

(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 - December 31, 2025**



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

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

A. Audit of the Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of İş Finansal Kiralama A.Ş. and its subsidiary (together referred to as the "Group"), which comprise the statement of consolidated financial position as at 31 December 2025, the consolidated statement of profit and loss, consolidated statement of profit or loss and consolidated other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows for the year then ended and the consolidated notes to the financial statements and a summary of consolidated significant accounting policies and consolidated financial statement notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring, Financing, and Savings Finance Companies published in the Official Gazette dated 24 December 2013 and numbered 28861, as well as the regulations, communiqués, circulars, and announcements issued by the Banking Regulation and Supervision Agency ("BRSA"); and to the extent not regulated by them, the BRSA Accounting and Financial Reporting Regulations, which incorporate the provisions of the Turkish Financial Reporting Standards.

2. Basis for Opinion

Our audit was conducted in accordance with the Standards on Independent Auditing ("SIA"), which are part of the Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Within the scope of these standards, the ethical requirements applicable to independent audits of consolidated financial statements of public interest entities, as set out in the Ethical Rules for Independent Auditors (including Independence Standards) ("Ethical Rules") issued by the POA, have been complied with. We hereby declare that we are independent of the Group in accordance with the Ethical Rules and the relevant ethical requirements set out in the legislation applicable to independent auditing.

We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and the relevant regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key Audit Matters

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



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Expected credit losses for financial lease receivables and factoring receivables</p> <p>The Group's financial statements as of 31 December 2025 include a significant portion of assets consisting of financial lease and factoring receivables, amounting to a total of 88,702,877 thousand TL. Additionally, a total impairment provision of 1,838,411 thousand TL has been established for these receivables. Further details and notes regarding the impairment provision for financial lease and factoring receivables are disclosed in the attached financial statements in notes 3-g, 8, and 9 as of 31 December 2025.</p> <p>According to the Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring, Financing, and Savings Finance Companies, the Group recognizes provision for impairment of financial lease and factoring receivables in accordance with the TFRS 9 Financial Instruments Standard ("TFRS 9"). TFRS 9 is a complex accounting standard that requires a significant degree of judgment and interpretation in practice. These judgments and interpretations are key in developing financial models used to measure expected credit losses on financial lease and factoring receivables measured at amortized cost. Additionally, the operation of the models requires large data inputs that are generated through more than one system and the accuracy and completeness of the data are key in the determination of expected credit losses.</p>	<p>Within the scope of our audit procedures, we evaluated the Group's policies, procedures, and management principles regarding the classification of financial lease and factoring receivables by their characteristics and the determination of impairment calculations in accordance with relevant legislation. We also tested the design and operating effectiveness of the relevant system and process controls established within this framework.</p> <p>We evaluated and tested, together with our financial risk experts, the methods used in the Group's models for determining provisions for significant financial lease and factoring receivables to ensure compliance with the policies, procedures, and principles established by the Group and in accordance with TFRS 9 principles. We also assessed the calculations contained in these models. The approaches used in the models, including segmentation, lifetime expected default probabilities, default loss rates, and the reflection of macroeconomic expectations, were independently reviewed by our relevant experts, and we evaluated whether these models were consistent with the Group's policies and procedures and the requirements of TFRS 9.</p> <p>We conducted loan review procedures for a sample of selected credits to determine whether the classification of financial lease and factoring receivables according to current regulations is reasonable, to ascertain whether they are impaired, and to verify whether impairment provisions for these receivables have been established in a timely manner and in accordance with legislative provisions.</p>



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Expected credit losses for financial lease receivables and factoring receivables (Continued)</p> <p>Provisions for expected credit losses are allocated collectively for financial lease and factoring receivables with similar characteristics as of the balance sheet date, incorporating management's best estimates and past loss experience. For significant receivables, the provisions are evaluated on an individual basis. The reason for our focus on this area during our audit is the complexity involved in determining provisions for expected credit losses, including past loss experience, current conditions, and the creation and weighting of forward-looking macroeconomic scenarios; the size of the financial lease and factoring receivables portfolio; the importance of correctly classifying these receivables based on their characteristics (stages) under current regulations; and the importance of timely identification of default. Management judgments and estimates made in this process significantly impact the amount of impairment recognized in the consolidated financial statements.</p>	<p>Furthermore, we verified the consistency and reasonableness of provisions established for individually assessed receivables using supportable data. We also assessed whether the key assumptions and other judgments underlying impairment calculations are reasonable.</p> <p>We checked the consistency and adequacy of the notes to the financial statements relating to financial lease and factoring receivables and their impairment and whether the related disclosures are sufficient and appropriate in the Group's financial statements.</p>

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

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

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

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



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

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

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- The group audit is planned and performed to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the Group, so as to provide a basis for the opinion to be formed on the Group's consolidated financial statements. We are responsible for directing, supervising, and reviewing the audit work in relation to the objectives of the group audit. We are solely responsible for the audit opinion we issue.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



B. Other Responsibilities Arising From Regulatory Requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code (“TCC”) No. 6102 and that causes us to believe that the Group’s bookkeeping activities concerning the period from 1 January to 31 December 2025 period are not in compliance with the TCC and provisions of the Group’s articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. The Auditor’s Report on Early Detection of Risk System and Committee, prepared pursuant to article 398(4) of the Turkish Commercial Code, was submitted to the Company’s Board or Directors on 28 January 2026.

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 31 December 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 Group in accordance with IFRS.

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

Gökçe Yaşar Temel, SMMM
Independent Auditor

İstanbul, 28 January 2026

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS AT 31 DECEMBER 2025

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

CONTENTS

	PAGE
Consolidated Balance Sheet (Statement of Financial Position)	3 - 4
Consolidated Statement of Off-Balance Sheet Items.....	5
Consolidated Statement of Profit/Loss.....	6
Consolidated Statement of Profit/Loss and Other Comprehensive Income.....	7
Consolidated Statement of Changes in Shareholders’ Equity.....	8
Consolidated Statement of Cash Flows.....	9
Consolidated Statement of Profit Distribution Table.....	10
Explanatory Footnotes to the Consolidated Financial Statements.....	11 - 80
Note 1 Organization and Operations of the Company.....	11
Note 2 Basis of the Financial Statements.....	11 - 18
Note 3 Significant Accounting Policies.....	19 - 27
Note 4 Cash, Cash Equivalents.....	28
Note 5 Financial Assets at Fair Value Through Profit or Loss.....	29
Note 6 Derivative Financial Assets and Liabilities.....	29
Note 7 Financial Assets at Fair Value Through Other Comprehensive Income.....	30
Note 8 Factoring Receivables.....	30 - 33
Note 9 Lease Receivables.....	33 - 39
Note 10 Related Parties.....	40 - 44
Note 11 Tangible Assets.....	45
Note 12 Intangible Assets.....	46
Note 13 Deferred Tax Assets and Liabilities.....	47 - 48
Note 14 Assets Held for Sale and Discontinued Operations	48
Note 15 Other Assets.....	48
Note 16 Funds Borrowed.....	49 - 50
Note 17 Other Liabilities.....	50
Note 18 Lease Payables.....	50
Note 19 Securities Issued.....	51
Note 20 Provisions.....	51 - 53
Note 21 Current Period Tax Assets and Payable.....	54
Note 22 Non-Controlling Interests.....	54
Note 23 Paid-in Capital and Capital Reserves.....	55
Note 24 Profit Reserves.....	56
Note 25 Previous Years’ Profit/Loss.....	56
Note 26 Provisions, Contingent Assets and Liabilities.....	56 - 58
Note 27 Segment Reporting.....	59 - 60
Note 28 Events After the Reporting Date.....	60
Note 29 Operating Income.....	60
Note 30 Operating Expenses.....	61
Note 31 Other Operating Income.....	61
Note 32 Finance Expenses.....	62
Note 33 Provisions Expenses.....	62
Note 34 Other Operating Expenses.....	62
Note 35 Taxation.....	63 - 64
Note 36 Earnings Per Share.....	64 - 65
Note 37 Other Issues That Significantly Affect the Financial Statements or Other Issues Required for Understanding of the Financial Statemen.....	65
Note 38 Additional Information on Financial Instruments.....	65 - 79
Note 39 Information About the Services Received from Independent Audit Firms	80

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS AT 31 DECEMBER 2025

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

	ASSETS	Notes	Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024		
			TL	FC	TOTAL	TL	FC	TOTAL
I.	CASH, CASH EQUIVALENTS and CENTRAL BANK	4	597.038	2.247.626	2.844.664	847.496	318.655	1.166.151
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	5	12.396	-	12.396	-	-	-
III.	DERIVATIVE FINANCIAL ASSETS	6	5.490	440.169	445.659	2.864	587.495	590.359
IV.	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Net)	7	2.941.277	-	2.941.277	3.468.578	-	3.468.578
V.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		35.526.854	51.337.612	86.864.466	31.984.665	29.473.532	61.458.197
5.1	Factoring Receivables	8	28.009.294	8.446.168	36.455.462	25.976.932	9.147.468	35.124.400
5.1.1	Discounted Factoring Receivables (Net)		12.544.487	1.074.117	13.618.604	12.651.698	303.308	12.955.006
5.1.2	Other Factoring Receivables		15.464.807	7.372.051	22.836.858	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	7.330.507	42.985.689	50.316.196	6.129.108	20.531.359	26.660.467
5.4.1	Finance Lease Receivables		11.587.622	48.600.282	60.187.904	8.988.326	22.856.852	31.845.178
5.4.2	Operating Lease Receivables		-	-	-	-	-	-
5.4.3	Unearned Income (-)		4.257.115	5.614.593	9.871.708	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	1.313.360	617.859	1.931.219	674.518	403.597	1.078.115
5.7	Expected Loss Provisions / Specific Provisions (-)		1.126.307	712.104	1.838.411	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	51.280	-	51.280	42.413	-	42.413
VIII.	INTANGIBLE ASSETS (Net)	12	88.191	-	88.191	53.109	-	53.109
IX.	INVESTMENT PROPERTY (Net)		-	-	-	-	-	-
X.	CURRENT TAX ASSET	21	3.041	-	3.041	2.487	-	2.487
XI.	DEFERRED TAX ASSET	13	-	-	-	28.492	-	28.492
XII.	OTHER ASSETS	15	1.482.638	6.485.352	7.967.990	571.166	2.363.921	2.935.087
	SUBTOTAL		40.708.205	60.510.759	101.218.964	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		40.710.637	60.510.759	101.221.396	37.003.702	32.743.603	69.747.305

The accompanying disclosures and footnotes are an integral part of these consolidated financial statements.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS AT 31 DECEMBER 2025

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

	LIABILITIES	Note	Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024		
			TL	FC	TOTAL	TL	FC	TOTAL
I.	FUNDS BORROWED	16	18.176.090	46.879.502	65.055.592	22.909.198	29.453.121	52.362.319
II.	FACTORING PAYABLES		-	-	-	-	-	-
III.	LIABILITIES FROM THE SAVING FUND POOL		-	-	-	-	-	-
IV.	LEASE PAYABLES	18	27.741	-	27.741	27.396	-	27.396
V.	SECURITIES ISSUED (NET)	19	18.348.162	-	18.348.162	4.816.406	-	4.816.406
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	5	-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITY	6	28.834	339.775	368.609	217.019	37.174	254.193
VIII.	PROVISIONS	20	212.934	25.305	238.239	107.162	30.495	137.657
8.1	Restructuring Provision		-	-	-	-	-	-
8.2	Reserves For Employee Benefits		209.718	-	209.718	102.390	-	102.390
8.3	General Provisions		-	-	-	-	-	-
8.4	Other Provisions		3.216	25.305	28.521	4.772	30.495	35.267
IX.	CURRENT PERIOD TAX LIABILITY	21	283.527	-	283.527	302.537	-	302.537
X.	DEFERRED TAX LIABILITY		289.238	-	289.238	212.492	-	212.492
XI.	SUBORDINATED LOANS		-	-	-	-	-	-
XII.	OTHER LIABILITY	17	571.000	2.585.738	3.156.738	485.100	1.307.023	1.792.123
	SUBTOTAL		37.937.526	49.830.320	87.767.846	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		13.453.550	-	13.453.550	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	2.269.171	-	2.269.171	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		3.630.137	-	3.630.137	1.930.669	-	1.930.669
14.6.1	Prior Periods Profit or Loss	25	-	-	-	5.476	-	5.476
14.6.2	Current Period Profit/Loss		3.630.137	-	3.630.137	1.925.193	-	1.925.193
	Non-Controlling Interests	22	1.375.966	-	1.375.966	991.775	-	991.775
	TOTAL LIABILITIES		51.391.076	49.830.320	101.221.396	38.919.492	30.827.813	69.747.305

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED OF OFF BALANCE SHEET ITEMS AS AT 31 DECEMBER 2025
(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	OFF-BALANCE SHEET ITEMS	Notes	Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024		
			TL	FC	TOTAL	TL	FC	TOTAL
I.	IRREVOCABLE FACTORING TRANSACTIONS		961.788	2.112.897	3.074.685	216.341	2.069.809	2.286.150
II.	REVOCABLE FACTORING TRANSACTIONS		2.659.895	447.258	3.107.153	3.173.559	627.910	3.801.469
III.	SAVING FINANCE AGREEMENTS TRANSACTIONS		-	-	-	-	-	-
IV.	COLLATERALS RECEIVED	38	268.443.989	572.421.028	840.865.017	181.071.767	391.746.558	572.818.325
V.	COLLATERALS GIVEN	26	17.752.413	15.859	17.768.272	13.093.352	13.033	13.106.385
VI.	COMMITMENTS		1.168.315	9.729.027	10.897.342	709.433	4.068.035	4.777.468
6.1	Irrevocable Commitments		-	333.575	333.575	-	237.864	237.864
6.2	Revocable Commitments		1.168.315	9.395.452	10.563.767	709.433	3.830.171	4.539.604
6.2.1	Lease Commitments		1.168.315	9.395.452	10.563.767	709.433	3.830.171	4.539.604
6.2.1.1	Finance Lease Commitments		1.168.315	9.395.452	10.563.767	709.433	3.830.171	4.539.604
6.2.1.2	Operational Lease Commitments		-	-	-	-	-	-
6.2.2	Other Revocable Commitments		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL INSTRUMENTS	26	13.509.380	42.323.372	55.832.752	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		13.509.380	42.323.372	55.832.752	4.610.780	23.580.205	28.190.985
7.2.1	Forward Foreign Currency Purchases/Sales		2.227.467	5.940.191	8.167.658	1.701.031	2.089.259	3.790.290
7.2.2	Swap Purchases/Sales		11.281.913	36.383.181	47.665.094	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		9.982.682	1.053.184	11.035.866	7.022.372	648.120	7.670.492
	TOTAL OFF BALANCE SHEET ITEMS		314.478.462	628.102.625	942.581.087	209.897.604	422.753.670	632.651.274

The accompanying disclosures and footnotes are an integral part of these consolidated financial statements.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2025

