

*(Convenience Translation of Consolidated Financial Statements and
Related Disclosures and Footnotes Originally Issued in Turkish)*

**İş Finansal Kiralama
Anonim Şirketi and Its Subsidiary**

**Consolidated Financial Statements and Independent
Auditor's Report for the Accounting Period of
January 1 - June 30, 2025**



AUDITOR’S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To the General Assembly of İş Finansal Kiralama A.Ş.;

Introduction

İş Finansal Kiralama A.Ş. and its subsidiary (together referred to as the “Group”), the attached consolidated statement of financial position dated 30 June 2025 and the consolidated statement of profit or loss for the six-month interim accounting period ending on the same date, the consolidated statement of profit or loss and other comprehensive income, the consolidated equity We have conducted a limited audit of the statement of changes and the consolidated statement of cash flows and other explanatory notes (“interim financial information”). Group management has determined that the interim financial information in question is determined by the Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring, Financing and Savings Financing Companies published in the Official Gazette No. 28861 dated 24 December 2013 and by the Banking Regulation and Supervision Agency (“BRSA”). published regulations, notifications, circulars and statements made; and on matters not regulated by these, it is responsible for its preparation and fair presentation in accordance with the "BRSA Accounting and Financial Reporting Legislation", which includes the provisions of Turkish Accounting Standard 34, "Interim Financial Reporting Standard". Our responsibility is to express a conclusion on such interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an independent audit performed in accordance with the Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an opinion.



Conclusion

Based on our review, nothing has come to our attention that would cause us to believe that the accompanying consolidated interim financial information does not fairly present the financial position of İş Finansal Kiralama A.Ş. and its subsidiary as of 30 June 2025 and the financial performance and cash flows for the six-month period ended on the same date, in all material respects, in accordance with the BRSA Accounting and Financial Reporting Legislation.

Additional Paragraph for Convenience Translation

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Two 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 30 June 2025. Accordingly, the accompanying financial statements are not intended to present fairly the financial position, results of operations, changes in equity and cash flows of the Company in accordance with IFRS.

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

Gökçe Yaşar Temel, SMMM
Independent Auditor

İstanbul, 29 July 2025

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İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	ASSETS	Notes	Limited Audited Current Period 30 June 2025			Audited Prior Period 31 December 2024		
			TL	FC	TOAL	TL	FC	TOAL
I.	CASH, CASH EQUIVALENTS and CENTRAL BANK	4	1.149.829	215.957	1.365.786	847.496	318.655	1.166.151
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	5	-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL ASSETS	6	4.624	234.045	238.669	2.864	587.495	590.359
IV.	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Net)	7	2.650.480	-	2.650.480	3.468.578	-	3.468.578
V.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net))		38.077.986	39.637.611	77.715.597	31.984.665	29.473.532	61.458.197
5.1	Factoring Receivables	8	32.130.637	8.122.629	40.253.266	25.976.932	9.147.468	35.124.400
5.1.1	Discounted Factoring Receivables (Net)		9.626.861	551.667	10.178.528	12.651.698	303.308	12.955.006
5.1.2	Other Factoring Receivables		22.503.776	7.570.962	30.074.738	13.325.234	8.844.160	22.169.394
5.2	Savings Financing Receivables		-	-	-	-	-	-
5.2.1	From the Savings Fund Pool		-	-	-	-	-	-
5.2.2	From equity		-	-	-	-	-	-
5.3	Financing loans		-	-	-	-	-	-
5.3.1	Consumer Loans		-	-	-	-	-	-
5.3.2	Credit Cards		-	-	-	-	-	-
5.3.3	Installment Commercial Loans		-	-	-	-	-	-
5.4	Lease Receivables (Net)	9	5.742.243	31.746.200	37.488.443	6.129.108	20.531.359	26.660.467
5.4.1	Finance Lease Receivables		8.508.864	35.504.000	44.012.864	8.988.326	22.856.852	31.845.178
5.4.2	Operational Lease Receivables		-	-	-	-	-	-
5.4.3	Unearned Income (-)		2.766.621	3.757.800	6.524.421	2.859.218	2.325.493	5.184.711
5.5	Other Financial Assets Measured at Amortized Cost		-	-	-	-	-	-
5.6	Non-Performing Loans	8,9	1.340.519	544.045	1.884.564	674.518	403.597	1.078.115
5.7	Expected Credit Loss (-)/Specific Provisions (-)		1.135.413	775.263	1.910.676	795.893	608.892	1.404.785
VI.	EQUITY INVESTMENTS		-	-	-	-	-	-
6.1	Investments in Associates (Net)		-	-	-	-	-	-
6.2	Subsidiaries (Net)		-	-	-	-	-	-
6.3	Joint Ventures (Net)		-	-	-	-	-	-
VII.	TANGIBLE ASSETS (Net)	11	55.492	-	55.492	42.413	-	42.413
VIII.	INTANGIBLE ASSETS (Net)	12	73.984	-	73.984	53.109	-	53.109
IX.	INVESTMENT PROPERTY (Net)		-	-	-	-	-	-
X.	CURRENT TAX ASSET	21	4.023	-	4.023	2.487	-	2.487
XI.	DEFERRED TAX ASSET	13	26.669	-	26.669	28.492	-	28.492
XII.	OTHER ASSETS	15	585.467	5.430.831	6.016.298	571.166	2.363.921	2.935.087
	SUBTOTAL		42.628.554	45.518.444	88.146.998	37.001.270	32.743.603	69.744.873
XIII.	ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	14	2.432	-	2.432	2.432	-	2.432
13.1	Held for Sale		2.432	-	2.432	2.432	-	2.432
13.2	Discontinued Operations		-	-	-	-	-	-
	TOTAL ASSETS		42.630.986	45.518.444	88.149.430	37.003.702	32.743.603	69.747.305

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

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	LIABILITIES		Limited Audited Current Period 30 June 2025			Audited Prior Period 31 December 2024		
		Notes	TL	FC	TOAL	TL	FC	TOAL
I.	FUNDS BORROWED	16	28.968.397	33.655.560	62.623.957	22.909.198	29.453.121	52.362.319
II.	FACTORING PAYABLES		-	-	-	-	-	-
III.	LIABILITIES FROM THE SAVING FUND POOL		-	-	-	-	-	-
IV.	LEASE PAYABLES	18	35.535	-	35.535	27.396	-	27.396
V.	SECURITIES ISSUED (Net)	19	10.577.221	-	10.577.221	4.816.406	-	4.816.406
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	5	-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITY	6	224.622	416.606	641.228	217.019	37.174	254.193
VIII.	PROVISIONS	20	122.651	38.753	161.404	107.162	30.495	137.657
8.1	Restructuring Provisions		-	-	-	-	-	-
8.2	Reserves For Employee Benefits		111.415	-	111.415	102.390	-	102.390
8.3	General Provisions		-	-	-	-	-	-
8.4	Other Provisions		11.236	38.753	49.989	4.772	30.495	35.267
IX.	CURRENT PERIOD TAX LIABILITY	21	348.777	-	348.777	302.537	-	302.537
X.	DEFERRED TAX LIABILITY		24.271	-	24.271	212.492	-	212.492
XI.	SUBORDINATED LOANS		-	-	-	-	-	-
XII.	OTHER LIABILITY	17	648.775	2.141.495	2.790.270	485.100	1.307.023	1.792.123
	SUBTOTAL		40.950.249	36.252.414	77.202.663	29.077.310	30.827.813	59.905.123
XIII.	PAYABLES RELATED TO ASSETS FOR SALE AND DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
13.1	Held For Sale		-	-	-	-	-	-
13.2	Discontinued Operations		-	-	-	-	-	-
XIV.	SHAREHOLDER'S EQUITY		10.946.767	-	10.946.767	9.842.182	-	9.842.182
14.1	Paid-in Capital	23	695.303	-	695.303	695.303	-	695.303
14.2	Capital Reserves	23	1.763	-	1.763	1.763	-	1.763
14.2.1	Share Premiums		-	-	-	-	-	-
14.2.2	Share Cancellation Profits		-	-	-	-	-	-
14.2.3	Other Capital Reserves		1.763	-	1.763	1.763	-	1.763
14.3	Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss	23	2.057.884	-	2.057.884	2.672.131	-	2.672.131
14.4	Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		-	-	-	-	-	-
14.5	Profit Reserves	24	5.481.210	-	5.481.210	3.550.541	-	3.550.541
14.5.1	Legal Reserves		162.673	-	162.673	154.907	-	154.907
14.5.2	Statutory Reserves		-	-	-	-	-	-
14.5.3	Extraordinary Reserves		5.318.537	-	5.318.537	3.395.634	-	3.395.634
14.5.4	Other Profit Reserves		-	-	-	-	-	-
14.6	Profit or Loss		1.597.695	-	1.597.695	1.930.669	-	1.930.669
14.6.1	Prior Periods Profit/Loss	25	-	-	-	5.476	-	5.476
14.6.2	Current Period Profit/Loss		1.597.695	-	1.597.695	1.925.193	-	1.925.193
	Non-Controlling Interests	22	1.112.912	-	1.112.912	991.775	-	991.775
	TOTAL LIABILITIES		51.897.016	36.252.414	88.149.430	38.919.492	30.827.813	69.747.305

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

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	OFF-BALANCE SHEET ITEMS		Limited Audited Current Period 30 June 2025			Audited Prior Period 31 December 2024		
			TL	FC	TOAL	TL	FC	TOAL
I.	IRREVOCABLE FACTORING TRANSACTIONS		876.105	2.435.762	3.311.867	216.341	2.069.809	2.286.150
II.	REVOCABLE FACTORING TRANSACTIONS		2.480.704	424.472	2.905.176	3.173.559	627.910	3.801.469
III.	SAVING FINANCE AGREEMENTS TRANSACTIONS		-	-	-	-	-	-
IV.	COLLATERALS RECEIVED	38	222.753.301	510.528.592	733.281.893	181.071.767	391.746.558	572.818.325
V.	COLLATERALS GIVEN	26	17.881.108	14.705	17.895.813	13.093.352	13.033	13.106.385
VI.	COMMITMENTS		1.128.965	11.283.736	12.412.701	709.433	4.068.035	4.777.468
6.1	Irrevocable Commitments		-	377.135	377.135	-	237.864	237.864
6.2	Revocable Commitments		1.128.965	10.906.601	12.035.566	709.433	3.830.171	4.539.604
6.2.1	Lease Commitments		1.128.965	10.906.601	12.035.566	709.433	3.830.171	4.539.604
6.2.1.1	Finance Lease Commitments		1.128.965	10.906.601	12.035.566	709.433	3.830.171	4.539.604
6.2.1.2	Operational Lease Commitments i		-	-	-	-	-	-
6.2.2	Other Revocable Commitments		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL INSTRUMENTS	26	10.061.034	31.629.636	41.690.670	4.610.780	23.580.205	28.190.985
7.1	Derivative Financial Instruments for Risk Management		-	-	-	-	-	-
7.1.1	Fair Value Hedges		-	-	-	-	-	-
7.1.2	Cash Flow Hedges		-	-	-	-	-	-
7.1.3	Net Foreign Investment Hedges		-	-	-	-	-	-
7.2	Derivative Financial Instruments Held For Trading		10.061.034	31.629.636	41.690.670	4.610.780	23.580.205	28.190.985
7.2.1	Forward Foreign Currency Purchases/Sales		2.080.666	5.636.288	7.716.954	1.701.031	2.089.259	3.790.290
7.2.2	Swap Purchases/Sales		7.980.368	25.993.348	33.973.716	2.909.749	21.490.946	24.400.695
7.2.3	Put/call options		-	-	-	-	-	-
7.2.4	Futures purchases/sales		-	-	-	-	-	-
7.2.5	Others		-	-	-	-	-	-
VIII.	ITEMS HELD IN CUSTODY		9.557.663	910.311	10.467.974	7.022.372	648.120	7.670.492
	TOTAL OFF BALANCE SHEET ITEMS		264.738.880	557.227.214	821.966.094	209.897.604	422.753.670	632.651.274

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

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	PROFIT OR LOSS STATEMENT	Notes	Limited Audited Current Period 01.01-30.06.2025	Limited Audited Current Period 01.04-30.06.2025	Limited Audited Prior Period 01.01-30.06.2024	Limited Audited Prior Period 01.04-30.06.2024
I.	OPERATING INCOME	29	7.780.563	4.208.668	5.802.657	2.968.047
	FACTORING INCOME		5.250.745	2.912.534	3.777.028	1.901.166
1.1	Factoring Interest Income		5.086.288	2.819.621	3.646.947	1.829.369
1.1.1	Discounted		2.223.114	1.246.753	2.073.437	1.097.122
1.1.2	Other		2.863.174	1.572.868	1.573.510	732.247
1.2	Factoring Commission Income		164.457	92.913	130.081	71.797
1.2.1	Discounted		83.413	53.628	72.504	40.178
1.2.2	Other		81.044	39.285	57.577	31.619
	INCOME FROM FINANCING LOANS		-	-	-	-
1.3	Interest income from Financing Loans		-	-	-	-
1.4	Fees and Commission Income from Financing Loans		-	-	-	-
	LEASE INCOME		2.529.818	1.296.134	2.025.629	1.066.881
1.5	Finance Lease Income		2.527.957	1.294.933	2.023.629	1.065.921
1.6	Operational Lease Income		1.861	1.201	2.000	960
1.7	Fees and Commission Income from Lease Operations		-	-	-	-
	SAVING FINANCE INCOME		-	-	-	-
1.8	Dividends Received from Savings Financing Receivables		-	-	-	-
1.9	Fees and Commissions Received from Savings Financing Activities		-	-	-	-
II.	FINANCING EXPENSES (-)	32	(6.317.533)	(3.607.074)	(4.555.112)	(2.286.389)
2.1	Interest Expense on Funds Borrowed		(4.605.065)	(2.633.089)	(4.068.677)	(2.113.858)
2.2	Interest Expense on Factoring Payables		-	-	-	-
2.3	Interest Expense of Finance Leasing Expenses		(8.530)	(4.137)	(5.740)	(3.934)
2.4	Interest Expense on Securities Issued		(1.568.452)	(892.392)	(367.655)	(112.202)
2.5	Other Interest Expenses		-	-	-	-
2.6	Fees and Commissions Paid		(135.486)	(77.456)	(113.040)	(56.395)
III.	GROSS PROFIT/LOSS (I+II)		1.463.030	601.594	1.247.545	681.658
IV.	OPERATING EXPENSES (-)	30	(531.373)	(260.577)	(384.466)	(179.613)
4.1	Personal Expenses		(387.290)	(192.736)	(270.817)	(131.813)
4.2	Employee Severance Indemnity Expense		(9.128)	(7.197)	(18.913)	(1.126)
4.3	Research and Development Expenses		-	-	-	-
4.4	General Administration Expenses		(134.955)	(60.644)	(94.736)	(46.674)
4.5	Other		-	-	-	-
V.	GROSS OPERATING PROFIT/LOSS (III+IV)		931.657	341.017	863.079	502.045
VI.	OTHER OPERATING INCOME	31	3.461.772	1.440.228	1.019.499	366.800
6.1	Interest Income on Bank Deposits		198.565	136.725	139.856	87.465
6.2	Interest Income on Marketable Securities Portfolio		-	-	-	-
6.3	Dividend Income		413.526	-	77.849	77.838
6.4	Gains on Securities Trading		39.549	6.305	10.920	10.036
6.5	Income From Derivative Financial Instruments		942.092	118.744	213.783	72.817
6.6	Foreign Exchange Gains		1.498.106	1.028.211	84.552	24.467
6.7	Other		369.934	150.243	492.539	94.177
VII.	PROVISION EXPENSES (-)	33	(669.728)	(194.709)	(185.764)	(90.667)
7.1	Specific Provisions		-	-	-	-
7.2	Expected Credit Losses		(669.728)	(194.709)	(185.764)	(90.667)
7.3	General Provisions		-	-	-	-
7.4	Other		-	-	-	-
VIII.	OTHER OPERATING EXPENSES (-)	34	(1.381.688)	(147.563)	(173.802)	(76.329)
8.1	Impairment Losses on Securities Portfolio		-	-	-	-
8.2	Impairment Losses on Tangible and Intangible Assets		-	-	-	-
8.3	Losses on Securities Trading		-	-	-	-
8.4	Losses From Derivative Financial Instruments		(1.344.119)	(124.621)	(157.155)	(68.882)
8.5	Foreign Exchange Losses		-	-	-	-
8.6	Other		(37.569)	(22.942)	(16.647)	(7.447)
IX.	NET OPERATING PROFIT (V+...+VIII)		2.342.013	1.438.973	1.523.012	701.849
X.	AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-	-	-
	PROFIT/LOSS FROM ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD		-	-	-	-
XI.	NET MONETARY POSITION GAIN/LOSS		-	-	-	-
XIII.	PROFIT/LOSS ON CONTINUING OPERATIONS BEFORE TAX (IX+X+XI+XII)		2.342.013	1.438.973	1.523.012	701.849
XIV.	TAX PROVISION FOR CONTINUING OPERATIONS (±)	35	(549.009)	(378.539)	(411.001)	(153.982)
14.1	Current Tax Provision		(605.728)	(360.619)	(369.091)	(95.829)
14.2	Deferred Tax Income Effect (+)		-	-	(41.910)	(41.910)
14.3	Deferred Tax Expense Effect (-)		56.719	(17.920)	-	(16.243)
XV.	NET PERIOD PROFIT/LOSS FROM CONTUNUNG OPERATIONS (XIII±XIV)		1.793.004	1.060.434	1.112.011	547.867
XVI.	INCOME ON DISCONTINUED OPERATIONS		-	-	-	-
16.1	Income on Assets Held for Sale		-	-	-	-
16.2	Gain on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-	-	-
16.3	Other Income on Discontinued Operations		-	-	-	-
XVII.	EXPENSE ON DISCONTINUED OPERATIONS (-)		-	-	-	-
17.1	Expense on Assets Held for Sale		-	-	-	-
17.2	Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-	-	-
17.3	Other Expense on Discontinued Operations		-	-	-	-
XVIII.	PROFIT/LOSS ON DISCONTINUED OPERATIONS BEFORE TAX (XVI-XVII)		-	-	-	-
XIX.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
19.1	Current Tax Provision		-	-	-	-
19.2	Deferred Tax Expense Effect (+)		-	-	-	-
19.3	Deferred Tax Income Effect (-)		-	-	-	-
XX.	NET PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XVIII±XIX)		-	-	-	-
	NON-CONTROLLING INTEREST	22	(195.309)	(93.537)	(101.732)	(55.008)
XXI.	NET PROFIT FOR THE PERIOD (XV+XX)		1.597.695	966.897	1.010.279	492.859
	EARNINGS PER SHARE (**)	36	0,0230	0,0139	0,0145	0,0071
	Earnings Per Share from Continued Operations		0,0230	0,0139	0,0145	0,0071
	Earnings Per Share from Discontinued Operations		-	-	-	-
	DILUTED EARNINGS PER SHARE	36	0,0230	0,0139	0,0145	0,0071
	Earnings Per Share from Continued Operations		0,0230	0,0139	0,0145	0,0071
	Earnings Per Share from Discontinued Operations		-	-	-	-

