 years and above	Undistributed (1)	Total
Assets								
Cash (Cash in hand, Cash Deposit, Cash in transit, Purchased Checks, Mined Metal Deposit) and the Central Bank of the Republic of Turkey	-	-	-	-	-	-	-	-
Banks (2)	-	7,924,819	-	-	-	-	(1,070)	7,923,749
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-
Money market receivables	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-
Financial assets measured at amortized cost	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	1,770,464	1,770,464
Total Assets	**-**	**7,924,819**	**-**	**-**	**-**	**-**	**1,769,394**	**9,694,213**
Liabilities								
Bank Deposits	-	-	-	-	-	-	-	-
Other Deposits	-	-	-	-	-	-	-	-
Other Financial Institutions. Funds Provided	-	-	-	-	-	-	-	-
Money Market Debts	-	-	-	-	-	-	-	-
Issued Securities	-	-	-	-	-	-	-	-
Miscellaneous Debts	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	3,114	-	9,691,099	9,694,213
Total Liabilities	**-**	**-**	**-**	**-**	**3,114**	**-**	**9,691,099**	**9,694,213**
Liquidity Surplus / (Deficit)	**-**	**7,924,819**	**-**	**-**	**(3,114)**	**-**	**(7,921,705)**	**-**
Net Off-Balance Sheet Position	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivative Financial Instruments Receivables	-	-	-	-	-	-	-	-
Derivative Financial Instruments Payables	-	-	-	-	-	-	-	-
Non-Cash Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Prior period								
Total Assets	-	7,534,414	-	-	-	-	1,367,665	8,902,079
Total Liabilities	-	-	-	-	-	-	8,902,079	8,902,079
Liquidity Surplus / (Deficit)	**-**	**7,534,414**	**-**	**-**	**-**	**-**	**(7,534,414)**	**-**
Net Off-Balance Sheet Position	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Receivables from Derivative Financial Instruments	-	-	-	-	-	-	-	-
Liabilities from Derivative Financial Instruments	-	-	-	-	-	-	-	-
Non-Cash Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(1) Other active accounts that are required for the continuation of banking activities and do not have a chance of being converted into cash in a short time, such as tangible fixed assets, affiliates, subsidiaries and jointly controlled partnerships, in-kind assets and prepaid expenses from the active accounts constituting the balance sheet, are recorded in the "Undistributed" column. Other undistributed liabilities include equity of TRY 9,199,685 (December 31, 2023 – TRY 8,531,333), tax liability of TRY 37,759 (December 31, 2023 – None) and undistributed provisions of TRY 13,779 (December 31, 2023 – None).

(2) Banks include an expected loss provision balance of TRY 1,070 (December 31, 2023 - None).

Display of financial liabilities according to their remaining contractual maturities

The Bank has no contractual financial liabilities as of December 31, 2024 (December 31, 2023 - None).

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VII. Information on Leverage Ratio

Information on the issues that cause the difference between the current period and previous period leverage ratio:

The leverage ratio calculated by the Bank in accordance with the "Regulation on Measurement and Assessment of Leverage Levels of Banks" is 94.84% (December 31, 2023 – 95.94%). This ratio is above the minimum ratio, and the regulation has stipulated a minimum leverage ratio of 3%. The change between the current period and the previous period leverage ratio is mainly due to the increase in the risk amounts related to on-balance sheet assets.

The table regarding the leverage ratio calculated in accordance with the "Regulation on Measurement and Evaluation of Leverage Level of Banks" published in the Official Gazette dated November 5, 2013 and numbered 28812 is given below:

