

**TURKLAND BANK ANONİM ŐİRKETİ
INDEPENDENT AUDITOR'S REPORT,
UNCONSOLIDATED FINANCIAL STATEMENTS
AND NOTES FOR THE PERIOD ENDED
31 DECEMBER 2024**

*Translated into English from the report and financial
statements originally issued in Turkish*



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Convenience Translation of the Independent Auditor's Report Originally Prepared and Issued in Turkish to English

To the General Assembly of Turkland Bank A.Ş.

A) Audit of the Unconsolidated Financial Statements

Qualified Opinion

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

in our opinion, except for the effect of the matter described in the *Basis For Qualified Opinion* section of our report, the accompanying unconsolidated financial statements present fairly, in all material respects, the financial position of Turkland Bank A.Ş. as at 31 December 2024, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the "Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Legislation" which includes the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette No. 26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by BRSA and requirements of Turkish Financial Reporting Standards ("TFRS") for the matters not regulated by the aforementioned legislations.

Basis for Qualified Conclusion

As stated in Note II.8.e2 of Section Five, the accompanying unconsolidated financial statements as at 31 December 2024 includes a general provision of total of TL 18,000 thousand, of which TL 100,000 thousand was recognised as expense in prior periods and TL 82,000 thousand was reversed in the current period with a deferred tax asset amounting TL 5,400 thousand and deferred tax income amounting to the same amount recognised in the current period for the possible effects of the negative circumstances which may arise in the economy or market conditions which is not in line with the requirements of BRSA Accounting and Financial Reporting Legislation.



According to TAS 12 “Income Taxes” standard, deferred tax should be calculated based on the differences between the carrying amount of assets or liabilities in the statement of financial position (balance sheet) and their tax bases. However, in the deferred tax calculation, the Bank considered the difference between the carrying amount of tangible and intangible assets and the depreciation and amortization expenses recognized for tax purposes when accounting the tax effects arising from the inflation adjustment of corporate tax. This approach constitutes a non-compliance with the provisions of TAS 12 “Income Taxes” standard. If the Bank had made the aforementioned correction, deferred tax assets, deferred tax income and therefore net profit for the period would have been higher by TL 27,393 thousand in the unconsolidated financial statements as of 31 December 2024 and for the period ended.

We conducted our audit in accordance with the “Regulation on Independent Audit of the Banks” (“BRSA Audit Regulation”) published in the Official Gazette No.29314 dated 2 April 2015 by BRSA and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) (“Standards on Auditing issued by POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We declare that we are independent of the Bank in accordance with the Code of Ethics for Auditors issued by POA (including Independence Standards) (“POA’s Code of Ethics”) and the ethical requirements in the regulations issued by POA that are relevant to our audit of the unconsolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the POA’s Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Expected Credit Losses

The details of accounting policies and significant estimates and assumptions for impairment of loans measured at amortised cost are presented in Section III, No: VI of the unconsolidated financial statements.

Key audit matter	How the matter is addressed in our audit
<p>As of 31 December 2024, loans measured at amortised cost comprise 54% of the Bank’s total assets.</p> <p>The Bank recognizes its loans measured at amortised cost in accordance with the Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside (the “Regulation”) published on the Official Gazette No. 29750 dated 22 June 2016 which became effective on 1 January 2018 and TFRS 9 Financial Instruments standard (“Standard”).</p> <p>The Bank applies the “expected credit loss model” in determining the impairment of financial assets in accordance with the Regulation and Standard. The model which contains significant assumptions and estimates is reviewed by the Bank management annually.</p> <p>The significant assumptions and estimates of the Bank management are as follows:</p> <ul style="list-style-type: none"> • significant increase in credit risk, • incorporating the forward looking macroeconomic information in calculation of credit risk, 	<p>Our procedures for testing the impairment of loans measured at amortised cost are as below:</p> <ul style="list-style-type: none"> • We tested the design, implementation and operating effectiveness of the controls on lending, collateralization, collection, follow-up, classification and impairment procedures are tested with the involvement of information system specialists. • We evaluated the adequacy of the subjective and objective criteria that is defined in the Bank’s impairment accounting policy compared with the Regulation and Standard. • We evaluated the Bank’s business model and methodology and the evaluation of the calculations carried out with the control testing and detail analysis with the involvement of specialists. • We performed loan reviews which include a detailed examination of loan files and related information and testing their classification. • For the calculation of expected credit losses related to loans subject to individual assessment, the accuracy of the provisions

<ul style="list-style-type: none"> • design and implementation of expected credit loss model. <p>The determination of the impairment of loans measured at amortised cost depends on the credit default status, the model based on the change in the credit risk at the initial recognition date and the classification of the loans measured at amortised cost according to the model. The classification of loans is important because expected credit loss provisions are calculated according to the stage of financial assets.</p> <p>The Bank calculates expected credit losses on both individual and collective basis. The Bank consider the estimated future cash flows of the asset and the market value of the collateral provided for credit transactions in individual provision calculation.</p> <p>The collective basis expected credit loss calculation is based on processes which are modelled by using current and past data sets and incorporating the future expectations. The completeness and accuracy of data sets in the model are also considered. Also, the forward-looking expectations are reflected by macroeconomic models.</p> <p>Impairment on loans measured at amortised cost was considered to be a key audit matter, due to its complex structure, the level of judgments of management and significance of the estimates and assumptions as explained above.</p>	<p>allocated for losses has been evaluated with the forward-looking collection forecasts of the collateral values.</p> <ul style="list-style-type: none"> • We tested the accuracy and completeness of the data in calculation of the data in the calculation models for the loans which are assessed on collective basis. We recalculated the expected credit loss calculation. The models used for the calculation of the risk parameters were examined and recalculated. • We assessed the macroeconomic models that are used to reflect forward looking expectations and tested the effect of the risk parameters by recalculation method. • We evaluated the qualitative and quantitative criteria, which are used in determining the significant increase in credit risk. • We evaluated the sufficiency and adequacy of the unconsolidated financial statements' disclosures related to impairment provisions.
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Other Matter

The unconsolidated financial statements of the Bank as at and for the year ended 31 December 2023 were audited by another auditor who expressed a qualified opinion due to the provision for general provision as of 15 March 2024.

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

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

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



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

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

Responsibilities of auditors in an audit are as follows:

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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



B) Report on Other Legal and Regulatory Requirements

1) Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code ("TCC") numbered 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities for the period 1 January - 31 December 2024 are not in compliance with TCC and provisions of the Bank's articles of association in relation to financial reporting.

2) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Alper Güvenç, SMMM
Partner

12 March 2025
İstanbul, Türkiye

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED PERIOD END FINANCIAL REPORT AS OF 31 DECEMBER 2024

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The unconsolidated financial report for the period end prepared in accordance with "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" as regulated by the Banking Regulation and Supervision Agency includes the following sections:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE RELEVANT PERIOD
- INFORMATION ON FINANCIAL STRUCTURE OF THE BANK AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- INDEPENDENT AUDITOR'S REPORT

The unconsolidated financial statements and the explanatory footnotes and disclosures, unless otherwise indicated, are prepared in thousands of Turkish Lira, in accordance with the Communiqué on Banks' Accounting Practice and Maintaining Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, related communiqués and the Bank's records, have been independently audited and presented as attached.

Michel ACCAD
Chairman of the
Board of Directors

Servet TAZE
General Manager

H. Efe İÇLİ
Financial Control
Assistant General Manager

Tania
MOUSSALLEM
Chairman of Audit Committee

Mustafa Selçuk
TAMER
Member of Audit Committee

Information related to responsible personnel for the questions that can be raised about financial statements:

Name-Surname / Title : Sevgi Üstün / Manager
Telephone Number : (0 212) 368 37 24
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SECTION ONE
GENERAL INFORMATION ABOUT THE BANK

I. Bank's Incorporation Date, Beginning Statue, Changes in the Existing Statue

Turkland Bank Anonim Şirketi ("the Bank"), was established in 1991 in İstanbul under the name of "Bahreyn ve Kuveyt Bankası Anonim Şirketi" (BB&K). Its name was changed as "Tasarruf ve Kredi Bankası Anonim Şirketi" with its acquisition by Doğuş Group in 1992. After the change in the name of the bank as "Garanti Yatırım ve Ticaret Bankası Anonim Şirketi" in 1994, Mehmet Nazif Günal (the main shareholder of MNG Group Companies) has acquired the Bank in 1997 and the name of the Bank has been changed as "MNG Bank Anonim Şirketi".

An agreement has been made with Arab Bank and BankMed for the sale of 91% of MNG Bank's shares in mid of 2006 and this agreement was approved by Banking Regulation and Supervision Agency (BRSA) on 29 December 2006. In this regard, while Arab Bank and BankMed purchasing 50% and 41% of MNG bank shares respectively, Mehmet Nazif Günal retained 9% of the shares. Transfer of the Bank was made on 29 January 2007. The title of the Bank was changed as "Turkland Bank Anonim Şirketi" with the amendment to the Articles of Association by the decision of the Extraordinary General Assembly at the meeting on 22 March 2007.