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

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

PROFIT/LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT		Limited Audited Current Period 01.01-30.06.2025	Limited Audited Current Period 01.04-30.06.2025	Limited Audited Prior Period 01.01-30.06.2024	Limited Audited Prior Period 01.04-30.06.2024
I.	CURRENT PERIOD PROFIT/LOSS	1.793.004	1.060.434	1.112.011	547.867
II.	OTHER COMPREHENSIVE INCOME	(688.419)	(276.044)	625.124	592.248
2.1	Items that will not be Reclassified to Profit or Loss	(688.419)	(276.044)	625.124	592.248
2.1.1	Tangible Assets Revaluation Increases/Decreases	-	-	-	-
2.1.2	Intangible Assets Revaluation Increases/Decreases	-	-	-	-
2.1.3	Employee Benefits Re-Measuring Loss/Income	-	-	-	-
2.1.4	Other Comprehensive Income that will not be Reclassified to Profit or Loss	(818.099)	(329.180)	672.663	639.170
2.1.5	Taxes related with Comprehensive Income that will not be Reclassified to Profit or Loss	129.680	53.136	(47.539)	(46.922)
2.2	Items that may be Reclassified subsequently to Profit or Loss	-	-	-	-
2.2.1	Foreign Exchange Differences for Foreign Currency Transactions	-	-	-	-
2.2.2	Value Increases or Decreases on Assets Held for Sales	-	-	-	-
2.2.3	Cash Flow Hedge Income/Losses	-	-	-	-
2.2.4	Net Investment Hedge Income/Losses	-	-	-	-
2.2.5	Other Comprehensive Income that may be Reclassified subsequently to Profit or Loss	-	-	-	-
2.2.6	Taxes related with Comprehensive Income that may be Reclassified subsequently to Profit or Loss	-	-	-	-
III.	TOTAL OTHER COMPREHENSIVE INCOME	1.104.585	784.390	1.737.135	1.140.115

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

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 30 June 2025

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

						Other Accumulated Comprehensive Income that will be not reclassified to Profit/Loss			Other Accumulated Comprehensive Income that may be reclassified subsequently to Profit/Loss							
	Notes	Paid in Capital	Share in Premium	Share Cancellation Profit	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit/(Loss)	Net Current Period Profit/Loss	Non-Controlling Interest	Total Equity
CHANGES IN EQUITY																
Prior Period (01.01.2024 – 30.06.2024)																
Limited Audited																
I. Balance at the Beginning of the Period		695.303	-	-	1.763	-	(3.018)	1.846.980	-	-	-	1.783.089	5.868	1.767.060	672.855	6.769.900
II. Correction Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of Correction of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I+II)	23	695.303	-	-	1.763	-	(3.018)	1.846.980	-	-	-	1.783.089	5.868	1.767.060	672.855	6.769.900
IV. Total Comprehensive Income		-	-	-	-	-	-	556.675	-	-	-	-	-	1.010.279	170.181	1.737.135
V. Cash Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from internal reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Subordinated Loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Increases/Decreases due to other changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. New Balance (I+II)		-	-	-	-	-	-	-	-	-	-	1.767.452	(392)	(1.767.060)	-	-
11.1 Dividend Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfer to Reserves		-	-	-	-	-	-	-	-	-	-	1.767.452	(392)	(1.767.060)	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the End of the Period (III+IV+...+XI)		695.303	-	-	1.763	-	(3.018)	2.403.655	-	-	-	3.550.541	5.476	1.010.279	843.036	8.507.035
Current Period (01.01.2025 – 30.06.2025)																
Limited Audited																
I. Balance at the Beginning of the Period		695.303	-	-	1.763	-	(7.832)	2.679.963	-	-	-	3.550.541	5.476	1.925.193	991.775	9.842.182
II. Correction Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of Correction of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I+II)	23	695.303	-	-	1.763	-	(7.832)	2.679.963	-	-	-	3.550.541	5.476	1.925.193	991.775	9.842.182
IV. Total Comprehensive Income		-	-	-	-	-	-	(614.247)	-	-	-	-	-	1.597.695	121.137	1.104.585
V. Cash Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from internal reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in-Capital Inflation Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increases/Decreases due to other changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	1.930.669	(5.476)	(1.925.193)	-	-
11.1 Dividend Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfer to Reserves		-	-	-	-	-	-	-	-	-	-	1.930.669	(5.476)	(1.925.193)	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the End of the Period (III+IV+...+XI+XII)		695.303	-	-	1.763	-	(7.832)	2.065.716	-	-	-	5.481.210	-	1.597.695	1.112.912	10.946.767

1. Revaluation increase/decrease of property and equipment,
2. Employee benefits re-measuring income/loss,
3. Other (Other comprehensive income related with equity pick up investment portions and accumulated other comprehensive income components that will not be re-classified to profit/loss) (Note 2.3)
4. Foreign currency translation differences for foreign operations,
5. Net change in fair value of available-for-sale financial assets,
6. Other (Cash flow hedge income/(losses), accumulated other comprehensive income components that may re-classified subsequently to profit/loss)

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

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

		Limited Audited Current Period	Limited Audited Prior Period
	Notes	01.01-30.06.2025	01.01-30.06.2024
A. CASH FLOWS FROM OPERATING ACTIVITIES			
1.1 Operating Profit Before Changes In Operating Assets And Liabilities		896.579	531.472
1.1.1 Interests Received/Lease Income		7.716.765	5.854.565
1.1.2 Interest Paid/Lease Expenses		(5.523.417)	(4.936.653)
1.1.3 Dividends Received		413.526	77.849
1.1.4 Fees and Commissions Received		164.457	130.081
1.1.5 Other Income		170.338	155.352
1.1.6 Collections from Non-performing Receivables	31	199.596	337.187
1.1.7 Payments to Personnel and Service Suppliers		(343.317)	(238.597)
1.1.8 Taxes Paid	21	(573.253)	(567.233)
1.1.9 Others		(1.328.116)	(281.079)
1.2 Changes in Operating Assets and Liabilities		(6.092.815)	1.015.348
1.2.1 Net (Increase) Decrease in Factoring Receivables		(3.592.234)	614.368
1.2.2 Net (Increase) Decrease in Financing Loans		-	-
1.2.3 Net (Increase) Decrease in Lease Receivables		(5.748.378)	1.239.445
1.2.4 Net (Increase) Decrease in Savings Financing Receivables		-	-
1.2.5 Net (Increase) Decrease in Other Assets		(3.336.787)	(1.964.227)
1.2.6 Net Increase (Decrease) in Factoring Payables		-	-
1.2.7 Net (Increase) Decrease in Savings Financing Payables		-	-
1.2.8 Net Increase (Decrease) in Lease Payables		8.139	27.224
1.2.9 Net Increase (Decrease) in Funds Borrowed		5.302.303	501.160
1.2,10 Net Increase (Decrease) in Due Payables		-	-
1.2,11 Net Increase (Decrease) in Other Liabilities		1.274.142	597.378
I. Net Cash Provided from/(Used in) Operating Activities		(5.196.236)	1.546.820
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Paid for Purchase Of Associates, Subsidiaries and Joint-ventures		-	-
Cash Obtained From Sale of Associates, Subsidiaries and Joint-Ventures		-	-
Purchases of Tangible and Intangible Assets		-	-
2.3 Proceeds From Sale of Tangible and Intangible Assets	11,12	(76.845)	(59.917)
2.4 Cash Paid for Purchase of Financial Assets Available for Sale	11,12	20.743	16.881
2.5 Proceeds From Sale of Financial Assets Available for Sale		-	-
2.6 Cash Paid for Purchase of Held-to-Maturity Investment Securities		-	-
2.7 Proceeds from Sale of Held-to-Maturity Investment Securities		-	-
2.8 Other		-	-
2.9 Net Cash Provided from/(Used in) Operating Activities		186.653	(3)
II. Net cash used in investing activities		130.551	(43.039)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Cash obtained from funds borrowed and securities issued		7.355.172	3.653.089
3.2 Cash used for repayment of funds borrowed and securities issued		(2.090.924)	(5.108.404)
3.3 Equity instruments issued		-	-
3.4 Dividends paid		-	-
3.5 Payments for finance leases		-	-
3.6 Other		-	-
Net Cash Used in Financing Activities		5.264.248	(1.455.315)
III. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		1.038	1.567
IV. Net Increase/(Decrease) in Cash and Cash Equivalents		199.601	50.033
V. Cash and Cash Equivalents at the Beginning of the Period		1.166.130	2.510.720
VI. Net cash used in investing activities	4		
VII. Operating Profit Before Changes In Operating Assets And Liabilities	4	1.365.731	2.560.753

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

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY

İş Finansal Kiralama A.Ş. (“the Company”) was incorporated on 9 March 1988 to operate in Turkey in accordance with Finance Lease, Factoring, Financing and Savings Financing Companies Law No: 6361. The core business of the Company is leasing operations, both domestic and abroad, and it started its leasing operations in July 1988. The head office of the Company is located at İş Kuleleri Kule:1 Kat:6 34330 Levent-İstanbul/Turkey.

The Company has purchased nominal shares of İş Faktoring A.Ş. (“İş Faktoring”) amounting to TL 12.517 in consideration of USD 10.952.375 on 11 August 2004. The Company owns 78,23% of the İş Faktoring A.Ş. and it has been consolidated in the accompanying financial statements. The Company and its subsidiary run their operations in accordance with “Finance Lease, Factoring and Financing Companies Law” published on the Official Gazette no. 28496 dated 13 December 2012 and “Regulation on Principles for Establishment and Operations of Finance Lease, Factoring and Financing Companies” of Banking Regulation and Supervision Agency (“BRSA”).

The ultimate parent of the Company is Türkiye İş Bankası A.Ş. The main shareholders of the Company are Türkiye İş Bankası A.Ş. with 30,43% and Türkiye Sınai Kalkınma Bankası A.Ş. (“TSKB”) with 29,46% participation. The Company’s 39,18% of shares are publicly traded and listed on the Borsa İstanbul.

As at 30 June 2025, the Company and its subsidiary (“the Group”) have 272 employees (31 December 2024: 260 employees).

Dividend Payable

As at 30 June 2025, the Company does not have any dividend payable.

Approval of the Financial Statements

The consolidated financial statements and consolidated profit and loss table of the Group as at 30 June 2025 have been approved by the Board of Directors of the Group and authorized for issue as at 29 July 2025. The General Assembly and/or legal authorities have power to amend the consolidated financial statements after its issue.

2. BASIS OF THE FINANCIAL STATEMENTS

2.1 Basis of the Presentation

Accounting Standards Applied

consolidated financial statements accordingly to the “Communiqué on Uniform Chart of Accounts and Prospectus to be implemented by Financial Leasing, Factoring and Financing Companies” and “Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring, Financing and Savings Financing Companies” the published in the Official Gazette dated 29 June 2021 and numbered 31526 published by “Banking Regulation and Supervision Agency” (BRSA) and Turkish Accounting Standards (“TAS”), Turkish Financial Reporting Standards (“TFRS”) and their additions and comments issued by Public Oversight Accounting and Auditing Standards’ Authority (“POA”) and other regulations, communiqués, and circulars announced by the Banking Regulation and Supervision Agency (all together refer to as “BRSA Accounting and Reporting Legislation”) in respect of accounting and financial reporting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

2. BASIS OF THE FINANCIAL STATEMENTS (Continued)

2.1 Basis of the Presentation (Continued)

TAS 29 Financial Reporting in Hyperinflation Economies requires entities whose functional currency is that of a hyperinflationary economy to prepare their financial statements in terms of the measuring unit current at the end of the reporting period. TAS 29 describes characteristics that may indicate that an economy is hyperinflationary, and it requires all entities that report in the currency of the same hyperinflationary economy apply this Standard from the same date. Therefore, it is expected that TAS 29 will start to be applied simultaneously by all entities with the announcement of Public Oversight Accounting and Auditing Standards Authority to ensure consistency of the application required by TAS 29 throughout the country. However, the Authority has not published any announcement that determines entities would restate their financial statements for the accounting period ending on 31 December 2023 in accordance with TAS 29.

Although BRSA first stated that banks, financial leasing, factoring, financing, savings finance and asset management companies would switch to inflation accounting as of January 1, 2025, in accordance with the board decision dated January 11, 2024, on December 5, 2024, the Board decided that these companies would not apply inflation accounting in 2025.

In this context, "TMS 29 Financial Reporting Standard in High Inflation Economies" was not applied in the Group's financial statements dated 30 June 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant accounting estimates used are described in the following notes:

Note 5 – Financial assets and liabilities at fair value through profit or loss

Note 8 – Factoring receivables

Note 9 – Lease receivables

Note 20 – Provisions

Note 26 – Provisions, contingent assets and liabilities

Basis of Consolidation

The details of the Group’s subsidiary as at 30 June 2025 and 31 December 2024 are as follows:

<u>Subsidiary</u>	<u>Establishment and operation location</u>	<u>Shareholding rate %</u>	<u>Voting right rate %</u>	<u>Core business</u>
İş Faktoring A.Ş.	İstanbul	78,23	78,23	Factoring operations

The accompanying consolidated financial statements include the accounts of the Company and its subsidiary on the basis set out in “Subsidiaries” section below. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

2. BASIS OF THE FINANCIAL STATEMENTS (Continued)

2.1 Basis of the Presentation (Continued)

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

In determining control power, existing and convertible voting rights are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

As at 30 June 2025 and 31 December 2024, the Company owns 78,23% of İş Faktoring A.Ş.

As the Company has the power to control the operations of the İş Faktoring A.Ş., the financial statements of İş Faktoring A.Ş. have been fully consolidated in the accompanying consolidated financial statements.

(ii) Transactions eliminated on consolidation

Financial statements of İş Faktoring A.Ş. have been fully consolidated in the accompanying financial statements and profit or loss table and the investment balance in the Company’s statement of financial position have been eliminated against the paid-in capital of İş Faktoring A.Ş.. Intra-group balances, transactions and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. The accounting policies of the subsidiary have been adjusted when necessary to align them with the policies adopted by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

(iii) Non-controlling interests

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group’s equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interest in equity since the date of the combination.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.2 Changes in Accounting Policies

Accounting policies taken as the basis in preparing the financial statements of the accounting periods ended on June 30, 2025 are applied consistently with the financial statements prepared as of December 31, 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

2. BASIS OF THE FINANCIAL STATEMENTS (Continued)

2.3 Changes in Accounting Estimates and Errors

If the changes in accounting estimates relate to a specific period, they are applied in the period they relate to whereas if the changes are related to future periods, they are applied both in the period the change is made and prospectively in the future periods. There has not been any significant change in the accounting estimates of the Group in the current period. Material accounting errors are adjusted retrospectively and prior periods’ consolidated financial statements are restated..

2.4 Changes in Standards and Interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at June 30, 2025 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of January 1, 2025 The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

i) Standards, amendments, and interpretations applicable as of 30 June 2025:

Amendments to IAS 21 - Lack of Exchangeability

Effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

ii) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2025:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;

Effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

2. BASIS OF THE FINANCIAL STATEMENTS (Continued)

2.4 Changes in Standards and Interpretations(Continued)

ii) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2025:(Continued)

Annual improvements to IFRS – Volume 11;

Effective from annual periods beginning on or after 1 January 2026 (earlier application permitted). Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity;

Effective from annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required. These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as ‘contracts referencing nature-dependent electricity’.

IFRS 18 Presentation and Disclosure in Financial Statements;

Effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

2.4 BASIS OF THE FINANCIAL STATEMENTS (Continued)

ii) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2025:(Continued)

• IFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective from annual periods beginning on or after 1 January 2027. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19’s reduced disclosure requirements balance the information needs of the users of eligible subsidiaries’ financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES

a) Revenue

Finance lease income: Initial value of leased assets at the beginning of the leasing period under the Finance Lease, factoring and Financing Companies Law No: 6361 is recognized as finance lease receivables in the consolidated statement of financial position. Interest income resulting from the difference between the total finance lease receivables and the investment value of the leased assets are recognized in the period in which the relevant receivable portion for each accounting period is distributed over the related period using the fixed interest rate through the leasing period. The interest income not accrued yet is followed up under the account of unearned interest income.

Factoring revenue: Consists of factoring interest and commission income collected or accrued on advances given to the customers. Factoring commission income is a certain percentage of the total amount of invoices subject to factoring transactions.

Other interest income: The outstanding amount of the principal and cash inflows to be calculated over the expected life of the asset is reduced to the related period at the effective interest rate. Dividend income from equity share investments is recognized when the shareholders have the right to receive the dividend. Fee and commissions collected or paid on any transactions are recorded on accrual basis.

b) Tangible Assets

Tangible assets, acquired before 1 January 2005 are carried at restated cost for the effects of inflation in TL units current at the 31 December 2004 less accumulated depreciation and impairment losses, and tangible assets acquired after 31 December 2004 are carried at acquisition cost less accumulated depreciation and impairment losses.

Tangible assets are depreciated over the estimated useful lives of the related assets on a straight-line basis over the cost. The estimated useful life, residual values and amortization method of tangible assets are reviewed at each reporting period and corrected if necessary.

Leasehold improvements are depreciated on a straight-line basis at the lower of over their lease periods or over the useful life of the leasehold improvements.

Expenses incurred to replace any part of tangible fixed assets are capitalized.

Subsequent expenditures may be capitalized if they increase the future economic benefits of the asset. All other expense items are accounted on an accrual basis in the consolidated statement of income.

The estimated useful lives for the current and comparative periods are as follows:

Definition	Years
Furniture and fixtures	5 years
Other tangible assets	5 years
Leasehold improvements	5 years
Operational Leasing Assets	3 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Tangible Assets

Gains and losses on disposal of an item of tangible assets are determined by comparing the proceeds from disposal with the carrying amount of tangible assets, and are recognized net within other operating income/expense in the consolidated statement of income.