	Book Value	
	Current Period (*)	**Prior Period (*)**
On-Balance Sheet Assets		
On-balance sheet assets (excluding derivative financial instruments and credit derivatives, including collateral)	9,694,213	8,902,079
(Assets deducted from the main capital)	115,914	19
Total risk amount for on-balance sheet assets	**9,578,299**	**8,902,060**
Derivative financial instruments and credit derivatives		
Replacement cost of derivative financial instruments and credit derivatives	-	-
Potential credit risk amount of derivative financial instruments and credit derivatives	-	-
Total risk amount of derivative financial instruments and credit derivatives	-	-
Securities or commodity collateralized financing transactions		
Risk amount of financing transactions with security or commodity collateral	-	-
Risk amount arising from brokered transactions	-	-
Total risk amount related to financing transactions with security or commodity collateral	-	-
Off-balance sheet transactions		
Gross notional amount of off-balance sheet transactions	-	-
(Adjustment amount resulting from multiplication with credit conversion rates)	-	-
Total risk amount related to off-balance sheet transactions	-	-
Capital and total risk		
Core capital	9,083,771	8,531,314
Total risk amount	**9,578,299**	**8,902,060**
Leverage ratio		
Leverage ratio	94.84	95.84

(*) The amounts in the table show the three-month averages for the relevant period.

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VIII. Explanations Regarding the Presentation of Financial Assets and Liabilities at Fair Value

The table below shows the book value and fair value of some financial assets and liabilities. Book value represents the total of the acquisition price and accumulated interest rediscounts of the relevant assets and liabilities.

Current Period	Book Value	Fair Value
Financial Assets		
Money Market Receivables	-	-
Banks	7,924,819	7,923,749
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Financial Assets at Amortized Cost	-	-
Loans Granted	-	-
Financial Liabilities		
Bank Deposits	-	-
Other Deposits	-	-
Funds Provided from Other Financial Institutions	-	-
Money Market Debts	-	-
Issued Securities	-	-
Miscellaneous Debts	-	-

Prior Period	Book Value	Fair Value
Financial Assets		
Money Market Receivables	-	-
Banks	7,534,414	7,534,414
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Financial Assets at Amortized Cost	-	-
Loans Granted	-	-
Financial Liabilities		
Bank Deposits	-	-
Other Deposits	-	-
Funds Provided from Other Financial Institutions	-	-
Money Market Debts	-	-
Issued Securities	-	-
Miscellaneous Debts	-	-

IX. Explanations Related to Transactions Carried on Behalf of Others and Fiduciary Transactions

The Bank mediates all kinds of banking transactions and provides custody services on behalf of its customers in order to meet all kinds of investment needs of its customers. Such transactions are followed in off-balance sheet accounts.

SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Disclosures Related to Assets

1. a) Cash and balances with the Central Bank of Türkiye

None (December 31, 2023-None).

b) Balances with the Central Bank of Türkiye

None (December 31, 2023-None).

2. Further information on financial assets at fair value through profit/loss

a) Information on financial assets at fair value through profit/loss given as collateral or blocked

None (December 31, 2023-None).

b) Positive differences related to derivative financial assets held for trading

None (December 31, 2023-None).

3. a) Information on bank accounts

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
Domestic	6,853,852	1,070,967	-	7,534,414
Foreign	-	-	-	-
Foreign Head Offices and Branches	-	-	-	-
Total	**6,853,852**	**1,070,967**	**-**	**7,534,414**

As of December 31, 2024, amount of TRY 1,070 provision provided for the Bank account (December 31, 2023 - None).

b) Information on foreign bank accounts

None (December 31, 2023-None).

4. Information on Receivables from Reverse Repurchase Agreements

None (December 31, 2023-None).

5. Information on Financial Assets Measured at Fair Value through Other Comprehensive Income

a) Information on financial assets measured at fair value through other comprehensive income that are subject to repurchase agreements and given as collateral/blocked

None (December 31, 2023-None).

b) Information on financial assets at fair value through other comprehensive income

None (December 31, 2023-None).

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Assets (Continued)

6. Information related to loans

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

None (December 31, 2023-None).

b) Performing loans and loans under follow-up including restructured or rescheduled loans, and other receivables

b.1) Financial assets measured at amortized cost

None (December 31, 2023-None).

c) Loans measured at amortized cost and other receivables according to their maturity structure

None (December 31, 2023-None).