On 3 April 2007, "MNG BANK Anonim Şirketi" title of the bank was registered as "TURKLAND BANK Anonim Şirketi".

According to the Share Sale and Purchase Agreement and Board of Directors' Decision dated 26 February 2010 and 15 July 2010, respectively, Mehmet Nazif Günal's 153 million shares with TL 15,300 nominal value were transferred to BankMed SAL. As of 22 July 2010, the share transfer was realized.

According to the Extraordinary General Assembly decision dated 30 May 2011, it was decided to increase the Bank's capital from TL 170,000 to TL 300,000 and it was registered in the Turkish Trade Registry Gazette dated 20 June 2011 numbered 7840. According to the BRSA approval dated 15 September 2011 numbered 4381 the unused pre-emptive right of Arab Bank Plc amounting to TL 65,000 have been used by Arab Bank (Switzerland) Ltd (ABS). Capital commitments paid by shareholders, according to the BRSA decision dated 20 October 2011 numbered 22244, have been transferred to the capital accounts.

According to the Ordinary General Assembly decision dated 18 April 2013, it has been decided to increase the Bank's paid in capital from TL 300,000 to TL 500,000. According to the Ordinary General Assembly decree dated 15 April 2014, it was decided to increase the Bank's paid in capital from TL 500,000 to TL 650,000.

In accordance with the BRSA's approval letter dated 7 May 2019, 16.67% of the shares of Arab Bank (Switzerland) Ltd (ABS), one of the shareholders of the Bank, was transferred to Arab Bank Plc. which is the other shareholder of the Bank.

Capital increase and decrease of USD 30,000 additional capital as TL 164,000 has been realized simultaneously on 25 September 2019 with the approval of BRSA on 2 August 2019.

According to the Extraordinary General Assembly decree dated 17 February 2020, it was decided to increase the Bank's paid in capital from TL 650,000 to TL 1,000,000 with the approval of BRSA dated 29 January 2020 numbered 1027. The amount has been transferred to capital accounts as of 4 March 2020 with the approval of BRSA dated 3 March 2020 numbered 2400.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

II. Explanations Regarding Bank's Shareholding Structure, Shareholders Holding Directly or Indirectly, Collectively or Individually, the Managing and Controlling Power and Changes in Current Year

Name/Title	Share Amount	Share Ratios	Paid up Shares	Unpaid Shares
ARAB BANK PLC	499,999.99	50,0%	499,999.99	-
BANKMED, SAL	499,999.99	50,0%	499,999.99	-
OTHER	<1	0,0%	<1	-
Total	1,000,000.00	100,0%.0	1,000,000.00	-

As of 31 December 2024, the nominal value of the Bank's capital is TL 1,000,000 and consists of 1,000,000 shares.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

III. Explanations Regarding the Chairman and the Members of Board of Directors, Audit Committee, General Manager and Assistants and Their Shares and Areas of Responsibility in the Bank

Title	Name and Surname (*)	Responsibility	Education
Chairman of the Board of Directors	MICHEL ACCAD	Chairman	MASTER DEGREE
Members of the Board of Directors	MOHAMMAD ABDEL-FATTAH	Vice Chairman	BACHELOR'S DEGREE
	HAMADAL GHANAMAH	Chairman of Audit Committee	BACHELOR'S DEGREE
	TANIA MOUSSALLEM	Member	BACHELOR'S DEGREE
	NADYA NABIL TAWFIK TALHOUNI(**)	Member of Audit Committee	BACHELOR'S DEGREE
	MUSTAFA SELÇUK TAMER	Member	MASTER DEGREE
	NABİL RAFELİ	Member	BACHELOR'S DEGREE
Member of Board of Directors and General Manager	HAITHAM HELMI		
	MOHAMMAD FOUDEH	Member	BACHELOR'S DEGREE
Assistant General Mangers	SERVET TAZE	General Manager	BACHELOR'S DEGREE
	BENAN BAŞAK	Close Monitoring and Legal Follow-up	MASTER DEGREE
	UMUT ÜLBEGİ	Corporate and Commercial Banking	MASTER DEGREE
	HAKKI EFE İÇLİ (**)	Financial Control	BACHELOR'S DEGREE
	SERKAN ÇELİK	Internal Systems Group	MASTER DEGREE

(*) The individuals mentioned above do not hold any shares in the Bank.

(**) Resigned as of 15 January 2025.

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

Information about the persons and institutions that have qualified shares as of 31 December 2024:

Name/Title	Share Amount	Share Ratios	Paid up Shares	Unpaid Shares
ARAB BANK PLC	499,999.99	50.0%	499,999.99	-
BANKMED, SAL	499,999.99	50.0%	499,999.99	-

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

V. Summary on the Bank's Functions and Areas of Activity

The Bank has 6 branches and 201 personnel. The Bank does not have any subsidiaries (31 December 2023: 12 branches, 267 personnel).

The Bank established with private capital, has the authority to accept deposits and its operations are mostly based on retail and corporate banking transactions. As it is indicated in Articles of Association, the Bank is mainly dealing with the transactions below:

- a. Acceptance of Deposit
- b. Corporate and Retail Banking
- c. Foreign Trade
- d. Capital Market Transactions
- e. Bank Assurance

VI. Differences between the communiqué on preparation of consolidated financial statements of Banks and Turkish Accounting Standards and short explanation about the institutions subject to full consolidation method or proportional consolidation and institutions, which are deducted from equity or not included in these three methods

None.

SECTION TWO
UNCONSOLIDATED FINANCIAL STATEMENTS

- I. Balance Sheet (Statement of Financial Position)
- II. Statement of Off Balance Sheet Items
- III. Statements of Profit or Loss
- IV. Statement of Profit or Loss and Other Comprehensive Income
- V. Statement of Changes in Shareholders' Equity
- VI. Statement of Cash Flows
- VII. Statement of Profit Distribution

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024 AND 2023
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

I. BALANCE SHEET – ASSETS (STATEMENT OF FINANCIAL POSITION)

ASSETS	Note (Section Five I)	Audited Current Period 31 December 2024			Audited Prior Period 31 December 2023		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		2,485,887	4,206,843	6,692,730	3,160,659	2,737,983	5,898,642
1.1 Cash and Cash Equivalents		2,022,146	4,206,807	6,228,953	3,012,498	2,737,952	5,750,450
1.1.1 Cash and The Central Bank of Turkiye	1	279,996	3,209,379	3,489,375	1,243,180	1,817,411	3,060,591
1.1.2 Banks	3	523	997,428	997,951	885	920,541	921,426
1.1.3 Money Market Placements		1,742,324	-	1,742,324	1,769,047	-	1,769,047
1.1.4 Expected Credit Losses (-)		(697)	-	(697)	(614)	-	(614)
1.2 Financial Assets at Fair Value Through Profit and Loss		-	-	-	-	-	-
1.2.1 Government Debt Securities		-	-	-	-	-	-
1.2.2 Subordinated Debt Instruments		-	-	-	-	-	-
1.2.3 Other Financial Assets		-	-	-	-	-	-
1.3 Financial Assets at Fair Value Through Other Comprehensive	4	463,741	36	463,777	138	31	169
1.3.1 Government Debt Securities		463,603	36	463,639	-	31	31
1.3.2 Subordinated Debt Instruments		138	-	138	138	-	138
1.3.3 Other Financial Assets		-	-	-	-	-	-
1.4 Derivative Financial Assets	2	-	-	-	148,023	-	148,023
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		-	-	-	148,023	-	148,023
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)	5	5,379,205	2,880,816	8,260,021	8,957,866	1,731,008	10,688,874
2.1 Loans		5,590,278	2,880,816	8,471,094	7,992,593	1,731,008	9,723,601
2.2 Lease Receivables		-	-	-	-	-	-
2.3 Factoring Receivables		-	-	-	-	-	-
2.4 Other Financial Assets Measured at Amortised Cost	6	51,232	-	51,232	1,338,761	-	1,338,761
2.4.1 Government Debt Securities		51,232	-	51,232	1,338,761	-	1,338,761
2.4.2 Other Financial Assets		-	-	-	-	-	-
2.5 Expected Credit Loss (-)		(262,305)	-	(262,305)	(373,488)	-	(373,488)
NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	16	27,252	-	27,252	61,121	-	61,121
3.1 Held for Sale		27,252	-	27,252	61,121	-	61,121
3.2 Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		7,659	-	7,659	7,659	-	7,659
4.1 Associates (Net)	7	7,659	-	7,659	7,659	-	7,659
4.1.1 Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		7,659	-	7,659	7,659	-	7,659
4.2 Subsidiaries (Net)	8	-	-	-	-	-	-
4.2.1 Unconsolidated Financial Investments in Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Investments in Subsidiaries		-	-	-	-	-	-
4.3 Joint Ventures (Net)	9	-	-	-	-	-	-
4.3.1 Joint-Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2 Unconsolidated Joint-Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)	12	156,106	-	156,106	148,503	-	148,503
VI. INTANGIBLE ASSETS (Net)	13	12,367	-	12,367	14,536	-	14,536
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		12,367	-	12,367	14,536	-	14,536
VII. INVESTMENT PROPERTIES (Net)	14	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		-	-	-	5,663	-	5,663
IX. DEFERRED TAX ASSET	15	52,970	-	52,970	-	-	-
X. OTHER ASSETS (Net)	17	561,375	54	561,429	72,879	72	72,951
TOTAL ASSETS		8,682,821	7,087,713	15,770,534	12,428,886	4,469,063	16,897,949