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

	PROFIT OR LOSS STATEMENT	Notes	Audited Current Period 01.01-31.12.2025	Audited Prior Period 01.01-31.12.2024
I.	OPERATING INCOME	29	16.850.504	11.702.678
	FACTORING INCOME		11.199.128	7.321.243
1.1	Factoring Interest Income		10.849.701	7.026.458
1.1.1	Discounted		4.764.432	3.868.339
1.1.2	Other		6.085.269	3.158.119
1.2	Factoring Commission Income		349.427	294.785
1.2.1	Discounted		178.399	142.429
1.2.2	Other		171.028	152.356
	INCOME FROM FINANCING LOANS		-	-
1.3	Interest income from Financing Loans		-	-
1.4	Fees and Commission Income from Financing Loans		-	-
	LEASE INCOME		5.651.376	4.381.435
1.5	Finance Lease Income		5.646.456	4.378.043
1.6	Operational Lease Income		4.920	3.392
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	(13.952.934)	(8.883.947)
2.1	Interest Expense on Funds Borrowed		(9.428.257)	(7.545.841)
2.2	Interest Expense on Factoring Payables		-	-
2.3	Interest Expense of Finance Leasing Expenses		(16.772)	(13.544)
2.4	Interest Expense on Securities Issued		(4.222.407)	(1.097.065)
2.5	Other Interest Expenses		-	-
2.6	Fees and Commissions Paid		(285.498)	(227.497)
III.	GROSS PROFIT / LOSS (I+II)		2.897.570	2.818.731
IV.	OPERATING EXPENSES (-)	30	(1.202.337)	(788.511)
4.1	Personal Expenses		(894.268)	(577.565)
4.2	Employee Severance Indemnity Expense		(16.869)	(14.386)
4.3	Research and Development Expenses		-	-
4.4	General Administration Expenses		(291.200)	(196.560)
4.5	Other		-	-
V.	GROSS OPERATING PROFIT / LOSS (III+IV)		1.695.233	2.030.220
VI.	OTHER OPERATING INCOME	31	6.173.921	2.099.675
6.1	Interest Income on Bank Deposits		352.427	274.428
6.2	Interest Income on Marketable Securities Portfolio		-	-
6.3	Dividend Income		413.526	77.849
6.4	Gains on Securities Trading		122.800	111.576
6.5	Income From Derivative Financial Instruments		1.491.343	870.378
6.6	Foreign Exchange Gains		2.797.910	-
6.7	Other		995.915	765.444
VII.	PROVISION EXPENSES (-)	33	(968.518)	(506.283)
7.1	Specific Provisions		-	-
7.2	Expected Credit Losses		(968.518)	(506.283)
7.3	General Provisions		-	-
7.4	Other		-	-
VIII.	OTHER OPERATING EXPENSES (-)	34	(1.259.180)	(531.445)
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		(1.168.740)	(377.683)
8.5	Foreign Exchange Losses		-	(119.701)
8.6	Other		(90.440)	(34.061)
IX.	NET OPERATING PROFIT (V+...+VIII)		5.641.456	3.092.167
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)		5.641.456	3.092.167
XIV.	TAX PROVISION FOR CONTINUING OPERATIONS (±)	35	(1.577.978)	(949.189)
14.1	Current Tax Provision		(1.391.971)	(804.618)
14.2	Deferred Tax Income Effect (+)		(186.007)	(144.571)
14.3	Deferred Tax Expense Effect (-)		-	-
XV.	NET PERIOD PROFIT/LOSS FROM CONTINUING OPERATIONS (XIII±XIV)		4.063.478	2.142.978
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	(433.341)	(217.785)
XXI.	NET PROFIT/LOSS FOR THE PERIOD (XV+XX)		3.630.137	1.925.193
	EARNINGS PER SHARE (**)	36	0,0522	0,0277
	Earnings Per Share from Continued Operations		0,0522	0,0277
	Earnings Per Share from Discontinued Operations		-	-
	DILUTED EARNINGS PER SHARE	36	0,0522	0,0277
	Earnings Per Share from Continued Operations		0,0522	0,0277
	Earnings Per Share from Discontinued Operations		-	-

The accompanying disclosures and footnotes are an integral part of these consolidated financial statements.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

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

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT		Audited Current Period 01.01-31.12.2025	Audited Prior Period 01.01- 31.12.2024
I.	CURRENT PERIOD PROFIT/LOSS	4.063.478	2.142.978
II.	OTHER COMPREHENSIVE INCOME	(452.110)	929.304
2.1	Items that will not be Reclassified to Profit or Loss	(452.110)	929.304
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	(5.577)	(7.912)
2.1.4	Other Comprehensive Income that will not be Reclassified to Profit or Loss	(527.301)	1.234.480
2.1.5	Taxes related with Comprehensive Income that will not be Reclassified to Profit or Loss	80.768	(297.264)
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	Revaluation and/or Classification Income/Expenses of Financial Assets Reflected in Fair Value Other Comprehensive Income	-	-
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	3.611.368	3.072.282

The accompanying disclosures and footnotes are an integral part of these consolidated financial statements.

İŞ FINANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

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

CHANGES IN EQUITY	Notes	Paid in Capital	Share in Premium	Share Cancellation Profits	Other Capital Reserves.	Other Accumulated Comprehensive Income that will be not reclassified to Profit/Loss			Other Accumulated Comprehensive Income that may be reclassified subsequently to Profit/Loss			Profit Reserves	Prior Period Profit/(Loss)	Net Current Period Profit/Loss	Non-Controlling Interest	Total Equity
						1	2	3	4	5	6					
Prior Period (01.01.2024 - 31.12.2024)																
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		-	-	-	-	-	(4.814)	832.983	-	-	-	-	-	1.925.193	318.920	3.072.282
V. Cash Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase Realized from Internal Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in Capital Inflation Adjustment Difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase / decrease due to other changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	1.767.452	(392)	(1.767.060)	-	-
11.1 Dividends 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	-	(7.832)	2.679.963	-	-	-	3.550.541	5.476	1.925.193	991.775	9.842.182
Current Period (01.01.2025 - 31.12.2025)																
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		-	-	-	-	-	(3.537)	(399.423)	-	-	-	-	-	3.630.137	384.191	3.611.368
V. Cash Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from internal reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in-Capital Inflation Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Capital Similar Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase / decrease due to other changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	1.930.669	(5.476)	(1.925.193)	-	-
11.1 Dividends 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)		695.303	-	-	1.763	-	(11.369)	2.280.540	-	-	-	5.481.210	-	3.630.137	1.375.966	13.453.550

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 disclosures and footnotes are an integral part of these consolidated financial statements.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2025

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

			Audited Current Period	Audited Prior Period
		Notes	01.01-31.12.2025	01.01-31.12.2024
A.	CASH FLOWS FROM OPERATING ACTIVITIES			
1.1	Operating Profit Before Changes In Operating Assets And Liabilities		2.797.319	3.621.316
1.1.1	Interests Received/Lease Income		16.562.583	11.887.932
1.1.2	Interest Paid / Lease Expenses		(11.335.916)	(8.932.659)
1.1.3	Dividends Received		413.526	77.849
1.1.4	Fees and Commissions Received		349.427	294.785
1.1.5	Other Income		410.958	285.917
1.1.6	Collections from Non-performing Receivables	31	584.957	479.527
1.1.7	Payments to Personnel and Service Suppliers		(765.309)	(520.480)
1.1.8	Taxes Paid	21	(1.429.336)	(812.164)
1.1.9	Others		(1.993.571)	860.609
1.2	Changes in Operating Assets and Liabilities		(12.527.401)	(5.772.274)
1.2.1	Net (Increase) Decrease in Factoring Receivables		631.736	(12.807.084)
1.2.2	Net (Increase) Decrease in Financing Loans		-	-
1.2.3	Net (Increase) Decrease in Lease Receivables		(15.288.543)	(1.138.001)
1.2.4	Net (Increase) Decrease in Savings Financing Receivables		-	-
1.2.5	Net (Increase) Decrease in Other Assets		(6.293.126)	(3.152.022)
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		345	20.941
1.2.9	Net Increase (Decrease) in Funds Borrowed		5.518.444	9.272.980
1.2.10	Net Increase (Decrease) in Due Payables		-	-
1.2.11	Net Increase (Decrease) in Other Liabilities		2.903.743	2.030.912
I.	Net Cash Provided from / (Used in) Operating Activities		(9.730.082)	(2.150.958)
B.	CASH FLOWS FROM INVESTMENT ACTIVITIES			
2.1	Cash Paid for Purchase Of Associates, Subsidiaries and Joint-ventures		-	(5.714)
2.2	Cash Obtained From Sale of Associates, Subsidiaries and Joint-Ventures		-	-
2.3	Purchases of Tangible and Intangible Assets	11,12	(126.069)	(169.137)
2.4	Proceeds From Sale of Tangible and Intangible Assets	11,12	32.638	102.035
2.5	Cash Paid for Purchase of Financial Assets Available for Sale		-	-
2.6	Proceeds From Sale of Financial Assets Available for Sale		-	-
2.7	Cash Paid for Purchase of Held-to-Maturity Investment Securities		-	-
2.8	Proceeds from Sale of Held-to-Maturity Investment Securities		-	-
2.9	Other		(76.746)	(212.493)
II.	Net Cash Flow from Investing Activities		(170.177)	(285.309)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
3.1	Cash Provided by Loans and Securities Issued		20.455.172	6.809.524
3.2	Cash Outflow from Loans and Securities Issued		(8.890.924)	(5.717.914)
3.3	Issued Capital Instruments		-	-
3.4	Dividend Payments		-	-
3.5	Payments Related to Rental		-	-
3.6	Other		-	-
III.	Net Cash Provided by Financing Activities		11.564.248	1.091.610
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		14.529	67
V.	Net Increase in Cash and Cash Equivalents		1.678.518	(1.344.590)
VI.	Cash and Cash Equivalents at the Beginning of the Period	4	1.166.130	2.510.720
VII.	Cash and Cash Equivalents at the End of the Period	4	2.844.648	1.166.130

The accompanying disclosures and footnotes are an integral part of these consolidated financial statements.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION TABLE FOR THE YEAR ENDED 31 DECEMBER 2025

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

İŞ FİNANSAL KİRALAMA A.Ş. CONSOLIDATED PROFIT DISTRIBUTION TABLE		Current Period 31 December 2025	Prior Period 31 December 2024
I.	DISTRIBUTION OF CURRENT YEAR INCOME (*)		
1.1	Current Year Income	5.208.115	2.874.382
1.2	Taxes And Duties Payable(-)	(1.577.978)	(949.189)
1.2.1	Corporate Tax (Income tax)	(1.391.971)	(804.618)
1.2.2	Income Withholding Tax		
1.2.3	Other Taxes And Duties(**)	(186.007)	(144.571)
A.	NET INCOME FOR THE YEAR (1.1-1.2)	3.630.137	1.925.193
1.3	Prior Year Losses(-)	-	-
1.4	First Legal Reserves (-)	-	(7.766)
1.5	Other Statutory Reserves(-)	-	-
B	NET INCOME AVAILABLE FOR DISTRIBUTION [(A-1.3+1.4+1.5)]	3.630.137	1.917.427
1.6	First Dividend To Shareholders (-)	-	-
1.6.1	To Owners Of Ordinary Shares	-	-
1.6.2	To Owners Of Preferred Shares	-	-
1.6.3	To Owners Of Preferred Shares (pre-emptive rights)	-	-
1.6.4	To Profit Sharing Bonds	-	-
1.6.5	To Holders Of Profit And loss sharing certificates	-	-
1.7	Dividends To Personnel (-)	-	-
1.8	Dividends To Board Of Directors (-)	-	-
1.9	Second Dividend To Shareholders (-)	-	-
1.9.1	To Owners Of Ordinary Shares	-	-
1.9.2	To Owners Of Preferred Shares	-	-
1.9.3	To Owners Of Preferred Shares (pre-emptive rights)	-	-
1.9.4	To Profit Sharing Bonds	-	-
1.9.5	To Holders Of Profit And Loss Sharing Certificates	-	-
1.10	Second Legal Reserves (-)	-	-
1.11	Statutory Reserves (-)	-	-
1.12	Extraordinary Reserves	-	(1.917.427)
1.13	Other Reserves	-	-
1.14	Special Funds	-	-
II.	DISTRIBUTION OF RESERVES	-	-
2.1	DISTRIBUTED RESERVES	-	-
2.2	Second Legal Reserves(-)	-	-
2.3	Dividends To Shareholders (-)	-	-
2.3.1	To Owners Of Ordinary Shares	-	-
2.3.2	To Owners Of Preferred Shares	-	-
2.3.3	To Owners Of Preferred Shares (pre-emptive rights)	-	-
2.3.4	To Profit Sharing Bonds	-	-
2.3.5	To Holders Of Profit And Loss Sharing Certificates	-	-
2.4	Dividends To Personnel (-)	-	-
2.5	Dividends To Board Of Directors (-)	-	-
III.	EARNINGS PER SHARE	5,22	2,77
3.1	To Owners Of Ordinary Shares	5,22	2,77
3.2	To Owners Of Ordinary Shares (%)	%5,22	%2,77
3.3	To Owners Of Preferred Shares	-	-
3.4	To Owners Of Preferred Shares (%)	-	-
IV.	DIVIDEND PER SHARE	-	-
4.1	To Owners Of Ordinary Shares	-	-
4.2	To Owners Of Ordinary Shares (%)	-	-
4.3	To Owners Of Preferred Shares	-	-
4.4	To Owners Of Preferred Shares (%)	-	-

(*) As the Company's Ordinary General Meeting has not yet been held as of the date of these financial statements, only the distributable net income for the period is shown in the 2025 profit distribution table of 2025.

(**) The relevant amounts are deferred tax expense/income items.

The accompanying disclosures and footnotes are an integral part of these consolidated financial statements.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 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. ("Company") was incorporated on March 9, 1988 to operate in Turkey in accordance with Finance Lease, Factoring, Financing and Savings Finance 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.

On August 11, 2004, the Company purchased the shares of İş Faktoring A.Ş. ("İş Faktoring") with a total nominal value of TL 12.517 for USD 10.952.375. The Company's ownership in İş Faktoring is 78,23% and the subsidiary is consolidated in the accompanying financial statements. The Company and its subsidiary carry out their activities within the framework of the "Financial Leasing, Factoring, Financing and Savings Finance Companies Law" published in the Official Gazette dated 13 December 2012 and numbered 28496 and the BRSA's "Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring, Financing and Savings Finance Companies".

The Company is affiliated to the Türkiye İş Bankası A.Ş. group and its largest shareholders are Türkiye İş Bankası A.Ş. with a share of 30,52% and Türkiye Sınai Kalkınma Bankası A.Ş. ("TSKB") with a share of 29,46%. The Company's 39,09% of shares are publicly traded and listed on the Borsa İstanbul.

As of December 31, 2025, the Company and its subsidiary ("the Group") have a total of 276 employees (December 31, 2024: 260 employees).

Dividend Payable

As at 31 December 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 31 December 2025 have been approved by the Board of Directors of the Group and authorized for issue as at 28 January 2026. 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

The Group prepared accompanying consolidated financial statements in accordance with the "Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring, Financing and Savings Finance Companies" published in the Official Gazette dated 29 June 2021 and numbered 31526 by the Banking Regulation and Supervision Agency ("BRSA") and the "Uniform Chart of Accounts to be Applied by Financial Leasing, Factoring, Financing and Savings Finance Companies" published in the Official Gazette dated 29 June 2021 and numbered and Prospectus" has been prepared in accordance with the Turkish Accounting Standards ("TAS") and Turkish Financial Reporting Standards ("TFRS") and their annexes and interpretations put into effect by the Public Oversight, Accounting and Auditing Standards Authority ("POA") and the regulations, communiqués, explanations and circulars published by the BRSA on accounting and reporting principles (collectively "BRSA Accounting and Financial Reporting Legislation").

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 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 Economie 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. According to the statement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, the financial statements of the enterprises applying the Turkish Financial Reporting Standards (TFRS) for the annual reporting period ending on or after 31 December 2023 must be submitted in accordance with the accounting principles set forth in "TAS 29 Financial Reporting in Hyperinflationary Economies", adjusted for the effect of inflation. In the same statement, it was stated that the institutions or organizations authorized to regulate and supervise in their fields may determine different transition dates for the implementation of inflation accounting, and in this context, the Banking Regulation and Supervision Agency (BRSA); Pursuant to the Board decision dated 12 December 2023; announced that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies as of 31 December 2023 will not be subject to inflation adjustment.

Although BRSA first stated that banks, financial leasing, factoring, financing, savings finance and asset management companies would switch to inflation accounting as of 1 January 2025, in accordance with the board decision dated 11 January 2024, on 5 December 2024, the Board decided that these companies would not apply inflation accounting in 2025. On 18 December 2025, the Board decided to repeal the decision dated 11 January 2024, and not to apply inflation accounting by the above-mentioned companies. In this context, "TAS 29 Financial Reporting Standard in High Inflation Economies" was not applied in the Group's financial statements dated 31 December 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 and loss

Note 8 – Factoring receivables

Note 9 – Receivables from leasing transactions

Note 20 – Provisions

Note 26 – Provisions, contingent assets and liabilities

Basis of Consolidation

The details of the Group's subsidiary as of 31 December 2025, and 31 December 2024, are as follows:

<u>Subsidiary</u>	<u>Establishment and operation location</u>	<u>Shareholding rate %</u>	<u>Voting Rights Rate %</u>	<u>Core Business</u>
İş Faktoring A.Ş	Istanbul	78,23	78,23	Factoring transactions

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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 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 companies over which the Company has direct or indirect control over their operations. The Company receives a share of the operating results of the subsidiaries, depending on its ability to carry out the financial and operational policies of the companies in the position of subsidiaries.

In determining the controlling power, existing and convertible voting rights are taken into account. The financial statements of subsidiaries are shown in the consolidated financial statements from the date of occurrence of controlling power to the date of termination.

As of December 31, 2025, and December 31, 2024, the Company owns 78,23% of İş Faktoring.

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 31 December 2025 are applied consistently with the financial statements prepared as of 31 December 2024.