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

None (December 31, 2023-None).

e) Information on commercial loans with installments and corporate credit cards

None (December 31, 2023-None).

f) Allocation of loans to customers

None (December 31, 2023-None).

g) Allocation of domestic and foreign loans

None (December 31, 2023-None).

h) Loans granted to subsidiaries and associates

None (December 31, 2023-None).

i) Specific provisions for loans (Stage III/Specific Provision)

None (December 31, 2023-None).

j) Non-performing loans (NPLs) (Net)

None (December 31, 2023-None).

k) Liquidation policies for uncollectible loans and other receivables

None (December 31, 2023-None).

l) Explanations on write-off policy

None (December 31, 2023-None).

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Assets (Continued)

7. Information on Financial Assets Measured at Amortized Cost

None (December 31, 2023-None).

8. Investments in associates (Net)

8.1. Investments in associates

a) Information on the unconsolidated subsidiaries

None (December 31, 2023-None).

b) Information on the consolidated subsidiaries

None (December 31, 2023-None).

9. Investments in subsidiaries (Net)

a) Information on the unconsolidated subsidiaries

None (December 31, 2023-None).

b) Information on the subsidiaries

None (December 31, 2023-None).

10. Information on joint ventures

None (December 31, 2023-None).

11. Information on lease receivables (Net)

None (December 31, 2023-None).

12. Information on the hedging derivative financial assets

None (December 31, 2023-None).

13. Explanations on tangible assets

Prior Year End	Land and Buildings	Fixed Assets from Finance Lease	Vehicles	Other Tangible Fixed Assets	Total
Cost	-	-	-	1,109,354	1,109,354
Accumulated Depreciation (-)	-	-	-	6,896	6,896
Net Book Value	**-**	**-**	**-**	**1,102,458**	**1,102,458**
Current Year End					
Cost at the Beginning of the Period	**-**	**-**	**-**	**1,109,354**	**1,109,354**
Additions (*)	-	6,143	-	597,549	603,692
Disposals (-)	-	-	-	3,585	3,585
Impairment (-)/(increase)	-	-	-	-	-
Revaluation Differences	-	-	-	-	-
Current Period Cost	**-**	**6,143**	**-**	**1,703,318**	**1,709,461**
Accumulated Depreciation at the Beginning of the Period	**-**	**-**	**-**	**6,896**	**6,896**
Disposals (-)	-	-	-	717	717
Depreciation Amount	-	3,103	-	271,124	274,227
Current Period Accumulated Depreciation (-)	**-**	**3,103**	**-**	**277,303**	**280,406**
Net Book Value-end of the Period	**-**	**3,040**	**-**	**1,426,015**	**1,429,055**

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

I. Explanations and Disclosures Related to Assets (Continued)

13. Explanations on tangible assets (Continued)

a) 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 (December 31, 2023-None).

b) 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 (December 31, 2023-None).

c) Pledges, mortgages and other restrictions (if any) on the tangible fixed assets, expenses arising from the construction for tangible fixed assets, commitments given for the purchases of tangible fixed assets

None (December 31, 2023-None).

14. Explanations on intangible assets

	Intangible Rights	Goodwill	Total
Prior Period End			
Cost	-	-	-
Accumulated Amortization (-)	-	-	-
Net Book Value	-	-	-
Current Period End			
Cost Value at the Beginning of Period	-	-	-
Additions	111,708	-	111,708
Disposals (-)	-	-	-
Impairment (-) / (Increase)	-	-	-
Revaluation Differences	-	-	-
Current Period Cost	**111,708**	-	**111,708**
Accumulated Amortization at the Beginning of the Period	-	-	-
Disposals (-)	4,549	-	4,549
Depreciation Value	-	-	-
Current Period Accumulated Amortization (-)	**4,549**	-	**4,549**
Net Book Value-End of the Period	**107,159**	-	**107,159**

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

None (December 31, 2023-None).

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

None (December 31, 2023-None).

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

I. Explanations and Disclosures Related to Assets (Continued)

14. Explanations on intangible assets (Continued)

c) 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 (December 31, 2023-None).