The estimated useful life, residual values and amortization method of tangible assets are reviewed at each reporting period and corrected if necessary.

c) Intangible Assets

Intangible assets include computer software, licenses and goodwill. Computer software and licenses acquired before 1 January 2005 are carried at restated cost for the effects of inflation in TL units current at the 31 December 2004 less accumulated amortisation and impairment losses and intangible assets acquired after 31 December 2004 are carried at acquisition cost less accumulated amortisation and impairment losses. The estimated useful lives, residual values and amortization method of intangible assets other than goodwill are reviewed at each reporting date. Amortization is charged on a straight-line basis over their estimated useful lives. The useful lives of computer software and licenses are 5 years.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their useful lives. Costs associated with developing or maintaining computer software programs are recognized in the statement of income as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Computer software development costs recognized as assets are amortized over their estimated useful lives, not exceeding five years.

The estimated useful life, residual value and amortization method of intangible assets are reviewed at each reporting period and corrected if necessary.

d) Impairment of Non-Financial Assets

Assets that have an indefinite useful life, like goodwill, are not subject to amortization, but tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impaired non-financial assets other than goodwill are reviewed for possible reversal of the impairment at each reporting date.

e) Borrowing Costs

All borrowing costs are recorded in the income statement on accrual basis.

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Financial Assets Held For Sale

Assets that are expected to be disposed by sale rather than usage (or disposal asset group) are classified as held for sale. Immediately before classification as held for sale, the assets (or disposal asset group) are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets (or disposal asset group) are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognized in the consolidated profit or loss table. Gains are not recognized in excess of any cumulative impairment loss.

g) Financial Instruments

Financial Assets

As of 1 January 2018, the Group within the scope of "TFRS 9 Financial Instruments", classifies and accounts its financial assets as "Financial Assets at Fair Value Through Profit or Loss", "Financial Assets at Fair Value Through Other Comprehensive Income" or "Financial Assets at Measured at Amortised Cost" by taking into account their business model and contractual cash flow characteristics. Financial assets are recognized or derecognized according to TFRS 9 "Recognition and Derecognition in the financial statements" requirements. The Company recognizes a financial asset in its statement of financial position when it becomes a party to the contractual provisions of the financial instrument. Financial assets are measured at their fair value on initial recognition in the financial statements.

Financial Assets at Fair Value Through Profit or Loss

Financial assets other than financial assets that are measured at amortized cost or at fair value through other comprehensive income, are measured at fair value through profit or loss. Financial assets at fair value through profit or loss are financial assets held for the purpose of generating profit from short-term fluctuations in price or similar factors in the market or being part of a portfolio for profitability in the short term, regardless of the acquisition reason. Financial assets at fair value through profit or loss are initially measured at fair value on the balance sheet and are subsequently re-measured at fair value. Gains or losses arising from the valuation are related to profit or loss.

Financial Assets Measured at Amortised Cost

Financial assets measured at amortized cost are those financial assets where the group has the intention and ability to held to the maturity, fixed or determinable payment plan, fixed-term debt instruments. Financial assets measured at amortized cost by using the effective interest rate method, net of any provision for impairment.

Financial Assets at Fair Value Through Other Comprehensive Income

The Group has equity investments and debt securities quoted on an active market and investments in fair values are classified as financial assets carried at fair value through other comprehensive income.

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(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Financial Instruments

The Group has equity instruments that are not traded and not quoted in an active market whose fair value differences are reflected in other comprehensive income and are measured at cost, since their fair value cannot be measured reliably..

Gains and losses arising from changes in the fair value impairment loss recognized in the income statement, interest and monetary assets and interest and monetary assets calculated using the effective interest method are recognized in other comprehensive income and the financial assets are accumulated in the fund of revaluation. In the event that the investment is disposed of or is impaired, the total profit/loss accumulated in the revaluation fund of financial assets is classified in the income statement. Dividends on equity instruments recognized at fair value through other comprehensive income are recognized in income statement when the Company's right to receive payment is established.

Financial Lease Receivables, Factoring Receivables and Expected Credit Loss

In accordance with the "IFRS 9-Financial Instruments, the Group recognizes expected credit loss allowance on financial assets at fair value through other comprehensive income or financial assets measured at amortized cost.

Under IFRS 9, the expected credit loss and specific provision is calculated according to the "three-stage" impairment model based on the change in the loan quality of financial assets after initial recognition and detailed in the following headings:

Stage 1:

An important determinant for calculating the expected credit loss in accordance with IFRS 9 is to assess whether there is a significant increase in the credit risk of the financial asset. Financial assets that have not experienced a significant increase in credit risk since the initial recognition are monitored in the first stage. Impairment for credit risk for the financial assets is equal to the 12-month expected credit losses.

Stage 2:

Financial assets that experienced a significant increase in the credit risk since initial recognition, are transferred to Stage 2. The expected credit loss of these financial assets are measured at an amount equal to the instrument's lifetime expected credit loss. In order to classify a financial asset in the second stage, the following criteria is considered:

- Overdue between 30-90 days
- Restructuring of the loan
- Significant deterioration in the probability

In the event of a significant deterioration in the probability of default, the credit risk is considered to be increased significantly and the financial asset is reclassified as stage 2.

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AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Financial Instruments(Continued)

Stage 3

Financial assets with sufficient and fair information for impairment at the reporting date, are classified in the third stage. Expected credit loss of these financial assets is measured at an amount equal to the lifetime expected credit loss. The following basic factors are considered for the classification of a financial asset in the third stage:

- More than 90 days past due

- Whether the credit rating is weakened, has suffered a significant weakness or can not be collected or there is a certain opinion on this matter

Specific provision is provided for factoring receivables in Stage 3.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments with maturities of three months or less than three months from date of acquisition and that are readily convertible to cash and are subject to an insignificant risk of changes in value.

Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value on the balance sheet and are subsequently re-measured at fair value. The change in fair value is accounted under the statement of profit or loss. The net gain or loss recognized in profit or loss includes any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method plus the interest expense recognized on effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Financial Instruments(Continued)

The effective interest method that calculates the amortized cost of a financial liability and allocates interest expense over the relevant period. The effective interest rate discounts the estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to net present value of financial liabilities.

Derivative financial instruments and hedge accounting

The Group’s activities exposes primarily to the financial risks of changes in foreign exchange rates and interest rates. The Group uses derivative financial instruments (primarily foreign currency forward and currency swap contracts) to hedge its risks associated with foreign currency and interest rate fluctuations. Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured at fair value at subsequent reporting dates.

The Group has no hedge accounting transactions as of 30 June 2025 and 31 December 2024.

h. Business Combinations

The acquisitions of subsidiaries are accounted for by using the purchase method. The cost of the acquisition is measured at the aggregate of fair value, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for the control of the acquiree. The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under TFRS 3 “Business Combinations” are recognized at fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 “Non-Current Assets Held for Sale and Discontinued Operations”, which are recognized and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. Goodwill is measured at cost less accumulated impairment. When the Group’s interest in the net fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, excess amount is recognized immediately as profit.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling party’s proportion of the net fair value of the identifiable assets, liabilities and contingent liabilities recognized.

i. Effects of Changes in Exchange Rates

The individual financial statements of each entity within the group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in TL, which is the functional currency of the Group, and the presentation currency for the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT 30 June 2025**

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**i. Effects of Changes in Exchange Rates(Continued)**

The foreign currency exchange rates used by the Group as at 30 June 2025 and 31 December 2024 are as follows:

	<u>30 June 2025</u>	<u>31 December 2024</u>
USD	39,7424	35,2233
EUR	46,5526	36,7429
GBP	54,5078	44,2458
CHF	49,6360	38,9510
100 JPY	27,4482	22,2634
AUD	25,9492	21,9039

In preparation of the financial statements of the individual entities, transactions in currencies other than TL (foreign currencies) are recorded at the prevailing exchange rates at the transaction date. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

j. Earnings Per Share

Earnings per share presented in the accompanying consolidated income statement is determined by dividing net income by the weighted average number of shares in issue during the year. In case the number of shares increases through rights issue as a result of capital increases from internal sources, earnings per share calculations are made by restating the weighted average number of shares in comparison periods. The correction refers to the consideration of the number of shares used in the calculation as if the unpaid issue was performed at the beginning of the comparison period.

In Turkey, companies can increase their share capitals by issue of “Bonus Shares” to their shareholders from their retained earnings. In computing earnings per share, such issues of “Bonus Shares” are treated as issued shares. Accordingly, the retrospective effect for those share issues is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

k. Events After the Reporting Period

Subsequent events means the events occurred between the reporting date and the authorization date for the announcement of the financial statements. In accordance with IAS 10 “Events After Reporting Period Date”; subsequent balance sheet events that provide additional information about the Group’s position at the balance sheet dates (adjusting events) are reflected in the consolidated financial statements. Events that does not require adjustment of financial statements are disclosed in the notes when material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Provisions, Contingent Liabilities and Contingent Assets:

In accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, a provision is recognized when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the specified criteria are not met, the Group discloses the related issues in the accompanying notes. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability if the time value of the money is significant to the provision.

Contingent assets are disclosed in the notes and not recognized unless they are realized.

m. Segment Reporting

The Group has two different operating segments, leasing and factoring, that is used by management to make decisions about resources to be allocated to the segments and assess their performance, and for which discrete financial information is available (Note 27)

n. Taxes on Income

Turkish Tax Legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis. Income tax expense or credit comprises current and deferred tax.

Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Taxes on Income (Continued)

A deferred tax asset is recognized for unused tax losses, investment incentives, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Taxes arising from financial system fair value measurements are recognized as other comprehensive income and are subsequently recognized in profit or loss along with the realization of other recognized deferred gains.

In accordance with the provisions of the duplicate 298th article of the Tax Procedure Law, it has been legislated that financial statements will be subject to inflation adjustment in the event that the increase in the producer price index exceeds 100% in the last 3 accounting periods, including the current period, and exceeds 10% in the current accounting period. The transition to inflation accounting will be made on the financial statements dated 31 December 2023. According to Article 17 of Law No. 7491 on Some Amendments to Some Laws and Decrees Having the Force of Law, published in the Official Gazette No.32413 on 28 December 2023, it has become law that the profit/loss differences resulting from the inflation adjustment to be made in the 2024 and 2025 accounting periods, including provisional tax periods, by banks, companies covered by the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361 dated 21 November 2012, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies, will not be taken into account in determining the profit. The President is authorized to extend the periods determined within the scope of this paragraph by one accounting period, including provisional tax periods.

o Employee Benefits/Reserve for Employee Termination Benefits

In accordance with the existing social legislation in Turkey, the Group is required to make certain lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are recognized in the accompanying consolidated financial statements as accrued. The computation of the liability is based upon the retirement pay ceiling announced by the government.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT 30 June 2025**

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**o. Employee Benefits/Reserve for Employee Termination Benefits (Continued)**

In accordance with IAS 19 “Employee Benefits”, the Group calculated the employee severance indemnities incurred due to retirement of its employees by discounting the future liabilities to their present values, by using actuarial method and reflected to the consolidated financial statements. The main estimates used are as follows:

	30 June 2025	31 December 2024
Discount rate	3,98%	3,98%
Expected rate of salary/limit increase	21,85%	21,85%
Probability of retirement	93,11%	93,11%

The basic assumptions are that the ceiling liability in force as of January 1, 2006 will be increased for each year of service in proportion to inflation. Thus, the discount rate applied represents the real rate, adjusted for the expected effects of inflation.

p. Statement of Cash Flows

The Group presents statement of cash flows as an integral part of its financial statements to inform the users of financial statements about its ability to manage changes in its net assets, its financial structure and the amount and timing of its cash flows under changing conditions.

In the statement of cash flows, the cash flows for the period are reported with a classification of operating, investment and financing activities. Cash flows related with operating activities compose of the cash flows arising from core operations of the Company. Cash flows related with investment activities compose of cash flows that the Group generates from or uses in investment activities (tangible and financial investments). Cash flows related with financing activities represent resources that the Group uses for financing activities and the reimbursements of such resources.

r. Share Capital and Dividends

Common shares are classified as equity. Dividends on common shares are reclassified as dividend payables by netting off from the retained earnings in the period in which they are approved and disclosed.

s. Related Parties

In accordance with IAS 24 “Related Party Disclosures” shareholders, key management and board members, in each case together with companies controlled by or affiliated with them, and associated companies are considered and referred to as related parties. Related party transactions consist of the transfer of the assets and liabilities between related parties by a price or free of charge. For the purpose of the accompanying consolidated financial statements, shareholders of the Company, the companies controlled by/associated with them, key management and the Board members of the Company are referred to as related parties (Note 10).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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4. CASH AND CASH EQUIVALENTS

As at 30 June 2025 and 31 December 2024, the details of the banks are as follows:

	30 June 2025		31 December 2024	
	TL	FC	TL	FC
Demand Deposits	1.099.912	215.957	834.262	275.564
Time Deposits	49.862	-	13.218	43.086
Interest accrual	55	-	16	5
	1.149.829	215.957	847.496	318.655

The details of the time deposits as at 30 June 2025 are as follows:

Currency	Interest Rate %	Maturity	30 June 2025
TL	47,00	01.07.2025	49.917
			49.917

The details of the time deposits as at 31 December 2024 are as follows:

Currency	Interest Rate %	Maturity	31 December 2024
TL	43,96%	02.01.2025	13.234
Eur	0,15%	06.01.2025	43.091
			56.325

As at 30 June 2025, TL 149.556 portion of total foreign currency deposits (31 December 2024: TL 293.519) and TL 25.924 portion of total TL deposits (31 December 2024: TL 14.847) consist of accounts at the Group's main shareholder, Türkiye İş Bankası A.Ş.

The reconciliation of carrying value of cash and cash equivalents in the accompanying consolidated statement of financial position and the statement of cash flow is as follows:

	30 June 2025	31 December 2024
Demand deposits	1.315.869	1.109.826
Time deposits (1-3 months) (excluding accrual)	49.862	56.304
Cash and cash equivalents	1.365.731	1.166.130

As at 30 June 2025 and 31 December 2024, there is no blockage on cash and cash equivalents.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 June 2025

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

5. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

As of June 30, 2025 and December 31, 2024, there are no financial assets/liabilities whose fair value differences are reflected in profit or loss.

6. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

Derivative financial assets are measured at fair value and if the valuation difference is positive they are classified as "Derivative Financial Assets available for sale", if it is negative they are classified as "Derivative Financial Liabilities available for sale".

Derivative Financial Assets

	30 June 2025		31 December 2024	
	TP	FC	TP	FC
Swap Transactions	4.624	207.335	2.864	525.470
Futures Transactions	-	26.710	-	62.025
	4.624	234.045	2.864	587.495

Derivative Financial Liabilities

	30 June 2025		31 December 2024	
	TP	FC	TP	FC
Swap Transactions	224.622	312.198	-	36.444
Futures Transactions	-	104.408	217.019	730
	224.622	416.606	217.019	37.174

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 30 June 2025 and 31 December 2024, details of financial assets at fair value through other comprehensive income are as follows:

				Ownership Rate (%)		Carrying Amount	
Name of the investment	Core business	Incorporation and location	Voting right (%)	30 June 2025	31 December 2024	30 June 2025	31 December 2024
<u>Quoted Investments:</u>							
İş Yatırım Menkul Değerler A.Ş. (İş Yatırım)	Investment and Securities Services	İstanbul	4,86	4,86	4,86	2.637.308	3.455.406
<u>Unquoted investments</u>							
Yatırım Finansman Menkul Değerler A.Ş.	Investment and Securities Services	İstanbul	0,06	0,06	0,06	29	29
Efes Varlık Yönetimi A.Ş.	Asset Management	İstanbul	5,72	5,72	5,72	13.143	13.143
TOTAL						2.650.480	3.468.578

8. FACTORING RECEIVABLES

As at 30 June 2025 and 31 December 2024 details of factoring receivables are as follows:

	30 June 2025	31 December 2024
Factoring receivables	41.266.166	35.699.938
Factoring interest income accrual (-)	(1.012.900)	(575.538)
Subtotal	40.253.266	35.124.400
Stage 1 (Expected Credit Loss)	(154.836)	(99.625)
Stage 2 (Expected Credit Loss)	(134.125)	(82.514)
Total factoring receivables	39.964.305	34.942.261
Non-performing factoring receivables	471.606	386.217
Specific provisions- Stage 3	(349.289)	(293.854)
Factoring receivables, net	40.086.622	35.034.624

As at 30 June 2025, the rating of factoring receivables are as follows:

Ratings – 30 June 2025	Stage 1.	Stage 2.	Stage 3.	Total
Total portfolio	39.744.853	508.413	471.606	40.724.872
Very good	22.901.891	-	-	22.901.891
Standard	16.842.962	-	-	16.842.962
Substandard	-	508.413	471.606	980.019
Expected credit losses	(154.836)	(134.125)	(349.289)	(638.250)
Factoring receivables, net	39.590.017	374.288	122.317	40.086.622

(*) Companies in the corporate segment with integrated degrees of 1, 2 and 3 are included.

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(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

8. FACTORING RECEIVABLES (Continued)

As at 31 December 2024, the rating of factoring receivables are as follows:

Ratings - 31 December 2024	Stage 1.	Stage 2.	Stage 3.	Total
Total portfolio	34.824.258	300.142	386.217	35.510.617
Very good	23.309.089	-	-	23.309.089
Standard	11.515.169	-	-	11.515.169
Substandard	-	300.142	386.217	686.359
Expected credit losses	(99.625)	(82.514)	(293.854)	(475.993)
Factoring receivables, net	34.724.633	217.628	92.363	35.034.624

(*) Companies in the corporate segment with integrated degrees of 1, 2 and 3 are included.

The movement of expected credit loss and specific provisions are as follows:

<u>Expected Loss Provision Movement Table:</u>	1 January- 30 June 2025	1 January- 31 December 2024
Provision at the beginning of the period	(475.993)	(399.941)
Additions	(195.478)	(289.663)
Collections	68.980	227.782
Exchange difference income/expense	(35.759)	(14.171)
Provision at the end of the period	(638.250)	(475.993)

As at 30 June 2025 TL 2.203.753, EUR 76.405 thousand, USD 33.511 thousand and GBP 2.993 thousand factoring receivables have variable interest rates, (31 December 2024: TL 3.589.262, EUR 77.213 thousand, USD 57.944 thousand, GBP 5.287 thousand) TL 29.752.993 thousand, EUR 32.769 thousand, USD 38.928 thousand and GBP one thousand factoring receivable have stabil interest rates (31 December 2024: TL 22.285.602 thousand, EUR 44.848 thousand, USD 72.123 thousand and GBP 3 thousand).

As at 30 June 2025, the average interest rates applicable for the factoring receivables are 50,31% for TL, for 9,84% USD, 7,90% for EUR and 9,07% for GBP (31 December 2024: 51,32% for TL, 8,68% for USD, 7,39% for EUR and 9,20% for GBP).