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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 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

The accounting policies adopted in preparation of the consolidated financial statements as at 31 December 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 1 January 2025. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) New standards in force as of December 31, 2025, and amendments and interpretations to existing previous standards

TAS 21 Lack of Interchangeability

Applicable to annual reporting periods beginning on or after January 1, 2025. A business is affected by these changes when it has a transaction or activity done in a foreign currency that cannot be converted into another currency on a specific measurement date for a specific purpose. A currency can be exchanged when the possibility of acquiring another currency is available (with a normal administrative delay), and the transaction takes place through a market or exchange mechanism that creates enforceable rights and obligations.

ii) Standards, amendments and interpretations that have been published but have not yet entered into force as of 31 December 2025

TFRS 17 Insurance Contracts

Effective in annual reporting periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which already allows for a wide range of applications. TFRS 17 will fundamentally change the accounting of all businesses that issue insurance contracts and investment contracts with optional participation feature.

Pursuant to the Communiqué on the Presentation of Financial Statements of Insurance, Reinsurance and Pension Companies amended by the Communiqué published in the Official Gazette dated 15 December 2025 by SEDDK, due to the postponement of the effective date for the implementation of TFRS 17 to 1 January 2027, the KGK sent its letter dated 07.01.2026 and numbered E-64088382-045.01-39032 to the Association of Insurance, Reinsurance and Pension Companies and the individual and consolidated financial statements of banks and holding companies with subsidiaries, it was stated that the implementation date of TFRS 17 was postponed to 1 January 2027.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

2. BASIS OF THE FINANCIAL STATEMENTS (Continued)

2.4 Changes and Interpretations in Standards (Continued)

ii) Standards, amendments, and interpretations that have been published but have not yet entered into force as of December 31, 2025 (Continued)

Amendments to TFRS 9 and TFRS 7 on the Classification and Measurement of Financial Instruments

Applicable for annual reporting periods beginning on or after 1 January 2026 (early application permitted). These changes are:

- Clarification of the timing requirements for the recognition and exclusion of certain financial assets and liabilities, with a new exception for certain financial liabilities paid through the electronic cash transfer system,
- Providing further guidance and clarification on assessing whether a financial asset satisfies the criterion for principal and interest payments only,
- Adding new footnote descriptions for certain instruments with contractual terms that could alter cash flows (such as some instruments with features linked to the achievement of environmental, social, and governance (ESG) goals), and
- Updates to the footnote disclosures regarding equity instruments at fair value reflected in other comprehensive income.

Annual Improvements to IFRSs – 11. Changelog

Applicable for annual reporting periods beginning on or after 1 January 2026 (early application permitted). Annual improvements are limited to changes that clarify wording in an Accounting Standard or correct relatively minor unexpected results, missed points, or inconsistencies between provisions in the Accounting Standards. The 2024 changes have been made to the following standards:

- First Application of IFRS 1 Turkish Financial Reporting Standards,
- IFRS 7 Financial Instruments: Explanations and Guidelines for the implementation of IFRS 7 attached to the Standard,
- IFRS 9 Financial Instruments,
- IFRS 10 Consolidated Financial Statements and
- IAS 7 Statement of Cash Flows.

Amendments to IFRS 9 and IFRS 7 on Contracts Referring to Nature-Dependent Electricity

Applicable for annual reporting periods commencing on or after 1 January 2026 (early application permitted, subject to local approvals). These amendments amend the "business own use" and hedge accounting provisions of IFRS 9 and introduce disclosure provisions targeted in IFRS 7. These changes only apply to contracts that expose a business to variability in the amount of basic electricity, since the source of electricity production depends on uncontrollable natural conditions (such as weather). These contracts are defined as "contracts referring to nature-dependent electricity".

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

2. BASIS OF THE FINANCIAL STATEMENTS (Continued)

2.4 Changes and Interpretations in Standards (Continued)

ii) Standards, amendments, and interpretations that have been published but have not yet entered into force as December 31, 2025 (Continued)

Amendments to TAS 21 – A High-Inflation Presentation Currency Conversion

Applicable to annual reporting periods beginning on or after January 1, 2027. These narrow amendments regulate the conversion procedures to be applied for businesses whose presentation currency is the currency of a high-inflation economy. The business implements these changes if:

- If an enterprise whose functional currency is the currency of a non-high-inflation economy converts its financial position and operating results into the currency of a high-inflation economy, or
- In the case of a foreign enterprise, whose functional currency is the currency of a non-high-inflation economy, the financial position and operating results are converted into the currency of a high-inflation economy.

These changes aim to improve the usefulness of the resulting information in a cost-effective way. These changes, developed based on feedback from stakeholders, are expected to reduce diversity in execution and provide a clearer basis for reporting in a high-inflation currency.

Amendments to the Sample Practices Regarding TFRS 7, TFRS 18, TAS 1, TAS 8, TAS 36 and TAS 37 – Explanations Regarding Uncertainties in the Financial Statements

These amendments include examples of the disclosure of uncertainties in accordance with TFRS Accounting Standards when explaining the effects of uncertainties in a business's financial statements. These examples show how to explain the effects of uncertainties arising within the scope of climate-related scenarios; however, the principles and provisions in these examples can also be applied to the explanation of other uncertainties. The sample applications do not add to or change the obligations in TFRS Accounting Standards. Therefore, there is no transitional provision for these amendments. Instead, these sample applications will be published to accompany the TFRS Accounting Standards to which they relate. While there is no set effective date for sample applications, businesses can consider implementing these examples by the end of the reporting period on December 31, 2025.

IFRS 18 Presentation and Disclosure in Financial Statements

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

- the structure of the profit or loss statement,
- Required disclosures in the financial statements for certain profit or loss performance measures (i.e., performance measures defined by management) reported outside of the financial statements of the entity, and
- Improved principles of aggregation and disaggregation that generally apply to basic financial statements and footnotes.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

2. BASIS OF THE FINANCIAL STATEMENTS (Continued)

2.4 Changes and Interpretations in Standards (Continued)

ii) Standards, amendments, and interpretations that have been published but have not yet entered into force as of December 31, 2025 (Continued)

Disclosures for the reporting period ended 31 December 2025 must include the following:

- the nature of the changes,
- The fact that TFRS 18 must be applied for annual reporting periods starting on or after 1 January 2027,
- planned first implementation date and
- one of the following:
 - During the period when TFRS 18 was first applied, known or reasonably predictable information to assist in assessing the possible effects of the application of such standard on the financial statements of the entity, or
 - where these effects are unknown or not reasonably predictable, a statement that expresses this situation.

In order to comply with paragraphs 30–31 of TAS 8, businesses should consider the following principles when preparing disclosures regarding the adoption of TFRS 18:

- a. The disclosures are expected to become increasingly detailed in line with the progress of the implementation process of businesses towards 2027.

The level of detail that a business will include in its disclosures will depend on the level of progress in its first-time implementation activities, including work on internal control processes. As of the accounting period ended 31 December 2025, businesses that have not yet made significant progress in the implementation process can only state that they are actively evaluating the potential impacts of IFRS 18 and that more comprehensive disclosures could not reasonably be provided.

- b. Evaluating the submission of quantitative information if appropriate and reliable.

It may be appropriate to disclose preliminary draft amounts, provided that the entity has a proper and reliable basis for making such disclosures and provides clear disclosures that the information in question is provisional. For example, a business might quantitatively express the effects on subtotals in its profit or loss statement. If the quantitative effects are not reasonably predictable, an explanation should be provided. Businesses can disclose effects that are known and reasonably quantitatively expressed; however, disclosures under TFRS 18, such as the Management Performance Metrics (MPM) reconciliation, are not expected to be submitted early before the implementation date.

- c. Assessing alignment with other public communications.

If management has made public disclosures regarding the projected impacts, for example, in an investor presentation, the disclosures included in the financial statements under TAS 8 must be consistent with these communications.

- d. Disclosures should be based on information available up to the date of publication of the financial statements, not just information available as of the end of the reporting period.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

2. BASIS OF THE FINANCIAL STATEMENTS (Continued)

2.4 Changes and Interpretations in Standards (Continued)

ii) Standards, amendments, and interpretations that have been published but have not yet entered into force as of December 31, 2025 (Continued)

IFRS 19 Subsidiaries Not Accountable to the Public: Disclosures

Applicable to annual reporting periods beginning on or after January 1, 2027. The new standard is applied together with other IFRSs. A qualifying subsidiary applies the provisions in the other IFRS Accounting Standards, excluding the disclosure provisions, and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of users of the financial statements of qualifying subsidiaries with the cost savings for financial statement preparers. IFRS 19 is a standard that can be applied voluntarily for subsidiaries that meet the conditions. A subsidiary meets the relevant requirements if:

- not having an obligation to be accountable to the public, and
- Have a parent or intermediate parent that produces consolidated financial statements that comply with IFRS Accounting Standards and are available to the public.

With these changes, TFRS 19 reflects the changes to TFRS Accounting Standards, which will enter into force by January 1, 2027, the date on which TFRS 19 will be applied. These amendments facilitate the disclosure obligations for eligible subsidiaries under standards and amendments published between February 2021 and May 2024; Specifically:

- TFRS 18 Presentations and Disclosures in Financial Statements,
- Regulations on Supplier Financing Agreements (amendments to TAS 7 and TFRS 7),
- International Tax Reform — Second Pillar Model Rules (amendments to TAS 12),
- Lack of Modifiability (amendments to TAS 21) and
- Amendments to the Classification and Measurement of Financial Instruments (amendments to TFRS 9 and IFRS 7).

Applicable to annual reporting periods beginning on or after January 1, 2027. The new standard is applied together with other IFRSs. A qualifying subsidiary applies the provisions in the other IFRS Accounting Standards, excluding the disclosure provisions, and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of users of the financial statements of qualifying subsidiaries with the cost savings for financial statement preparers. IFRS 19 is a standard that can be applied voluntarily for subsidiaries that meet the conditions. A subsidiary meets the relevant requirements if:

- not having an obligation to be accountable to the public, and
- Have a parent or intermediate parent that produces consolidated financial statements that comply with IFRS Accounting Standards and are available to the public.

With these changes, TFRS 19 reflects the changes to TFRS Accounting Standards, which will enter into force by January 1, 2027, the date on which TFRS 19 will be applied. These amendments facilitate the disclosure obligations for eligible subsidiaries under standards and amendments published between February 2021 and May 2024; Specifically:

- TFRS 18 Presentations and Disclosures in Financial Statements,
- Regulations on Supplier Financing Agreements (amendments to TAS 7 and TFRS 7),
- International Tax Reform — Second Pillar Model Rules (amendments to TAS 12),
- Lack of Modifiability (amendments to TAS 21) and
- Amendments to the Classification and Measurement of Financial Instruments (amendments to TFRS 9 and IFRS 7).

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

3. SIGNIFICANT ACCOUNTING POLICIES

a. Revenue

Financial 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:

<u>Description</u>	<u>Years</u>
Furniture and fixtures	5 years
Other tangible assets	5 years
Leasehold improvements	5 years
Operational Leasing Assets	3 years

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Tangible Assets (Continued)

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.

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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Financial Instruments

Financial Assets

As of 1 January 2018, the Group within the scope of “IFRS 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 IFRS 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.

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:

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Financial Instruments (Continued)

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.

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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Financial Instruments (Continued)

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.

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 31 December 2025 and 31 December 2024.

h. Business Combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is calculated as the sum of the fair values of the assets granted at the date of the merger, the liabilities incurred or incurred, and the equity instruments issued to acquire control of the subsidiary. Except for the value held to be sold pursuant to TFRS 5 "Non-current Assets and Discontinued Operations" and found by deducting the selling costs from the fair value and the fixed assets (or groups to be sold) recorded as non-current assets, liabilities and contingent liabilities of the acquired entity that meet the conditions for registration according to TFRS 3 "Business Combinations" are recorded at their fair value.

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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 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 exchange rate information used by the Group as of December 31, 2025 and December 31, 2024 is as follows:

	<u>31 December 2025</u>	<u>December 31, 2024</u>
USD	42,8623	35,2233
EUR	50,4532	36,7429
GBP	57,8159	44,2458
CHF	54,2141	38,9510
100 JPY	27,4189	22,2634
AUD	28,6798	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. Subsequent Events

It refers to the events that occur between the reporting period and the date of authorization for the publication of financial statements, in favor of or against the enterprise. In accordance with TAS 10 "Events After the Reporting Period", if there is new evidence of the existence of such events as of the end of the reporting period or if the relevant events occur after the reporting period and these events require the adjustment of the consolidated financial statements, the Group adjusts its consolidated financial statements in accordance with the new situation. If the events in question do not require the adjustment of the consolidated financial statements, the Group explains these matters in the relevant footnotes.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 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 TAS 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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 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 stipulated that if the increase in the producer price index is more than 100% in the last 3 accounting periods, including the current period, and more than 10% in the current accounting period, the financial statements will be subject to inflation adjustment, and these conditions have been fulfilled as of 31 December 2021. However, with the "Law on the Amendment of the Tax Procedure Law and the Corporate Tax Law" numbered 7352 published in the Official Gazette dated 29 January 2022 and numbered 31734, provisional Article 33 was added to the Tax Procedure Law No. 213 and the accounting periods of 2021 and 2022, including the provisional tax periods (as of the accounting periods ending in 2022 and 2023 for those assigned a special accounting period) and the provisional tax periods of the 2023 accounting period, within the scope of repeated Article 298. It has been enacted that financial statements will not be subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met, and that the financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met, and that the profit/loss differences arising from the inflation adjustment will be shown in the previous years' profit/loss account. According to Article 17 of the Law No. 7491 on the Amendment of Certain Laws and Decree Laws published in the Official Gazette dated 28 December 2023 and numbered 32413, Banks, companies within the scope of 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, It has been enacted that profit/loss differences arising from inflation adjustments to be made by capital market institutions, insurance and reinsurance companies and pension companies in the 2024 and 2025 accounting periods, including the provisional tax periods, will not be taken into account in the determination of earnings. The President is authorized to extend the periods determined within the scope of this paragraph by one accounting period, including provisional tax periods.

Pursuant to the provisional Article 37 added to the Tax Procedure Law published in the Official Gazette dated December 25, 2025; In 2025, 2026 and 2027, TPL muk. Even if the conditions in Article 298 are met, inflation adjustment will not be made. The regulation entered into force as of December 25, 2025.

o. Employee Benefits / Severance Pay

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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Employee Benefits / Severance Payments (Continued)

In accordance with TAS 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:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Discount rate	%3,92	%3,98
Inflation	%22,00	%21,85
Estimated severance pay entitlement rate	%93,34	%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 TAS 24 "Related Party Disclosures", organizations that can directly or indirectly control or significantly affect the other party through shareholding, contractual rights, family relationship or similar means are defined as related parties. Related entities also include shareholders and Group management. Related party transactions involve the transfer of resources and obligations between related entities with or without charge. In terms of these consolidated financial statements, the shareholders of the Company and the group companies and members of the board of directors and senior managers who have an indirect capital relationship with the Company are defined as "related parties" (Note 10).

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

4. CASH AND CASH EQUIVALENTS

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

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Demand Deposits	577.725	809.710	834.262	275.564
Time Deposit	19.297	1.437.916	13.218	43.086
Interest Accrual	16	-	16	5
	597.038	2.247.626	847.496	318.655

The details of the time deposit as of December 31, 2025 are as follows:

Currency	Interest Rate %	Maturity	31 December 2025
TL	37 % - 38,30%	02.01.2026	19.313
EUR	0,01%	02.01.2026	1.437.916
			1.457.229

The details of the time deposits as of December 31, 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

Within the above balances, as of 31 December 2025, the Group has a deposit account of TL 1.626.299 (December 31, 2024: TL 293.519) in foreign currency and TL 519.878 (December 31, 2024: TL 14.847) in Turkish currency deposit accounts with its 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:

	31 December 2025	31 December 2024
Demand Deposits	1.387.435	1.109.826
Time Deposits (1-3 months) (excluding accrual)	1.457.213	56.304
Cash and Cash Equivalents	2.844.648	1.166.130

As of December 31, 2025, and December 31, 2024, there is no blockage on cash and cash equivalents.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 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

Financial Assets at Fair Value Through Profit or Loss

As of December 31, 2025, and December 31, 2024, the details of the financial assets at fair value through profit and loss are as follows:

	31 December 2025	
	TL	FC
Private Sector Debt Securities	-	-
Private Sector Debt Securities Expected Loss Provision	-	-
Mutual Funds	12.396	-
	12.396	-

	31 December 2024	
	TL	FC
Private Sector Debt Securities	-	-
Private Sector Debt Securities Expected Loss Provision	-	-
Mutual Funds	-	-
	-	-

As of 31 December 2025, the Group has an investment fund of TL 12.396 in Türkiye İş Bankası A.Ş. Mutual Funds. (December 31, 2024: None).