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

None (December 31, 2023-None).

e) Amount of purchase commitments for intangible fixed assets:

None (December 31, 2023-None).

f) Information on revalued intangible assets according to their types:

None (December 31, 2023-None).

g) Amount of total research and development expenses recorded in the statement of profit or loss and other comprehensive income within the period if any:

The research expense recorded as expense during the period is TRY 22,212 (December 31, 2023 - TRY 25,071).

h) Positive or negative consolidation goodwill on entity basis:

None (December 31, 2023-None).

i) Information on goodwill:

None (December 31, 2023-None).

j) Movements on goodwill in the current period:

None (December 31, 2023-None).

15. Information on assets held for sale and discontinued operations

None (December 31, 2023-None).

16. Information on Tax Asset

As of December 31, 2024, the Bank has a deferred tax liability of TRY 37,759 calculated in accordance with the relevant regulations.

According to TAS 12, deferred tax assets and liabilities are presented in the financial statements on a net basis. As of December 31, 2024, the Bank recognized a deferred tax asset of TRY 5,535 and a deferred tax liability of TRY 43,294, arising from the differences between the carrying amounts of assets or liabilities in the balance sheet and their tax bases, which will be considered in the calculation of taxable profit or loss in future periods, by offsetting them.

If the temporary differences between the carrying amount and the tax base of taxable assets are related to the equity accounts, the deferred tax income or expense is offset against the relevant accounts within the equity group. A deferred tax income of TRY 44,135 has been offset under equity (December 31, 2023 – None).

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

I. Explanations and Disclosures Related to Assets (Continued)

16. Explanations Regarding Tax Assets (Continued)

	Accumulated Temporary Differences		Deferred Tax Assets/(Liabilities)	
	31.12.2024	**31.12.2023**	**31.12.2024**	**31.12.2023**
Provision for Employee Rights	13,799	-	4,140	-
Difference Between the Book Value of Financial Assets and Tax Base	-	-	-	-
Other	4,650	465,975	1,395	139,793
Deferred Tax Assets	**18,449**	**465,975**	**5,535**	**139,793**
Differences Between Carrying Value and Tax Value of Tangible Fixed Assets	(144,312)	(247,265)	(43,294)	(74,180)
Differences Between Carrying Value and Tax Basis of Financial Assets	-	-	-	-
Other	-	-	-	-
Deferred Tax Liabilities	**(144,312)**	**(247,265)**	**(43,294)**	**(74,180)**
Deferred Tax Assets/(Liabilities), Net	**(125,863)**	**218,710**	**(37,759)**	**65,613**

	Current Period 01.01-31.12.2024	**Prior Period 01.01-31.12.2023**
Deferred Tax as of January 1 Active/ Passive – Net	65,613	-
Deferred Tax (Loss) / Gain	(103,416)	65,613
Deferred Tax that is Realized Under Shareholder's Equity	44	-
Deferred Tax Active/ (Passive) – Net	**(37,759)**	**65,613**

17. Information on assets held for sale and discontinued operations

None (December 31, 2023-None).

18. Information on other assets

Other assets item of the balance sheet does not exceed 10% of the balance sheet total excluding off balance sheet commitments.

19. Accrued interest and income

The details of interest and income accruals and rediscounts distributed on the related accounts and the details of the unrealized fair value increases (decreases) are presented in the table below.

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Banks	9,090	119	-	27,656
Total	**9,090**	**119**	**-**	**27,656**

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

II. Explanations and Disclosures Related to Liabilities

1. Information on maturity structure of deposits

None (December 31, 2023-None).

1.1. Information on savings deposits insured by Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit (*)

None (December 31, 2023-None).

1.2. Savings deposits in Türkiye are not covered under insurance in another country since the headquarter of the Bank is not located abroad.

1.3. Savings deposits that are not covered under the guarantee of deposit insurance fund

None (December 31, 2023-None).

2. Information on trading derivative financial liabilities

None (December 31, 2023-None).