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(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

8. FACTORING RECEIVABLES (Continued)

The details of the factoring receivables based on types of factoring transactions are as follows:

	30 June 2025	31 December 2024
Domestic irrevocable	20.275.894	16.100.592
Foreign irrevocable	1.725.815	2.454.104
Domestic revocable	14.254.645	13.568.889
Foreign revocable	3.830.268	2.911.039
	40.086.622	35.034.624

The Group’s aging of non-performing factoring receivables is as follows:

	30 June 2025	31 December 2024
Up to 90 days	4.719	8.689
Between 90 – 180 days	38.228	25.598
Between 180 – 360 days	37.618	19.779
Over 360 days	391.041	332.151
	471.606	386.217

The Group has contractual sureties as collateral for the above non-performing factoring receivables.

As at 30 June 2025, standard and close monitoring factoring receivables and the close monitoring factoring receivable amendments made related to the extension of the payment plan as follows:

	Standard Receivables	Receivables Under Close Monitoring
Number of Amendments Related to the Extension of the Payment Plan		186.032
Extended for 1 or 2 Times	-	5.284
Extended for 3,4 or 5 Times	-	180.748
Extended for More than 5 Times	-	-
	Standard Receivables	Receivables Under Close Monitoring
The Time Extended via the Amendment on payment Plan		186.032
0-6 Months	-	5.284
6 Months – 12 Months	-	-
1 – 2 Years	-	-
2 – 5 Years	-	180.748
5 Years and More	-	-

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8. FACTORING RECEIVABLES (Continued)

As at 31 December 2024, standard and close monitoring factoring receivables and the close monitoring factoring receivable amendments made related to the extension of the payment plan as follows:

	Standard Receivables	Receivables Under Close Monitoring
Number of Amendments Related to the Extension of the Payment Plan		143.117
Extended for 1 or 2 Times	-	1.012
Extended for 3,4 or 5 Times	-	142.105
Extended for More than 5 Times	-	-

	Standard Receivables	Receivables Under Close Monitoring
The Time Extended via the Amendment on payment Plan	-	143.117
0-6 Months	-	-
6 Months – 12 Months	-	1.012
1 – 2 Years	-	-
2 –5 Years	-	142.105
5 Years and More	-	-

9. LEASE RECEIVABLES

A. Financial Lease Receivables

As at 30 June 2025, details of finance lease receivables are as follows:

	Short Term	Long Term	Total
Financial Lease Receivables	15.579.905	28.432.959	44.012.864
Unearned interest income (-)	(1.497.796)	(5.026.625)	(6.524.421)
Subtotal	14.082.109	23.406.334	37.488.443
Expected Credit Loss– Stage 1	(86.494)	(24.918)	(111.412)
Expected Credit Loss – Stage 2	(63.985)	(386.187)	(450.172)
Total Financial Lease Receivables	13.931.630	22.995.229	36.926.859
Non- Performing Lease Receivables	1.163.718	249.240	1.412.958
Specific provision– Stage 3	(585.452)	(125.390)	(710.842)
Net finance lease receivables	14.509.896	23.119.079	37.628.975

	Carried value			Expected credit loss and specific provision		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financial Assets	1.365.786	-	-	(36)	-	-
Financial Lease Receivables	36.105.685	1.382.758	1.412.958	(111.412)	(450.172)	(710.842)

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9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

As at 31 December 2024, details of finance lease receivables are as follows:

	Short Term	Long Term	Total
Financial Lease Receivables	16.888.549	14.956.629	31.845.178
Unearned interest income (-)	(3.223.892)	(1.960.819)	(5.184.711)
Subtotal	13.664.657	12.995.810	26.660.467
Expected Credit Loss– Stage 1	(44.096)	(35.932)	(80.028)
Expected Credit Loss – Stage 2	(160.510)	(287.211)	(447.721)
Total Financial Lease Receivables	13.460.051	12.672.667	26.132.718
Non- Performing Lease Receivables	541.583	150.315	691.898
Specific provision– Stage 3	(313.917)	(87.126)	(401.043)
Net finance lease receivables	13.687.717	12.735.856	26.423.573

	Carried value			Expected credit loss		
	Stage 1	Stage 2	Stage 3	Stage 2	Stage 2	Stage 3
Financial Lease Receivables	1.166.151	-	-	(50)	-	-
Financial Assets	25.127.152	1.533.315	691.898	(80.028)	(447.721)	(401.043)

As at 30 June 2025, the rating of finance lease receivables are as follows:

Ratings	Stage 1	Stage 2	Stage 3	Total
Internal ratings				
A+ (Excellent)	122.997	-	-	122.997
A (Very good))	378.468	10.572	-	389.040
A- (Good)	3.483.585	23.211	296.883	3.803.679
B+ (Enough)	8.067.948	246.059	169.044	8.483.051
B (Reasonable)	7.736.260	268.843	59.648	8.064.751
B- (Close Monitoring)	7.357.566	262.462	554.877	8.174.905
C+ (Insufficient)	4.421.616	205.177	177.909	4.804.702
C (Suspicious)	1.726.963	307.552	104.689	2.139.204
Scoring				
Y (High)	1.505.801	29.543	20.615	1.555.959
O (medium)	1.140.573	28.309	23.739	1.192.621
D (Low)	163.908	1.030	5.554	170.492
Expected Loss Provisions	(111.412)	(450.172)	(710.842)	(1.272.426)
Leasing receivables	35.994.273	932.586	702.116	37.628.975

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9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

As at 31 December 2024, the rating of finance lease receivables are as follows:

Ratings	Stage 1	Stage 2	Stage 3	Total
Internal ratings				
A+ (Excellent)	26.225	-	-	26.225
A (Very good))	442.179	2.271	247.348	691.798
A- (Good)	630.715	15.175	884	646.774
B+ (Enough)	2.112.344	585.493	37.060	2.734.897
B (Reasonable)	4.355.982	259.201	26.318	4.641.501
B- (Close Monitoring)	5.581.122	157.705	183.065	5.921.892
C+ (Insufficient)	4.364.017	107.513	93.742	4.565.272
C (Suspicious)	2.086.528	82.263	87.980	2.256.771
Scoring				
Y (High)	2.929.784	262.094	2.911	3.194.789
O (medium)	2.227.214	45.246	5.740	2.278.200
D (Low)	371.042	16.354	6.850	394.246
Expected Loss Provisions	(80.028)	(447.721)	(401.043)	(928.792)
Net finance lease receivables	25.047.124	1.085.594	290.855	26.423.573

As of June 30, 2025, the information regarding finance lease receivables subject to contract amendments for extension of the payment schedule is as follows:

	Standard Receivables	Receivables Under Close Monitoring
Number of Amendments Related to the Extension of the Payment Plan	-	230.556
Extended for 1 or 2 Times	-	230.556
Extended for 3,4 or 5 Times	-	-
Extended for More than 5 Times	-	-
	Standard Receivables	Receivables Under Close Monitoring
The Time Extended via the Amendment on payment Plan	-	230.556
0-6 Months	-	-
6 Months – 12 Months	-	230.556
1 – 2 Years	-	-
2 –5 Years	-	-
5 Years and More	-	-

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9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

As of December 31, 2024, the information regarding finance lease receivables subject to contract amendments for extension of the payment schedule is as follows:

	Standard Receivables	Receivables Under Close Monitoring
Number of Amendments Related to the Extension of the Payment Plan	-	574.535
Extended for 1 or 2 Times	-	574.535
Extended for 3,4 or 5 Times	-	-
Extended for More than 5 Times	-	-
	Standard Receivables	Receivables Under Close Monitoring
The Time Extended via the Amendment on payment Plan	-	574.535
0-6 Months	-	-
6 Months – 12 Months	-	574.535
1 – 2 Years	-	-
2 – 5 Years	-	-
5 Years and More	-	-

As at 30 June 2025, analysis of finance lease receivables according to their maturities is as follows:

	2025	2026	2027	2028	2029	2030 and beyond	Total
Finance lease receivables (gross)	12.072.264	16.225.022	8.704.572	4.083.759	2.068.756	999.023	44.153.396
Unearned interest	(2.196.506)	(2.530.409)	(1.100.186)	(432.844)	(190.134)	(74.342)	(6.524.421)
Finance lease receivables (net)	9.875.758	13.694.613	7.604.386	3.650.915	1.878.622	924.681	37.628.975

As at 31 December 2024, analysis of finance lease receivables according to their maturities is as follows:

	2025	2026	2027	2028	2029	2030 and beyond	Total
Finance lease receivables (gross)	16.501.339	8.857.272	4.096.186	1.495.047	518.311	140.129	31.608.284
Unearned interest	(3.223.892)	(1.297.322)	(444.597)	(137.122)	(49.007)	(32.771)	(5.184.711)
Finance lease receivables (net)	13.277.447	7.559.950	3.651.589	1.357.925	469.304	107.358	26.423.573

As at 30 June 2025, the average compound interest rates applicable for the finance lease receivables are 56,65% for TL, 9,34% for USD, 7,31% for EUR (31 December 2024: 56,71% for TL, 9,38% for USD, 7,34% for EUR)..

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9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

As at 30 June 2025, details of finance lease receivables in terms of currency types are as follows:

<u>Currency</u>	<u>Principal in foreign currency</u>	<u>Principal (Net) (TL)</u>	<u>Unearned interest in foreign currency</u>	<u>Unearned interest (TL)</u>
USD	81.326.495	3.232.110	8.505.526	338.030
EUR	607.390.484	28.275.606	73.460.348	3.419.770
TL		6.121.259		2.766.621
Total		37.628.975		6.524.421

As at 31 December 2024, details of finance lease receivables in terms of currency types are as follows:

<u>Currency</u>	<u>Principal in foreign currency</u>	<u>Principal (Net) (TL)</u>	<u>Unearned interest in foreign currency</u>	<u>Unearned interest (TL)</u>
USD	90.177.913	3.176.364	8.669.812	305.379
EUR	466.414.145	17.137.408	54.979.703	2.020.114
TL		6.109.801		2.859.218
Total		26.423.573		5.184.711

The collaterals obtained by the Group, except for the leased assets, for its all finance lease receivables, except for non-performing finance lease receivables are as follows (if the amount of collaterals exceeds the amount of receivables during the calculation of collaterals, only the corresponding portion of the receivable is included in the below table):

<u>Collateral type:</u>	<u>30 June 2025</u>	<u>31 December 2024</u>
Mortgages	846.417	653.064
Pledged equity	87.111	102.638
Sureties of credit guarantee fund	76.990	58.854
Pledged shares	6.792	23.013
Letters of guarantee	26.449	21.025
Pledged movable	2.603	2.376
Cash blockages	1.500	1.500
Mortgages	6	2
	1.047.868	862.472

In addition to collaterals above, the Group also has sureties amounting to TL 35.043.515 pledged vehicles amounting to TL 737.397, pledged accounts receivable to TL 268.351 (31 December 2024: sureties amounting to TL 24.544.451, pledged vehicles amounting to TL 573.764, pledged accounts receivable to TL 348.872).

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9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

As at 30 June 2025 and 31 December 2024 details of overdue finance lease receivables are as follows:

	30 June 2025	31 December 2024
Up to 30 days	159.460	152.487
Between 30 – 60 days	80.899	41.193
Between 60 – 90 days	15.309	380.208
	255.668	573.888

Details of the collaterals obtained by Group for overdue lease receivables mentioned above are as follows:

<u>Collateral type</u>	30 June 2025	31 December 2024
Mortgages	220.657	167.471
Letters of guarantee	10.781	7.320
Pledged movable	5.210	2.376
	236.648	177.167

In addition to above guarantees, the Group also has sureties amounting to TL 1.303.657, pledged vehicles amounting to TL 46.213, (31 December 2024: sureties amounting to TL 1.647.496, pledged vehicles amounting to TL 51.380).

In determining the recoverability of the finance lease receivables, the Group considers any change in the credit quality of receivables from the date that receivable was initially recognized to the reporting date. The Group does not have significant credit risk concentration. The sectoral distribution of the finance lease receivables are given in Note 38.

As at 30 June 2025 and 31 December 2024, the aging of non-performing finance lease receivables is as follows:

	30 June 2025	31 December 2024
Between 90 – 240 days	155.109	39.200
Between 240 – 360 days	385.790	3.058
Over 360 days	308.326	269.957
Uninvoiced non-performing finance lease receivables	908.519	653.706
Unearned interest of non-performing finance lease receivables	(344.786)	(274.023)
	1.412.958	691.898

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9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continue)

Collaterals obtained for non-performing finance lease receivables as at 30 June 2025 and 31 December 2024 are as follows:

<u>Guarantee type:</u>	<u>30 June 2025</u>	<u>31 December 2024</u>
Mortgages	4.509	3.967
	4.509	3.967

In addition to the above collaterals, the Group also has sureties amounting to TL 710.812, pledged vehicles amounting to TL 512 and leased equipments amounting to TL 697.125 (31 December 2024: sureties amounting to TL 401.043, pledged vehicles amounting to TL 134 and leased equipments amounting to TL 288.167).

Movement of expected loss provision for financial lease receivables is as follows:

<u>Movement of expected credit losses:</u>	<u>1 January- 30 June 2025</u>	<u>1 January- 31 December 2024</u>
Provision at the beginning of the period	(928.792)	(963.918)
Provision set during the period	(474.250)	(216.620)
Collections	130.616	251.746
Provision at the end of the period	(1.272.426)	(928.792)

B. Operating Lease Receivables (Continued)

As at 30 June 2025 and 31 December 2024 analysis of time lease receivables occurred from operating lease receivables according to their maturities is as follows:

	<u>30 June 2025</u>	<u>31 December 2024</u>
2025 Year	3.218	2.322
2026 Year	6.152	1.926
2027 Year	4.225	-
2028 Year	4.567	-
	18.162	4.248

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10. RELATED PARTIES

As at 30 June 2025 and 31 December 2024, details of related party receivables and payables are as follows:

	30 June 2025	31 December 2024
<u>Finance lease receivables from related parties</u>		
Radore Veri Merkezi Hizm.A.Ş	-	24.657
Türkiye Sınai Kalkınma Bankası A.Ş.	3.505	4.267
Ortopro Tıbbi Aletler Sanayi ve Ticaret A.Ş.	738	-
Total	4.243	28.924
<u>Factoring receivables from related parties</u>		
Türkiye Şişe ve Cam Fabrikaları A.Ş.	6.820.224	6.098.153
İş Enerji Yatırımları A.Ş.	238.004	37.854
Enaş Enerji Yatırımları A.Ş.	-	10.886
Ortopro Tıbbi Aletler Sanayi ve Ticaret A.Ş.	27.819	7.274
Total	7.086.047	6.154.167
<u>Payables to related parties</u>		
Anadolu Anonim Türk Sigorta Şirketi (Insurance Premium)	292.320	212.282
İş Net Elekt.Bilgi Ür.Dağ.Tic.ve İlet.Hiz.A.Ş	521	1.256
Softtech Yazılım Teknolojileri	1.040	841
İş Merkezleri Yönetim ve İşletim A.Ş.	395	606
Türkiye İş Bankası A.Ş.	127	150
Topkapı Danışmanlık Elektronik Hiz. Paz ve Tic. A.Ş.	43	81
KKB Kredi Kayıt Bürosu A.Ş.	32	31
Ortopro Tıbbi Aletler San ve Tic. A.Ş.	8	7
Anadolu Hayat Emeklilik A.Ş.	190	-
Total	294.676	215.254
<u>Deposits placed to related parties</u>		
Türkiye İş Bankası A.Ş. Demand Deposits	175.480	265.275
Türkiye İş Bankası A.Ş. Time Deposits	-	43.091
Türkiye Sınai Kalkınma Bankası A.Ş.	667	515
İşbank AG Demand Deposits	1.085	109
Total	177.232	308.990
<u>Payables to Related Parties from Lease Transactions</u>		
Türkiye İş Bankası A.Ş.	4.929	409
Total	4.929	409

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10. RELATED PARTIES (Continued)

	30 June 2025	31 December 2024
<u>Derivative financial assets held for trading from related parties</u>		
Türkiye Sınai Kalkınma Bankası A.Ş.	232.639	491.101
Türkiye İş Bankası A.Ş.	4.349.220	3.210.590
Total	4.581.859	3.701.691
<u>Derivative financial liabilities held for trading from related parties</u>		
Türkiye Sınai Kalkınma Bankası A.Ş.	231.363	477.157
Türkiye İş Bankası A.Ş.	4.203.264	3.532.433
Total	4.434.627	4.009.590

As at 30 June 2025 and 31 December 2024, details of borrowings from related parties are as follows

Borrowings from related parties

Türkiye İş Bankası A.Ş.

Currency	Interest Rate %	Maturity	30 June 2025
TL	47,50%-63,60%	01.07.2025-30.04.2027	8.475.464
USD	8,00%-9,75%	21.07.2025-30.09.2025	191.793
EUR	4,85%-8,51%	30.09.2025-12.05.2027	3.424.824
GBP	6,59%-7,18%	29.07.2025-18.06.2026	10.609.673
			22.701.754
Currency	Interest Rate %	Maturity	31 December 2024
TL	18,51%-49,00%	02.01.2025-07.04.2025	2.307.250
USD	6,90%	31.03.2025	721.627
EUR	5,10%-8,51%	03.02.2025-19.03.2026	3.257.115
GBP	6,59%-7,76%	07.01.2025-11.02.2026	9.378.350
			15.664.342

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10. RELATED PARTIES (Continued)Türkiye Sınai Kalkınma Bankası A.Ş.