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

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Swap Transactions	1.202	117.858	2.864	525.470
Futures Trading	4.288	322.311	-	62.025
	5.490	440.169	2.864	587.495

Derivative Financial Liabilities

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Swap Transactions	28.834	246.431	-	36.444
Futures Transactions	-	93.344	217.019	730
	28.834	339.775	217.019	37.174

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As of December 31, 2025, and December 31, 2024, the detail of financial assets at fair value through other comprehensive income is as follows:

Name of the investment	Core business	Incorporation and location	Voting Right (%)	Participation Rate (%)		Registered Value	
				31 December 2025	31 December 2024	31 December 2025	31 December 2024
<u>Traded on the Stock Exchange:</u>							
İş Yatırım Menkul Değerler A.Ş. (İş Yatırım)	Investment and Securities Services	Istanbul	4,86	4,86	4,86	2.928.105	3.455.406
<u>Not Traded on the Stock Exchange:</u>							
Yatırım Finansman Menkul Değerler A.Ş.	Investment and Securities Services	Istanbul	0,06	0,06	0,06	29	29
Efes Varlık Yönetimi A.Ş.	Asset Management	Istanbul	5,72	5,7	5,7	13.143	13.143
TOTAL						2.941.277	3.468.578

8. FACTORING RECEIVABLES

As of December 31, 2025, and December 31, 2024, the details of factoring receivables are as follows:

	31 December 2025	31 December 2024
Factoring receivables	37.165.396	35.699.938
Unearned interest income (-)	(709.934)	(575.538)
Subtotal	36.455.462	35.124.400
Expected loss provision – Stage 1	(106.922)	(99.625)
Expected loss provision – Stage 2	(10.597)	(82.514)
Total factoring receivables	36.337.943	34.942.261
Non-performing loans	527.328	386.217
Expected loss provision – Stage 3	(438.412)	(293.854)
Factoring receivables, net	36.426.859	35.034.624

As of December 31, 2025, the rating of factoring receivables is as follows:

Rating – December 2025	Stage 1	Stage 2	Stage 3	Total
Total portfolio	36.319.947	135.515	527.328	36.982.790
Very good (*)	20.515.729	-	-	20.515.729
Standard	15.804.218	-	-	15.804.218
Substandard	-	135.515	527.328	662.843
Expected loss provisions	(106.922)	(10.597)	(438.412)	(555.931)
Factoring receivables, net	36.213.025	124.918	88.916	36.426.859

(*) Within the corporate portfolio; companies that have an external credit rating at the level of "investment grade" or have ratings indicating high creditworthiness determined by the Credit Monitoring Committee of the subsidiary İş Faktong in the internal rating are included.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

8. FACTORING RECEIVABLES (Continued)

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

Rating – 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 loss provisions	(99.625)	(82.514)	(293.854)	(475.993)
Factoring receivables, net	34.724.633	217.628	92.363	35.034.624

(*) Within the corporate portfolio; companies that have an external credit rating at the level of "investment grade" or have ratings indicating high creditworthiness determined by the Credit Monitoring Committee of the subsidiary İş Faktong in the internal rating are included.

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

<u>Expected Loss Provisions Transaction Table:</u>	1 January- 31 December 2025	1 January- 31 December 2024
Provision at the beginning of the period		(399.941)
Allocated Provision	(475.993)	(289.663)
Collections	385.822	227.782
Exchange Difference Income / Expense	(50.066)	(14.171)
Provision at the End of the Period	(555.931)	(475.993)

(*) As of 31 December 2025, factoring receivables amounting to TL 1.897.198, EUR 52.740, USD 15.433 and GBP 3.538 are subject to variable interest rates (31 December 2024: TL 3.589.262, EUR 77.213, USD 57.944 and GBP 5.287), factoring receivables of TL26.050.031, EUR 30.285, USD 80.285 and GBP 1 are subject to fixed interest rates (31 December 2024: TL 22.285.602, EUR 44.848 , USD 72.123, GBP 3).

As of December 31, 2025, the average interest rates applied to factoring receivables were 40,01% for TL, 10,00% for USD, 7,98% for Euro, and 9,70% for GBP (December 31, 2024: TL 51,32%, USD 8,68%, EUR 7,39% and GBP %9,20).

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

(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:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Domestic irrevocable	16.295.239	16.100.592
Foreign irrevocable	844.184	2.454.104
Domestic revocable	16.978.587	13.568.889
Foreign revocable	2.308.849	2.911.039
	<u>36.426.859</u>	<u>35.034.624</u>

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

	<u>31 December 2025</u>	<u>31 December 2024</u>
Up to 90 Days	20.738	8.689
Between 90 – 180 Days	42.527	25.598
Between 180 – 360 Days	64.375	19.779
Over 360 Days	399.688	332.151
	<u>527.328</u>	<u>386.217</u>

Regarding the above non-performing factoring receivables, the Group has contract surety, security bond, movable pledge and real estate pledge as collateral.

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:

	<u>Standard Receivables</u>	<u>Receivables Under Close Monitoring</u>
Number of Contract Amendments Made for the Extension of the Payment Plan	155.359	3.420
Extended 1 or 2 Times	-	3.420
Extended 3, 4 or 5 Times	155.359	-
Extended Over 5	-	-

	<u>Standard Receivables</u>	<u>Receivables Under Close Monitoring</u>
Extended Period with Payment Plan Change	155.359	3.420
0-6 Months	-	75
6 Months-12 Months	-	3.345
1-2 Years	-	-
2-5 Years	155.359	-
5 Years and Over	-	-

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

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 Contract Amendments Made for the Extension of the Payment Plan	-	143.117
Extended 1 or 2 Times	-	1.012
Extended 3, 4 or 5 Times	-	142.105
Extended Over 5	-	-
	-	-
	Standard Receivables	Receivables Under Close Monitoring
Extended Period with Payment Plan Change	-	143.117
0-6 Months	-	-
6 Months-12 Months	-	1.012
1-2 Years	-	-
2-5 Years	-	142.105
5 Years and Over	-	-

9. LEASE RECEIVABLES

A. Financial Lease Receivables

As of December 31, 2025, the details of the finance lease receivables are as follows:

	Short term	Long-term	Total
Financial lease receivables	26.316.532	33.871.372	60.187.904
Unearned interest income (-)	(5.061.695)	(4.810.013)	(9.871.708)
Subtotal	21.254.837	29.061.359	50.316.196
Expected loss provision – Stage 1	(29.791)	(212.244)	(242.035)
Expected loss provision – Stage 2	(57.470)	(232.991)	(290.461)
Total financial leasing receivables	21.167.576	28.616.124	49.783.700
Non-performing loans	1.204.909	198.982	1.403.891
Expected loss provision – Stage 3	(643.684)	(106.300)	(749.984)
Net finance lease receivables	21.728.801	28.708.806	50.437.607

	Carried Value			Expected credit loss and specific provisions		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financial assets	2.844.664	-	-	(251)	-	-
Financial lease receivables	48.666.816	1.649.380	1.403.891	(242.035)	(290.461)	(749.984)

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

9. LEASE RECEIVABLES (Continued)

A. Financial Leasing Receivables (Continued)

As of December 31, 2024, the details of the financial 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 loss provision – Stage 1	(44.096)	(35.932)	(80.028)
Expected loss provision – Stage 2	(160.510)	(287.211)	(447.721)
Total financial leasing receivables	13.460.051	12.672.667	26.132.718
Non-performing loans	541.583	150.315	691.898
Expected loss 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 and specific provisions		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Financial assets	1.166.151	-	-	(50)	-	-
Financial leasing receivables	25.127.152	1.533.315	691.898	(80.028)	(447.721)	(401.043)

As of December 31, 2025, the rating of lease receivables is as follows:

Rating	Stage 1	Stage 2	Stage 3	Total
Internal Rating				
A+ (Excellent)	372.211	-	-	372.211
A (Very Good)	2.312.942	78.915	321.605	2.713.462
A- (Good)	6.561.593	47.231	113.126	6.721.950
B+ (Enough)	3.010.419	50.476	33.259	3.094.154
B (Reasonable)	20.691.567	692.782	136.925	21.521.274
B- (Close Monitoring)	8.613.611	264.507	418.224	9.296.342
C+ (Insufficient)	2.781.629	140.098	89.191	3.010.918
C (Suspicious)	1.554.372	297.268	223.002	2.074.642
Scoring				
Y (High)	1.278.582	13.245	7.653	1.299.480
O (Medium)	1.311.452	31.060	39.586	1.382.098
D (Low)	178.438	33.798	21.320	233.556
Expected Loss Provisions	(242.035)	(290.461)	(749.984)	(1.282.480)
Net Financial Lease Receivables	48.424.781	1.358.919	653.907	50.437.607

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

9. LEASE RECEIVABLES (Continued)

A. Financial Leasing Receivables (Continued)

As of December 31, 2024, the rating of lease receivables is as follows:

Rating	Stage 1	Stage 2	Stage 3	Total
Internal Rating				
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 Financial Lease Receivables	25.047.124	1.085.594	290.855	26.423.573

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

	Standard Receivables	Receivables Under Close Monitoring
Number of Amendments Related to the Extension of the Payment Plan		
Plan	-	868.501
Extended 1 or 2 Times	-	868.501
Extended 3, 4 or 5 Times	-	-
Extended Over 5	-	-
	Standard Receivables	Receivables Under Close Monitoring
Extended Period with Payment Plan Change		
Plan Change	-	868.501
0-6 Months	-	-
6 Months-12 Months	-	868.501
1-2 Years	-	-
2-5 Years	-	-
5 Years and Over	-	-

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

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

	Standard Receivables	Receivables Under Close Monitoring
Number of Amendments Related to the Extension of the Payment Plan		
Plan	-	574.535
Extended 1 or 2 Times	-	574.535
Extended 3, 4 or 5 Times	-	-
Extended Over 5	-	-
	Standard Receivables	Receivables Under Close Monitoring
Extended Period with Payment Plan Change		
0-6 Months	-	-
6 Months-12 Months	-	574.535
1-2 Years	-	-
2-5 Years	-	-
5 Years and Over	-	-

As of December 31, 2025, the distribution of financial leasing receivables by maturity is as follows:

	2026	2027	2028	2029	2030	2031 and beyond	Total
Financial Lease Receivables (Gross)	26.238.961	16.346.616	9.246.287	4.829.018	3.213.432	435.001	60.309.315
Unearned Interest	(5.061.695)	(2.747.799)	(1.261.772)	(569.291)	(217.899)	(13.252)	(9.871.708)
Financial Lease Receivables (Net)	21.177.266	13.598.817	7.984.515	4.259.727	2.995.533	421.749	50.437.607

As of December 31, 2024, the distribution of financial leasing receivables by maturity is as follows:

	2025	2026	2027	2028	2029	2030 and beyond	Total
Financial 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)
Financial Lease Receivables (Net)	13.277.447	7.559.950	3.651.589	1.357.925	469.304	107.358	26.423.573

As of December 31, 2025, the average compound interest rates applied for financial leasing receivables are 55,07% for TL and 9,29% for USD, 7,22% for EUR (31 December 2024: 56,71% for TL, 9,38% for USD, 7,34% for EUR).

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

As of 31 December 2025, the distribution of financial lease receivables by relevant currencies is as follows:

<u>Currency</u>	<u>Principal Foreign Currency</u>	<u>Principal (Net) (TL)</u>	<u>Unearned Interest in Foreign Currency</u>	<u>Unearned Interest (TL)</u>
USD	158.556.221	6.796.084	26.763.649	1.147.151
EUR	714.759.365	36.061.898	88.546.247	4.467.442
TL		7.579.625		4.257.115
Total		50.437.607		9.871.708

As of 31 December 2024, the distribution of financial lease receivables by relevant currencies is as follows:

<u>Currency</u>	<u>Principal 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 Information:</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Mortgages	1.640.460	653.064
Share Pledge	73.737	102.638
Credit Guarantee Fund	90.423	58.854
Commercial Enterprise Pledge	-	23.013
Letters of Guarantee	87.535	21.025
Movable Pledge	-	2.376
Deposit Pledge	4.866	1.500
Stock	-	2
	1.897.021	862.472

Apart from the above guarantees, the Group also has a surety of TL 46.697.838, a vehicle pledge of TL 795.597, and a receivables assignment of TL 405.249 (31 December 2024: Surety of TL 24.544.451, vehicle pledge of TL 573.764, assignment of receivables of TL 348.872).

İŞ FINANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

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

	31 December 2025	31 December 2024
Up to 30 Days	411.281	152.487
Between 30 – 60 Days	40.580	41.193
Between 60 – 90 Days	55.832	380.208
	507.693	573.888

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

<u>Collateral Type:</u>	31 December 2025	31 December 2024
Mortgages	244.499	167.471
Letters of Guarantee	1.965	7.320
Movable Pledge	-	2.376
	246.464	177.167

Apart from the above guarantees, the Group also has a surety of TL 1.636.299 and a vehicle pledge of TL 78.560 (31 December 2024: a surety of TL 1.647.496, a vehicle pledge of TL 51.380).

In deciding whether its receivables can be collected, the Group considers whether there has been a change in the credit quality of such receivables from the date they first occurred to the reporting period. As it works with a large number of customers, the Group's concentration of credit risk is not significant. The sectoral distribution of financial leasing receivables is included in Note 38.

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

	31 December 2025	31 December 2024
Between 90 – 240 days	95.470	39.200
Between 240 – 360 days	151.020	3.058
Over 360 days	384.459	269.957
Uninvoiced non-performing finance lease receivables	1.029.976	653.706
Unearned interest of non-performing finance lease receivables	(257.034)	(274.023)
	1.403.891	691.898

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

9. LEASE RECEIVABLES (Continued)

A. Financial Lease Receivables (Continued)

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

<u>Guarantee Type:</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Mortgages	6.488	2.553
	<u>6.488</u>	<u>2.553</u>

In addition to the guarantees received above, there are sureties amounting to TL 800.179, vehicle pledges amounting to TL 12.560 and equipment subject to financial leasing amounting to TL 584.664 (31 December 2024: Sureties amounting to TL 401.043, vehicle pledges amounting to TL 134 and equipment subject to financial leasing amounting to TL 288.167).

The expected loss provision transaction table for financial leasing receivables is as follows:

<u>Movement of expected credit losses:</u>	<u>1 January- 31 December 2025</u>	<u>1 January- 31 December 2024</u>
Provision at the beginning of the period	(928.792)	(963.918)
Allocated Provision	(552.823)	(216.620)
Collections / Provision Cancellations	199.135	251.746
Provision at the End of the Period	<u>(1.282.480)</u>	<u>(928.792)</u>

B. Operating Lease Receivables

The Group's forward-term lease receivables arising from operating lease transactions as of 31 December 2025 and 31 December 2024 are as follows according to their maturities:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Year 2025	-	2.322
Year 2026	6.483	1.926
Year 2027	4.557	-
Year 2028	4.926	-
	<u>15.966</u>	<u>4.248</u>

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

10. RELATED PARTIES

As of December 31, 2025, and December 31, 2024, the details of receivables and payables from related parties are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
<u>Finance Lease Receivables from Related Parties</u>		
Radore Veri Merkezi Hizm. A.Ş.	-	24.657
Türkiye Sınai Kalkınma Bankası A.Ş.	9.737	4.267
Ortopro Tıbbi Aletler Sanayi ve Ticaret A.Ş.	491	-
Total	10.228	28.924
<u>Factoring Receivables from Related Parties</u>		
Türkiye Şişe ve Cam Fabrikaları A.Ş. (*)	-	6.098.153
İş Enerji Yatırımları A.Ş.	-	37.854
Enaş Enerji Yatırımları A.Ş.	-	10.886
Ortopro Tıbbi Aletler Sanayi ve Ticaret A.Ş.	-	7.274
Spotive Spor Malzemeleri Ticaret A.Ş.	38.489	-
Total	38.489	6.154.167
<i>(*) These transactions are irrevocable transactions in which the risk of non-payment of the receivable is undertaken by İş Faktoring, the subsidiary of the Company.</i>		
<u>Payables to Related Parties</u>		
Anadolu Anonim Türk Sigorta Şirketi (Insurance Premium)	340.526	212.282
İş Net Elekt.Bilgi Ür.Dağ.Tic.ve İlet. Hiz.A.Ş.	5.098	1.256
Softtech Yazılım Teknolojileri	1.765	841
İş Merkezleri Yönetim ve İşletim A.Ş.	1.370	606
Türkiye İş Bankası A.Ş.	72	150
Topkapı Danışmanlık Elektronik Hiz. Paz ve Tic. A.Ş.	74	81
KKB Kredi Kayıt Bürosu A.Ş.	31	31
Ortopro Tıbbi Aletler Sanayi ve Ticaret A.Ş.	-	7
Total	348.936	215.254
<u>Deposits Placed to Related Parties</u>		
Türkiye İş Bankası A.Ş. Demand Deposits	700.754	265.275
Türkiye İş Bankası A.Ş. Time Deposits	1.445.423	43.091
Türkiye Sınai Kalkınma Bankası A.Ş.	750	515
İşbank AG Demand Deposits	649	109
Total	2.147.576	308.990
<u>Investment Fund</u>		
Türkiye İş Bankası A.Ş.	12.396	-
Total	12.396	-
<u>Payables to Related Parties from Leasing Transactions</u>		
Türkiye İş Bankası A.Ş.	1.002	409
Total	1.002	409

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

10. RELATED PARTIES (Continued)

	<u>31 December 2025</u>	<u>31 December 2024</u>
<u>Derivative Financial Asset for Trading from Related Parties</u>		
Türkiye Sınai Kalkınma Bankası A.Ş.	246.759	491.101
Türkiye İş Bankası A.Ş.	5.912.549	3.210.590
Total	<u>6.159.308</u>	<u>3.701.691</u>
<u>Derivative Financial Liabilities Held for Trading from Related Parties</u>		
Türkiye Sınai Kalkınma Bankası A.Ş.	249.525	477.157
Türkiye İş Bankası A.Ş.	5.882.908	3.532.433
Total	<u>6.132.433</u>	<u>4.009.590</u>

As of December 31, 2025, and December 31, 2024, the details of loans received from related parties are as follows:

Borrowings from Related Parties

Türkiye İş Bankası A.Ş.