3. Information on funds borrowed

a) Information on banks and other financial institutions

None (December 31 2023-None).

b) Maturity information on funds borrowed

None (December 31, 2023-None).

4. Information on funds provided under repurchase agreement

None (December 31, 2023-None).

5. Information on securities issued (Net)

None (December 31, 2023-None).

6. If other liabilities account exceeds 10% of total liabilities excluding the off-balance sheet items, information given about components of other liabilities account that exceeds 20% of the individual liability item in the unconsolidated balance sheet

None (December 31, 2023-None).

7. Criteria used in the determination of lease installments in the financial lease contracts, renewal and purchase options, restrictions, and significant burdens imposed on the bank on such contract

The main criterion for determining the rental installments in relation to the financial leasing agreements is the payment plan made by taking into account the interest rate of the debt in question and the cash flow of the Bank.

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

II. Explanations and Disclosures Related to Liabilities (Continued)

7.1. Changes in agreements and further commitments arising

There are no contract changes made in the current period (December 31, 2023 – None).

7.2. Explanations on financial lease liabilities

	Current Period		Previous Period	
	Gross	**Net**	**Gross**	**Net**
Less than 1 Year	-	-	-	-
Between 1-4 Years	4,600	3,114	-	-
More Than 4 Years	-	-	-	-
Total	**4,600**	**3,114**	**-**	**-**

7.3. Information and footnotes on operational lease

The Bank enters into lease agreements for certain office buildings and vehicles. The Bank (lessee) measures the lease obligation at the present value of the outstanding lease payments at that date (lease obligation) and records the relevant right of use asset as of the same date, amortizing it over the lease term. Lease payments are discounted using the implicit interest rate in the lease if this rate can be easily determined. If this rate cannot be easily determined, the lessee uses the alternative borrowing interest rate. The lessee records the interest expense on the lease obligation and the amortization expense of the right of use asset separately.

7.4. Information on "Sale -and- lease back" agreement

There are no sale and leaseback transactions in the current period (December 31, 2023 – None).

8. Information on liabilities arising from hedging purpose derivatives

None (December 31, 2023-None).

9. Information on provisions

9.1. Provision for currency exchange gain/loss on foreign currency indexed loans

None (December 31, 2023-None).

9.2. Specific provisions for non-cash loans that are not indemnified and converted into cash or expected loss provision for non-cash

None (December 31, 2023-None).

9.3. Information on employee termination benefit

The Bank calculated the provision for employee benefits using the actuarial valuation method specified in TAS 19 and reflected it in its financial statements.

As of December 31, 2024, the Bank presented the provision for severance pay of TRY 147 (December 31, 2023 - None.) under the "Reserves for Employee Benefits" item in its financial statements.

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

II. Explanations and Disclosures Related to Liabilities (Continued)

9. Information on provisions (Continued)

9.3. Information on employee termination benefits

As of December 31, 2024, the Bank has shown a total vacation liability of TRY 1,325 (December 31, 2023 - None.) under the "Reserves for Employee Benefits" in its financial statements.

As of December 31, 2024, TRY 12,327 (December 31, 2023 - None.) provision for salaries, bonuses and premiums to be paid to the personnel has been presented under the "Reserve for Employee Benefits" in its financial statements.

9.3.1. Movement of employee termination benefits

	Current Period 01.01-31.12.2024	Prior Period 01.01-31.12.2023
As of January 1st	-	-
Service cost	-	-
Interest cost	-	-
Settlement / curtailment / termination loss	-	-
Actuarial difference	147	-
Paid during the period	-	-
Total	**147**	**-**

9.4. Information on other provisions

None (December 31, 2023-None).

10. Explanations on taxation

10.1. Informations on current taxes

10.1.1. Informations on current tax liability

The Bank has no tax liability as of December 31, 2024 (December 31, 2023 - None).

10.1.2. Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	-	-
Banking and Insurance Transaction Tax (BITT)	294	-
Taxation on Securities Income	-	-
Taxation on Real Estates Income	-	-
Other	13,280	695
Total	**13,574**	**695**

The "Corporate Taxes Payable" balance is presented in the "Current Tax Liability" account and other taxes are presented in the "Other Liabilities" account in the accompanying unconsolidated financial statements.