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024 AND 2023
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

I. BALANCE SHEET – LIABILITIES (STATEMENT OF FINANCIAL POSITION)

LIABILITIES	Note (Section Five II)	Audited Current Period 31 December 2024			Audited Prior Period 31 December 2023		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	1	4,741,662	8,088,504	12,830,166	8,817,984	5,973,524	14,791,508
II. FUNDS BORROWED	3						
III. MONEY MARKET FUNDS					51		51
IV. SECURITIES ISSUED (Net)							
4.1 Bills							
4.2 Asset Backed Securities							
4.3 Bonds							
V. FUNDS							
5.1 Borrower Funds							
5.2 Other							
VI. FINANCIAL LIABILITIES FAIR VALUE THROUGH PROFIT AND LOSS							
VII. DERIVATIVE FINANCIAL LIABILITIES	2				16,083		16,083
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss					16,083		16,083
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income							
VIII. FACTORING LIABILITIES							
IX. LEASE LIABILITIES (Net)	6	102,752		102,752	84,503		84,503
X. PROVISIONS	8	195,200	28,361	223,561	334,126	23,634	357,760
10.1 Restructuring Provisions							
10.2 Reserve for Employee Benefits		52,960		52,960	38,013		38,013
10.3 Insurance Technical Provisions (Net)							
10.4 Other Provisions		142,240	28,361	170,601	296,113	23,634	319,747
XI. CURRENT TAX LIABILITY	9	59,561		59,561	29,271		29,271
XII. DEFERRED TAX LIABILITY							
NON CURRENT LIABILITIES HELD FOR SALE AND DISCONTINUED							
XIII. OPERATIONS (Net)							
13.1 Held for Sale							
13.2 Discontinued Operations							
XIV. SUBORDINATED DEBT INSTRUMENTS							
14.1 Loans							
14.2 Other Debt Instruments							
XV. OTHER LIABILITIES	5	318,955	793,889	1,112,844	178,179	362,152	540,331
XVI. SHARE HOLDERS' EQUITY	12	1,441,650		1,441,650	1,078,442		1,078,442
16.1 Paid-in Capital		1,000,000		1,000,000	1,000,000		1,000,000
16.2 Capital Reserves		25,430		25,430	25,430		25,430
16.2.1 Share Premium							
16.2.2 Share Cancellation Profits							
16.2.3 Other Capital Reserves		25,430		25,430	25,430		25,430
Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		(16,715)		(16,715)	(19,393)		(19,393)
16.3 Loss							
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		5,929		5,929			
16.5 Profit or Loss		72,405		72,405	(362,548)		(362,548)
16.5.1 Legal Reserves		37,330		37,330	15,582		15,582
16.5.2 Status Reserves							
16.5.3 Extraordinary Reserves		62,982		62,982	(350,223)		(350,223)
16.5.4 Other Profit Reserves		(27,907)		(27,907)	(27,907)		(27,907)
16.6 Income or (Loss)		354,601		354,601	434,953		434,953
16.6.1 Prior Period Income or (Loss)							
16.6.2 Current Period Income or (Loss)		354,601		354,601	434,953		434,953
TOTAL LIABILITIES		6,859,780	8,910,754	15,770,534	10,538,635	6,359,310	16,897,949

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF OFF-BALANCE SHEET ITEMS
AS OF 31 DECEMBER 2024 AND 2023

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

II. STATEMENT OF OFF-BALANCE SHEET ITEMS

II. OFF BALANCE SHEET ITEMS	Note (Section Five III)	Audited Current Period 31 December 2024			Audited Prior Period 31 December 2023		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET LIABILITIES (I+II+III)		4,237,478	2,055,360	6,292,838	20,504,013	18,134,138	38,638,151
VI. GUARANTEES AND SURETIES	1	2,261,200	193,868	2,455,068	2,325,559	378,297	2,703,856
1.1 Letter of Guarantee		390,700	151,551	542,251	407,144	323,537	730,681
1.1.1 Guarantees Subject to State Tender Law		2,858	1,108	3,966	2,858	941	3,799
1.1.2 Guarantees Given for Foreign Trade Operations		8,026	20,659	28,685	9,699	18,954	28,653
1.1.3 Other Letters of Guarantee		379,816	129,784	509,600	394,587	303,642	698,229
1.2 Bank Loans		-	-	-	-	-	-
1.2.1 Import Letter of Acceptance		-	-	-	-	-	-
1.2.2 Other Bank Acceptance		-	-	-	-	-	-
1.3 Letters of Credit		-	42,317	42,317	-	54,760	54,760
1.3.1 Documented Letters of Credit		-	42,317	42,317	-	54,760	54,760
1.3.2 Other Letters of Credit		-	-	-	-	-	-
1.4 Guaranteed Prefinancing		-	-	-	-	-	-
1.5 Endorsement		1,870,500	-	1,870,500	1,918,415	-	1,918,415
1.5.1 Endorsements to the Central Bank of Turkiye		1,870,500	-	1,870,500	-	-	-
1.5.2 Other Endorsements		-	-	-	1,918,415	-	1,918,415
1.6 Securities Issue Purchase Guarantees		-	-	-	-	-	-
1.7 Factoring Guarantees		-	-	-	-	-	-
1.8 Other Guarantees		-	-	-	-	-	-
1.9 Other Collaterals		-	-	-	-	-	-
II. COMMITMENTS	1	311,103	344,829	655,932	32,866	25,118	57,984
2.1 Irrevocable Commitments		311,103	344,829	655,932	32,866	25,118	57,984
2.1.1 Asset Purchase and Sale Commitments		296,966	333,071	630,037	14,777	14,702	29,479
2.1.2 Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4 Commitments for Loan Limits		397	-	397	521	-	521
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7 Commitments for Cheques		13,740	-	13,740	17,568	-	17,568
2.1.8 Tax and Fund Obligations on Export Commitments		-	-	-	-	-	-
2.1.9 Commitments for Credit Card Limits		-	-	-	-	-	-
2.1.10 Commitments for Credit Cards and Banking Services Related		-	-	-	-	-	-
2.1.11 Receivables from Short Sale Commitments		-	-	-	-	-	-
2.1.12 Payables from Short Sale Commitments		-	-	-	-	-	-
2.1.13 Other Irrevocable Commitments		-	11,758	11,758	-	10,416	10,416
2.2 Revocable Commitments		-	-	-	-	-	-
2.2.1 Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2 Other Revocable Commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		1,665,175	1,516,663	3,181,838	18,145,588	17,730,723	35,876,311
3.1 Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1 Transactions for Fair Value Hedging		-	-	-	-	-	-
3.1.2 Transactions for Cash Flow Hedging		-	-	-	-	-	-
3.1.3 Transactions for Hedging the Risk of Net Investments Abroad		-	-	-	-	-	-
3.2 Trading Transactions		1,665,175	1,516,663	3,181,838	18,145,588	17,730,723	35,876,311
3.2.1 Forward Foreign Currency Buy/Sell Transactions		-	-	-	8,201,917	7,933,439	16,135,356
3.2.1.1 Forward Foreign Currency Transactions-Buy		-	-	-	8,201,917	-	8,201,917
3.2.1.2 Forward Foreign Currency Transactions-Sell		-	-	-	-	7,933,439	7,933,439
3.2.2 Currency and Interest Swap Transactions		-	-	-	9,943,671	9,797,284	19,740,955
3.2.2.1 Currency Swaps-Purchases		-	-	-	-	9,797,284	9,797,284
3.2.2.2 Currency Swap-Sales		-	-	-	9,943,671	-	9,943,671
3.2.2.3 Swap Interest Purchase Transactions		-	-	-	-	-	-
3.2.2.4 Swap Interest Sale Transactions		-	-	-	-	-	-
3.2.3 Currency, Interest and Securities Options		-	-	-	-	-	-
3.2.3.1 Currency Call Options		-	-	-	-	-	-
3.2.3.2 Currency Put Options		-	-	-	-	-	-
3.2.3.3 Interest Call Options		-	-	-	-	-	-
3.2.3.4 Interest Put Options		-	-	-	-	-	-
3.2.3.5 Security Call Options		-	-	-	-	-	-
3.2.3.6 Security Put Options		-	-	-	-	-	-
3.2.4 Currency Futures		1,665,175	1,516,663	3,181,838	-	-	-
3.2.4.1 Currency Futures-Purchases		-	1,516,663	1,516,663	-	-	-
3.2.4.2 Currency Futures-Sales		1,665,175	-	1,665,175	-	-	-
3.2.5 Interest Futures		-	-	-	-	-	-
3.2.5.1 Interest Futures-Purchases		-	-	-	-	-	-
3.2.5.2 Interest Futures-Sales		-	-	-	-	-	-
3.2.6 Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGE ITEMS (IV+V+VI)		17,040,499	9,570,456	26,610,955	17,368,411	8,017,364	25,385,775
IV. ITEMS HELD IN CUSTODY		4,738,923	13,483	4,752,406	3,340,684	17,290	3,357,974
4.1 Customer Fund and Portfolio Asset		-	-	-	-	-	-
4.2 Investment Securities Held in Custody		46,425	9,818	56,243	32,103	5,408	37,511
4.3 Checks Received for Collection		4,691,806	3,665	4,695,471	3,308,319	11,588	3,319,907
4.4 Commercial Check Received for Collection		692	-	692	262	294	556
4.5 Other Assets Received for Collection		-	-	-	-	-	-
4.6 Assets Received through Public Offering		-	-	-	-	-	-
4.7 Other Items Under Custody		-	-	-	-	-	-
4.8 Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		12,301,576	9,556,973	21,858,549	14,027,727	8,000,074	22,027,801
5.1 Securities		-	-	-	-	-	-
5.2 Guarantee Notes		62	-	62	62	-	62
5.3 Commodities		1,646	-	1,646	1,646	-	1,646
5.4 Warranties		-	-	-	-	-	-
5.5 Real Estates		1,049,993	38,610	1,088,603	1,216,988	67,339	1,284,327
5.6 Other Pledged Items		11,249,875	9,518,363	20,768,238	12,809,031	7,932,735	20,741,766
5.7 Pledged Items-Depository		-	-	-	-	-	-
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES (IV+V+VI)		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ITEMS (A+B)		21,277,977	11,625,816	32,903,793	37,872,424	26,151,502	64,023,926