<u>Currency</u>	<u>Interest Rate %</u>	<u>Maturity</u>	<u>31 December 2025</u>
USD	%6,50-%7,50	31.03.2026-19.06.2026	1.193.130
EUR	%4,85-%8,51	10.02.2026-12.05.2027	3.679.036
GBP	%6,17-6,91	06.01.2026-09.07.2026	10.194.336
			<u>25.866.343</u>
<u>Currency</u>	<u>Interest Rate %</u>	<u>Maturity</u>	<u>31 December 2024</u>
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
			<u>15.664.342</u>

İŞ FINANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

10. RELATED PARTIES (Continued)

Türkiye Sınai Kalkınma Bankası A.Ş.

<u>Currency</u>	<u>Interest Rate %</u>	<u>Maturity</u>	<u>31 December 2025</u>
USD	%7,29-%7,54	03.06.2026-19.07.2029	1.347.446
EUR	%2,97-%4,77	01.06.2026-29.05.2030	523.737
			1.871.183

<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

İş Bank AG

<u>Currency</u>	<u>Interest Rate %</u>	<u>Maturity</u>	<u>31 December 2025</u>
EUR	%4,25-%4,75	05.01.2026-23.02.2026	233.726
			233.726

<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

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

10. RELATED PARTIES (Continued)

For the periods ended 31 December 2025 and 31 December 2024, finance income and expenses from related parties are as follows:

	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
<u>Financial Lease Interest Income from Related Parties</u>		
Radore Veri Merkezi Hizm. A.Ş.	-	9.409
Türkiye Sınai Kalkınma Bankası A.Ş.	2.470	1.791
Ortopro Tıbbi Aletler Sanayi ve Ticaret A.Ş.	82	-
Total	2.552	11.200
<u>Operating Lease Interest Income from Related Parties</u>		
Türkiye Sınai Kalkınma Bankası A.Ş.	2.027	3.392
Total	2.027	3.392
<u>Interest Income from Related Parties</u>		
İşbank AG	32.894	-
Türkiye İş Bankası A.Ş.	6.240	7.513
Total	39.134	7.513
<u>Subsidiary Dividend Income from Related Parties</u>		
İş Yatırım Menkul Değerler A.Ş.	413.512	77.838
Yatırım Finansman Menkul Değerler A.Ş.	14	11
Total	413.526	77.849
<u>Financing Expenses</u>		
Türkiye İş Bankası A.Ş.	1.047.946	1.670.691
Türkiye Sınai Kalkınma Bankası A.Ş.	157.057	173.314
İş Yatırım Menkul Değerler A.Ş.	27.921	9.880
İşbank AG	43.251	39.389
Total	1.275.175	1.893.274
<u>Rent Expense</u>		
Türkiye İş Bankası A.Ş.	26.561	10.281
İş Gayrimenkul Yatırım Ortaklığı A.Ş.	-	316
Total	26.561	10.597

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

10. RELATED PARTIES (Continued)

	<u>01.01.2025-</u> <u>31.12.2025</u>	<u>01.01.2024-</u> <u>31.12.2024</u>
<u>Factoring Commission Income from Related Parties</u>		
Bayek Tedavi Sağlık Hizm. ve İşlet. A.Ş.	-	430
Ortopro Tıbbi Aletler San ve Tic. A.Ş.	168	517
Sportive Sports Malzemeleri Ticaret A.Ş.	120	-
Total	288	947
<u>Factoring Interest Income from Related Parties</u>		
Bayek Tedavi Sağlık Hizm. ve İşlet. A.Ş.	6.416	23.810
Ortopro Tıbbi Aletler San ve Tic. A.Ş.	1.011	3.224
Türkiye Şişe ve Cam Fabrikaları A.Ş.	380.075	70.275
Sportive Sports Malzemeleri Ticaret A.Ş.	122	-
Total	387.624	97.309
<u>Insurance Commission Income</u>		
Anadolu Anonim Türk Sigorta Şirketi	87.880	63.838
Total	87.880	63.838
<u>Mutual Fund Income</u>		
Türkiye İş Bankası A.Ş.	122.800	111.576
Total	122.800	111.576

Benefits for Senior Executives (*)

The benefits provided to senior executives for the accounting periods ended December 31, 2025 and December 31, 2024 are as follows:

	<u>01.01.2025-</u> <u>31.12.2025</u>	<u>01.01.2024-</u> <u>31.12.2024</u>
Fee and other short-term benefits (**)	124.785	93.990
	124.785	93.990

(*) The Group's senior executives consist of members of the board of directors, general manager and deputy general managers.

(**) The amount in question consists of monetary rights such as wages, bonuses, premiums, as well as vehicle rental and other expense items.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

11. TANGIBLE ASSETS

For the periods ended 31 December 2025 and 31 December 2024, total salary and benefits paid to tangible assets during year comprised the following:

	<u>Furniture and Fixtures</u>	<u>Leasehold Improvements</u>	<u>Assets Subject to Operating Lease</u>	<u>Vehicles</u>	<u>Other Tangible Assets</u>	<u>Right of Use</u>	<u>Real Estate</u>	<u>Total</u>
Cost								
Opening Balance at 1 January 2025	38.048	6.877	3.827	-	1.456	40.130	-	90.338
Purchases	34.263	1.123	12.945	-	-	24.072	-	72.403
Transfer	-	-	-	-	-	-	-	-
Outputs	(39.521)	(2)	(942)	-	-	(13.394)	-	(53.859)
Closing Balance at 31 December 2025	32.790	7.998	15.830	-	1.456	50.808	-	108.882
Accumulated Depreciation								
Opening balance at 1 January 2025	(22.653)	(5.597)	(523)	-	(1.456)	(17.696)	-	(47.925)
Period Depreciation	(4.479)	(592)	(1.289)	-	-	(24.538)	-	(30.898)
Transfer	-	-	-	-	-	-	-	-
Outputs	8.592	-	942	-	-	11.687	-	21.221
Closing Balance at 31 December 2025	(18.540)	(6.189)	(870)	-	(1.456)	(30.547)	-	(57.602)
31 December 2025 Net Registered Value	14.250	1.809	14.960	-	-	20.261	-	51.280
Net Registered Value as of January 1, 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
Purchases	101.653	224	-	-	-	32.874	-	134.751
Transfer	-	-	-	-	-	-	-	-
Outputs	(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)
Period Depreciation	(6.749)	(514)	(1.519)	-	-	(16.325)	-	(25.107)
Transfer	-	-	-	-	-	-	-	-
Outputs	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)
December 31, 2024 Net Registered Value	15.395	1.280	3.304	-	-	22.434	-	42.413
Net Registered Value as of January 1, 2024	21.847	1.570	4.823	-	-	5.939	-	34.179

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

12. INTANGIBLE ASSETS

For the accounting periods ending December 31, 2025 and December 31, 2024, the movements of intangible assets other than goodwill are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
<u>Cost</u>		
January 1 Opening Balance	78.293	45.971
Purchases	53.666	34.385
Outputs	(9)	(2.063)
Period-End Closing Balance	<u>131.950</u>	<u>78.293</u>
<u>Amortization</u>		
January 1 Opening Balance	(25.350)	(17.717)
Period Depreciation	(18.584)	(9.071)
Transfer	-	-
Outputs	9	1.438
Period-End Closing Balance	<u>(43.925)</u>	<u>(25.350)</u>
Net Registered Value(*)	<u>88.025</u>	<u>52.943</u>

(*) The Group's intangible assets, other than goodwill, consist of computer software.

Goodwill

On August 11, 2004, the Company purchased the shares of İş Faktoring with a total nominal value of TL 12.517 for USD 10.952.375. The Company's ownership in this subsidiary is 78,23%. Goodwill of TL 166 was generated on the net equity of TL 16,603 purchased. As of December 31, 2025, the net value of goodwill is 166 TL (31 December 2024: 166 TL). Within the framework of IFRS 3, the Group has ceased to amortize the amount of goodwill arising from transactions incurred before 31 December 2004 as of the beginning of the first annual accounting period ending after 31 December 2004 (1 January 2005).

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

13. DEFERRED TAX ASSETS AND LIABILITIES

As of December 31, 2025 and December 31, 2024, the breakdown of deferred tax assets and liabilities calculated on temporary differences and prepared using the applicable tax rates is as follows:

Timing Differences That Constitute the Basis for Deferred Tax	31 December 2025	31 December 2024
Provision for Doubtful Debts	711.410	775.389
Employee Rights Provision	209.716	102.390
Litigation Response	24.544	32.323
TFRS 16 Revision	27.741	27.396
Unearned Factoring Interest Income	-	575.538
Financial Instruments TPL Valuation Difference	(2.356.035)	(2.883.335)
Financial Leasing Income Accruals	(636.672)	(465.805)
Financial Leasing Adjustment	(112.793)	(26.888)
Derivatives Rediscount	(70.429)	(324.688)
Tangible and Intangible Assets Base Difference	(3.546)	73.481
Other	63.922	59.198
Timing Differences Forming the Basis for Deferred Tax	(2.142.142)	(2.055.001)
Deferred Tax Assets/Liabilities	31 December 2025	December 31, 2024
Provision for Doubtful Debts	213.423	232.617
Employee Rights Provision	62.915	30.717
Litigation Response	7.363	9.697
TFRS 16 Revision	8.322	8.219
Unearned Factoring Interest Income	-	172.661
Financial Instruments TPL Valuation Difference	(353.405)	(432.500)
Financial Leasing Income Accruals	(191.002)	(139.742)
Financial Leasing Adjustment	(33.839)	(8.066)
Derivatives Rediscount	(21.129)	(97.406)
Tangible and Intangible Assets Base Difference	(1.064)	22.044
Other	19.177	17.759
Deferred Tax Asset	-	28.492
Deferred Tax Liability	(289.238)	(212.492)

The corporate tax rate is 30% as of 31 December 2025 (31 December 2024: %30). With the Law proposed to the Turkish Grand National Assembly on 5 July 2023 and published in the Official Gazette dated 15 July 2023, amendments were made to the Corporate Tax Law No. 5520. According to this; Starting from the declarations that must be submitted as of 1 October 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 1 October 2023; It entered into force on 15 July 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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

13. DEFERRED TAX ASSETS AND LIABILITIES (Continued)

Movements in deferred tax assets are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Opening Balance as of January 1	(184.000)	257.835
Deferred Tax Income / (Expense) (Net)	(186.006)	(144.571)
Classified in Equity	80.768	(297.264)
Deferred Tax Asset	<u>-</u>	<u>28.492</u>
Deferred Tax Liability	<u>(289.238)</u>	<u>(212.492)</u>

14. ASSETS RELATED TO ACTIVITIES HELD FOR SALE AND DISCONTINUED

As of December 31, 2025, and December 31, 2024, the assets held for sale and discontinued operations are as follows:

	<u>31 December 2025</u>		<u>31 December 2024</u>	
	TL	FC	TL	FC
Real Estate to be Disposed of (*)	2.432	-	2.432	-
	<u>2.432</u>	<u>-</u>	<u>2.432</u>	<u>-</u>

(*) It consists of real estates included in the Group's assets as a result of legal proceedings regarding non-performing receivables.

15. OTHER ASSETS

As of December 31, 2025, and December 31, 2024, the details of the other assets are as follows:

	<u>31 December 2025</u>		<u>31 December 2024</u>	
	TL	FC	TL	FC
Investments Subject to Leasing	562.719	2.049.544	281.435	878.952
Advances Given for Leasing Transactions	107.761	4.296.220	53.481	1.417.681
Invoiced Amounts	40.878	1	30.197	313
Commissions Paid for Loans Used and Securities Issued	95.336	-	19.659	-
Other Finance Lease Receivables	81.731	137.161	50.501	65.804
Carried forward VAT	478.293	-	56.244	-
Advances	1.214	-	360	-
Deposits Issued	139	-	140	-
Other	114.567	2.426	79.149	1.171
	<u>1.482.638</u>	<u>6.485.352</u>	<u>571.166</u>	<u>2.363.921</u>

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

16. FUNDS BORROWED

As of December 31, 2025 and December 31, 2024, the loans received are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Short-Term Loans	18.176.090	31.365.558	22.909.198	23.198.151
Short-Term Installments of Long-Term Loans	-	1.507.689	-	1.082.180
Total Short-Term Loans	18.176.090	32.873.247	22.909.198	24.280.331
Long-Term Loans	-	14.006.255	-	5.172.790
Total Long-Term Loans	-	14.006.255	-	5.172.790
TOTAL	18.176.090	46.879.502	22.909.198	29.453.121

As of December 31, 2025, and December 31, 2024, no collateral was provided against all loans received.

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

Currency	Interest Rate %	Currency Amount	31 December 2025
TL	37,00%-47,93%	17.778.265	17.778.265
USD	4,59%-8,90%	176.400.923	7.559.652
EUR	2,78%- 8,51%	253.635.075	12.787.069
GBP	5,51 %-7,35%	172.295.734	9.960.281
Interest accruals			1.456.381
TOTAL			49.541.648

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 of December 31, 2025 and December 31, 2024, the details of long-term loans and short-term installments of long-term loans in currency are as follows:

Currency	Interest Rate %	Currency Amount	31 December 2025
USD	8,39% - 5,38%	149.356.710	6.401.523
EUR	6,72% - 4,29%	180.611.365	9.112.421
TOTAL			15.513.944

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 of December 31, 2025, and December 31, 2024, loan interest rates were expressed on an annual compounded basis.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

16. FUNDS BORROWED (Continued)

As of December 31, 2025 and December 31, 2024, the distinction between fixed and variable interest rates of loans is as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Fixed rate	17.776.090	25.942.334	22.909.198	18.416.231
Variable rate	400.000	20.937.168	-	11.036.890
	18.176.090	46.879.502	22.909.198	29.453.121

The fair value of the loans taken is included in Note 38. As at 31 December 2025, the Group has an available credit limit of TL 87.839.712, all conditions of which have been met but not used (31 December 2024: TL 54.967.465).