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

II. Explanations and Disclosures Related to Liabilities (Continued)

10. Explanations on taxation (Continued)

10.1.3. Information on premiums

	Current Period	Prior Period
Social Security Premiums - Employee Share	479	81
Social Security Premiums - Employer Share	568	91
Unemployment Insurance - Employee Share	33	6
Unemployment Insurance - Employer Share	67	12
Total	**1,147**	**190**

11. Information on payables related to assets held for sale

None (December 31, 2023-None).

12. Information on subordinated loans

None (December 31, 2023-None).

13. Information on shareholder's equity

13.1. Paid-in capital

	Current Period	Prior Period
Common Stock	8,684,430	8,684,430
Preferred Stock	-	-

13.2. Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital

Capital System	Paid-in Capital	Ceiling
Registered Capital System	8,684,430	8,684,430

13.3. Information on share capital increases and their sources; other information on any increase in capital shares during the current period

None (December 31, 2023-None).

13.4. Information on share capital increases from revaluation funds

None (December 31, 2023-None).

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

The Bank does not have any capital commitments, all of the capital is fully paid-in.

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

II. Explanations and Disclosures Related to Liabilities (Continued)

13. Information on shareholder's equity (Continued)

13.6. Prior periods' indicators related with the Bank's income, profit and liquidity and the possible effects of the uncertainties in these indicators on the Bank's equity

None (December 31, 2023-None).

13.7. Information on the privileges given to stocks representing the capital

None (December 31, 2023-None).

14. Common stock issue premiums

None (December 31, 2023-None).

15. Securities value increase fund

None (December 31, 2023-None).

16. Accrued interest and expenses

The details of interest and expense accruals and rediscounts distributed on the related accounts and the details of the unrealized fair value increases (decreases) are presented in the table below.

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
Derivative Financial Liabilities	-	-	-	-
Deposits	-	-	-	-
Funds Borrowed	-	-	-	-
Money Market Borrowings	-	-	-	-
Securities Issued	-	-	-	-
Other Accruals	54,274	-	3,029	62,245
Total	**54,274**	**-**	**3,029**	**62,245**

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

1. Information related to off-balance sheet contingencies

None (December 31, 2023-None).

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

1. a) Information on interest income received from loans

None (December 31 2023-None).

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

b) Information on interest income from banks

	Current Period		Prior Period	
	TRY	**FC**	**TRY**	**FC**
T.R. Central Bank (*)	-	-	-	-
Domestic Banks	9,965	171,254	-	29,960
Foreign Banks	-	-	-	-
Foreign Headquarters and Branches	-	-	-	-
Total	**9,965**	**171,254**	**-**	**29,960**

c) Information on interest income from securities portfolio

None (December 31, 2023-None).

d) Information on interest income received from associates and subsidiaries

None (December 31, 2023-None).

2. a) Information on interest expense related to funds borrowed (*)

None (December 31, 2023-None).

b) Information on interest expense paid to associates and subsidiaries

None (December 31, 2023-None).

c) Information on interest expense paid to securities issued

None (December 31, 2023-None).

d) Information on maturity structure of interest expenses on deposits

None (December 31, 2023-None).

e) Information on interest expense on repurchase agreement

None (December 31, 2023-None).

f) Information on lease expenses

	Current Period	**Prior Period**
Leasing Expenses	609	-

g) Information on interest expense on factoring payables

None (December 31, 2023-None).

3. Information on dividend income

None (December 31, 2023-None).

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

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

4. Information on trading gain/loss

	Current Period	Prior Period
Trading Gain	**2,253,966**	**132,161**
Gains on Capital Market Transactions	-	-
From Derivative Financial Instruments	-	-
Foreign Exchange Gains	2,253,966	132,161
Trading Loss (-)	**858,486**	**-**
Losses on Capital Market Transactions	-	-
From Derivative Financial Instruments	-	-
Foreign Exchange Losses	858,486	-
Net Trading Gain/Loss	**1,395,480**	**132,161**

5. Information on other operating income

The Bank has accounted for collections and expense provision cancellations made for previous years in the "Other Operating Income" account.