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

III. STATEMENTS OF PROFIT OR LOSS

	Note (Section Five IV)	Audited	
		Current Period 01.01-31.12.2024	Prior Period 01.01-31.12.2023
INCOME AND EXPENSE ITEMS			
I. INTEREST INCOME	1	4,151,683	2,098,998
1.1 Interest on Loans		2,781,392	1,665,997
1.2 Interest on Reserve Requirements		96,395	2,046
1.3 Interest on Banks		65,337	27,781
1.4 Interest on Money Market Transactions		775,016	220,332
1.5 Interest on Marketable Securities Portfolio		433,353	182,840
1.5.1 Fair Value Through Profit or Loss		-	-
1.5.2 Fair Value Through Other Comprehensive Income		212,261	5,563
1.5.3 Measured at Amortised Cost		221,092	177,277
1.6 Finance Lease Interest Income		-	-
1.7 Other Interest Income		190	2
II. INTEREST EXPENSE (-)	2	(2,717,975)	(2,133,845)
2.1 Interest on Deposits		(2,655,347)	(2,085,831)
2.2 Interest on Funds Borrowed		(17)	(8)
2.3 Interest on Money Market Transactions		(35,142)	(8,383)
2.4 Interest on Securities Issued		-	-
2.5 Interest Lease Expenses		(21,288)	(13,071)
2.6 Other Interest Expenses		(6,181)	(26,552)
III. NET INTEREST INCOME/EXPENSE (I - II)		1,433,708	(34,847)
IV. NET FEES AND COMMISSIONS INCOME/EXPENSE		34,160	136,545
4.1 Fees and Commissions Received		49,591	146,191
4.1.1 Non-Cash Loans		45,584	23,243
4.1.2 Other	12	4,007	122,948
4.2 Fees and Commissions Given		(15,431)	(9,646)
4.2.1 Non-Cash Loans		(951)	(2,234)
4.2.2 Other	12	(14,480)	(7,412)
V. DIVIDEND INCOME	3	234	111
VI. TRADING PROFIT / (LOSS) (Net)	4	(436,587)	1,011,049
6.1 Profit/Loss from Capital Market Transactions		(26,401)	76,034
6.2 Profit/Loss from Derivative Financial Transactions		(270,467)	507,132
6.3 Foreign Exchange Profit/Loss		(139,719)	427,883
VII. OTHER OPERATING INCOME	5	120,461	52,681
VIII. GROSS PROFIT FROM OPERATIONS (III+IV+V+VI+VII)		1,151,976	1,165,539
IX. ALLOWANCE FOR EXPECTED CREDIT LOSSES (-)	6	F 207,275	(29,613)
X. OTHER PROVISION EXPENSE (-)			
XI. PERSONNEL EXPENSES (-)		(479,971)	(317,632)
XII. OTHER OPERATING EXPENSES (-)	12	(401,389)	(278,341)
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		459,891	439,953
XIV. AMOUNT IN EXCESS RECOGNISED AS GAIN AFTER MERGER		-	-
XV. PROFIT/LOSS ON EQUITY METHOD		-	-
XVI. PROFIT/LOSS ON NET MONETARY POSITION		-	-
XVII. PROFIT/LOSS FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)		459,891	439,953
XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)	8	(105,290)	(5,000)
18.1 Provision for Current Income Taxes	9	(152,435)	-
18.2 Deferred Tax Expense Effect (+)		47,145	(5,000)
18.3 Deferred Tax Income Effect (-)		-	-
XIX. NET PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	10	354,601	434,953
XX. INCOME ON DISCONTINUED OPERATIONS		-	-
20.1 Income on Assets Held for Sale		-	-
20.2 Income on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
20.3 Income on Other Discontinued Operations		-	-
XXI. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
21.1 Income on Assets Held for Sale		-	-
21.2 Income on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
21.3 Income on Other Discontinued Operations		-	-
XXII. PROFIT/LOSS ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)		-	-
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1 Provision for Current Income Taxes		-	-
23.2 Deferred Tax Expense Effect (+)		-	-
23.3 Deferred Tax Income Effect (-)		-	-
XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)	10	-	-
XXV. NET PROFIT/LOSS FOR THE PERIOD (XIX+XXIV)	11	354,601	434,953
Profit/Loss per Share		0.3546	0.4350

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Audited Current Period 1 January-31 December 2024	Audited Prior Period 1 January-31 December 2023
I. PROFIT/LOSS FOR THE PERIOD	354,601	434,953
II. OTHER COMPREHENSIVE INCOME	8,607	(6,682)
2.1 Items not to be Reclassified to Profit or Loss	2,678	(6,682)
2.1.1 Increase/Decrease in Revaluation of Tangible Assets	-	-
2.1.2 Increase/Decrease in Revaluation of Intangible Assets	-	-
2.1.3 Defined Benefit Plans Remeasurement Gains/Losses	(5,688)	(6,682)
2.1.4 Other Items of Comprehensive Income not to be Reclassified as Other Profit or Loss	-	-
2.1.5 Taxes on Other Comprehensive Income not to be Reclassified to Profit or Loss	8,366	-
2.2 Items to be Reclassified to Profit or Loss	5,929	-
2.2.1 Foreign Currency Translation Differences	-	-
2.2.2 Valuation and/or Classification Income/Expense of Financial Assets at Fair Value through Other Comprehensive Income	8,470	-
2.2.3 Cash Flow Hedging Income/Expense	-	-
2.2.4 Hedging Income/Expense on Investment Risk Related to be Operation Abroad	-	-
2.2.5 Other items of Comprehensive Income not to be Reclassified Other Profit or Loss	-	-
2.2.6 Taxes on Other Comprehensive Income not to be Reclassified to Profit or Loss	(2,541)	-
III. TOTAL COMPREHENSIVE INCOME (I+II)	363,208	428,271

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

TURKLAND BANK ANONİM ŞİRKETİ
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CHANGES IN SHAREHOLDERS' EQUITY		Paid-in Capital	Share Issue Premiums	Share Cancellation Profit	Other Capital Reserves	Items not to be Reclassified to Profit or Loss			Items to be Reclassified to Profit or Loss			Profit Reserves	Prior Periods' Profit/Loss	Net Profit or Loss for the Period	Total Shareholders' Equity	
						1	2	3	4	5	6					
Prior Period 31 December 2023 Audited																
I.	Balance at the End of the Prior Period	1,000,000	-	-	25,430	-	(15,518)	2,807	-	-	-	(487,201)	-	124,653	650,171	
II.	Correction made as per TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I+II)	1,000,000	-	-	25,430	-	(15,518)	2,807	-	-	-	(487,201)	-	124,653	650,171	
IV.	Total Comprehensive Income/Expense	-	-	-	-	-	(6,682)	-	-	-	-	-	-	434,953	428,271	
V.	Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase in Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease Due to Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	124,653	-	(124,653)	-	-	-
11.1	Dividends Distributes	-	-	-	-	-	-	-	-	-	124,653	-	(124,653)	-	-	-
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the End of the Period (III+IV+.... +X+XI)		1,000,000	-	-	25,430	-	(22,200)	2,807	-	-	(362,548)	-	434,953	1,078,442		
Current Period 31 December 2024 Audited																
I.	Balance at the End of the Prior Period	1,000,000	-	-	25,430	-	(22,200)	2,807	-	-	-	(362,548)	-	434,953	1,078,442	
II.	Correction made as per TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I+II)	1,000,000	-	-	25,430	-	(22,200)	2,807	-	-	-	(362,548)	-	434,953	1,078,442	
IV.	Total Comprehensive Income/Expense	-	-	-	-	-	2,678	-	-	5,929	-	-	-	354,601	-	-
V.	Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase in Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease Due to Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	434,953	-	(434,953)	-	-	-
11.1	Dividends Distributes	-	-	-	-	-	-	-	-	-	434,953	-	(434,953)	-	-	-
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the End of the Period (III+IV+.... +X+XI)		1,000,000	-	-	25,430	-	(19,522)	2,807	-	5,929	72,405	-	354,601	1,441,650		

- Accumulated revaluation increases/decreases on non-current assets.
- Accumulated remeasurement gains/losses of defined benefit plans.
- Other (Shares of other comprehensive income of investments accounted through equity method that will not be reclassified to profit or loss and accumulated amounts of other comprehensive income items that will not be reclassified to profit or loss)
- Foreign currency translation differences.
- Accumulated revaluation and/or reclassification gains/losses of financial assets at fair value through other comprehensive income.
- Other (Cash flow hedge gains/losses, share of other comprehensive income of investments accounted for using the equity method that will be reclassified to profit or loss and accumulated amounts of other comprehensive income items that will be reclassified to profit or loss).