<u>Currency</u>	<u>Interest Rate %</u>	<u>Maturity</u>	<u>30 June 2025</u>
USD	7,44%-8,39%	29.06.2026-19.07.2029	1.420.118
EUR	2,97%-6,32%	25.08.2025-29.05.2030	656.311
			2.076.429

<u>Currency</u>	<u>Interest Rate %</u>	<u>Maturity</u>	<u>31 December 2024</u>
USD	6,59%-7,90%	28.05.2025-11.02.2026	1.350.574
EUR	2,97%-7,29%	09.05.2025-01.06.2026	701.413
			2.051.987

İşbank AG

<u>Currency</u>	<u>Interest Rate %</u>	<u>Maturity</u>	<u>30 June 2025</u>
EUR	3,60%-4,80%	02.07.2025-19.09.2025	430.814
			430.814

<u>Currency</u>	<u>Interest Rate %</u>	<u>Maturity</u>	<u>31 December 2024</u>
EUR	4,59%-5,83%	13.01.2025-06.11.2025	862.315
TL	47,00%	02.01.2025	212.395
			1.074.710

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10. RELATED PARTIES (Continued)

For the periods ended 30 June 2025 and 30 June 2024, finance income and expenses from related parties are as follows:

	01.01.2025- 30.06.2025	01.04.2025- 30.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
<u>Finance lease interest income from related parties</u>				
Radore Veri Merkezi Hizm.A.Ş.	-	-	3.251	1.765
Türkiye Sınai Kalkınma Bankası A.Ş.	491	49	852	427
Ortopro Tıbbi Aletler Sanayi ve Ticaret A.Ş.	121	-	-	-
Total	612	49	4.103	2.192
<u>Operating Lease Income from related parties</u>				
Türkiye Sınai Kalkınma Bankası A.Ş.	1.101	561	2.000	960
Total	1.101	561	2.000	960
<u>Interest income from related parties</u>				
Türkiye İş Bankası A.Ş.	6.154	4.988	6.664	5.438
Total	6.154	4.988	6.664	5.438
<u>Dividend income from related parties</u>				
İş Yatırım Menkul Değerler A.Ş.	413.512	-	77.838	77.838
Yatırım Finansman Menkul Değerler A.Ş.	14	-	11	-
Total	413.526	-	77.849	77.838
<u>Finance expense</u>				
Türkiye İş Bankası A.Ş.	531.198	272.712	1.086.528	433.321
Türkiye Sınai Kalkınma Bankası A.Ş.	84.489	42.196	89.010	37.780
İş Yatırım Menkul Değerler A.Ş.	10.061	5.617	4.800	1.041
İşbank AG	23.310	12.361	10.708	5.233
Total	649.058	332.886	1.191.046	477.375
<u>Rent expense</u>				
Türkiye İş Bankası A.Ş.	13.402	6.542	9.131	4.440
İş Gayrimenkul Yatırım Ortaklığı A.Ş.	-	-	150	75
Total	13.402	6.542	9.281	4.515

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10. RELATED PARTIES (Continued)

	<u>01.01.2025-</u> <u>30.06.2025</u>	<u>01.04.2025-</u> <u>30.06.2025</u>	<u>01.01.2024-</u> <u>30.06.2024</u>	<u>01.04.2024-</u> <u>30.06.2024</u>
<u>Factoring commission income from related parties</u>				
Bayek Tedavi Sağlık Hizm. ve İşlet. A.Ş.	-	-	428	71
Ortopro Tıbbi Aletler San ve Tic. A.Ş.	160	147	275	148
Total	160	147	703	219
<u>Factoring interest income from related parties</u>				
Bayek Tedavi Sağlık Hizm. ve İşlet. A.Ş.	6.416	-	15.244	3.263
Ortopro Tıbbi Aletler San ve Tic. A.Ş.	602	286	1.791	981
Türkiye Şişe ve Cam Fabrikaları A.Ş.	332.825	276.717	-	-
Total	339.843	277.003	17.035	4.244
<u>Insurance Commission income</u>				
Anadolu Anonim Türk Sigorta Şirketi	38.409	20.732	30.600	17.458
Total	38.409	20.732	30.600	17.458
<u>Mutual funds income</u>				
Türkiye İş Bankası A.Ş.	39.549	6.305	10.920	10.036
Total	39.549	6.305	10.920	10.036

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10. RELATED PARTIES (Continued)

Total salaries and similar benefits paid to the (key management) (*)

For the periods ended 30 June 2025 and 30 June 2024, total salary and benefits paid to the key management during year comprised the following:

	01.01.2025- 30.06.2025	01.04.2025- 30.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
Salaries and other short-term benefits (**)	59.765	30.265	46.142	21.935
	59.765	30.265	46.142	21.935

(*) The Group’s key management consists of members of the board of directors, general manager and assistant general managers.

(**) Consists of monetary benefits such as; salaries, bonuses and premiums along with vehicle rentals and other associated expenses.

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11. TANGIBLE ASSETS

For the periods ended 30 June 2025 and 31 December 2024, movements in tangible assets are as follows:

	Furniture and Fixtures	Leasehold Improvem ents	Assets Subject to Operational Lease	Vehicles	Other Tangible Assets	Right of Use	Real Estate	Total
Cost								
Opening balance at 1 January 2025	38.048	6.877	3.827	-	1.456	40.130	-	90.338
Additions	17.081	57	12.945	-	-	18.007	-	48.090
Transfers	-	-	-	-	-	-	-	-
Transfers	(27.343)	-	-	-	-	(10.061)	-	(37.404)
Closing balance at 30 June 2025	27.786	6.934	16.772	-	1.456	48.076	-	101.024
Accumulated depreciation								
Opening balance at 1 January 2025	(22.653)	(5.597)	(523)	-	(1.456)	(17.696)	-	(47.925)
Depreciation for the period	(2.336)	(260)	(492)	-	-	(11.180)	-	(14.268)
Transfers	-	-	-	-	-	-	-	-
Disposals	7.424	-	-	-	-	9.237	-	16.661
Closing balance at 30 June 2025	(17.565)	(5.857)	(1.015)	-	(1.456)	(19.639)	-	(45.532)
Carrying amounts at 30 June 2025	10.221	1.077	15.757	-	-	28.437	-	55.492
Carrying amounts at 1 January 2025	15.395	1.280	3.304	-	-	22.434	-	42.413
Cost								
Opening balance at 1 January 2024	39.859	6.653	5.657	-	1.456	15.899	-	69.524
Additions	101.653	224	-	-	-	32.874	-	134.751
Transfers	-	-	-	-	-	-	-	-
Disposals	(103.464)	-	(1.830)	-	-	(8.643)	-	(113.937)
Closing balance at 31 December 2024	38.048	6.877	3.827	-	1.456	40.130	-	90.338
Accumulated depreciation								
Opening balance at 1 January 2024	(18.012)	(5.083)	(834)	-	(1.456)	(9.960)	-	(35.345)
Depreciation for the period	(6.749)	(514)	(1.519)	-	-	(16.325)	-	(25.107)
Transfers	-	-	-	-	-	-	-	-
Disposals	2.108	-	1.830	-	-	8.589	-	12.527
Closing balance at 31 December 2024	(22.653)	(5.597)	(523)	-	(1.456)	(17.696)	-	(47.925)
Carrying amounts at 31 December 2024	15.395	1.280	3.304	-	-	22.434	-	42.413
Carrying amounts at 1 January 2024	21.847	1.570	4.823	-	-	5.939	-	34.179

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12. INTANGIBLE ASSETS^v

For the periods ended 30 June 2025 and 31 December 2024, movements in intangible assets except goodwill are as follows:

	30 June 2025	31 December 2024
Cost		
Opening balance at 1 January	78.293	45.971
Additions	28.755	34.385
Disposals	-	(2.063)
Closing balance at the end of the period	107.048	78.293
Amortization		
Opening balance at 1 January	(25.350)	(17.717)
Amortization for the period	(7.880)	(9.071)
Transfers	-	-
Disposals	-	1.438
Closing balance at the end of the period	(33.230)	(25.350)
Carrying amounts (*)	73.818	52.943

(*) The Group's intangible assets consist of computer software.

Goodwill

The Company has purchased nominal shares of İş Faktoring A.Ş. amounting to TL 12.517 in consideration of USD 10.952.375 on 11 August 2004. The ownership rate of the Company in this subsidiary is 78,23%. Goodwill has arisen amounting to TL 166 on purchased equity of TL 16.603. As at 30 June 2025, net amount of goodwill is TL 166 (31 December 2024: TL 166). Based on TFRS 3, for the annual periods beginning on 1 January 2005, after the reporting period ended on 31 December 2004 the Group has ceased amortization of goodwill arising from the acquisitions before 31 December 2004

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13. DEFERRED TAX ASSETS AND LIABILITIES

As at 30 June 2025 and 31 December 2024 details of deferred tax assets and deferred tax liabilities based on the temporary differences calculated by the prevailing tax rate are as follows:

	30 June 2025	31 December 2024
Temporary time differences subject to deferred tax		
Provision for lawsuit	40.074	32.323
Deferred Income	784	1.263
Financial assets valuation difference	407.660	(324.688)
Finance lease adjustment	(98.434)	(26.888)
Finance lease income accruals	(534.736)	(465.805)
Expected Credit Losses for Doubtful Receivables	911.632	775.389
Financial Asset Expected Loss Provision	3.105	2.345
Expense Accruals	4.872	118
IFRS-16 Adjustment	35.535	27.396
Unearned factoring income	7.923	575.538
Actuarial Difference for severance pay	-	2.482
Reserve for employee benefits	43.695	32.406
Unused vacation provision	36.844	23.747
Tax base differences in tangible and intangible assets	22.785	73.481
Employee bonus accrual	30.876	43.755
Prepaid expenses	(8.312)	(3.024)
Deferred Factoring Commission Income	29.646	14.063
Tax procedure law subsidiary inflation valuation difference	(2.018.808)	(2.883.335)
Other	85.182	43.614
Prepaid Expenses Inflation Difference	946	819
VUK - BRSA foreign exchange difference	(2.676)	-
Timing Differences Forming the Basis for Deferred Tax	(1.001.407)	(2.055.001)
Deferred Tax Assets/Liabilities	30 June 2025	31 December 2024
Provision for lawsuit	12.022	-
Deferred Income	235	-
Financial assets valuation difference	53.381	3.444
Finance lease adjustment	(29.530)	-
Finance lease income accruals	(160.421)	-
Expected Credit Losses for Doubtful Receivables	186.801	54.642
Financial Asset Expected Loss Provision	50	677
Expense Accruals	1.440	35
IFRS-16 Adjustment	4.855	2.601
Unearned factoring income	-	172.662
Actuarial Difference for severance pay	-	745
Reserve for employee benefits	8.891	2.432
Unused vacation provision	6.722	2.914
Tax base differences in tangible and intangible assets	16.168	(6.061)
Employee bonus accrual	3.510	7.726
Prepaid expenses	788	(1.695)
Deferred Factoring Commission Income	603	4.039
Tax procedure law subsidiary inflation valuation difference	(155.340)	(215.803)
Other	25.554	(112)
Prepaid Expenses Inflation Difference	-	246
Deferred Tax Liabilities	(24.271)	28.492

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13. DEFERRED TAX ASSETS AND LIABILITIES (Continued)

Deferred Tax Assets / Liabilities	30 June 2025	31 December 2024
Financial assets valuation difference	68.917	(100.850)
Finance lease adjustment	-	(8.066)
Reserve for employee benefits	4.218	7.290
Actuarial Difference for severance pay	4.332	4.210
Prepaid expenses	(3.282)	788
Employee bonus accrual	5.753	5.400
Provision for lawsuit	-	9.697
Finance lease income accruals	-	(139.741)
Unearned factoring income	2.377	-
IFRS-16 Adjustment	5.806	5.618
Tax base differences in tangible and intangible assets	(9.332)	28.105
Expense Accruals	21	180
Provision for Doubtful Receivables from Finance	86.688	177.975
Deferred Income	-	379
Financial Asset Expected Loss Provision	881	26
Tax procedure law subsidiary inflation valuation difference	(147.482)	(216.697)
Factoring Commission Income Spread Over Maturity	8.291	-
Inflation Adjustment on Prepaid Expenses	284	-
Other	-	13.194
VUK - BRSA foreign exchange difference	(803)	-
Deferred Tax Assets	26.669	(212.492)

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13. DEFERRED TAX ASSETS AND LIABILITIES (Continued)

The corporate tax rate is 30% as of 30 June 2025 (31 December 2024: %30). With the Law proposed to the Turkish Grand National Assembly on July 5, 2023 and published in the Official Gazette dated July 15, 2023, amendments were made to the Corporate Tax Law No. 5520. According to this; Starting from the declarations that must be submitted as of October 1, 2023, 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 pension companies, increased from 25% to 30%. This regulation starts with the declarations that must be submitted as of October 1, 2023; It entered into force on July 15, 2023, to be applied to the earnings of institutions in the 2023 and subsequent taxation periods, and to the earnings of institutions subject to the special accounting period in the special account taxation periods starting in the 2023 calendar year.

Accordingly, the corporate tax rate has started to be applied as 30% for the above-mentioned institutions as of the third provisional tax period of 2023.

Movements in deferred tax assets are as follows:

	30 June 2025	31 December 2024
Opening balance at 1 January	(184.000)	257.835
Deferred tax income/(expense) (Net)	56.719	(144.571)
Classified in Equity	129.679	(297.264)
Deferred Tax Assets	26.669	28.492
Deferred Tax Liabilities	(24.271)	(212.492)

14. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As at 30 June 2025 and 31 December 2024, details of assets held for sale and discontinued operations are as follows:

	30 June 2025		31 December 2024	
	TP	FC	TP	FC
Assets held for sale (*)	2.432	-	2.432	-
	2.432	-	2.432	-

(*) Consist of properties which is included in Group asset acquired as a result of the legal proceedings in relation to its non-performing receivables.

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15. OTHER ASSETS

As at 30 June 2025 and 31 December 2024, details of other assets are as follows:

	30 June 2025		31 December 2024	
	TP	FC	TP	FC
Leasing Contracts in Progress	141.908	1.080.183	281.435	878.952
Advances Given for Lease Transactions	183.002	4.261.017	53.481	1.417.681
Amounts to be invoiced	46.587	466	30.197	313
Commissions expense on debt securities issued and funds borrowed	41.781	-	19.659	-
Other Finance Lease Receivables	62.451	87.313	50.501	65.804
Refundable VAT	1.795	-	56.244	-
Advanced given	1.157	-	360	-
Deposits given	144	-	140	-
Others	106.642	1.852	79.149	1.171
	585.467	5.430.831	571.166	2.363.921

16. FUNDS BORROWED

As at 30 June 2025 and 31 December 2024, details of funds borrowed are as follows:

	30 June 2025		31 December 2024	
	TP	FC	TP	FC
Short-term borrowings	28.968.397	25.358.924	22.909.198	23.198.151
Short-term portion of long-term borrowings	-	886.327	-	1.082.180
Total short-term borrowings	28.968.397	26.245.251	22.909.198	24.280.331
Long-term borrowings	-	7.410.309	-	5.172.790
Total long-term borrowings	-	7.410.309	-	5.172.790
Total	28.968.397	33.655.560	22.909.198	29.453.121

As at 30 June 2025 and 31 December 2024, borrowings has no collateral.

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16. FUNDS BORROWED (Continued)

As at 30 June 2025 and 31 December 2024, details of short term borrowings based on types of currency are as follows:

Currency	Interest Rate %	Currency Amount	30 June 2025
TL	42,70%-62,9%	28.303.651	28.303.651
USD	6,03%-9,75%	62.195.139	2.471.710
EUR	2,97%- 8,51%	254.089.642	11.831.822
GBP	6,14%-7,18%	192.012.210	10.465.706
Interest accruals			1.254.432
TOTAL			54.327.321
Currency	Interest Rate %	Currency Amount	31 December 2024
TL	18,51%-63,05%	22.489.475	22.489.475
USD	6,15%-9,76%	127.792.693	4.507.327
EUR	4,20%- 7,76%	274.114.844	10.071.033
GBP	6,59%-7,76%	179.618.437	7.947.145
Interest accruals			1.092.369
TOTAL			46.107.349

As at 30 June 2025 and 31 December 2024, details of long-term borrowings and short-term portion of long-term borrowings based on types of currency are as follows:

Currency	Interest Rate %	Currency Amount	30 June 2025
USD	8,39% - 5,38%	53.426.675	2.123.280
EUR	6,72% - 4,29%	132.610.330	6.173.356
TOTAL			8.296.636
Currency	Interest Rate %	Currency Amount	31 December 2024
USD	6,49% - 10,77%	58.515.238	2.061.962
EUR	2,97% - 9,66%	76.185.211	2.799.266
GBP	6,64%	31.500.000	1.393.742
TOTAL			6.254.970

As at 30 June 2025 and 31 December 2024, compounded interest rates have been presented

As 30 June 2025 and 31 December 2024, details of borrowings based on types of interest rate are as follows:

	30 June 2025		31 December 2024	
	TP	FC	TP	FC
Fixed rate	28.968.397	21.372.370	22.909.198	18.416.231
Variable rate	-	12.283.190	-	11.036.890
	28.968.397	33.655.560	22.909.198	29.453.121

Fair values of the funds borrowed are presented in Note 38. As at 30 June 2025 the Group has available credit limit of TL 73.389.633 which has fulfilled all necessary conditions but has not been used. (31 December 2024: TL 54.967.465).

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17. OTHER LIABILITIES

As at 30 June 2025 and 31 December 2024, details of miscellaneous payables are as follows:

	30 June 2025		31 December 2024	
	TP	FC	TP	FC
Advances received (**)	368.084	1.257.261	322.266	661.282
Banking and Insurance Transaction Tax	42.350	-	40.955	-
Social Security Premium Liability	11.878	-	9.321	-
Income Tax Liability	10.996	-	9.165	-
Payables to suppliers for lease transactions	32.211	605.197	10.280	441.512
Deferred Income	784	-	1.263	-
Other Tax and Liabilities	549	-	1.313	-
Value Added Tax	481	-	1.004	-
Other (*)	181.442	279.037	89.533	204.229
	648.775	2.141.495	485.100	1.307.023

(*) Advances received consist of advances received from lessees in accordance with the leasing agreements for machinery and equipments that are not readily in use of the customers.

(**) The Group insures the equipments that are subject to the leasing transactions and pays for the relevant costs in instalments. Other payables consist of the Group's insurance premium payables and payables to suppliers resulting from intercorporate daily operations of the Group. The Group purchases generally in cash from the suppliers. The Group has a financial risk management policy that enables the Group to pay all its payables at their maturities.