6. Provision for losses and other provision expenses

	Current Period	Prior Period
Expected Credit Loss	**-**	**-**
12-Month Expected Loss (Stage 1)	-	-
Significant Increase in Credit Risk (Stage 2)	-	-
Non-performing Loans (Stage 3)	-	-
Marketable Securities Impairment Expense	**-**	**-**
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value through OCI	-	-
Investments in Associates, Subsidiaries and Held-to-maturity Securities Value Decrease	**-**	**-**
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (*)	**1,075**	**-**
Total	**1,075**	**-**

7. Information on other operating expenses

	Current Period	Prior Period
Reserve for Employee Termination Benefits(*)	-	-
Depreciation Expenses of Fixed Assets	274,226	6,896
Amortization Expenses of Intangible Assets	4,549	-
Other Operating Expenses	474,399	363,493
Leasing Expenses Related to TFRS 16 Exemptions	-	-
Maintenance Expenses	*306,642*	*237,173*
Advertisement Expenses	-	-
Other Expenses	*167,757*	*126,320*
Loss on Sales of Assets	-	-
Other	*22,376*	*4,300*
Total	**775,550**	**374,689**

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

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

8. Information on profit/loss from continued and discontinued operations before taxes

For the period ended December 31, 2024 net interest income items amounting to TRY 292,676 (December 31, 2023 - TRY 27,056), net fees and commission expense amounting to TRY 724 (December 31, 2023 - TRY 2,438) and other operating income amounting to TRY 2,065 (December 31, 2023 - None) constitute an important part of the income.

9. Explanations on tax provision for continued and discontinued operations

9.1. Current period taxation benefit or charge and deferred tax benefit or charge

As of December 31, 2024 the Bank has recorded tax charge TRY 75,171 (December 31, 2023 - None). And a deferred tax loss of TRY 103,416 (December 31, 2023 - TRY 65,613 Income) and no deferred tax income (December 31, 2023 - None)from its continuing operations.

9.2. Explanations on operating profit/loss after taxes

None (December 31, 2023-None).

10. Explanations on net profit/(loss) from continued and discontinued operations

Net profit of the Bank from continued operations is TRY 668,455 (December 31, 2023 - TRY 153,097 loss).

11. Explanations on net income/loss for the period

11.1. 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 Bank's performance during the period, the nature and amount of these items

None (December 31, 2023-None).

11.2. The effect of the change in the estimates made by the Bank regarding the financial statement items on profit/loss

None (December 31, 2023-None).

11.3. Profit/loss attributable to minority rights in the accompanying unconsolidated financial statements

None (December 31, 2023-None).

11.4 There are no changes in the nature and amount of accounting estimates, which have a material effect on current period or expected to have a material effect on subsequent periods.

12. Information on the components of other items in the statement of 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

None (December 31, 2023-None).

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

V. Explanations and Disclosures Related to Statement of Changes In Shareholder's Equity

1. Changes resulting from valuation of financial assets measured at fair value through other comprehensive income

The net decrease of TRY 103 (December 31, 2023 - None) after tax effect resulting from valuation of at financial assets measured at fair value through other comprehensive income is included in "accumulated other comprehensive income or loss reclassified through profit or loss" account under shareholders'equity.

VI. Explanations And Disclosures Related Statement of Cash Flows

1. Other items in the Cash Flow Statement and the effect of changes in exchange rates on cash and cash equivalents

"Other items" amounting to TRY 215,400 (December 31, 2023 - TRY 380,969) in "Operating profit before changes in operating assets and liabilities" consist of fees and commissions paid amounting to TRY 724 (December 31, 2023 - TRY 2,438), net trading income amounting to TRY 561,949 (December 31, 2023 - TRY 3,841 net trading income / loss), and other operating expense amounting to TRY 766,625 (December 31, 2023 - TRY 374,690).