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

VI. STATEMENT OF CASH FLOWS

	Audited Current Period 1 January-31 December 2024	Audited Prior Period 1 January-31 December 2023
A. CASH FLOWS FROM BANKING OPERATIONS		
I.1 Operating Profit Before Change in Banking Operations Assets and Liabilities	894,763	5,473,204
vi.1.1 Interest Received	4,363,815	6,778,820
1.1.2 Interest Paid	(2,919,462)	(1,802,695)
1.1.3 Dividend Received	234	111
1.1.4 Fees and Commissions Received	36,808	156,951
1.1.5 Other Income	368,905	689,887
1.1.6 Collections from Previously Written-off Receivables	223,410	157,890
1.1.7 Cash Payments to Personnel and Service Suppliers	(475,392)	(301,107)
1.1.8 Taxes Paid	31,419	(18,765)
1.1.9 Other	(734,974)	(187,888)
I.2 Change in Assets and Liabilities Subject to Banking Activities	(2,416,242)	2,294,008
1.2.1 Net (Increase) Decrease in Financial Assets Measured at FVTPL	-	-
1.2.2 Net (Increase) Decrease in Due from Banks	(895,391)	(812,160)
1.2.3 Net (Increase) Decrease in Loans	1,241,149	(4,521,517)
1.2.4 Net (Increase) Decrease in Other Assets	(469,595)	467,297
1.2.5 Net (Increase) Decrease in Bank Deposits	(4,968)	(565,353)
1.2.6 Net (Increase) Decrease in Other Deposits	(2,935,333)	7,234,469
1.2.7 Net (Increase) Decrease in Financial Liabilities Measured at FVTPL	-	-
1.2.8 Net (Increase) Decrease in Funds Borrowed	-	-
1.2.9 Net (Increase) Decrease in Matured Payables	-	-
1.2.10 Net (Increase) Decrease in Other Liabilities	647,896	491,272
I. Net Cash Flow from Banking Operations	(1,521,479)	7,767,212
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net Cash Flows from Investing Activities	752,244	(5,023,268)
2.1 Cash Paid for Purchase of Associates, Subsidiaries, and Joint-Ventures	-	-
2.2 Cash Obtained from Sale Associates, Subsidiaries, and Joint-Ventures	-	-
2.3 Purchases of Tangible Assets	(17,026)	(56,751)
2.4 Sales of Tangible Assets	5,805	-
2.5 Financial Assets Measured at FVOCI	(481,107)	(250,003)
2.6 Financial Assets Measured at FVOCI	23,702	250,003
2.7 Financial Assets Purchased at Amortised Cost	(52,973)	(2,244,500)
2.8 Financial Assets Sold at Amortised Cost	1,278,851	(2,713,816)
2.9 Other	(5,008)	(8,201)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net Cash Flow from Financing Activities	(53,664)	(13,071)
3.1 Cash Obtained from Funds Borrowed and Securities Issued	-	-
3.2 Cash Outflows from Repayment of Funds Borrowed and Securities Issued	-	-
3.3 Equity Instruments Issued	-	-
3.4 Dividends Paid	-	-
3.5 Payments for Leases	(53,664)	(13,071)
3.6 Other	-	-
IV. Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents	433,911	518,230
V. Net Increase in Cash and Cash Equivalents (I+II+III+IV)	(388,988)	3,249,103
VI. Cash and Cash Equivalents at the Beginning of Period	4,376,831	1,127,728
VII. Cash and Cash Equivalents at the End of Period	3,987,843	4,376,831

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF PROFIT DISTRIBUTION
FOR THE PERIOD ENDED 31 DECEMBER 2024

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

VII. STATEMENT OF PROFIT DISTRIBUTION

	Audited	Audited
	Current Period	Prior Period
	31 December 2024	31 December 2023
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1. CURRENT YEAR INCOME	459,891	439,953
1.2. TAXES AND DUTIES PAYABLE (-)	105,290	5,000
1.2.1. Corporate Tax (Income Tax)	152,435	-
1.2.2. Income Withholding Tax	-	-
1.2.3. Other Taxes and Duties (**)	(47,145)	5,000
A. NET INCOME FOR THE YEAR (1.1-1.2)	354,601	434,953
1.3. PRIOR YEARS' LOSSES (-)	-	-
1.4. FIRST LEGAL RESERVES (-)	-	21,748
1.5. OTHER STATUTORY RESERVES (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5))]	354,601	413,205
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	-	413,205
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 (-)	-	-
III. EARNINGS PER SHARE (***)		
3.1. TO OWNERS OF ORDINARY SHARES	-	-
3.2. TO OWNERS OF ORDINARY SHARES (%)	-	-
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 (%)	-	-

(*) Profit distribution is decided by the General Assembly of the Bank. As of the report date, the General Assembly meeting has not been held yet.

(**) Deferred Tax Income/(Expense) shown in Other Taxes and Legal Liabilities line is not subject to profit distribution.

(***) Since the Bank is not publicly traded, it has no obligation to calculate profit/loss per share.

The accompanying notes are an integral part of these financial statements

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

SECTION THREE

ACCOUNTING POLICIES

I. Basis of Presentation

The unconsolidated financial statements are prepared within the scope of the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” related with Banking Act numbered 5411 published in the Official Gazette No.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency (“BRSA”), and in case where a specific regulation is not made by BRSA, and “Turkish Financial Reporting Standards” (“TFRS”) and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”). The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements” and “Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks “and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

The financial statements are prepared in accordance with the historical cost basis except for financial instruments measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income which are presented on a fair value basis.

The Bank has started to apply TFRS 9 Financial Instruments (“TFRS 9”) published by Public Oversight Accounting and Auditing Standards Authority (“POA”) in the accompanying unconsolidated financial statements starting from 1 January 2018 for the first time based on the regulation published in the Official Gazette no. 29750 dated 22 June 2016 in connection with procedures and principals regarding classification of loans and allowances allocated for such loans which came into force starting from 1 January 2018.

The preparation of financial statements in conformity with TFRS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement.

In the announcement made by the POA on 23 November 2023, it was stated that financial statements for annual reporting periods ending on or after 31 December 2023, of entities applying the Turkish Financial Reporting Standards (TFRS) should be adjusted for the effects of inflation in accordance with the relevant accounting principles outlined in TAS 29 Financial Reporting in Hyperinflationary Economies. Additionally, institutions or organizations authorized to regulate and supervise specific sectors may determine different transition dates for the application of the provisions of TAS 29. In this context:

- By the decision of the Banking Regulation and Supervision Agency (BRSA) dated 11 January 2024, and numbered 10825, the transition date for banks, financial leasing, factoring, financing, savings finance, and asset management companies to apply TAS 29 has been set as 1 January 2025.
- According to the BRSA Board decision numbered 11021 dated 5 December 2024, it was decided that banks, as well as financial leasing, factoring, financing, savings finance, and asset management companies, would not apply inflation accounting in 2025.

As a result, the Bank has not applied TAS 29 Financial Reporting in Hyperinflationary Economies in its unconsolidated financial statements as of 31 December 2024.

Changes in accounting policies and disclosures

The changes in TFRS, effective from 1 January 2024, have no significant impact on the Bank’s accounting policies, financial position, and performance. The TFRS changes that have been published but not yet in effect as of the finalization date of the financial statements are not expected to have a significant impact on the Bank's accounting policies, financial position, and performance.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

I. Basis of Presentation (cont'd)

Additional paragraph for convenience translation to English:

BRSA Accounting and Reporting Regulations explained in detail in this Section differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions

The Bank focuses its activities in corporate banking. The primary objective of the Bank is to sustain liquidity while fulfilling customer needs. Thus, the Bank places approximately 26.67% of its resources in liquid assets, while the Bank also aims for the highest yield possible with effective maturity management.

Besides its principle activity, the main financial instruments of the Bank are money market placements, treasury bills and government bonds.