17. OTHER LIABILITIES

As of December 31, 2025, and December 31, 2024, other debts are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Received Order Advances (*)	393.036	1.235.622	322.266	661.282
BITT payable	42.467	-	40.955	-
SSK Premiums to be Paid	13.523	-	9.321	-
Income Tax Payable	15.228	-	9.165	-
Payables to Suppliers for Lease Transactions	10.660	966.976	10.280	441.512
Deferred Revenues	3.440	-	1.263	-
Other Taxes and Obligations Payable	1.573	-	1.313	-
VAT payable	1.141	-	1.004	-
Other (**)	89.932	383.140	89.533	204.229
	571.000	2.585.738	485.100	1.307.023

(*) *The order advances received consist of the lease advances received from the lessees for the parts of the financial leasing agreements related to the machinery and equipment that have not yet been used by the customers.*

(**) *The Group insures the equipment subject to financial leasing transactions and pays the insurance costs on a deferred basis. Other payables consist mainly of the Group's term insurance premium payables and seller payables arising from internal transactions. It mainly purchases in cash from group suppliers. The Group has a financial risk management policy to ensure that all its debts are paid on time.*

18. LEASE PAYABLES

	31 December 2025	31 December 2024
Lease Payables	27.741	27.396
	27.741	27.396

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

	31 December 2025	31 December 2024
Year 2025	-	9.846
Year 2026	18.895	12.726
Year 2027	7.028	4.824
Year 2028	1.818	-
	27.741	27.396

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

19. SECURITIES ISSUED

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Financing Bond	16.100.000	-	4.535.752	-
Interest Accruals	2.248.162	-	280.654	-
	18.348.162	-	4.816.406	-

As of 31 December 2025, the characteristics of financing bills issued by the Group are as follows:

<u>ISIN CODE</u>	<u>Issue Date</u>	<u>Balance Nominal Amount (TL)</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	Expired payment
TRFISFN62615	19.06.2025	750.000.000	18.06.2026	Qualified Investor	Expired payment
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	Expired payment
TRFISFN42625	30.04.2025	150.000.000	29.04.2026	Qualified Investor	Expired payment
TRFISFN32618	18.03.2025	700.000.000	17.03.2026	Qualified Investor	Expired payment
TRFISFN22627	11.02.2025	250.000.000	10.02.2026	Qualified Investor	Expired payment
TRFISFN52624	23.05.2025	500.000.000	22.05.2026	Qualified Investor	Expired payment
TRDEMVK72812	08.07.2025	250.000.000	4.07.2028	Qualified Investor	Expired payment
TRFISFN92612	04.09.2025	500.000.000	3.09.2026	Qualified Investor	Expired payment
TRFISFN92620	17.09.2025	500.000.000	16.09.2026	Qualified Investor	Expired payment
TRFISFNE2615	23.10.2025	500.000.000	22.10.2026	Qualified Investor	Expired payment
TRFISFNK2617	06.11.2025	1.000.000.000	5.11.2026	Qualified Investor	Expired payment
TRFISFNK2625	13.11.2025	300.000.000	12.11.2026	Qualified Investor	Expired payment
TRSISFNK2711	21.11.2025	1.000.000.000	19.11.2027	Qualified Investor	1 in 6 months
TRFISFNK2633	27.11.2025	1.000.000.000	26.11.2026	Qualified Investor	Expired payment
TRFISFA12617	04.02.2025	750.000.000	29.01.2026	Qualified Investor	Expired payment
TRFISFA32615	12.03.2025	300.000.000	6.03.2026	Qualified Investor	Expired payment
TRFISFA22616	13.08.2025	1.500.000.000	9.02.2026	Qualified Investor	Expired payment
TRFISFA22624	20.08.2025	800.000.000	16.02.2026	Qualified Investor	Expired payment
TRFISFA62612	10.12.2025	2.000.000.000	8.06.2026	Qualified Investor	Expired payment
TRFISFA62620	23.12.2025	1.100.000.000	22.06.2026	Qualified Investor	Expired payment

20. PROVISIONS

As of December 31, 2025, and December 31, 2024, the provision for employee rights obligations is as follows:

	31 December 2025	31 December 2024
Provision for Severance Pay	57.012	34.888
Provision for employee bonus	110.351	43.755
Vacation pay provision	42.355	23.747
	209.718	102.390

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

20. PROVISIONS (Continued)

In accordance with the provisions of the current Labor Law, employees whose employment contracts have been terminated in a way that entitles them to severance pay are obliged to pay the legal severance pay to which they are entitled. In addition, in accordance with the provision of Article 60 of the Social Security Law No. 506, which is still in force, amended by the laws dated 6 March 1981 and numbered 2422 and dated 25 August 1999 and numbered 4447, those who have the right to leave their jobs by receiving severance pay are also obliged to pay their legal severance pay. Some transitional provisions related to pre-retirement service conditions were removed from the Law with the amendment of the relevant law on 23 May 2002.

TAS 19 "Employee Benefits" standard requires the development of actuarial valuation methods in determining the obligation of the enterprise for severance pay. The main actuarial estimates used in the calculation of the severance pay liability in the accompanying financial statements, as of 31 December 2025 and 31 December 2024, are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Discount rate	%3,92	%3,98
Inflation	%22,00	%21,85
Estimated severance pay entitlement rate	%93,34	%93,11

For the accounting periods ending on December 31, 2025, and December 31, 2024, the severance pay provision movement is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	34.888	32.188
Service Cost	6.350	5.449
Interest Cost	10.519	8.936
Actuarial Difference	5.577	7.912
Provision for Canceled Severance Pay	-	-
Severance Pay Paid	(322)	(19.597)
Balance at the end of the year	<u>57.012</u>	<u>34.888</u>

For the accounting periods ending on December 31, 2025, and December 31, 2024, the unused leave provision transaction is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	23.747	10.416
Increase/(Decrease) During the Period	18.608	13.331
Balance at the end of the year	<u>42.355</u>	<u>23.747</u>

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

20. PROVISIONS (Continued)

For the accounting periods ending on December 31, 2025, and December 31, 2024, the transactions for the bonus are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	43.755	23.394
Increase During the Period	110.351	43.754
Bonus Paid	(41.865)	(23.393)
Cancelled	(1.890)	-
Balance at the end of the year	<u>110.351</u>	<u>43.755</u>

As of December 31, 2025, and December 31, 2024, other provisions are as follows:

	<u>31 December 2025</u>	<u>December 31, 2024</u>
Litigation Response	24.544	32.323
Financial Assets Expected Loss Provision	2.691	2.344
Provision for General Administrative Expenses	1.286	600
	<u>28.521</u>	<u>35.267</u>

In the accounting periods ending on 31 December 2025 and 31 December 2024, the movements of other provisions are as follows;

<u>December 31, 2025</u>	General Provision for Financial Leasing Receivables	Litigation Response	General Management Provision for Expenses	Financial Assets Expected Loss Provision
Opening	-	32.323	600	2.344
Period Expense	-	22.950	1.286	2.691
Payments	-	(19.637)	(600)	-
Cancellations	-	(11.092)	-	(2.344)
Balance at the end of the year	<u>-</u>	<u>24.544</u>	<u>1.286</u>	<u>2.691</u>
<u>December 31, 2024</u>	General Provision for Financial Leasing Receivables	Litigation Response	General Management Provision for Expenses	Financial Assets Expected Loss Provision
Opening	-	28.379	520	4.688
Period Expense	-	31.330	80	2.344
Payments	-	-	-	-
Cancellations	-	(27.386)	-	(4.688)
Balance at the end of the year	<u>-</u>	<u>32.323</u>	<u>600</u>	<u>2.344</u>

21. CURRENT PERIOD TAX ASSETS AND PAYABLE

As of December 31, 2025, and December 31, 2024, the tax asset for the current period is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Withheld Income Taxes	3.041	2.487
Total	<u>3.041</u>	<u>2.487</u>

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

21. CURRENT PERIOD TAX ASSETS AND PAYABLE (Continued)

As of December 31, 2025, and December 31, 2024, the current tax liability is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Provision for Corporate Tax for the Current Period (Note 35)	1.391.971	804.618
Previous Period Corporate Tax Provision	-	-
Tax Payable	18.355	12.234
Payments During the Period	<u>(1.126.799)</u>	<u>(514.315)</u>
Corporate Tax and Other Taxes Payable	<u>283.527</u>	<u>302.537</u>

The movement of corporate income tax for the accounting periods ending December 31, 2025, and December 31, 2024, is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Corporate Tax to be Paid at the Beginning of the Period	302.537	297.849
Current Period Expense	1.391.971	804.618
Corporate Tax to be Deducted	-	-
Tax Payable	18.355	12.234
Previous Period Corporate Tax Provision	-	-
Payments During the Period	<u>(1.429.336)</u>	<u>(812.164)</u>
Corporate Tax and Other Taxes Payable	<u>283.527</u>	<u>302.537</u>

22. NON-CONTROLLING INTERESTS

As of 31 December 2025, TL 1.375.966 of non-controlling shares belonging to other shareholders (31 December 2024: 991.775 TL) and 433.341 TL of non-controlling shares were calculated over the net profit for the period (31 December 2024: 217.785 TL).

The movements of non-controlling shares for the accounting periods ending on 31 December 2025 and 31 December 2024 are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	991.775	672.855
Period Profit/Loss	433.341	217.785
Securities Valuation Differences	(49.150)	101.135
Previous Year Adjustment	-	-
Balance at the end of the year	<u>1.375.966</u>	<u>991.775</u>

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

23. PAID-IN CAPITAL AND CAPITAL RESERVES

As of December 31, 2025, the Company's nominal capital is TL 695.303 and consists of 69.530.264.500 shares worth 1 full Kuruş, fully paid.

As of December 31, 2025 and December 31, 2024, the shareholders and share distributions are as follows.

<u>Shareholders</u>	<u>31 December</u>		<u>31 December</u>	
	<u>(%)</u>	<u>2025</u>	<u>(%)</u>	<u>2024</u>
Türkiye İş Bankası A.Ş.	30,52%	212.231	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	39,09%	271.739	39,18%	272.389
Total	100,00	695.303	100	695.303

Shareholders holding Group A shares have the privilege of determining the members of the Board of Directors of the Company. Due to this privilege, the members of the Board of Directors of the Company are elected from among the candidates nominated by the shareholders holding Group A shares. The number of shares owned by Group A shares on the basis of shareholders is as follows:

<u>Shareholder</u>	<u>31 December 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

CAPITAL RESERVES

	<u>31 December 2025</u>	<u>31 December 2024</u>
Other Capital Reserves (*)	1.763	1.763
Other Accumulated Comprehensive Income or Expenses That Will Not Be Reclassified in Profit or Loss	2.269.171	2.672.131
<i>Accumulated remetering gains/losses of defined benefit plans</i>	<i>(11.369)</i>	<i>(7.832)</i>
<i>Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss(**)</i>	<i>2.280.540</i>	<i>2.679.963</i>
Total	2.270.934	2.673.894

(*) It consists of bonus shares obtained by the Group from its subsidiaries.

(**) The fair value difference consists of the differences that arise as a result of the valuation of financial assets at their fair value, which are reflected in other comprehensive income.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

24. PROFIT RESERVES

As of December 31, 2025, and December 31, 2024, the profit reserves are as follows:

	31 December 2025	31 December 2024
Legal Reserves	162.673	154.907
Exceptional Reserves (*)	5.318.537	3.395.634
Total	5.481.210	3.550.541

(*) *Since the Banking Regulation and Supervision Agency has considered that the income amounts related to deferred tax assets cannot be qualified as cash or internal resources, and therefore the portion of the profit for the period arising from the said assets should not be subject to dividend distribution and capital increase, the Group's TL 8.444 (31 December 2024: 107.131 TL).*

Legal reserves consist of the first and second series of legal reserves allocated in accordance with the Turkish Commercial Code. The first series of legal reserves are set aside at the rate of 5% of the profit for the legal period until they reach 20% of the company's capital. The second series of legal reserves are set aside from the first series of legal reserves and the profit remaining after the first dividend, as much as 10% of the cash dividend distributions. The first and second legal reserves cannot be distributed unless they exceed 50% of the total capital; however, it can be used to cover the losses in case the voluntary reserves are depleted. TL 7.766, calculated by the Group over the profit amount in the legal records, not exceeding the above-mentioned limit of 20%, was transferred to legal reserves.

25. PRIOR YEARS' PROFIT LOSS

The Group has no retained profit as of 31 December 2025 (31 December 2024: TL 5.476).

26. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of 31 December 2025, the Group has letters of guarantee amounting to TL 17.768.272 issued to customs authorities and banks (31 December 2024: TL 13.106.385).

As of 31 December 2025, there were lawsuits against the Group amounting to TL 47.939 (31 December 2024: 39.520 TL), and a provision of 24.544 TL (31 December 2024: 32.323 TL) was set aside in the accompanying consolidated financial statements (Note 20). The Group's management does not foresee additional provisions for the remaining cases.

As of 31 December 2025, there are letter of credit commitments of USD 6.798.680 and EUR 835.781 (total TRY 333.575) (31 December 2024: USD 1.560.625, amounting to EUR 4.977.650; total TRY 237.864).

As of December 31, 2025, and December 31, 2024, there are no factoring commitments.

As of 31 December 2025, there are financial leasing commitments amounting to USD 75.476.450, EUR 122.100.434 and TL 1.168.315 (total TL 10.563.767) (31 December 2024: USD 17.078.881, EUR 87.869.931 and TL 709.433, for a total of TL 4.539.604).

As of the end of the reporting period, there are no guarantees, pledges or mortgages given by the Group to secure the debt of 3rd parties.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

26. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

	31 December 2024	
	Foreign Exchange Amount	TL
Forward Money Purchase Transactions:		
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
Forward Money Sale Transactions:		
USD	1.701.692	59.940
EUR	17.188.240	631.546
TL	1.330.044	1.330.044
		2.021.530

The Group's derivative transactions with related entities are shown in Note 10.

As of 31 December 2025, there was an unrealized loss of TL 368.609 and an unrealized profit of TL 445.659, which are associated with profit and loss due to changes in the fair value of derivatives contracts (Note 6) (December 31, 2024: There was an unrealized loss of TL 254.193 and an unrealized profit of TL 590.359).

As of December 31, 2025, the maturity distribution of derivatives transactions is as follows:

	<u>Short Term</u>	<u>Long Term</u>	<u>Total</u>
Swap Purchase Transactions	24.554.330	-	24.554.330
Swap Selling Transactions	23.110.764	-	23.110.764
Forward Purchase Transactions	4.204.740	-	4.204.740
Forward Selling Transactions	3.962.918	-	3.962.918

As of December 31, 2024, the maturity distribution of derivatives transactions is as follows:

	<u>Short Term</u>	<u>Long Term</u>	<u>Total</u>
Swap Purchase Transactions	11.625.020	1.445.963	13.070.983
Swap Selling Transactions	9.915.385	1.414.327	11.329.712
Forward Purchase Transactions	1.718.007	50.753	1.768.760
Forward Selling Transactions	1.971.748	49.782	2.021.530

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

27. SEGMENT REPORTING

Operating segments are determined according to the Group's management and internal reporting structure.

Investment expenditures of the Division consist of purchases of tangible and intangible assets, excluding goodwill, in the relevant period.

Activity Sections

The Group has two main operating segments.

- Financial leasing It includes the Group's financial leasing activities.
- Factoring transactions It includes the Group's factoring activities.

31 December 2025	Leasing	Factoring	Consolidation Corrections	Consolidated
Total Assets	62.450.416	38.824.746	(53.766)	101.221.396
Total Liability	55.263.945	32.503.901	-	87.767.846
Net Current Period Profit	2.072.819	1.990.659	(433.341)	3.630.137

31 December 2024	Leasing	Factoring	Consolidation Corrections	Consolidated
Total Assets	32.000.494	37.800.577	(53.766)	69.747.305
Total Liability	26.660.515	33.244.608	-	59.905.123
Net Current Period Profit	1.142.528	1.000.450	(217.785)	1.925.193

31 December 2025	Leasing	Factoring	Consolidation Corrections	Total
Operating Income	5.651.376	11.199.128	-	16.850.504
Financial Expenses (-)	(4.829.560)	(9.123.374)	-	(13.952.934)
Gross P/L	821.816	2.075.754	-	2.897.570
Operating Expenses (-)	(721.755)	(480.582)	-	(1.202.337)
Gross Operating P/L	100.061	1.595.172	-	1.695.233
Other Operating Income	4.543.989	1.629.932	-	6.173.921
Provisions (-)	(552.824)	(415.694)	-	(968.518)
Other Operating Expenses (-)	(1.204.975)	(54.205)	-	(1.259.180)
Net Operating P/L	2.886.251	2.755.205	-	5.641.456
Continuing Operations PnL Before Tax	2.886.251	2.755.205	-	5.641.456
Continuing Activities Tax Provision (±)	(813.432)	(764.546)	-	(1.577.978)
Continuing Operations Period Net P/L	2.072.819	1.990.659	-	4.063.478
Non-Parent Profit / (Loss)	-	-	(433.341)	(433.341)
Net Profit / Loss for the Period	2.072.819	1.990.659	(433.341)	3.630.137
Fixed Asset Purchases	82.024	44.045	-	126.069
Depreciation and Amortization	(21.401)	(28.081)	-	(49.482)

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

27. SEGMENT REPORTING (Continued)

31 December 2024	Leasing	Factoring	Consolidation Corrections	Total
Operating Income	4.381.435	7.321.243	-	11.702.678
Financial Expenses (-)	(3.001.372)	(5.882.575)	-	(8.883.947)
Gross P/L	1.380.063	1.438.668	-	2.818.731
Operating Expenses (-)	(448.918)	(339.593)	-	(788.511)
Gross Operating P/L	931.145	1.099.075	-	2.030.220
Other Operating Income	1.548.525	1.608.300	(1.057.150)	2.099.675
Provisions (-)	(216.620)	(289.663)	-	(506.283)
Other Operating Expenses (-)	(581.324)	(1.007.271)	1.057.150	(531.445)
Net Operating P/L	1.681.726	1.410.441	-	3.092.167
Continuing Operations PnL Before Tax	1.681.726	1.410.441	-	3.092.167
Continuing Activities Tax Provision (±)	(539.198)	(409.991)	-	(949.189)
Continuing Operations Period Net P/L	1.142.528	1.000.450	-	2.142.978
Non-Parent Profit / (Loss)	-	-	(217.785)	(217.785)
Net Profit / Loss for the Period	1.142.528	1.000.450	(217.785)	1.925.193
Fixed Asset Purchases	140.870	28.267	-	169.137
Depreciation and Amortization	(16.597)	(17.581)	-	(34.178)

28. EVENTS AFTER REPORTING PERIOD

Within the scope of the decision of the Board of Directors of İş Finansal Kiralama A.Ş. dated 20.12.2024 regarding the issuance of lease certificates, a total of TL 500 million was issued in 2 times, each with a nominal value of TL 250 million, after 31.12.2025.