The "Other" item in the "change in other assets subject to banking activity" amounting to TRY 32,027 (December 31, 2023 – TRY 265,207) includes collaterals amounting to TRY 1,070 (December 31, 2023 - None) and other assets amounting to TRY 30,957 (December 31, 2023 – TRY 265,207).

"Other" item in the "Change in other liabilities of the field of banking" amounting to TRY 120,564 (December 31, 2023 – TRY 370,746) includes a deferred tax liability amounting to TRY 37,759 (December 31, 2023 – None), other liabilities amounting to TRY 69,111 (December 31, 2023 – TRY 370,746) and other capital reserves amounting to TRY 103 (December 31, 2023 – None).

The effect of the change in the exchange rate on cash and cash equivalents consists of the sum of the exchange rate differences resulting from the conversion of the average balances of cash and cash equivalents in foreign currency into TRY at the beginning and end of the period rates on a monthly basis, and was calculated as TRY 833,531 (December 31, 2023 – TRY 136,003) as of December 31, 2024.

2. Information regarding the balances of cash and cash equivalents at the beginning of the period

	Prior Period December 31, 2023
Cash	**-**
Cash in TRY	-
Cash in Foreign Currencies	-
Other	-
Cash Equivalents	**7,506,758**
Balances with the T.R. Central Bank	-
Banks	7,534,414
Money Market Placements	-
Less: Accruals	(27,656)
Cash and Cash Equivalens	**7,506,758**

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

VI. Explanations And Disclosures Statement of Cash Flows (Continued))

3. Information regarding the balances of cash and cash equivalents at the end of the period

	Current Period December 31, 2024
Cash	**-**
Cash in TRY	-
Cash in Foreign Currencies	-
Other	-
Cash Equivalents	**7,915,610**
Balances with the T.R. Central Bank	-
Banks	7,924,819
Money Market Placements	-
Less: Accruals	(9,209)
Cash and Cash Equivalens	**7,915,610**

4. Restricted cash and cash equivalents due to legal requirements or other reasons

None (December 31, 2023-None).

5. Additional information

5.1. Restrictions on the Bank's potential borrowings that can be used for ordinary operations or capital commitment

None (December 31, 2023-None).

5.2. The sum of cash flows that show the increases in banking activity capacity, apart from the cash flows needed to maintain current banking activity capacity

None (December 31, 2023-None).

VII. Explanations and Disclosures Related to the Bank's Risk Group

1. Information on the volume of transactions with the Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period

None (December 31, 2023-None).

2. Disclosures of transactions with the Bank's risk group

None (December 31, 2023-None).

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

VIII. Explanations and Disclosures Related to Subsequent Events

1. Transactions that have not yet been finalized regarding post-balance sheet issues and their impact on the financial statements

None.

2. The effects of material changes in exchange rates that occur after the balance sheet date and that would affect financial statement users' evaluation and decision-making on the financial statements, on foreign currency transactions, items and financial statements, and on the bank's activities abroad

There is no material change in exchange rates that occurred after the balance sheet date and whose non-disclosure would affect financial statement users' evaluation and decision-making on the financial statements.

3. Other matters

In order to transfer of Enpara.com banking services to the Bank through spin–off; The Board of Directors of QNB Bank A.Ş. has decided to authorize QNB Bank A.S. Head Office to make relevant applications and correspondence with the Banking Regulation and Supervision Agency (BRSA) as per the "Banking Law" numbered 5411 and "Regulation on Merge, Acquisition, Division and Share Changes of Banks" published on the Official Gazette dated November 1, 2006 and other relevant authorities and to execute all necessary transactions in this regard.

SECTION SIX

INDEPENDENT AUDITOR'S REPORT

I. Explanations on Independent Auditor's Report

The unconsolidated financial statements for the period ended December 31, 2024 have been audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The audit report dated January 30, 2025 is presented preceding the unconsolidated financial statements.

II. Explanations and Notes Prepared by Independent Auditors

None (December 31, 2023-None).

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