Marketable securities comprising 3.27% of total assets are assets with low risk and high yield. Placements in banks are 17.38% of the total assets and these assets provide liquidity with low risk and yield.

The Bank aims at creating an optimum maturity risk and working with a positive margin between cost of resource and product yield in the process of asset and liability management.

As a component of the risk management strategy of the Bank, the management of risk bearing short positions of currency, interest or price movements is performed only by the Treasury and using the limits defined by the Board of Directors.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

III. Explanations on Forward and Option Contracts and Derivative Instruments

The Bank's derivative instruments consist of foreign currency swaps, forward foreign currency buy/sell transactions and options. Derivative instruments are accounted for at their fair values as at the contract date and subsequently valued at fair value. Certain derivative instruments, although economical hedges, are accounted as trading transactions since they are not qualified to be a hedging instrument as per "Financial Instruments" ("IFRS 9"). Realized gains or losses on these instruments are reflected in the statement of profit or loss.

Unrealized gains or losses arising from the change in the fair value are recorded in disallowable expenses or income according to the current tax legislation.

Contract amounts of derivatives are recorded in off the balance sheet. There are no embedded derivatives of the Bank separated from the host contract or that are designated as hedging instruments as of the balance sheet date.

IV. Explanations on Interest Income and Expenses

Interest income and expenses are recognized in the income statement on an accrual basis using the effective interest method. On 1 January 2018, the Bank has started to calculate the rediscount for its non-performing loans. Non-performing loans are discounted with effective interest rate over the net book value and for calculated amount expected credit loss is set aside in income statement.

V. Explanations on Fees and Commission Income and Expenses

All fees and commission income/expenses are recognized as income at the time of realization and during the services is provided. Loan related fees and commissions paid to or received from the other institutions are considered as transaction costs and accounted using the effective interest method.

VI. Explanations on Financial Assets

In the framework of "IFRS 9 Financial Instruments", which is effective as of 1 January 2018, the Bank classifies 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 amortised cost". This classification is made during initial recognition based on the contractual cash flow characteristics with the business model of the financial assets determined by the management.

The financial assets are recognized or derecognized in accordance with the "Recognition and Derecognition" principles defined in Section 3 related to classification and measurement of financial instruments of the "IFRS 9 Financial Instruments". At initial recognition, financial assets are measured at fair value. In the case of financial assets are not measured at fair value through profit or loss, transaction costs are added or deducted to/from their fair value. Financial instruments are included in the Bank's balance sheet if the Bank is a legal party to these financial instruments.

Financial instruments comprise financial assets, financial liabilities and derivative instruments. Financial instruments affect liquidity, market, and credit risks on the Bank's balance sheet in all aspects. Bank trades these instruments on behalf of its customers and on its own behalf.

Mainly, financial assets create the majority of the commercial activities and operations of the Bank. These instruments expose, affect and diminish the liquidity, credit and interest risks in the financial statements.

All regular way purchases and sales of financial assets are recognized on the settlement date. The settlement date is the date that the asset is delivered to or by the Bank. Settlement date accounting requires (a) accounting of the asset when acquired by the institution and (b) disposing of the asset out of the balance sheet on the date settled by the institution; and accounting of gain or loss on disposal. Changes in fair value of assets to be received during the period between the trade date and the settlement date are accounted for in the same way as the acquired assets.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

VI. Explanations on Financial Assets (cont'd)

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

The methods and assumptions used in the recognition and measurement of financial instruments are described below.

Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss are financial assets other than the ones that are managed with business model that aims to collect and sell contractual cash flows and the business model that aims to collect and sell contractual cash flows, and when the contractual terms of the financial asset on certain dates only do not result in cash flows involving the principal and interest payments arising from the principal amount balance, they are also financial assets that are acquired to profit from fluctuations in prices and similar factors in the short-term in the market, or that are part of a portfolio to make a profit in the short-term, regardless of the reason for their acquisition.

Financial assets at the fair value through profit or loss are initially recognized at fair value. The difference between the cost and fair value of such securities is accounted in profit or loss.

Financial Assets at Fair Value Through Other Comprehensive Income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) The financial asset is held within a business model whose objective is to collect contractual cash flows and sell the financial asset,
- (b) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding at specific dates.

Gains or losses arising from financial assets measured at fair value through other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses, are recognized in other comprehensive income until the financial asset is derecognized or reclassified.

Equity instruments classified as financial assets measured at fair value through other comprehensive income are accounted for at fair value when they are traded in organized markets and/or their fair value can be reliably determined. However, in some exceptional cases, cost may be an appropriate estimate method for determining fair value. This situation may occur if there is insufficient up-to-date information to measure fair value or if fair value can be measured using multiple methods, and the cost method best reflects the fair value estimate among these methods.

Financial Assets at Amortised Cost

A financial asset is classified as a financial asset measured at amortised cost, if the financial asset is held within the scope of a business model for the collection of contractual cash flows and the contractual terms of the financial asset result in cash flows that include payments arising only from principal and interest on the principal amounts on specific dates.

After the initial recognition, provision for impairment to be deducted, if any, financial assets measured at amortised cost are recognized with discounted value using effective interest method.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

VI. Explanations on Financial Assets (cont'd)

Financial Assets at Amortised Cost (cont'd)

Interest earned on financial assets measured at amortised cost is recognized as interest income. The Bank classifies financial assets according to the classifications described above at the time of acquisition of the respective assets.

Loans:

Loans are financial assets created by providing money, goods, or services to the debtor. These loans and receivables are initially recognized at their acquisition cost, which reflects their fair value, and subsequently measured at amortised cost using the effective interest (internal rate of return) method. Fees and other expenses paid related to the collateral taken for these loans are not considered part of the transaction costs and are recognized in the expense accounts.

Individual and corporate loans, which are monitored under cash loans, are accounted for in the accounts specified in the Chart of Accounts ("COA") and the Prospectus based on their original balances, according to their content.

Foreign currency indexed individual and commercial loans are tracked in Turkish Lira ("TL") accounts based on their Turkish Lira equivalents at the exchange rate on the opening date. Repayments are calculated based on the exchange rate at the payment date, and the resulting exchange differences are reflected in the income and expense accounts.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

VI. Explanations on Financial Assets (cont'd)

Explanations on TFRS 9 Financial Instruments:

TFRS 9 introduced new requirements for the classification and measurement of financial assets/liabilities and for derecognition and for general hedge accounting:

- All recognized financial assets that are within the scope of TFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVOCI. All other debt instruments and equity instruments are measured at their fair value at the end of subsequent accounting periods. In addition, under TFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognized by an acquirer in a business combination) in other comprehensive income, with only dividend income generally recognized in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, TFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under TAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, TFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under TAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in TAS 39. Under TFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

VI. Explanations on Financial Assets (cont'd)

Explanations on TFRS 9 Financial Instruments (cont'd):

Classification and Measurement

Classification and measurement of financial assets in accordance with TFRS 9 standard are determined by whether the financial asset is based on the business model in which the financial asset is managed and whether it is based on contractual cash flows including interest payments on principal and principal balance only.

At the time of initial recognition in the financial statements, each financial asset can be classified as either measured at fair value through profit or loss, measured at amortised cost, or measured at fair value through other comprehensive income, based on its classification.

Impairment:

In accordance with the "Regulation on Procedures and Principles for the Classification of Loans and the Provisions to be Reserved" published in the Official Gazette dated 22 June 2016 and numbered 29750, the Bank started to recognize provision for impairment in accordance with the provisions of TFRS 9 as of 1 January 2018. The expected credit losses estimate is unbiased, weighted by probability and should include supportable information about estimates of past events, current conditions and future economic conditions. These financial assets have been classified into the following three categories based on the increase in the credit risks observed since the first receipt of financial assets:

Stage 1: Includes financial instruments with no significant increase in credit risk starting from initial recognition until the next reporting period or at a lower credit risk as of the reporting date. For these assets, the expected credit loss of 12 months is accounted.

Stage 2: Includes financial assets that have a significant increase in credit risk after initial recognition but an objective evidence of impairment does not exist. For these assets, expected lifetime credit losses are accounted.

Stage 3: Includes financial assets that have objective evidence of impairment as of the reporting date. For these assets, expected lifetime credit losses are accounted.

The Bank assesses, at each reporting date, whether there are any objective indicators of impairment for a financial asset or a group of financial assets. If such an indicator exists, the Bank determines the amount of the impairment loss accordingly.

TURKLAND BANK ANONİM ŞİRKETİ
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024

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

VII. Explanations on Impairment of Financial Assets

A financial asset or a financial asset group incurs impairment loss only if there is an objective indicator related to the occurrence of one or more than one event ("loss event") after the initial accounting of that asset; and such loss event (or events) causes, an impairment as a result of the effect on the reliable estimate of the expected future cash flows of the related financial asset and asset group. Losses expected to occur as a result of future events, no matter how probable, are not recognized.