On 26.01.2026, the Board of Directors of İş Finansal Kiralama A.Ş. decided to increase the registered capital ceiling of the company from 1 billion 200 million TL to 3 billion TL, to extend the authorized period of the registered capital ceiling until the end of 2030 and to amend Article 6 of the Articles of Association, and the General Directorate was authorized to obtain the necessary approvals regarding these amendments.

29. OPERATING INCOME

For the accounting periods ended December 31, 2025 and December 31, 2024, the operating income was as follows:

	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
Finance Lease Interest Income	5.646.456	4.378.043
Operating Lease Income	4.920	3.392
Factoring Revenues	11.199.128	7.321.243
	16.850.504	11.702.678

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

30. OPERATING EXPENSES

For the accounting periods ended 31 December 2025 and 31 December 2024, the principal operating expenses were as follows:

	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
Personnel Expenses	(894.268)	(577.565)
Depreciation Expenses	(49.482)	(34.178)
IT Expenses	(53.016)	(37.917)
Severance Pay Provision Expense	(16.869)	(14.386)
Office Rent and Dues Expenses	(34.594)	(25.450)
Tax, Duties, Fees	(27.180)	(16.052)
BRSA Participation Share Expense	(20.940)	(15.484)
Board of Directors Attendance Rights	(28.391)	(17.672)
Consultancy Expenses	(14.606)	(12.986)
Vehicle and Travel Expenses	(10.324)	(8.194)
Advertising Advertisement Expenses	(4.431)	(2.337)
Representation Hospitality Expenses	(3.485)	(2.650)
Communication Expenses	(1.883)	(1.263)
Insurance Expenses	(1.404)	(643)
Capital Increase and Listing Expenses	(78)	(30)
Other General Administrative Expenses	(41.386)	(21.704)
	<u>(1.202.337)</u>	<u>(788.511)</u>

31. OTHER OPERATING INCOME

Other operating income for the accounting periods ended 31 December 2025 and 31 December 2024 were as follows:

	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
Foreign Exchange Difference Income	2.797.910	-
Profits from Derivative Financial Transactions	1.491.343	870.378
Collection and Cancellation Income from Previous Year's Doubtful Receivables	584.957	479.527
Dividend Income	413.526	77.849
Commission Income	87.880	63.838
Interest Income	352.427	274.428
Capital Market Transactions Profit	122.800	111.576
Other	323.078	222.079
	<u>6.173.921</u>	<u>2.099.675</u>

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

32. FINANCING EXPENSES

For the accounting periods ending December 31, 2025 and December 31, 2024, the financing expenses are as follows:

	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
Interest Expense on Funds Borrowed	(9.428.257)	(7.545.841)
Interest Given on Securities Issued	(4.222.407)	(1.097.065)
Fees and Commissions Paid	(285.498)	(227.497)
Interest Expense of Finance Leasing Expenses	(16.772)	(13.544)
	<u>(13.952.934)</u>	<u>(8.883.947)</u>

33. PROVISIONS

The expected loss provisions for the accounting periods ended 31 December 2025 and 31 December 2024 are as follows:

	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
Expected Credit Losses	(968.518)	(506.283)
	<u>(968.518)</u>	<u>(506.283)</u>

34. OTHER OPERATING EXPENSES

Other operating expenses for the accounting periods ended December 31, 2025 and December 31, 2024 were as follows:

	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
Losses From Derivative Financial Instruments	(1.168.740)	(377.683)
Foreign exchange loss	-	(119.701)
Other	(90.440)	(34.061)
	<u>(1.259.180)</u>	<u>(531.445)</u>

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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

35. TAXATION

For the accounting periods ending December 31, 2025, and December 31, 2024, the tax expense is as follows:

	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
Current Corporate Tax Provision	(1.391.971)	(804.618)
Deferred Tax Income (Expense)	(186.007)	(144.571)
	(1.577.978)	(949.189)

The reported tax provision is different from the amount calculated using the statutory tax rate on pre-tax profit. The reconciliation of the relevant tax rate is as follows:

	%	1 January- 31 December 2025	%	1 January- 31 December 2024
Net profit for the period		4.063.478		2.142.978
Total Tax Expense		1.577.978		949.189
Profit Before Tax		5.641.456		3.092.167
Income tax using the Group's tax rate	30,00	1.692.437	30,00	927.650
Expenses Not Accepted by Law	0,89	50.456	0,87	26.857
Tax-Free Revenues	(2,20)	(124.058)	(0,76)	(23.355)
Other	(0,72)	(40.857)	0,58	18.037
Total Tax Expense / (Income)		1.577.978		949.189

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 31 December 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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

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

35. TAXATION (Continued)

In Turkey, provisional tax is calculated and accrued quarterly. The provisional tax rate that must be calculated on corporate earnings during the taxation of 2024 corporate earnings as of the provisional tax periods is 30% for 31.12.2024. (December 31, 2023: 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. Pursuant to the provisional Article 37 added to the Tax Procedure Law published in the Official Gazette dated December 25, 2025; In 2025, 2026 and 2027, TPL muk. Even if the conditions in Article 298 are met, inflation adjustment will not be made. The regulation entered into force as of December 25, 2025.

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.

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.

İŞ FINANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

36. EARNINGS PER SHARE (Continued)

For the accounting periods ended December 31, 2025 and December 31, 2024, the weighted average of the Company's shares and earnings per unit share calculations are as follows:

	<u>1 January- 31 December 2025</u>	<u>1 January- 31 December 2024</u>
Weighted Average Number of Shares Outstanding (*)	69.530.264.500	69.530.264.500
Net Current Period Profit (TL)	3.630.137	1.925.193
Earnings Per Share (full TL)	0,0522	0,0277

(*) As of December 31, 2025, the Company's capital consists of 69.530.264.500 shares with a nominal value of 1 full Kuruş each.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Opening Number of Shares	69.530.264.500	69.530.264.500
Additions Due to Capital Increase	-	-
Closing Number of Shares	<u>69.530.264.500</u>	<u>69.530.264.500</u>

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

In capital management, the Group aims to increase its profit by using its debt and equity balance in the most efficient way, while trying to ensure the continuity of its activities.

In 2025, the Group's strategy remained unchanged, with a ratio of shareholders' equity to debts of 16% (31 December 2024: 17%). As of December 31, 2025, and December 31, 2024, the details of the equity-to-debt ratio are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Funds Borrowed	65.055.592	52.362.319
Securities Issued	18.348.162	4.816.406
Other Liabilities	3.156.738	1.792.123
Total Payables	86.560.492	58.970.848
Cash, Cash Equivalents and Central Bank (-)	(2.844.664)	(1.166.151)
Net Debt	83.715.828	57.804.697
Total Shareholders' Equity	13.453.550	9.842.182
Equity/Debt ratio	16%	%17

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

The Company's credit rating as of April 4, 2025, as determined by credit rating agency Fitch Ratings, is 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
Shareholder Support Note	bb-

(b) Significant Accounting Policies

The Group's significant accounting policies in relation to financial instruments are described in note 3 "Summary of Material Accounting Policies".

(c) Categories of Financial Instruments

	<u>31 December 2025</u>	<u>31 December 2024</u>
<u>Financial Assets:</u>		
Cash, Cash Equivalents and the Central Bank	2.844.664	1.166.151
Derivative Financial Assets	445.659	590.359
Financial Leasing Receivables and Non-Performing Receivables, Net	50.437.607	26.423.573
Leasing Contracts in Progress	2.612.263	1.160.387
Advances Given for Leasing Transactions	4.403.981	1.471.162
Other Finance Lease Receivables	218.892	116.305
Factoring Receivables and Non-Performing Receivables, Net	36.426.859	35.034.624
Financial Assets at Fair Value Through Other Comprehensive Income	2.941.277	3.468.578
Financial Assets at Fair Value Through Profit and Loss	12.396	-
<u>Financial Liabilities:</u>		
Derivative Financial Liabilities at Fair Value	(368.609)	(254.193)
Payables from Financial Leasing Transactions	(27.741)	(27.396)
Other Liabilities	(3.156.738)	(1.792.123)
Funds Borrowed	(65.055.592)	(52.362.319)
Securities Issued	(18.348.162)	(4.816.406)

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(d) Objectives in Financial Risk Management

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.

(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.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(f) Currency Risk Management (Continued)

As at 31 December 2025 and 31 December 2024, the carrying amounts of foreign currency assets and liabilities held by the Group in foreign currencies were as follows:

	USD (000)	EUR (000)	CHF (000)	GBP (000)	JPY (000)	AUD (000)	CNY (000)	TL Equivalent
31 December 2025								
Banks	2.167	42.045	3	614	3	1	-	2.247.626
Financial Lease Receivables	158.556	714.759	-	-	-	-	-	42.857.983
Factoring Receivables	95.719	83.025	-	3.539	-	-	-	8.479.629
Advances Given for Lease Transactions	46.539	39.193	5.960	-	-	-	-	4.296.220
Leasing contracts in progress	15.813	27.189	-	-	-	-	-	2.049.544
Other Receivables Related to Lease Transactions	851	1.995	-	-	-	-	-	137.161
Other Assets	20	32	-	-	-	-	-	2.427
Total Assets (*)	319.665	908.238	5.963	4.153	3	1	-	60.070.590
Funds Borrowed (**)	(332.639)	(440.406)	-	(180.129)	-	-	-	(46.879.502)
Lease Payables	-	-	-	-	-	-	-	-
Other Provisions	(1)	(501)	-	-	-	-	-	(25.305)
Other Liabilities	(17.650)	(36.097)	(7)	(136)	-	-	-	(2.585.738)
Total Liabilities (*)	(350.290)	(477.004)	(7)	(180.265)	-	-	-	(49.490.545)
Balance Sheet Position	(30.625)	431.234	5.956	(176.112)	3	1	-	10.580.045
Derivatives Off-Balance Sheet Position	53.131	(434.374)	-	178.112	-	-	-	(9.307.300)
Net Foreign Currency Position	22.506	(3.140)	5.956	2.493	3	1	-	1.272.745

(*) As of 31 December 2025, derivative financial assets amounting to TL 100.394 were not included in the statement.

(**) As of December 31, 2025, there are no foreign currency-indexed loans.

	USD (000)	EUR (000)	CHF (000)	GBP (000)	JPY (000)	AUD (000)	CNY (000)	TL Equivalent
31 December 2024								
Banks	1.293	6.539	3	739	28	2	5	318.655
Financial Lease Receivables	90.178	466.414	-	-	-	-	-	20.313.772
Factoring Receivables	130.067	118.061	-	5.290	-	-	-	9.159.760
Advances Given for Lease Transactions	18.164	20.867	270	-	-	-	-	1.417.681
Investments Subject to Leasing	617	23.330	-	-	-	-	-	878.952
Other Receivables Related to Lease Transactions	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 Payables	-	-	-	-	-	-	-	-
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
Derivatives 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 of 31 December 2024, derivative financial assets amounting to TL 550.321 are not included in the statement.

(**) As of December 31, 2024, there are no foreign currency indexed loans.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(f) Currency Risk Management (Continued)

Sensitivity to Currency Risk

The Group 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.

	Profit / (Loss)		Equity (*)	
	Foreign currency Appreciation	Foreign currency Depreciation	Foreign currency Appreciation	Foreign currency Depreciation
31 December 2025				
If the US Dollar exchange rate changes by 15%				
1-USD net asset/liability	(196.899)	196.899	(196.899)	196.899
2-US Dollar hedged part (-)	341.598	(341.598)	341.598	(341.598)
3-US Dollar net effect (1+2)	144.699	(144.699)	144.699	(144.699)
If the euro exchange rate changes by 15%				
4-EUR net assets/liabilities	3.263.570	(3.263.570)	3.263.570	(3.263.570)
5-Euro risk-protected part (-)	(3.287.334)	3.287.334	(3.287.334)	3.287.334
6-Euro net effect (4+5)	(23.764)	23.764	(23.764)	23.764
If other exchange rates change by 15%				
7-Other foreign currency net assets/liabilities	70.055	(70.055)	70.055	(70.055)
8- Other exchange rate risk protected part (-)	-	-	-	-
9- Net impact of other foreign currency assets (7+8)	70.055	(70.055)	70.055	(70.055)
TOTAL (3+6+9)	190.990	(190.990)	190.990	(190.990)

(*) It includes the profit/loss effect.

	Profit / (Loss)		Shareholders' Equity (*)	
	Foreign currency Appreciation	Foreign currency Depreciation	Foreign currency Appreciation	Foreign currency Depreciation
31 December 2024				
If the US Dollar exchange rate changes by 15%				
1-USD net asset/liability	233.441	(233.441)	233.441	(233.441)
2-US Dollar hedged part (-)	(151.409)	151.409	(151.409)	151.409
3-US Dollar net effect (1+2)	82.032	(82.032)	82.032	(82.032)
If the euro exchange rate changes by 15%				
4-EUR net assets/liabilities	1.373.979	(1.373.979)	1.373.979	(1.373.979)
5-Euro risk-protected part (-)	(1.369.288)	1.369.288	(1.369.288)	1.369.288
6-Euro net effect (4+5)	4.691	(4.691)	4.691	(4.691)
If other exchange rates change by 15%				
7-Other foreign currency net assets/liabilities	48.601	(48.601)	48.601	(48.601)
8- Other exchange rate risk protected part (-)	-	-	-	-
9- Net impact of other foreign currency assets (7+8)	48.601	(48.601)	48.601	(48.601)
TOTAL (3+6+9)	135.324	(135.324)	135.324	(135.324)

(*) It includes the profit/loss effect.

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(f) Currency Risk Management (Continued)

Forward exchange rate transaction contracts and currency swaps (Forward contracts, currency swaps)

The Group carries out forward exchange rate transaction contracts and currency swaps in order to cover the risks arising from payments and collections in certain foreign currencies and from expected sales and purchase transactions.

(g) Interest Rate Risk Management

The Group's borrowing at fixed and variable interest rates exposes the Group to interest rate risk. This risk is controlled by the Group with an appropriate allocation between fixed and variable ratio liabilities.

Interest rate sensitivity

The following sensitivity analyses are determined based on the interest rate risk exposed during the reporting period and the projected interest rate change at the start of the financial year and are kept constant throughout the entire reporting period. The Group's management conducts its sensitivity analyses based on a 100 basis point fluctuation scenario in interest rates. This amount is also used in reporting to senior management within the Group.

As of 31 December 2025 and 31 December 2024, the Group's financial items with an interest component are shown below:

	<u>31 December 2025</u>	<u>31 December 2024</u>
<u>Fixed-Rate Financial Instruments</u>		
Financial Assets:		
Cash and Cash Equivalents	1.457.229	56.325
Financial Leasing Receivables, Net	42.016.201	26.174.309
Factoring Receivables, Net	31.012.868	26.330.846
Financial Liabilities:		
Funds Borrowed	43.718.424	41.325.429
Securities Issued	15.624.985	3.423.123
<u>Variable Rate Financial Instruments</u>		
Financial Assets:		
Financial Leasing Receivables, Net	8.421.406	249.264
Factoring Receivables, Net	5.413.991	8.703.778
Financial Liabilities:		
Funds Borrowed	21.337.168	11.036.890
Securities Issued	2.723.177	1.393.283

If interest rates are 100 basis points higher during the reporting period and all other variables are constant:

Interest income from the Group's floating rate leasing contracts will increase by TL 25.930 (31 December 2024: TL 4.326).