18. LEASE PAYABLES

	30 June 2025	31 December 2024
Lease Payables	35.535	27.396
	35.535	27.396

As of 30 June 2025 and 31 December 2024, the group's forward-looking debt arising from leasing transactions is as follows::

	30 June 2025	31 December 2024
2025 Year	12.756	9.846
2026 Year	15.879	12.726
2027 Year	6.025	4.824
2028 Year	875	-
	35.535	27.396

19. DEBT SECURITIES ISSUED

	30 June 2025		31 December 2024	
	TP	FC	TP	FC
Bills bonds	9.800.000	-	4.535.752	-
Interest accruals	777.221	-	280.654	-
	10.577.221	-	4.816.406	-

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19. DEBT SECURITIES ISSUED(Continued)

As of 30 June 2025, The characteristics of financing bills issued by the group are as follows:

<u>ISIN CODE</u>	<u>Maturity Starting Date</u>	<u>Nominal Value of Capital Market Instrument Sold</u>	<u>Maturity Date</u>	<u>Sale Type</u>	<u>Coupon Period</u>
TRSISFN32710	3.03.2025	500.000.000	3.03.2027	Qualified Investor	1 in 6 months
TRFISFN52616	14.05.2025	500.000.000	13.05.2026	Qualified Investor	Payment at maturity
TRFISFN62516	19.06.2025	750.000.000	18.06.2026	Qualified Investor	Payment at maturity
TRSISFN72617	9.07.2024	100.000.000	9.07.2026	Qualified Investor	1 in 3 months
TRFISFN12610	7.01.2025	350.000.000	6.01.2026	Qualified Investor	1 in 3 months
TRSISFN42719	2.05.2025	300.000.000	30.04.2027	Qualified Investor	1 in 6 months
TRSISFN22612	21.01.2025	500.000.000	5.02.2026	Qualified Investor	Payment at maturity
TRFISFN82548	28.08.2024	400.000.000	27.08.2025	Qualified Investor	1 in 3 months
TRFISFN42625	30.04.2025	150.000.000	29.04.2026	Qualified Investor	Payment at maturity
TRFISFN32618	18.03.2025	700.000.000	17.03.2026	Qualified Investor	Payment at maturity
TRFISFN22627	11.02.2025	250.000.000	10.02.2026	Qualified Investor	Payment at maturity
TRFISFN82514	16.08.2024	400.000.000	15.08.2025	Qualified Investor	1 in 3 months
TRFISFN52624	23.05.2025	500.000.000	22.05.2026	Qualified Investor	Payment at maturity
TRFISFN82522	21.08.2024	300.000.000	20.08.2025	Qualified Investor	1 in 3 months
TRFISFN72515	4.07.2024	300.000.000	3.07.2025	Qualified Investor	1 in 3 months
TRFISFA12617	4.02.2025	750.000.000	29.01.2026	Qualified Investor	Payment at maturity
TRFISFA32615	12.03.2025	300.000.000	6.03.2026	Qualified Investor	Payment at maturity
TRFISFAA2515	11.06.2025	1.550.000.000	10.12.2025	Qualified Investor	Payment at maturity
TRFISFAA2523	18.06.2025	500.000.000	17.12.2025	Qualified Investor	Payment at maturity
TRFISFAA2531	24.06.2025	500.000.000	23.12.2025	Qualified Investor	Payment at maturity
TRFISFA92510	17.09.2024	200.000.000	16.09.2025	Qualified Investor	Payment at maturity

20. PROVISIONS

As at 30 June 2025 and 31 December 2024, reserve for employee benefits are as follows:

	30 June 2025	31 December 2024
Reserve for employee severance indemnity	43.695	34.888
Provision for employee bonus	30.876	43.755
Vacation pay provision	36.844	23.747
	111.415	102.390

Under the Turkish Labor Law, the companies are required to pay termination benefits to each employee who has qualified for such amount at the end of its employment contract. Also, employees who are entitled to retirement are required to be paid retirement pay in accordance with the requirements of Act no. 2422 dated 6 March 1981, Act no. 4447 dated 25 August 1999 and the amended Article 60 of the existing Social Insurance Code no. 506. Some transitional provisions related to the pre-retirement service term were excluded from the scope of the Law since the related law was amended on 23 May 2002.

IAS 19 – “Employee Benefits” requires actuarial valuation methods to be developed to estimate the enterprise’s obligation under defined benefit plans. As at 30 Haziran 2025 and 31 December 2024, the following actuarial assumptions are used in the calculation of the total liability:

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20. PROVISIONS(Continued)

	30 June 2025	31 December 2024
Discount rate	3,98%	3,98%
Inflation	21,85%	21,85%
Estimated probability of retirement	93,11%	93,11%

For the periods ended 30 June 2025 and 31 December 2024, movements in reserve for employee severance indemnity are as follows:

	30 June 2025	31 December 2024
Balance at the beginning of the year	34.888	32.188
Service cost	2.392	5.449
Actuarial difference	13.502	8.936
Interest cost	(1.569)	7.912
Reversed severance indemnity provision	-	-
Amounts paid to employee severance indemnity	(5.518)	(19.597)
Balance at the end of the year	43.695	34.888

The movement of the vacation pay liability for the periods ended 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
Balance at the beginning of the year	23.747	10.416
Increase during the period	13.097	13.331
Balance at the end of the year	36.844	23.747

The movement of the provision for employee bonus for the periods ended 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
Balance at the beginning of the year	43.755	23.394
Increase during the period	30.876	43.754
Payment made during the period	(43.755)	(23.393)
Balance at the end of the year	30.876	43.755

As at 30 June 2025 and 31 December 2024 , other provisions are as follows:

	30 June 2025	31 December 2024
Provision for lawsuits	40.074	32.323
Provision for general administrative expenses	3.104	2.344
Expected Credit Loss for Financial Assets	6.811	600
	49.989	35.267

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20. PROVISIONS(Continued)

Movements in other provisions for the periods ended 30 June 2025 and 31 December 2024 are as follows:

	General provision for financial lease receivables	Provision for lawsuits	Provision for administrative expenses	Expected Credit Loss for Financial Assets
30 June 2025				
At the beginning of the year	-	32.323	600	2.344
Period Expense	-	24.811	6.211	3.105
Payments	-	-	-	-
Cancellations	-	(17.060)	-	(2.345)
At the end of the period	-	40.074	6.811	3.104
	General provision for financial lease receivables	Provision for lawsuits	Provision for administrative expenses	Expected Credit Loss for Financial Assets
31 December 2024				
At the beginning of the year	-	28.379	520	4.688
Period Expense	-	31.330	80	2.344
Payments	-	-	-	-
Cancellations	-	(27.386)	-	(4.688)
At the end of the period	-	32.323	600	2.344

21. CURRENT PERIOD TAX ASSET AND PAYABLE

The current years tax asset as at 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
Income taxes withheld (*)	4.023	2.487
Total	4.023	2.487

As at 30 June 2025 and 31 December 2024, details of current year tax liability are as follows:

	30 June 2025	31 December 2024
Current period corporate tax provision (Note 35)	605.728	804.618
Previous period corporate tax provision	-	-
Taxes paid for the current period	13.765	12.234
Payments During the Term	(270.716)	(514.315)
Corporate tax payable	348.777	302.537

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21. CURRENT PERIOD TAX ASSET AND PAYABLE(Continued)

For the periods ended 30 June 2025 and 31 December 2024, movements of corporate tax payable are as follows:

	30 June 2025	31 December 2024
Corporate Tax Payable at the Beginning of the Term	302.537	297.849
Current Period Expense	605.728	804.618
Corporate Tax to be offset	-	-
Tax Payable	13.765	12.234
Previous period corporate tax provision	-	-
Payments During the Term	(573.253)	(812.164)
Corporate tax payable	348.777	302.537

22. NON-CONTROLLING INTERESTS

The Company owns 78,23 % of İş Faktoring A.Ş. As at 30 June 2025, the non-controlling interests amounting to TL 1.112.912 (31 December 2024: TL 991.775) have been calculated on the total equity of the subsidiary and the non-controlling interests amounting to TL 195.309 (31 December 2024: TL 217.785) have been calculated on the net profit of the subsidiary.

The movements of non-controlling interests for the periods ended 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
Balance at the beginning of the year	991.775	672.855
From the Profit. Loss of the year	195.309	101.135
Fair value changes of marketable securities	(74.172)	217.785
Prior Year Adjustment	-	-
Balance at the end of the year	1.112.912	991.775

23. PAID-IN CAPITAL AND CAPITAL RESERVES

As at 30 June 2025 nominal capital of the Company is TL 695.303, the share capital of the Company consists 69.530.264.500 of shares Kurus 1 price.

As at 30 June 2025 and 31 December 2024, shareholders and their ownership percentages are as follows:

Shareholders	(%)	30 June 2025	(%)	31 December 2024
Türkiye İş Bankası A.Ş.	30,43%	211.581	30,43%	211.581
Türkiye Sınai Kalkınma Bankası A.Ş.	29,46%	204.850	29,46%	204.850
Trakya Yatırım Holding A.Ş.	0,93%	6.483	0,93%	6.483
Publicly traded	39,18%	272.389	39,18%	272.389
Total	100	695.303	100	695.303

Group A shareholders have the privilege of nominating board of directors members and audit committee members. As a result of this privilege, board of directors members and audit committee members are selected among the candidates nominated by Group A shareholders. Allocation of Group A shares among shareholders is as follows;

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23. PAID-IN CAPITAL AND CAPITAL RESERVES(Continued)

<u>Shareholders</u>	<u>30 June 2025</u>	<u>31 December 2024</u>
Türkiye İş Bankası A.Ş.	300.000.000	300.000.000
Türkiye Sınai Kalkınma Bankası A.Ş.	255.000.000	255.000.000
Trakya Yatırım Holding A.Ş.	45.000.000	45.000.000
Total	600.000.000	600.000.000

Any change in the articles of association of the Company is subject to the consent of Group A shareholders.

Capital Reserves

	<u>30 June 2025</u>	<u>31 December 2024</u>
Other Capital Reserves (*)	1.763	1.763
Accumulated Other Comprehensive Income.Expenditure Not Reclassified in Profit.Loss	2.057.884	2.672.131
Accumulated Other Comprehensive Income.Expenditure Reclassified in Profit.Loss	(7.832)	(7.832)
Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss(**)	2.065.716	2.679.963
Total	2.059.647	2.673.894

(*) Comprised of bonus shares obtained from associates, subsidiaries and jointly controlled entities

(**) Other Comprehensive Income or Expenses to be reclassified in profit or Loss consists of the valuation differences arising from the fair value of the financial assets.

24. PROFIT RESERVES

As at 30 June 2025 and 31 December 2024, details of profit reserves are as follows:

	<u>30 June 2025</u>	<u>31 December 2024</u>
Legal reserves	162.673	154.907
Extraordinary reserves	5.318.537	3.395.634
Total	5.481.210	3.550.541

(*) As per the BRSA, income associated with deferred tax assets shall not be considered as cash or internally generated source and accordingly such amounts taking part of net period profit shall not be included in profit distribution and capital increase. The Group has deferred tax amounting to TL 8.444 classified in extraordinary tax income reserves which will not be considered in profit distribution and capital increase as at 30 June 2025 (31 December 2024: TL 107.131)

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10 % per annum of all cash dividend distributions. The first and second legal reserves cannot be distributed unless they exceed 50% of the total capital; however, in case of exhaustion of discretionary reserves, it can be used to cover damages. An amount of TRY 7,766 has been allocated to legal reserves by the Group, calculated based on the profit per statutory accounts, in accordance with the 20% limit mentioned above.

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25. PRIOR YEARS’ PROFIT LOSS

As of June 30, 2025, the Group has no prior year profit. (31 December 2024: TL 5.476).

26. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2025, TL 17.895.813 of letters of guarantee are given to customs, authorities and banks

(31 December 2024: TL 13.106.385).

As at 30 June 2025, the total risk of litigations filed and currently pending against the Group amounting to approximately TL 53.241 (31 December 2024: TL 39.520). The Group has provided a provision amounting to TL 40.074 for litigations (31 December 2024: TL 32.323) in the accompanying consolidated financial statements (Note 20). The Group management does not anticipate any further provision for the remaining litigations.

As at 30 June 2025, the Group has letter of credit commitments of USD 5.664.625, EUR 3.265.321 (Total TL 377.135) (31 December 2024: USD 1.560.625, EUR 4.977.650, (Total TL 237.864).

As at 30 June 2025 and 31 December 2024 has no factoring commitment.

As at 30 June 2025, the Group has lease commitments of USD 75.477.279, EUR 169.849.863 and full TL 1.128.965 (Total TL 12.035.566) (31 December 2024: USD 17.078.881, EUR 87.869.931 and full TL 709.433 (Total TL 4.539.604).

As at the reporting date, the Group does not have any guarantees, pledges or mortgages given for the purpose of guaranteeing any third party payables.

As at 30 June 2025 details of derivatives are as follows:

	30 June 2025	
	Amount as Original Currency	TL
Currency Swap Purchases		
GBP	174.184.239	9.494.400
EUR	10.018.929	466.407
USD	-	-
TL	7.580.368	7.580.368
		17.541.175
Currency Swap Sales:		
USD	54.254.431	2.156.201
EUR	298.030.471	13.876.340
TL	400.000	400.000
		16.432.541
	30 June 2025	
	Amount as Original Currency	TL
Currency Futures Purchases:		
GBP	26.824.299	1.462.133
USD	11.595.521	460.834
EUR	-	-
TL	2.080.666	2.080.666
		4.003.633
Currency Futures Sales		
USD	1.469.990	58.421
EUR	78.511.194	3.654.900
TL	-	-
		3.713.321

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26. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

As at 31 December 2024 details of derivatives transactions are as follows:

31 December 2024		
	Amount as Original Currency	TL
Currency Swap Purchases::		
GBP	210.210.665	9.300.938
EUR	2.397.622	88.096
USD	21.923.000	772.200
TL	2.909.749	2.909.749
		13.070.983
Currency Swap Sales:		
USD	55.713.081	1.962.399
EUR	254.942.116	9.367.313
		11.329.712
31 December 2024		
	Amount as Original Currency	TL
Currency Futures Purchases:		
GBP	8.471.426	374.824
USD	6.835.232	240.759
EUR	21.288.195	782.190
TL	370.987	370.987
		1.768.760
Currency Futures Sales:		
USD	1.701.692	59.940
EUR	17.188.240	631.546
TL	1.330.044	1.330.044
		2.021.530

Group’s derivative transactions performed with related parties are presented in Note 10.

As of 30 June 2025, there is an unrealized loss amounting to TL 641.228 and there is an unrealized gain amounting to TL 238.669 (Note 6) consisting of changes in the fair value of derivative contracts and associated with profit and loss (31 December 2024: TL 254.193 unrealized loss and TL 590.359 unrealized gain).

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26. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

As at 30 June 2025 analysis of derivative transactions according to their maturities is as follows:

	<u>Short Term</u>	<u>Long Term</u>	<u>Total</u>
Currency Swap Purchases	17.541.175	-	17.541.175
Currency Swap Sales	16.432.541	-	16.432.541
Currency Futures Purchases	4.003.633	-	4.003.633
Currency Futures Sales	3.713.321	-	3.713.321

As at 31 December 2024, analysis of derivative transactions according to their maturities is as follows:

	<u>Short Term</u>	<u>Long Term</u>	<u>Total</u>
Currency Swap Purchases	11.625.020	1.445.963	13.070.983
Currency Swap Sales	9.915.385	1.414.327	11.329.712
Currency Futures Purchases	1.718.007	50.753	1.768.760
Currency Futures Sales	1.971.748	49.782	2.021.530

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27. SEGMENT REPORTING

Information regarding the Group’s operating business segments is based on the Group’s management and internal reporting structure.

Segment capital expenditure is the total cost incurred during the period to acquire tangible assets and intangible assets.

Business segments

The Group comprises the following main business segments:

- Leasing Includes the Group’s finance lease activities.
- Factoring operations Includes the Group’s factoring activities

30 June 2025	Leasing	Factoring	Consolidation Adjustments	Consolidated
Total assets	45.404.342	42.798.854	(53.766)	88.149.430
Total liabilities	39.516.252	37.686.411	-	77.202.663
Net profit for the year	895.804	897.200	(195.309)	1.597.695
31 December 2024	Leasing	Factoring	Consolidation Adjustments	Consolidated
Total assets	32.000.494	37.800.577	(53.766)	69.747.305
Total liabilities	26.660.515	33.244.608	-	59.905.123
Net profit for the year	1.142.528	1.000.450	(217.785)	1.925.193

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27. SEGMENT REPORTING (Continued)

<u>30 June 2025</u>	Leasing	Factoring	Consolidation Adjustments	Total
Operating Income	2.529.818	5.250.745	-	7.780.563
Financial Expenses (-)	(1.946.186)	(4.371.347)	-	(6.317.533)
Gross Profit . Loss	583.632	879.398	-	1.463.030
Operating Expense (-)	(320.561)	(210.812)	-	(531.373)
Gross Operating Profit.Loss	263.071	668.586	-	931.657
Other Operating Income	2.515.231	946.541	-	3.461.772
Provisions (-)	(474.250)	(195.478)	-	(669.728)
Other operating Expenses (-)	(1.155.372)	(226.316)	-	(1.381.688)
Net Operating Profit . Loss	1.148.680	1.193.333	-	2.342.013
Profit or Loss from Continuing Operations before tax	1.148.680	1.193.333	-	2.342.013
Provision for Taxes from Continuing Operations (±)	(252.876)	(296.133)	-	(549.009)
Net Profit or Loss from Continuing Operations	895.804	897.200	-	1.793.004
Non-controlling Interests	-	-	(195.309)	(195.309)
Net Profit or Loss for the Period	895.804	897.200	(195.309)	1.597.695
Fixed Asset Additions	48.838	28.007	-	76.845
Depreciation and Amortisation	(9.628)	(12.520)	-	(22.148)

<u>30 June 2024</u>	Leasing	Factoring	Consolidation Adjustments	Total
Operating Income	2.025.629	3.777.028	-	5.802.657
Financial Expenses (-)	(1.424.184)	(3.130.928)	-	(4.555.112)
Gross Profit . Loss	601.445	646.100	-	1.247.545
Operating Expense (-)	(217.896)	(166.570)	-	(384.466)
Gross Operating Profit.Loss	383.549	479.530	-	863.079
Other Operating Income	730.942	288.557	-	1.019.499
Provisions (-)	(69.213)	(116.551)	-	(185.764)
Other operating Expenses (-)	(172.191)	(1.611)	-	(173.802)
Net Operating Profit . Loss	873.087	649.925	-	1.523.012
Profit or Loss from Continuing Operations Before Tax	873.087	649.925	-	1.523.012
Provision for Taxes from Continuing Operations (±)	(228.408)	(182.593)	-	(411.001)
Net Profit or Loss from Continuing Operations	644.679	467.332	-	1.112.011
Non-controlling Interests	-	-	(101.732)	(101.732)
Net Profit or Loss for the Period	644.679	467.332	(101.732)	1.010.279
Fixed Asset Additions	38.382	21.535	-	59.917
Depreciation and Amortisation	(7.472)	(8.637)	-	(16.109)

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28. EVENTS AFTER THE REPORTING PERIOD

İş Finansal Kiralama A.Ş. Within the scope of the Board of Directors' decision dated 20.12.2024 regarding the issuance of debt instruments, a sukuk issuance with a nominal value of 250.000 TL was issued after 30.06.2025.