The Bank classifies loans according to their qualifications in accordance with the "Regulation on Procedures and Principles for the Classification of Loans and the Provisions to be Made" effective as of 1 January 2018. In this context, the Bank considers the general structure of the loan portfolio, the financial structure of its customers, non-financial data and economic conjuncture in accordance with its credit risk policies when making estimations. Provisions are recognized in profit and loss accounts using the "IFRS 9 Expected Loss Provisions" account.

Provisions made for loan losses in the current period and provision made in the previous periods are reversed as a result of principal collections made for the related loans or that are written off are recorded in the "Expected Loss Provisions" account.

Calculation of expected credit losses:

Expected credit losses are calculated based on a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due based on the contract and the cash flows that are expected to be received.

Probability of Default (PD): PD refers to the likelihood that a loan will default, which is usually set at 12 months, given certain characteristics. Based on TFRS 9, two different PDs are used in order to calculate expected credit losses:

-12-month PD: as the estimated probability of default occurring within the next 12 months.

-Lifetime PD: as the estimated probability of default occurring over the remaining life of the financial instrument.

Internal rating systems are used in the Bank.

Probability of default calculation has been carried out based on past information, current conditions and forward looking macroeconomic parameters.

Loss Given Default (LGD): If a loan default occurs, it represents the economic loss incurred on the loan. It is expressed as a percentage. LGD calculations are performed using historical data which best reflects current conditions, by formation of segments based on certain risk factors that are deemed important for each portfolio and inclusion of forward-looking information and macroeconomic expectations. LGD summarizes all cash flows from customers subsequent to default. It covers all costs and collections that occur during the collection cycle, including collections from collaterals. It also includes the "time value of money" calculated by means of deducting costs and additional losses from the present value of collections.

Exposure at Default (EAD): For cash loans, it corresponds to the amount of loan granted as of the reporting date. For non-cash loans and commitments, it is the value calculated through using credit conversion factors.

Stage 1: 12-month expected credit loss represents the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date and calculated as the portion of lifetime expected credit losses. 12-month expected credit loss is calculated based on a probability of default realized within 12 months after the reporting date. Such expected 12-month probability of default is applied on an expected exposure at default, multiplied by loss given default rate and discounted with the original effective interest rate.

Stage 2: Lifetime expected credit losses are expected credit losses from all possible default events that can occur during the expected life of a financial instrument (the risk of a default occurring during the expected life of the financial instrument is estimated). In Stage 2, the provision is calculated for financial assets whose credit risk has deteriorated but not impaired.

Stage 3: The Bank evaluates all impaired accounts individually. The methodology is individual assessment and the probability of default is considered as 100%.

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VII. Explanations on Impairment of Financial Assets (cont'd)

Default Definition: It means debt having past due more than 90 days. Whenever it is considered that an obligor is unlikely to pay its credit obligations, it should be considered as defaulted regardless of the existence of any past-due amount or of the number of days past due.

The Bank calculates the expected credit losses in Stage 1 and Stage 2 by groups based on the following criteria.

- Cash Products / Non-cash Products
- Customer Segments: Commercial and Retail / Corporate
- Product Types: Instalment Credits, Renewable Loans (Rotative), Spot Loan, Overdraft Accounts and Other

VIII. Explanations on Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset when the Bank has a legally enforceable right to set off, and the intention of collecting or paying the net amount of related assets and liabilities or the right to offset the assets and liabilities simultaneously. Otherwise, there is not any offsetting transaction about financial assets and liabilities.

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

The sales and purchase of government securities under repurchase agreements made with the customers are being recorded in balance sheet accounts in accordance with the Uniform Chart of Accounts. Accordingly in the financial statements, the government bonds and treasury bills sold to customers under repurchase agreements are classified under financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets measured at amortised cost depending on the portfolio they are originally included in and are valued according to the valuation principles of the related portfolios. Funds obtained from repurchase agreements are classified as a separate sub-account under money markets borrowings account in the liabilities.

Funds given against securities purchased under agreements to resell (“reverse repo”) are accounted under “Receivables from reverse repurchase agreements” on the balance sheet. The difference between the purchase and determined resell price is accrued over the life of repurchase agreements using the effective interest method. The Bank does not have any securities that are subject to any payment.

The income and expenses from these transactions are reflected to the “Interest Income on Money Market Transactions” and “Interest Expense on Money Market Transactions” accounts in the income statement.

As of 31 December 2024, the Bank has TL 1,742,324 reverse repo transactions (31 December 2023: None).

As of 31 December 2024, the Bank does not have any marketable securities lending transaction (31 December 2023: None).

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X. Explanations on Non-current Assets Held for Sale and Discontinued Operations and Liabilities Related to These Assets

The Bank has assets held for sale amount of TL 27,252 as of 31 December 2024 (31 December 2023: TL 61,121).

A discontinued operation is a division of a bank that is either disposed or held for sale. Results of discontinued operations are included in the income statement separately. The Bank does not have any discontinued operations.

XI. Explanations on Goodwill and Other Intangible Assets

There is no goodwill regarding the investments in associates and subsidiaries.

Other intangible assets are accounted for at cost less accumulated amortization. Other intangible assets are amortised with straight-line method based on their economic lives. There is no change in the amortization method in the current period.

The intangible assets comprising purchased software are in the other intangible fixed assets. As of the balance sheet date, all software are purchased and there are no completed or continuing software development projects by the Bank.

Intangible Assets	%
	7-33

XII. Explanations on Tangible Fixed Assets

Tangible fixed assets are accounted for at acquisition cost less accumulated depreciation. Tangible fixed assets are depreciated with straight-line method. While those acquired before 1 January 2004 are depreciated with the rates valid in prior periods, the fixed assets acquired after 1 January 2004 are depreciated with the rates determined by the Ministry of Finance based on useful economic lives.

Depreciation of assets held less than one year as of the balance sheet date is accounted for proportionately. Depreciation method is not changed in the current period. The annual rates used, which approximate rates based on the estimated economic useful lives of the related assets, are as follows:

	%
Financial Lease	2-50
Furniture, Fixtures and Office Equipment and Others	2-33

Gain or loss resulting from disposals of the tangible fixed assets is reflected to the income statement as the difference between the net proceeds and net book value.

Normal maintenance and repair cost of the properties are expensed.

There is no pledge, mortgage, or any other restrictions on tangible fixed assets.

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XIII. Explanations on Leasing Transactions

As of the balance sheet date, the Bank does not have authorization for any financial leasing transactions as lessor.

“IFRS 16 Leases” Standard was published in the Official Gazette dated 16 April 2018 and numbered 29826. According to this standard, the difference between operating leases and financial leases has been eliminated and leasing transactions is reflected on the balance sheet by the lessee as the asset (utilization right) and lease payable, and the interest expense related to the lease liability has reflected to the accounts separately. The Bank started to use IFRS 16 Leases standard starting from 1 January 2019.

The Bank measures the leasing liability at the present value of the remaining lease payments, discounted at the Bank's application date using the reference interest rate at the date of application. In addition, the Bank measures the existence of the right to use of such right at an amount equal to the lease obligation which is reflected in the statement of financial position immediately after the first application date and adjusted for the amount of all prepayment or accrued lease payments.

In accordance with IFRS 16, the Bank measures the lease obligation based on the present value of the lease payments, which were not paid at the date of the lease commencement. Lease payments are discounted using the reference rate of the Bank.

The Bank assesses whether the contract has the quality of a lease or whether the lease includes the transaction at the beginning of a contract. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Bank reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.

Right of use assets:

The right to use asset is first recognized by cost method and includes:

- a) The initial measurement amount of the lease obligation,
- b) The amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- c) All initial direct costs incurred by the Bank

When Bank applying the cost method, the existence of the right to use:

- a) The initial measurement amount of the lease obligation,
- b) The amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- c) All initial direct costs incurred by the Bank

When Bank applying the cost method, the existence of the right to use:

- a) accumulated depreciation and accumulated impairment losses are deducted and
- b) measures the restatement of the lease obligation at the restated cost. The Bank applies TAS 16 Property, Plant and Equipment while depreciating the right of use assets.

Lease obligations:

At the effective date of the lease, the Bank measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Bank's average borrowing interest rates.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

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

- a) Increases the book value to reflect the interest on the lease obligation
- b) Reduces the book value to reflect the lease payments made and
- c) The book value is measured to reflect reassessments and restructuring, or reflect to fixed lease payments as of revised nature.

The interest on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability.

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XIV. Explanations on Provisions and Contingent Liabilities

Provisions are recognized when there is a present obligation due to a past event, 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. Provisions are determined by using the Bank's best expectation of expenses in fulfilling the obligation, and discounted to present value if material.

According to the legal department of the Bank, the total number of ongoing cases against the Bank is 318. The total amount of those cases consists of TL 12,943, USD 804,000 (full) and EUR 193,000 (full). There is a provision of TL 54,807 in the accompanying financial statements for these cases (31 December 2023: TL 39,686).

XV. Explanations on Liabilities Regarding Employee Benefits

Defined Benefit Plans:

Obligations related to employee benefits are recognized in accordance with the provisions of TAS 19 "Employee Benefits Standard." The Bank is required to pay severance pay to employees who retire, pass away, leave due to military service, or have their employment terminated as per the relevant legislation, as well as to female employees who voluntarily leave within one year after marriage, in accordance with the applicable laws and collective labor agreements. The Bank recognizes a provision by estimating the present value of the future potential obligation related to severance pay.