Interest income from the Group's variable rate factoring contracts will increase by TL 53.398 (31 December 2024: TL 85.845).

Interest expenses on the Group's variable rate loans will increase by TL 151.237 (31 December 2024: TL 103.967).

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(h) Other Price Risks

The Group is exposed to stock price risk arising from investments in equities. Stock investments are held for strategic purposes rather than commercial purposes. There is no active trading of these investments 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.

In the reporting period, if all other variables are fixed and the data in the valuation method is 15% more/(less):

Changes in the fair values of the stocks traded on Borsa Istanbul, shown among the securities available for sale in the accompanying consolidated financial statements and measured by market values, due to possible fluctuations in the index, resulted in an increase / (decrease) in the Group's equity funds (excluding tax effect) by TL 273.582 (31 December 2024: TL 259.156).

(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:

	<u>31 December 2025 (%)</u>	<u>31 December 2024 (%)</u>
Construction	32,78	30,47
Textile, Apparel	5,86	12,37
Metal Industry	7,84	9,53
Transportation	8,57	9,67
Mining	4,08	3,95
Real Estate	4,87	5,53
Paper, Wood Products	3,19	3,06
Food and Beverages	4,46	3,55
Agriculture, Forestry	2,65	2,81
Machinery and Equipment	2,02	2,13
Energy	6,50	3,33
Rubber, Plastic	6,06	1,95
Healthcare	1,28	1,08
Wholesale	1,66	1,08
Finance	0,57	0,11
Tourism	0,77	0,37
Other	6,84	9,01
	<u>100,00</u>	<u>100,00</u>

İŞ FINANCIAL LEASING JOINT STOCK COMPANY AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(i) Credit Risk Management (Continued)

As of December 31, 2025, the credit risks exposed by financial instrument types are as follows:

	Receivables		Receivables		Cash and Cash Equivalents	Fair Value Difference to P/L Projected PV	PV at fair value through other comprehensive income	Derivative Financial Assets
	Financial Leasing Receivables	Factoring Receivables	Related Party	The Other Side				
31 December 2025								
Maximum credit risk exposed as of the reporting period (*)	10.130	50.427.477	38.401	36.388.458	2.844.664	12.396	2.941.277	445.659
- The part of the maximum risk secured by collateral, etc.	10.130	1.893.379	38.401	4.427.961	-	-	-	-
A. Net carrying value of financial assets that are not past due or impaired	10.130	49.265.877	38.401	36.294.170	2.844.664	12.396	2.941.277	445.659
- The part secured by collateral, etc.	10.130	1.640.427	38.401	4.103.768	-	-	-	-
B. Carrying value of financial assets whose terms have been renegotiated, otherwise deemed to be past due or impaired	-	-	-	-	-	-	-	-
C. Net carrying value of assets that are past due but not impaired	-	507.693	-	5.372	-	-	-	-
- The part secured by collateral, etc.	-	246.464	-	5.372	-	-	-	-
D. Net carrying values of impaired assets	-	(653.907)	-	88.916	-	-	-	-
- Overdue (gross registered value)	-	1.403.891	-	527.328	-	-	-	-
- Impairment (-)	-	(749.984)	-	(438.412)	-	-	-	-
- The part of the net worth secured by collateral, etc. (**)	-	6.488	-	318.821	-	-	-	-
- Not overdue (gross registered value)	-	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-	-
- The part of the net worth secured by collateral, etc. (**)	-	-	-	-	-	-	-	-
E. Off-balance sheet credit risk factors								

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

(**) The amount also includes the collateral amounts of the assets that have not expired and are impaired.

İŞ FINANCIAL LEASING JOINT STOCK COMPANY AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(i) Credit Risk Management (Continued)

As of December 31, 2024, the credit risks exposed by financial instrument types are as follows:

	Receivables				Cash and Cash Equivalents	Fair Value Difference to P/L Projected PV	PV at fair value through other comprehensive income	Derivative Financial Assets
	Financial Leasing Receivables		Factoring Receivables					
	Related Party	The Other Side	Related Party	The Other Side				
31 December 2024								
Maximum credit risk exposed as of the reporting period (*)	28.924	26.394.649	6.154.167	28.880.457	1.166.151	-	3.468.578	590.359
- The part of the maximum risk secured by collateral, etc.	-	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 part secured by collateral, etc.	-	685.305	-	4.834.547	-	-	-	-
B. Carrying value of financial assets whose terms have been renegotiated, otherwise deemed to be past due or impaired	-	-	-	2.144	-	-	-	-
C. Net carrying value of assets that are past due but not impaired	-	573.888	-	1.209	-	-	-	-
- The part secured by collateral, etc.	-	177.167	-	69.000	-	-	-	-
D. Net carrying values of impaired assets	-	290.855	-	92.363	-	-	-	-
- Overdue (gross registered value)	-	691.898	-	386.217	-	-	-	-
- Impairment (-)	-	(401.043)	-	(293.854)	-	-	-	-
- The part of the net worth secured by collateral, etc. (**)	-	2.553	-	-	-	-	-	-
- Not overdue (gross registered value)	-	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-	-
- The part of the net worth secured by collateral, etc. (**)	-	-	-	-	-	-	-	-
E. Off-balance sheet credit risk factors	-	-	-	-	-	-	-	-

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

(**) The amount also includes the collateral amounts of the assets that have not expired and are impaired.

İŞ FINANCIAL LEASING JOINT STOCK COMPANY AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(i) Credit Risk Management (Continued)

Guarantees received for all financial leasing and factoring receivables, including overdue and non-performing receivables:

	31 December 2025		31 December 2024	
	Nominal Value	True to Reality Value (*)	Nominal Value	True to Reality Value (*)
Surety	706.125.240	79.777.335	475.334.665	55.076.574
Factoring Business. Checks and Promissory Notes Taken as Collateral	73.239.260	3.983.874	57.605.551	4.807.904
Mortgages	24.382.415	1.810.608	16.454.848	751.260
Guarantees Given by Reporters	22.320.823	-	14.649.417	-
Commercial Enterprise Pledge	4.679.882	-	3.473.375	23.013
Assignment of Receivables	5.325.502	405.249	2.203.162	348.872
Share Pledge	1.548.620	73.737	1.023.868	102.638
Vehicle Pledge	1.753.411	808.157	1.125.335	573.898
Credit Guarantee Fund Guarantee	609.543	90.423	450.731	58.854
Guarantorship	223.357	-	189.064	-
Bonds Purchased for Collateral Purposes	152.039	-	112.643	-
Ship Mortgage	107.156	-	88.058	-
Letters of Guarantee	125.422	87.542	29.750	21.025
Guarantees Received from Sellers	105.421	-	54.110	-
Deposit Pledge	20.897	4.866	11.974	1.500
Financial leasing Operation. Checks and Promissory Notes Taken as Collateral	11.482	-	8.767	-
Movable Pledge	-	-	2.375	2.376
Machine Pledge	502	-	502	-
Account Pledge	130	-	130	-
Receivables from Additional Assigned Invoices	133.915	-	-	-
	840.865.017	87.041.791	572.818.325	61.767.914

(*) In determining the fair value, the collateral amount or the part of the lower fair value up to the maximum credit risk is taken into account.

(j) Liquidity Risk Management

The Group's management has established an appropriate liquidity risk management for short, medium and long-term funding and liquidity requirements. The Group manages liquidity risk by regularly monitoring estimated and actual cash flows and ensuring the continuation of borrowing reserves through matching maturities of financial assets and liabilities.

Liquidity Table

The table below shows the maturity distribution of the Group's non-derivative financial assets and liabilities. The tables below have been prepared according to the earliest dates by which the Group is required to collect and pay liabilities. The Group's interest to be collected and payable on its assets and liabilities is also included in the table below.

İŞ FINANCIAL LEASING JOINT STOCK COMPANY AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

Liquidity Table (Continued)

31 December 2025

Maturities Under the Contract	Book Value	Total cash inflows / (outflows) in accordance with the contract (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	Longer than 5 years (IV)
Non-Derivative Financial Assets:						
Banks	2.844.664	2.844.688	1.387.475	1.457.213	-	-
Financial Assets at Fair Value Through Profit and Loss	12.396	12.396	12.396	-	-	-
Receivables from Leasing Transactions	50.437.607	59.672.642	7.145.668	45.146.949	6.711.752	668.273
Factoring Receivables	36.426.860	38.228.160	31.068.801	6.970.388	188.971	-
Insurance Premium Receivables	175.070	175.071	175.071	-	-	-
Other Receivables Related to Lease Transactions	43.822	43.822	43.822	-	-	-
Total Assets	89.940.418	100.976.779	39.833.233	53.574.550	6.900.723	668.273
Non-Derivative Financial Liabilities:						
Funds Borrowed	65.055.592	72.109.734	35.693.589	21.028.332	15.174.249	213.564
Securities Issued	18.348.162	20.475.681	6.710.336	10.423.626	3.341.719	-
Payables from Leasing Transactions	27.741	38.923	4.462	8.075	26.386	-
Other Liability	3.156.738	3.157.589	2.996.328	161.261	-	-
Total Liabilities	86.588.233	95.781.927	45.404.715	31.621.294	18.542.354	213.564

31 December 2024

Maturities Under the Contract	Book Value	Total cash inflows / (outflows) in accordance with the contract (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	Longer than 5 years (IV)
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	-	-	-	-	-	-
Receivables from Leasing Transactions	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	-
Insurance Premium Receivables	111.349	111.349	111.349	-	-	-
Other Receivables Related to Lease Transactions	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
Securities Issued	4.816.406	4.946.656	215.000	4.618.363	113.293	-
Payables from Leasing Transactions	27.396	46.256	3.323	22.065	20.868	-
Other Liability	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

İŞ FINANCIAL LEASING JOINT STOCK COMPANY AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

Liquidity Table (Continued)

The table below shows the maturity distribution of the Group's derivative financial assets and liabilities as of 31 December 2025 and 31 December 2024.

<u>31 December 2025</u>		Total cash inflows / outflows in accordance with the contract	Less than 3 months	3-12 months	1-5 years	Longer than 5 years
Maturities Under the Contract	Net Cash Out	(I+II+III+IV)	(I)	(II)	(III)	(IV)
Derivative Cash Inflows	1.685.389	28.759.070	14.816.977	13.942.093	-	-
Derivatives Cash Outflows	-	27.073.681	14.852.727	12.220.954	-	-
<u>31 December 2024</u>		Total cash inflows / outflows in accordance with the contract	Less than 3 months	3-12 months	1-5 years	Longer than 5 years
Maturities Under the Contract	Net Cash Outflow	(I+II+III+IV)	(I)	(II)	(III)	(IV)
Derivative Cash Inflows	1.488.503	14.839.744	2.453.253	10.672.594	1.713.897	-
Derivatives Cash Outflows	-	13.351.241	1.832.678	9.828.089	1.690.474	-

İŞ FINANCIAL LEASING JOINT STOCK COMPANY AND ITS SUBSIDIARY

DISCLOSURES AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(k) Fair Value of Financial Instruments

Group managers consider the carrying amounts of financial assets and financial liabilities to be close to their fair value.

The fair value of financial instruments has been calculated based on reliable information available from the financial markets in Turkey. The fair values of other financial instruments have been determined by considering the current market value of another financial instrument with similar characteristics or by using assumption techniques that involve discounting future cash flows with current interest rates.

The following table provides a comparison of the carrying value and fair value of financial instruments in the financial statements:

<u>31 December 2025</u>	Derivative financial assets and liabilities	Financial assets shown at amortized value	Loans and receivables	Financial assets at fair value through profit/loss	Financial assets at fair value through other comprehensive income	Financial liabilities shown at amortized value	Registered value	Fair value	Note
<u>Financial assets</u>									
Cash, Cash Equivalents and the Central Bank Financial Assets at Fair Value Through Profit and Loss	-	2.844.664	-	-	-	-	2.844.664	2.844.664	4
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	12.396	-	-	12.396	12.396	5
Derivative Financial Assets	445.659	-	-	-	-	-	445.659	445.659	6
Financial Leasing Receivables and Non- Performing Receivables	-	-	50.437.607	-	-	-	50.437.607	59.695.515	9
Factoring Receivables and Non-Performing Receivables	-	-	36.426.859	-	-	-	36.426.859	36.426.859	8
<u>Financial Liabilities</u>									
Derivative Financial Liabilities	368.609	-	-	-	-	-	368.609	368.609	6
Other Liabilities	-	-	-	-	-	3.156.738	3.156.735	3.156.738	17
Securities Issued	-	-	-	-	-	18.348.162	18.348.162	17.843.466	19
Funds Borrowed	-	-	-	-	-	65.055.592	65.055.592	66.600.641	16
Payables from Leasing Transactions	-	-	-	-	-	27.741	27.741	27.741	18

İŞ FINANCIAL LEASING JOINT STOCK COMPANY AND ITS SUBSIDIARY

DISCLOSURES AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

(Amounts are expressed in One Thousand Turkish Liras ("TL") unless otherwise stated.)

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(k) Fair Value of Financial Instruments (Continued)

<u>31 December 2024</u>	Derivative financial assets and liability	Financial assets shown at amortized value	Loans and receivables	Financial assets at fair value through profit/loss	Financial assets at fair value through other comprehensive income	Financial liabilities shown at amortized value	Registered value	Fair value	Note
<u>Financial assets</u>									
Cash, Cash Equivalents and the Central Bank Financial Assets at Fair Value Through Profit and Loss	-	1.166.151	-	-	-	-	1.166.151	1.166.151	4
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-	-	-	-	5
Derivative Financial Assets	590.359	-	-	-	-	-	590.359	590.359	6
Financial Leasing Receivables and Non- Performing Receivables	-	-	26.423.573	-	-	-	26.423.573	27.615.050	9
Factoring Receivables and Non-Performing Receivables	-	-	35.034.624	-	-	-	35.034.624	35.034.624	8
<u>Financial Liabilities</u>									
Derivative Financial Liabilities	254.193	-	-	-	-	-	254.193	254.193	6
Other Liabilities	-	-	-	-	-	1.792.123	1.792.123	1.792.123	17
Securities Issued	-	-	-	-	-	4.816.406	4.816.406	4.228.457	19
Funds Borrowed	-	-	-	-	-	52.362.319	52.362.319	55.672.967	16
Payables from Leasing Transactions	-	-	-	-	-	27.396	27.396	27.396	18

İŞ FİNANSAL KİRALAMA ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION TABLE FOR THE YEAR ENDED 31 DECEMBER 2025

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

38. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS (Continued)

(I) Fair Value Levels of Financial Instruments

In the table below, the valuation methods of financial instruments valued at fair value are given. Valuation methods according to levels are defined as follows:

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

Level 2: Data other than the recorded prices in Level 1 that are directly (through prices) or indirectly (derived from prices) observable in terms of assets or liabilities;

Level 3: Data on assets or liabilities that are not based on observable market data (data that is not observable).

<u>31 December 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial Assets at Fair Value Through Profit/Loss	12.396	-	-	12.396
Derivative Financial Assets	-	445.659	-	445.659
Financial Assets at Fair Value Through Other Comprehensive Income	2.928.105	-	13.172	2.941.277
Valued at Fair Value				
Sum of Assets	2.940.501	445.659	13.172	3.399.332
Derivative Financial Liabilities	-	368.609	-	368.609
Valued at Fair Value				
Total Liabilities	-	368.609	-	368.609
<u>31 December 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial Assets at Fair Value Through Profit/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
Valued at Fair Value				
Sum of Assets	3.455.406	590.359	13.172	4.058.937
Derivative Financial Liabilities	-	254.193	-	254.193
Valued at Fair Value				
Total Liabilities	-	254.193	-	254.193

İŞ FINANCIAL LEASING JOINT STOCK COMPANY AND ITS SUBSIDIARY

AS OF DECEMBER 31, 2025

EXPLANATIONS AND FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

39. INFORMATION ABOUT THE SERVICES RECEIVED FROM INDEPENDENT AUDIT INSTITUTIONS

As of 31 December 2025, the Group's independent audit fee for the reporting period was TL 4.954 (31 December 2024: TL 3.343).

As at 31 December 2025, the Group's remuneration for tax advisory services for the reporting period was TL 1.010 (31.12.2024: TL 910).

	1 January – 31 December 2025	1 January – 31 December 2024
Independent audit fee for the reporting period	3.174	2.125
Fees for tax advisory services	1.010	910
Fee for other assurance services	1.780	1.218
	<u>5.964</u>	<u>4.253</u>