29. OPERATING INCOME

For the periods ended 30 June 2025 and 30 June 2024, details of operating income are as follows:

	01.01.2025- 30.06.2025	01.04.2025- 30.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
Finance Lease income	2.527.957	1.294.933	2.023.629	1.065.921
Operating lease income	1.861	1.201	2.000	960
Factoring income	5.250.745	2.912.534	3.777.028	1.901.166
	7.780.563	4.208.668	5.802.657	2.968.047

30. OPERATING EXPENSES

For the periods ended 30 June 2025 and 30 June 2024, operating expenses are as follows:

	01.01.2025- 30.06.2025	01.04.2025- 30.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
Personal expenses	(387.290)	(192.736)	(270.817)	(131.813)
Provision for employee severance	(9.128)	(7.197)	(18.913)	(1.126)
Depreciation and amortization expenses	(22.148)	(11.590)	(16.109)	(8.640)
Information technology expenses	(23.541)	(12.261)	(15.775)	(8.932)
Office rent expenses	(16.465)	(8.174)	(12.606)	(5.345)
Taxes, duties and charges	(6.199)	(2.244)	(4.772)	(1.921)
Board of Directors attendance fee	(12.731)	(7.830)	(7.871)	(4.901)
BRSA participation fee	(4.800)	(2.400)	(4.467)	(2.234)
Consultancy expenses	(4.742)	(2.447)	(5.655)	(3.215)
Travel and car expenses	(4.503)	(2.626)	(4.236)	(2.368)
Communication expense	(861)	(464)	(562)	(308)
Capital increase expense	(1.638)	(1.184)	(878)	(601)
Advertising expense	(1.933)	(1.553)	(531)	(159)
Expenses of Keeping on the Rank	(78)	-	(30)	-
Insurance expense	(470)	(223)	(223)	(127)
Other general administrative expenses	(34.846)	(7.648)	(21.021)	(7.923)
	(531.373)	(260.577)	(384.466)	(179.613)

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31. OTHER OPERATING INCOME

For the periods ended 30 June 2025 and 30 June 2024, details of other operating income are as follows:

	01.01.2025- 30.06.2025	01.04.2025- 30.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
Foreign Exchange Incomes	1.498.106	1.028.211	84.552	24.467
Profits from Derivative Financial	942.092	118.744	213.783	72.817
Collection and Cancellation Income from Doubtful	199.596	49.212	337.187	27.844
Dividend Income	413.526	-	77.849	77.838
Commission Income	38.409	20.732	30.600	17.458
Interest Income	198.565	136.725	139.856	87.465
Capital Market Transactions Profit	39.549	6.305	10.920	10.036
Other	131.929	80.299	124.752	48.875
	3.461.772	1.440.228	1.019.499	366.800

32. FINANCE EXPENSES

For the periods ended 30 June 2025 and 30 June 2024, details of finance expenses are as follows:

	01.01.2025- 31.06.2025	01.04.2025- 31.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
Interest expense on funds borrowed	(4.605.065)	(2.633.089)	(4.068.677)	(2.113.858)
Interest expense on debt securities issued	(1.568.452)	(892.392)	(367.655)	(112.202)
Fees and commissions expense	(135.486)	(77.456)	(113.040)	(56.395)
Interest expense related to rents	(8.530)	(4.137)	(5.740)	(3.934)
	(6.317.533)	(3.607.074)	(4.555.112)	(2.286.389)

33. PROVISIONS

For the periods ended 30 June 2025 and 30 June 2024, details of provision for non-performing receivables are as follows:

	01.01.2025- 30.06.2025	01.04.2025- 30.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
Expected Credit Losses	(669.728)	(194.709)	(185.764)	(90.667)
	(669.728)	(194.709)	(185.764)	(90.667)

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34. OTHER OPERATING EXPENSES

For the periods ended 30 June 2025 and 30 June 2024, details of other operating expenses are as follows:

	01.01.2025- 30.06.2025	01.04.2025- 30.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
Losses From Derivative Financial Instruments	(1.344.119)	(124.621)	(157.155)	(68.882)
Foreign exchange loss	-	-	-	-
Other	(37.569)	(22.942)	(16.647)	(7.447)
	(1.381.688)	(147.563)	(173.802)	(76.329)

Derivative financial instruments with a view to direct the Group’s financial risks (forward and currency swap contracts) consist of combination of more than one sub-transaction as time or spot. Entire such transactions are not trading and are preferred due to economic worth occurred at the maturity. Although, entire such transactions do not cover all conditions for hedge accounting, buy-sell spot transactions at the transaction date are recorded at initial amounts, buy-sell transactions that held to maturity date are recorded in fair values. Measurement differences of such sub-transactions which are integrated and fixed by the initial date economic worth at the maturity date on initial measurement of buy-sell transactions and measurement at the maturity date of buy-sell transactions cause the differences on income.expense components in the inperiods.

35. TAXATION

For the periods ended 30 June 2025 and 30 June 2024, details of tax expense are as follows:

	01.01.2025- 30.06.2025	01.04.2025- 30.06.2025	01.01.2024- 30.06.2024	01.04.2024- 30.06.2024
Current corporate tax charge	(605.728)	(360.619)	(369.091)	(95.829)
Deffered tax income. (expense)	56.719	(17.920)	(41.910)	(58.153)
	(549.009)	(378.539)	(411.001)	(153.982)

The reported tax expenses for the period is different than the amounts computed by applying the statutory tax rate of the Company to profit before income tax of the Group, as shown in the following reconciliation:

	%	1 January- 30 June 2025	%	1 January- 30 June 2024
Net profit for the period		1.793.004		1.112.011
Total tax expense		549.009		411.001
Profit before tax		2.342.013		1.523.012
Income tax using the Group's tax rate	30,00	702.604	30,00	456.903
Non-deductible expenses	(0,63)	(14.708)	1,22	18.549
Tax exempt income	(5,30)	(124.058)	(1,53)	(23.355)
Other	(0,63)	(14.829)	(2,70)	(41.096)
Total income tax expense		549.009		411.001

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35. TAXATION (Continued)

Corporate Tax

The Group is subject to the Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group’s results for the period.

Turkish tax legislation does not allow a parent company to file a tax return on its consolidated financial statements. Therefore, the tax liabilities reflected in this consolidated financial statements are calculated separately for all companies included in the scope of consolidation.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The corporate tax rate is 30% as of 30 June 2025 (31 December 2024: 30%). With the Law proposed to the Turkish Grand National Assembly on July 5, 2023 and published in the Official Gazette dated July 15, 2023, amendments were made to the Corporate Tax Law No. 5520. According to this; Starting from the declarations that must be submitted as of October 1, 2023, 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 pension companies, increased from 25% to 30%. This regulation starts with the declarations that must be submitted as of October 1, 2023; It entered into force on July 15, 2023, to be applied to the earnings of institutions in the 2023 and subsequent taxation periods, and to the earnings of institutions subject to the special accounting period in the special account taxation periods starting in the 2023 calendar year.

In Turkey, provisional tax is calculated and accrued quarterly. The provisional tax rate that must be calculated on corporate earnings during the taxation of 2025 corporate earnings as of the provisional tax periods is 30% for 30.06.2025. (December 31, 2024: 30%). According to Turkish tax legislation, financial losses shown on the declaration can be deducted from the period corporate income for a period not exceeding 5 years. However, losses cannot be deducted retroactively from profits made in previous years. According to the 17th article of the Law No. 7491 on Amendments to Certain Laws and Decree Laws published in the Official Gazette No. 32413 dated 28 December 2023, Banks are subject to the Financial Leasing, Factoring, Financing and Savings Financing Companies Law No. 6361 dated 21/11/2012. Profit/loss differences arising from inflation adjustments to be made in the 2024 and 2025 accounting periods, including provisional tax periods, by the companies within the scope of the scope of payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. It has become law that it will not be taken into account in the determination. The President is authorized to extend the periods determined within the scope of this paragraph by one accounting period, including provisional tax periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1 April and 30 April of the following year (between 1st and 30th of the following fourth month of the tax year for the tax responsible who have special tax years). Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

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35. TAXATION (Continued)

Transfer Pricing

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via Transfer Pricing dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes. Purchase, sale, manufacturing and construction operations, leasing and leasing transactions, borrowing and issuing money, bonuses, fees and similar transactions that require payments are considered as purchase or sale of goods or services in every condition. Companies are required to fill in the transfer pricing form which will be included in the annex of the annual corporate tax return. In this form, the amounts of all transactions with related companies and the methods of transfer pricing related to these transactions are specified in the related accounting period.

36. EARNINGS PER SHARE

Earnings per share are calculated by dividing profit or loss by the weighted average number of ordinary shares outstanding during the period. In Turkey, companies can raise their share capital by distributing “bonus shares” to shareholders from retained earnings. In computing earnings per share, such “bonus share” distributions are assessed as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

Earnings per share is calculated by dividing net income distributable to shareholders by the weighted average number of shares issued.

The weighted average number of shares of the Group and earnings per share for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Weighted average number of outstanding shares (*)	69.530.264.500	69.530.264.500
Net profit for the year (TL)	1.597.695	1.010.279
Basic earnings per share (full TL)	0.0230	0.0145

(*) As at 30 June 2025, the share capital of the Company consists 69.530.264.500 of shares having Kurus 1 nominal price.

	30 June 2025	31 December 2024
Number of shares at beginning of the year	69.530.264.500	69.530.264.500
Capital increase	-	-
Number of shares at end of the year	69.530.264.500	69.530.264.500

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37. OTHER ISSUES THAT SIGNIFICANTLY AFFECT THE FINANCIAL STATEMENTS OR OTHER ISSUES REQUIRED FOR UNDERSTANDING OF THE FINANCIAL STATEMENTS

None.

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS**(a) Capital risk management**

The Group manages its capital by sustaining its status as a going concern while maximizing the return to stakeholders through the optimization of the debt and the equity balance.

Although there is no change in the capital risk management strategy in 2025, the debt.equity ratio is 15% (31 December 2024: 17 %). As at 30 June 2025 and 31 December 2024, the leverage ratios are as follows:

	30 June 2025	31 December 2024
Funds borrowed	62.623.957	52.362.319
Debt securities issued	10.577.221	4.816.406
Other liabilities	2.790.270	1.792.123
Total liabilities	75.991.448	58.970.848
Cash and Cash Equivalents (-)	(1.365.786)	(1.166.151)
Net liabilities	74.625.662	57.804.697
 Total shareholders' equity	 10.946.767	 9.842.182
 Shareholders' equity . liabilities	 15%	 17%

According to the credit rating reports of Fitch issued at 04.04.2025 credit ratings of the Company are as follows:

Foreign Currency

Long term	BB-
Short term	B
Outlook	Stable

TL

Long term	BB-
Short term	B
Outlook	Stable

National

Long term	AA-(tur)
Outlook	Stable
Sharehold Support	bb-

(b) Significant accounting policies

The Group's accounting policies on financial instruments are disclosed in Note 3 “Significant accounting policies”.

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(c) Categories of financial instruments

	30 June 2025	31 December 2024
<u>Financial Assets:</u>		
Cash and Cash Equivalents	1.365.786	1.166.151
Derivative Financial Assets	238.669	590.359
Finance lease receivables and non-performing receivables, net	37.628.975	26.423.573
Leasing Contracts in Progress	1.222.091	1.160.387
Advances Given for Lease Transactions	4.444.019	1.471.162
Other Finance Lease Receivables	149.764	116.305
Factoring receivables and non-performing factoring receivables, Net	40.086.622	35.034.624
Financial Assets at Fair Value Through Other Comprehensive Income	2.650.480	3.468.578
Financial assets at fair value through profit or loss	-	-
<u>Financial Liabilities:</u>		
Derivative financial liabilities at fair value	(641.228)	(254.193)
Finance Lease Obligations	(35.535)	(27.396)
Other liabilities	(2.790.270)	(1.792.123)
Funds borrowed	(62.623.957)	(52.362.319)
Debt securities issued	(10.577.221)	(4.816.406)

(d) Financial risk management objectives

The Group’s corporate treasury function provides services to the business, coordinates access to domestic and international markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyses exposures by degree and magnitude of risk. Such risks include market risk (including currency risk, interest rate risk and price risk), liquidity risk and credit risk.

The Group uses derivative instruments to minimize the effects of such risks and it also uses such instruments for hedging. The Group does not enter into or trade any financial instruments (including derivative financial instruments) for speculative purposes.

In order to minimize potential risks, the Group reports monthly to the risk management committee which is in charge of monitoring risks and the policies applied.

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(e) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates (refer to section f), interest rates (refer to section g) and equity prices will affect the Group's income or the value of its holdings of financial instruments. To manage risks relating to exchange rates and interest rates, the Group uses various derivative financial instruments including the following:

Forward foreign exchange contracts" to hedge the exchange rate risk arising from operations

Currency swaps" to control the exchange rate risk of foreign currency denominated liabilities

At the Group level, market risk exposures are measured by sensitivity analysis.

There has been no change in the Group's exposure to market risks or the method it uses to manage and measure such risks.

(f) Currency risk management

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group has exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its consolidated financial position and cash flows. The Group manages this currency risk by using the foreign exchange derivative contracts.

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(f) Currency risk management (Continued)

As 30 June 2025 and 31 December 2024, details of foreign currency denominated assets and liabilities are as follows:

	USD (000)	EUR (000)	CHF (000)	GBP (000)	JPY (000)	AUD (000)	CNY (000)	TL Equivalent
30 June 2025								
Banks	208	3.765	4	589	28	2	5	215.957
Finance lease receivables	81.326	607.390	-	-	-	-	-	31.507.716
Factoring receivables(*)	72.438	109.174	-	2.994	-	-	-	8.129.895
Advances given for lease transactions	42.691	53.595	146	1.126	-	-	-	4.261.017
Leasing contracts in progress	1.233	22.151	-	-	-	-	-	1.080.183
Other receivables from leasing transactions	204	1.702	-	-	-	-	-	87.313
Other assets	18	35	-	-	-	-	-	2.318
Total assets (**)	198.118	797.812	150	4.709	28	2	5	45.284.399
Funds borrowed(*)	(118.050)	(390.090)	-	(198.165)	-	-	-	(33.655.560)
Lease Obligations	-	-	-	-	-	-	-	-
Other provisions	-	(831)	-	(1)	-	-	-	(38.753)
Other Liabilities	(12.598)	(35.216)	(6)	(22)	-	-	-	(2.141.495)
Total liabilities (**)	(130.648)	(426.137)	(6)	(198.188)	-	-	-	(35.835.808)
Balance sheet position	67.470	371.675	144	(193.479)	28	2	5	9.448.591
Off balance sheet position	(44.129)	(366.523)	-	201.009	-	-	-	(7.862.088)
Net foreign currency position	23.341	5.152	144	7.530	28	2	5	1.586.503

(*) As at 30 June 2025, derivative financial assets amounting to TL 182.561 are not included

(**) As at 30 June 2025, has no foreign currency indexed borrowings.

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(f) Currency risk management (Continued)

31 December 2024	USD (000)	EUR (000)	CHF (000)	GBP (000)	JPY (000)	AUD (000)	CNY (000)	TL Equivalent
Banks	1.293	6.539	3	739	28	2	5	318.655
Finance lease receivables	90.178	466.414	-	-	-	-	-	20.313.772
Factoring receivables(*)	130.067	118.061	-	5.290	-	-	-	9.159.760
Leasing contracts in progress	18.164	20.867	270	-	-	-	-	1.417.681
Other receivables from leasing transactions	617	23.330	-	-	-	-	-	878.952
Other assets	261	1.541	-	-	-	-	-	65.804
Other Assets	3	38	-	-	-	-	-	1.483
Total Assets (*)	240.583	636.790	273	6.029	28	2	5	32.156.107
Funds borrowed(*)	(189.980)	(357.295)	-	(217.587)	-	-	-	(29.453.121)
Lease Obligations	-	-	-	-	-	-	-	-
Other provisions	-	(829)	-	(1)	-	-	-	(30.495)
Other Liabilities	(6.420)	(29.370)	(1)	(40)	-	-	-	(1.307.023)
Total liabilities (**)	(196.400)	(387.494)	(1)	(217.628)	-	-	-	(30.790.639)
Balance sheet position	44.183	249.296	272	(211.599)	28	2	5	1.365.468
Off balance sheet position	(28.657)	(248.445)	-	218.682	-	-	-	(462.187)
Net foreign currency position	15.526	851	272	7.083	28	2	5	903.281

(*) As at 31 December 2024, derivative financial assets amounting to TL 550.321 are not included.

(**) As at 31 December 2024, has no foreign currency indexed borrowings.

Foreign currency sensitivity

The Group is mainly exposed to USD and EUR exchange rate risks

The table below indicates the sensitivity of the Group to USD and Euro when there is a 15 % of change in such exchange rates. The Group uses 15 % of rate change when it reports its foreign currency risk to the top management and this rate represents the top management’s expectation on the exchange rate fluctuations. Sensitivity analysis made in relation to the Group’s exposure to foreign currency at the reporting period is determined based on the fluctuations at the beginning of the fiscal year and the analysis are fixed during the reporting period. Positive amount refers to an increase in the net profit.

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(f) Currency risk management (Continued)

	Profit/(Loss)		Equity(*)	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
30 June 2025				
15% change of the USD against TL				
1- Net USD asset. Liability	402.213	(402.213)	402.213	(402.213)
2- Hedged portion of TL against USD risk (-)	(263.069)	263.069	(263.069)	263.069
3- Net effect of USD (1+ 2)	139.144	(139.144)	139.144	(139.144)
15% change of the Euro against TL				
4- Net Euro asset. Liability	2.595.366	(2.595.366)	2.595.366	(2.595.366)
5- Hedged portion of TL against Euro risk (-)	(2.559.390)	2.559.390	(2.559.390)	2.559.390
6- Net effect of Euro (4+5)	35.976	(35.976)	35.976	(35.976)
15% change of other foreign currencies against TL				
7- Net other foreign currencies asset. Liability	62.643	(62.643)	62.643	(62.643)
8- Hedged portion of TL against other currencies risk (-)	-	-	-	-
9- Net effect of other foreign currencies (7+8)	62.643	(62.643)	62.643	(62.643)
TOTAL (3+6+9)	237.763	(237.763)	237.763	(237.763)

(*) Includes profit.loss effect.

	Profit/(Loss)		Equity(*)	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
31 December 2024				
15% change of the USD against TL				
1- Net USD asset.liability	233.441	(233.441)	233.441	(233.441)
2- Hedged portion of TL against USD risk (-)	(151.409)	151.409	(151.409)	151.409
3- Net effect of USD (1+ 2)	82.032	(82.032)	82.032	(82.032)
15% change of the Euro against TL				
4- Net Euro asset.liability	1.373.979	(1.373.979)	1.373.979	(1.373.979)
5- Hedged portion of TL against Euro risk (-)	(1.369.288)	1.369.288	(1.369.288)	1.369.288
6- Net effect of Euro (4+5)	4.691	(4.691)	4.691	(4.691)
15% change of other foreign currencies against TL				
7- Net other foreign currencies asset.liability	48.601	(48.601)	48.601	(48.601)
8- Hedged portion of TL against other currencies risk (-)	-	-	-	-
9- Net effect of other foreign currencies (7+8)	48.601	(48.601)	48.601	(48.601)
TOTAL (3+6+9)	135.324	(135.324)	135.324	(135.324)

(*) Includes profitloss effect.

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)**(f) Forward foreign exchange contracts and currency swaps (Forward contracts, currency swaps)**

The Group uses forward foreign exchange contracts and currency swaps to cover the risks of receipts and payments, expected sales and purchases in a certain foreign currency.

(g) Interest rate risk management

The Group is exposed to interest rate risk as the Group borrows funds at both fixed and variable rates. Such risk is managed by making a proper classification between fixed and variable rate liabilities.

Interest rate sensitivity

The interest rate sensitivity analysis below is based on the Group's exposure to interest rate risk at the reporting date and estimated interest rate fluctuations at the beginning of the fiscal year, and is fixed during the reporting period. The Group management makes its sensitivity analysis based on a 100 base point interest rate fluctuation scenario. This rate is also used in reporting to the top management.

As at 30 June 2025 and 31 December 2024, the interest rate profile of the Group's interest-bearing financial instruments is as follows:

	30 June 2025	31 December 2024
<u>Fixed rate instruments</u>		
Financial assets:		
Cash and Cash Equivalents	49.917	56.325
Finance lease receivables Net	34.304.768	26.174.309
Factoring receivables Net	32.827.357	26.330.846
Financial liabilities:		
Funds borrowed	50.340.767	41.325.429
Debt securities issued	8.430.902	3.423.123
<u>Variable rate instruments</u>		
Financial assets:		
Finance lease receivables	3.324.207	249.264
Factoring receivables	7.259.265	8.703.778
Financial liabilities:		
Borrowings	12.283.190	11.036.890
Securities issued	2.146.319	1.393.283

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(g) Interest rate risk management (Continued)

Interest rate sensitivity (Continued)

If interest rates were 100 base points higher at the reporting date and all other variables were fixed:

Interest income from finance leases with variable interest rates would be higher at an amount of TL 9.687 (31 December 2024: TL 4.326).

Interest income from factoring transactions with variable interest rates would be higher at an amount of TL 23.495 (31 December 2024: TL 15.790).

Interest expense on funds borrowed with variable interest rates would be higher at an amount of TL 51.656 (31 December 2024: TL 103.967).

(h) Other price risks

The Group is exposed to equity securities price risks because of equity investments. Equity securities are held especially for strategic purposes rather than trading purposes. These investments are not traded by the Group.

Equity price sensitivity

Sensitivity analysis below is determined based on the equity share price risks exposed as at the reporting date.

Equity price risk is the risk that the fair values of equities decrease as a result of the changes in the levels of equity indices and the value of individual stocks.

If data used in the valuation method were 15% higher, lower and all other variables were fixed:

The effect on equity (without tax effects) as a result of change in the fair value of equity instruments quoted to Borsa İstanbul (Istanbul Stock Exchange) held as financial assets available for sale in the accompanying consolidated financial statements, due to a reasonably possible change in equity indices, with all other variables held constant, would be TL 197.798 (31 December 2024: TL 259.156).

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)**(i) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group’s exposure to credit risks and credit ratings of its counterparties are monitored periodically. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee.

Finance lease receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Sectoral allocation of finance lease receivables is as follows:

	30 June 2025 (%)	31 December 2024 (%)
Construction	34,51	30,47
Textile Construction	8,80	12,37
Metal industry	9,08	9,53
Transportation	8,36	9,67
Mining	3,99	3,95
Real estate	5,65	5,53
Forestry products and paper	2,52	3,06
Food and beverage	3,29	3,55
Agriculture and forestry	2,70	2,81
Machinery and Equipment	2,51	2,13
Energy	7,13	3,33
Rubber, Plastic	2,01	1,95
Healthcare	1,08	1,08
Wholesale	1,18	1,08
Finance	0,69	0,11
Tourism	0,44	0,37
Other	6,06	9,01
	100.00	100,00

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(i) Credit risk management (Continued)

As at 30 June 2025, exposure to credit risk based on categories of financial instruments is as follows:

	Receivables		Related party	Third party	Cash and Cash Equivalents	Financial Assets at Fair value through profit/loss	Financial Assets at Fair Value Through Other Comprehensive Income (***)	Derivative Financial Assets
	Finance Lease Receivables	Factoring Receivables						
30 June 2025								
Exposure to maximum credit risk as at reporting date (*)	4.220	37.624.732	7.070.716	33.000.575	1.365.786	-	2.650.480	238.669
- The portion of maximum risk covered by guarantee	-	1.052.377	-	5.616.529	-	-	-	-
A. Net carrying value of financial assets which are neither impaired nor overdue	4.220	37.228.532	7.070.716	32.860.055	1.365.786	-	2.650.480	238.669
- The portion covered by guarantee	-	811.220	-	5.485.029	-	-	-	-
B. Net carrying value of financial assets that are restricted, otherwise which will be regarded as overdue or impaired	-	-	-	11.987	-	-	-	-
C. Net carrying value of financial assets which are overdue but not impaired	-	255.668	-	6.216	-	-	-	-
- The portion covered by guarantee	-	236.648	-	131.500	-	-	-	-
D. Net carrying value of impaired assets	-	140.532	-	122.317	-	-	-	-
- Past due (gross amount)	-	910.043	-	471.606	-	-	-	-
- Impairment (-)	-	(1.115.099)	-	(349.289)	-	-	-	-
- Net value collateralized or guaranteed(**)	-	4.509	-	-	-	-	-	-
- Not past due (gross amount)	-	502.915	-	-	-	-	-	-
- Impairment (-)	-	(157.327)	-	-	-	-	-	-
- '- Net value collateralized or guaranteed(**)	-	-	-	-	-	-	-	-
E. Off balance sheet items with credit risks	-	-	-	-	-	-	-	-

(*)Guarantees received are not taken into account in the calculation.

(**) Includes collaterals for the assets impaired but not overdue

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(i) Credit risk management (Continued)

As at 31 December 2024 exposure to credit risk based on categories of financial instruments is as follows:

	Receivables					Financial Assets atFair value through profit.loss	Financial Assets at Fair Value Through Other Comprehensive Income (***)	Derivative Financial Assets
	<u>Finance Lease Receivables</u>	<u>Factoring Receivables</u>	<u>Related party</u>	<u>Third party</u>	<u>Cash and Cash Equivalents</u>			
31 December 2024	<u>Related party</u>	<u>Third party</u>	<u>Related party</u>	<u>Third party</u>				
Exposure to maximum credit risk as at reporting date (*)	28.924	26.394.649	6.154.167	28.880.457	1.166.151	-	3.468.578	590.359
- The portion of maximum risk covered by guarantee	-	865.025	-	4.903.547	-	-	-	-
A. Net carrying value of financial assets which are neither impaired nor overdue	28.924	26.057.656	6.154.167	28.784.741	1.166.151	-	3.468.578	590.359
- The portion covered by guarantee	-	685.305	-	4.834.547	-	-	-	-
B. Net carrying value of financial assets that are restricted, otherwise which will be regarded as overdue or impaired	-	-	-	2.144	-	-	-	-
C. Net carrying value of financial assets which are overdue but not impaired	-	573.888	-	1.209	-	-	-	-
- The portion covered by guarantee	-	177.167	-	69.000	-	-	-	-
D. Net carrying value of impaired assets	-	(236.895)	-	92.363	-	-	-	-
- Past due (gross amount)	-	386.013	-	386.217	-	-	-	-
- Impairment (-)	-	(926.776)	-	(293.854)	-	-	-	-
- Net value collateralized or guaranteed(**)	-	2.553	-	-	-	-	-	-
- Not past due (gross amount)	-	305.884	-	-	-	-	-	-
- Impairment (-)	-	(2.016)	-	-	-	-	-	-
- Net value collateralized or guaranteed(**)	-	-	-	-	-	-	-	-
E. Off balance sheet items with credit risks	-	-	-	-	-	-	-	-

(*) Guarantees received are not taken into account in the calculation..

(**) Includes collaterals for the assets impaired but not overdue. .

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(i) Credit risk management (Continued)

Collaterals obtained for finance lease receivables and factoring receivables including past dues and non-performing receivables are as follows:

	30 June 2025		31 December 2024	
	Nominal Value	Authentic Value (*)	Nominal Value	Authentic Value (*)
Sureties	614.426.801	70.224.420	475.334.665	55.076.574
Collaterals of factoring transaction	67.682.873	5.460.873	57.605.551	4.807.904
Mortgage	20.943.501	1.006.582	16.454.848	751.260
Pledged shares	19.340.977	-	14.649.417	-
Guaranties of factoring transaction	4.336.629	6.792	3.473.375	23.013
Share certificates	2.394.527	268.351	2.203.162	348.872
Pledged commercial	1.182.311	87.111	1.023.868	102.638
Pledged vehicles	1.429.178	737.909	1.125.335	573.898
Sureties of credit guarantee fund	563.345	76.990	450.731	58.854
Guarantors	211.724	-	189.064	-
Securities Received For Collateral Purposes	140.929	-	112.643	-
Collaterals given by vendors	99.356	-	88.058	-
Cash blockages	40.971	26.449	29.750	21.025
Ship mortgage	72.880	-	54.110	-
Funds bonds as collateral	14.517	1.500	11.974	1.500
Collaterals of leasing transaction	10.709	-	8.767	-
Letters of guarantee	2.603	2.603	2.375	2.376
Pledged machines	502	-	502	-
Account Pledge	130	-	130	-
Receivables from Additionally Assigned Invoices	387.430	-	-	-
	733.281.893	77.899.580	572.818.325	61.767.914

(*) In determination of the fair value, lower of collateral amount or fair value up to the credit exposure amount has been taken into account.

(j) Liquidity risk management

The Group management formed liquidity risk management policy for the Group’s short, medium and long term funding and liquidity management requirements. The Group manages its liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by constantly monitoring forecasts and actual cash flows and matching the maturity profile of financial assets and liabilities.

Liquidity risk table

The following table details the maturities of non-derivative financial assets and liabilities. The tables below have been drawn up based on the undiscounted contractual amounts of the financial assets and liabilities based on their maturities. Interest amounts to be collected and to be disbursed regarding the Group’s assets and liabilities have also been included in the table below.

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

Liquidity risk table (Continued)

30 June 2025

	Carrying Amount	Contractual Cash Flows (I+II+III+IV)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 Years (IV)
<u>Contractual Maturities</u>						
Non-derivative Financial Assets:						
Banks	1.365.786	1.365.796	1.315.934	49.862	-	-
Financial Assets at Fair value through profit and Loss	-	-	-	-	-	-
Lease Receivables (*)	37.628.975	42.455.667	7.669.183	12.532.570	21.797.033	456.881
Factoring Receivables	40.086.622	42.873.984	33.623.625	9.077.099	173.260	-
Other Lease Receivables	141.125	141.125	141.125	-	-	-
Non-derivative Financial Assets:	8.639	8.639	8.639	-	-	-
Total Assets	79.231.147	86.845.211	42.758.506	21.659.531	21.970.293	456.881
Non-derivative Financial Liabilities:						
Funds Borrowed	62.623.957	67.508.905	32.790.112	26.997.421	7.683.156	38.216
Debt Securities Issued	10.577.221	11.749.019	1.848.593	7.423.646	2.476.780	-
Lease Obligations	35.535	52.237	6.652	13.633	31.952	-
Other Liabilities	2.790.270	2.790.270	2.787.942	2.328	-	-
Total Liabilities	76.026.983	82.100.431	37.433.299	34.437.028	10.191.888	38.216

31 December 2024

	Carrying Amount	Contractual Cash Flows (I+II+III+IV)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 Years (IV)
<u>Contractual Maturities</u>						
Non-derivative Financial Assets:						
Banks	1.166.151	1.166.172	1.109.869	56.303	-	-
Financial Assets at Fair value through profit and Loss	-	-	-	-	-	-
Lease Receivables (*)	26.423.573	31.142.478	5.889.580	11.134.419	14.118.479	-
Factoring Receivables	35.034.624	36.666.861	30.780.423	5.737.335	149.103	-
Other Lease Receivables	111.349	111.349	111.349	-	-	-
Non-derivative Financial Assets:	4.956	4.956	4.956	-	-	-
Total Assets	62.740.653	69.091.816	37.896.177	16.928.057	14.267.582	-
Non-derivative Financial Liabilities:						
Funds Borrowed	52.362.319	54.594.351	38.548.817	11.010.212	4.985.184	50.138
Debt Securities Issued	4.816.406	4.946.656	215.000	4.618.363	113.293	-
Lease Obligations	27.396	46.256	3.323	22.065	20.868	-
Other Liabilities	1.792.123	1.792.123	1.792.022	-	101	-
Total Liabilities	58.998.244	61.379.386	40.559.162	15.650.640	5.119.446	50.138

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

Liquidity risk table (Continued)

The following table details the maturities of derivative financial assets and liabilities as at 30 June 2025 and 31 December 2024

30 June 2025						
<u>Contractual</u>	<u>Carrying</u>	<u>Contractual</u>	<u>Less than 3</u>	<u>3-12 Months</u>	<u>1-5 Years</u>	<u>More</u>
<u>Maturities</u>	<u>Amount</u>	<u>(I+II+III+IV)</u>	<u>Months (I)</u>	<u>(II)</u>	<u>(III)</u>	<u>than 5</u>
						<u>Years</u>
						<u>(IV)</u>
Cash inflows from derivatives	1.398.947	21.544.808	4.624.277	16.920.531	-	-
Cash outflows from derivatives	-	20.145.861	4.380.615	15.765.246	-	-
31 December 2024						
<u>Contractual</u>	<u>Carrying</u>	<u>Contractual</u>	<u>Less than 3</u>	<u>3-12 Months</u>	<u>1-5 Years</u>	<u>More</u>
<u>Maturities</u>	<u>Amount</u>	<u>(I+II+III+IV)</u>	<u>Months (I)</u>	<u>(II)</u>	<u>(III)</u>	<u>than 5</u>
						<u>Years</u>
						<u>(IV)</u>
Cash inflows from derivatives	1.488.503	14.839.744	2.453.253	10.672.594	1.713.897	-
Cash outflows from derivatives	-	13.351.241	1.832.678	9.828.089	1.690.474	-

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(k) Fair value of financial instruments

Except for the items below, the Group management estimates that the carrying amount of the financial assets and liabilities approximate to their fair value

Fair value of the financial instruments is determined based on the reliable data provided from financial markets in Turkey. Fair value of other financial assets is determined by the benchmarking market value of a similar financial asset or by assumption methods which includes discounting future cash flows with current interest rates.

The table below refers to the comparison of carrying amounts and fair values of financial instruments:

30 June 2025	Financial assets and liabilities	Financial assets Measured at amortized cost	Loans and receivables	Financial Assets at Fair Value Through Other Comprehensive Income	Financial liabilities Measured at amortized cost	Carrying amount	Fair value	Notes
Financial Assets								
Cash and Cash Equivalents	-	1.365.786	-	-	-	1.365.786	1.365.786	4
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-	5
Financial Assets at Fair Value Through other comprehensive Income	-	-	-	2.650.480	-	2.650.480	2.650.480	7
Derivative financial assets	238.669	-	-	-	-	238.669	238.669	6
Finance lease receivables and non-performing lease receivables	-	-	37.628.975	-	-	37.628.975	38.220.773	9
Factoring receivables and non-performing factoring receivables	-	-	40.086.622	-	-	40.086.622	40.086.622	8
Financial liabilities								
Derivative financial Liabilities	641.228	-	-	-	-	641.228	641.228	6
Other liabilities	-	-	-	-	2.790.270	2.790.270	2.790.270	17
Lease Payables	-	-	-	-	10.577.221	10.577.221	9.772.252	19
Funds borrowed	-	-	-	-	62.623.957	62.623.957	56.604.304	16
Debt securities issued	-	-	-	-	35.535	35.535	35.535	18

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(k) Fair value of financial instruments (Continued)

31 December 2024	Financial assets and liabilities	Financial assets Measured at amortized cost	Loans and receivables	Financial Assets at Fair Value Through Other Comprehensive Income	Financial liabilities Measured at amortized cost	Carrying amount	Fair value	Notes
Financial Assets								
Cash and Cash Equivalents	-	1.166.151	-	-	-	1.166.151	1.166.151	4
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-	5
Financial Assets at Fair Value Through other comprehensive Income	-	-	-	3.468.578	-	3.468.578	3.468.578	7
Derivative financial assets	590.359	-	-	-	-	590.359	590.359	6
Finance lease receivables and non-performing lease receivables	-	-	26.423.573	-	-	26.423.573	27.615.050	9
Factoring receivables and non-performing factoring receivables	-	-	35.034.624	-	-	35.034.624	35.034.624	8
Financial liabilities								
Derivative financial Liabilities	254.193	-	-	-	-	254.193	254.193	6
Other liabilities	-	-	-	-	1.792.123	1.792.123	1.792.123	17
Debt securities issued	-	-	-	-	4.816.406	4.816.406	4.228.457	19
Funds borrowed	-	-	-	-	52.362.319	52.362.319	55.672.967	16
Lease payabled	-	-	-	-	27.396	27.396	27.396	18

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38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(l) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) ;

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30 June 25	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Derivative financial assets	-	238.669	-	238.669
Financial Assets at Fair Value Through Other Comprehensive Income	2.637.308	-	13.172	2.650.480
Total financial assests carried at fair value	2.637.308	238.669	13.172	2.889.149
	Level 1	Level 2	Level 3	Total
Derivative financial liabilities	-	641.228	-	641.228
Total financial liabilities carried at fair value	-	641.228	-	641.228
31 December 2024	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Derivative financial assets	-	590.359	-	590.359
Financial Assets at Fair Value Through Other Comprehensive Income	3.455.406	-	13.172	3.468.578
Total financial assets carried at fair value	3.455.406	590.359	13.172	4.058.937
Derivative financial liabilities	-	254.193	-	254.193
Total financial liabilities carried at fair value	-	254.193	-	254.193