In accordance with the revised TAS 19 standard, effective as of 1 January 2013, the Bank recognizes actuarial gains and losses under equity.

The Bank does not have any pension funds, foundations, or similar organizations to which its employees are members.

Defined Contribution Plans:

The Bank pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Bank has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

Short-term Employee Benefits:

In accordance with TAS 19 "Turkish Accounting Standard on Employee Benefits", defined liabilities that arise from unused leave payments are accrued in the related period and are not discounted.

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XVI. Explanations on Taxation

Corporate Tax:

The corporate tax rate of 20% on corporate income, as stipulated in the first paragraph of Article 32 of the Corporate Tax Law No. 5520, has been increased to 25% 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 with the amendment made within the scope of Law No. 7394 published in the Official Gazette dated 15 April 2022.

To start from the declarations to be submitted as of 1 October 2023 as a result of the amendment made in Article 32 of the Corporate Tax Law No. 5520 with Article 21 of the Law No. 7456 on Additional Motor Vehicles Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurring on 6 February 2023 and Amendments to Certain Laws and Decree Law No. 375 published in the Official Gazette dated 15 July 2023, for 2023 and subsequent taxation periods, the corporate tax rate for banks has been determined as 30%. The Bank has calculated corporate tax at the rate of 30% on corporate earnings for the taxation period ending 31 December 2024.

Tax returns are required to be filed between the first and twenty-fifth day of the fourth month following the balance sheet date and paid in one instalment until the end of the related month.

According to the Corporate Tax Law, tax losses can be carried forward for a maximum period of five years following the year in which the losses are incurred. Tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years. The Bank makes necessary provisions over results of current period operations related with Income Tax and Corporate Tax liabilities.

In accordance with Article 298 of the Tax Procedure Law No. 213, inflation adjustment is required for the financial statements due to the increase in the price index by more than 100% in the last three accounting periods including the current period and by more than 10% in the current accounting period. However, with the Provisional Article 33 added to the Tax Procedure Law with the Law No. 7352, it is regulated that the financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods, including the provisional tax periods, and the 2023 accounting period provisional tax periods, regardless of whether the conditions for inflation adjustment within the scope of repeated Article 298 are met. Accordingly, it has been determined that the financial statements for the 2021 and 2022 accounting periods will not be subject to inflation adjustment in accordance with TPL, and the financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met, and the profit / loss differences arising from inflation adjustment will be presented in the retained earnings / loss account.

Within the scope of the paragraph added to Article 33 of the Law No. 213 with Article 17 of the Law No. 7491 on the Amendment of Certain Laws and Decree Laws, it is regulated that the profits or losses that will arise as a result of inflation adjustment to be made by banks in the 2024 and 2025 accounting periods, including the temporary tax periods, will not be taken into account in the determination of earnings. In addition, the President of the Republic of Turkey is authorized to make a regulation to disregard the profits or losses that will arise as a result of inflation adjustment in the 2026 accounting period, including the temporary tax periods, in the determination of earnings.

In accordance with the Provisional Article 33 of the Tax Procedure Law, the tax effects arising from the inflation adjustment of the financial statements as of 31 December 2024 in accordance with TPL are included in the deferred tax calculation as of 31 December 2024.

Deferred Tax:

The tax liability on profit or loss for the period comprises current and deferred tax. Current year tax liability consists of tax liability on period income calculated in accordance with the tax rates enacted as of the balance sheet date and tax legislation in force as of the balance sheet date and includes adjustments related to previous years' tax liabilities.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred tax is recognized on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit. Deferred tax is measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset in the financial statements.

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XVII. Additional Explanations on Borrowings

The borrowing costs related to purchase, production, or construction of qualifying assets that require significant time to be prepared for use and sale are included in the cost of assets until the relevant assets become ready to be used or to be sold. Financial investment income obtained by temporary placement of undisbursed investment loan in financial investments is offset against borrowing costs qualified for capitalization.

All other borrowing costs are recorded to the income statement in the period they are incurred.

The Bank has not issued convertible bonds.

XVIII. Explanations on Issued Share Certificates

The Bank does not have any issued debt securities. As of the date of approval of these financial statements, there is no subsequent dividend announcement of the Bank.

XIX. Explanations on Acceptances

Acceptances are realized simultaneously with the payment dates of the customers and they are presented as probable commitments in off-balance sheet accounts.

XX. Explanations on Government Incentives

There are no government incentives utilized by the Bank.

XXI. Explanations on Segment Reporting

As of 31 December 2024 and 31 December 2023, the Bank has not reported its financial information according to segments since it mainly serves corporate/commercial customers.

XXII. Explanations on Other Matters

The Bank's current period unconsolidated financial statements are prepared comparatively with the prior period. In order to maintain consistency with the presentation of the current period unconsolidated financial statements, comparative information may be reclassified if necessary.

The following comparative information has been reclassified to conform to the presentation of the current period financial statements.

Reclassifications:

Extraordinary and other profit reserves amounting to TL 27,907 which were previously presented under "Other capital reserves" in the statement of changes in equity are presented under "Profit reserves" in the comparative financial statements.

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SECTION FOUR

INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT

I. Explanations Related to Items of Shareholders' Equity

Total capital and capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks".

As of 31 December 2024, the Bank's total equity has been calculated as TL 1,438,060 capital adequacy ratio is 20.64%. 31 December 2023 calculations have been made within the framework of the abolished regulations and the Bank's total equity amounted to TL 1,087,042 capital adequacy ratio was 15.20% calculated pursuant to former regulations. The Bank's capital adequacy standard ratio is above the minimum ratio determined by the relevant legislation.

Information related to the items of shareholders' equity(*):

	Current Period 31 December 2024(*)
Common Equity Tier 1 Capital	
Paid-in capital to be entitled for compensation after all creditors	1,000,000
Share issue premiums	-
Retained earnings	72,405
Earnings reflected in equity in accordance with Turkish Accounting Standards (TAS)	31,359
Profit	354,601
Net profit of the period	354,601
Prior years' profit	-
Bonus Shares from Associates, Affiliates and Joint-Ventures not Accounted in Current Period's Profit	2,807
Common Equity Tier 1 Capital Before Deductions	1,461,172
Deductions from Common Equity Tier 1 Capital	
Valuation adjustments calculated as per the article 9. (i) of the Regulation on Bank Capital	-
The sum of the net loss for the current period and the previous years which could not be absorbed by the retained earnings and losses recognized in equity in accordance with TAS	(19,522)
Improvement costs for operating leasing (-)	(2,995)
Goodwill remaining after offsetting with the related deferred tax liability	(12,367)
Other intangible assets, excluding mortgage servicing rights, after offsetting with the related deferred tax liability	-
The remaining part of the deferred tax asset based on future taxable income, excluding deferred tax assets based on temporary differences, after offsetting with the related deferred tax liability	-
Differences that arise when assets or liabilities that are not monitored at fair value are subject to cash flow hedges	-
The portion of the total expected loss amount calculated in accordance with the Communiqué on the Calculation of the Amount Subject to Credit Risk with Approaches Based on Internal Ratings, exceeding the total provision amount	-
Gains from securitization transactions	-
Unrealized gains and losses resulting from differences in the fair value of the bank's liabilities due to changes in credit worthiness	-
Net amount of defined benefit plan assets	-
Direct or indirect investments made by the bank in its own core capital	-
Credits extended contrary to the fourth paragraph of Articles 56 of the Banking Law	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-
Mortgage servicing rights (amount above 10% threshold)	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
Amount exceeding the 15% threshold (as set out in the paragraph 2 of the Provisional Article 2 of the Regulation on Banks' Own Funds)	-
The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital not deducted from Tier I Capital (-)	-
Excess amount arising from the rights to provide mortgage services	-
Excess Amount arising from Deferred Tax Assets from Temporary Differences	-
Other items to be determined by the BRSA	-
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-
Total Deductions From Common Equity Tier 1 Capital	(34,884)
Total Common Equity Tier 1 Capital	1,426,288

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I. Explanations Related to Items of Shareholders' Equity (Continued)

Additional Tier 1 Capital	
Preferred shares that are not included in Common Equity Tier 1 capital and related shares issue premiums	-
Eligible capital instruments and relevant share issue premiums that are approved by the Agency	-
Eligible capital instruments and relevant share issue premiums that are approved by the Agency (For the purposes of the Provisional Article 4 of the Regulation on Banks' Own Funds)	-
Additional Tier 1 capital before regulatory adjustments	-
Additional Tier 1 capital: regulatory adjustments	
Direct and indirect investments of the bank on its own additional tier i capital	-
Investments in equity instruments issued by banks or financial institutions invested in bank's additional Tier I Capital and having conditions stated in the Article 7 of the Regulation	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I Capital	-
The total of net long position of the direct or indirect investments in additional Tier I Capital of unconsolidated banks and financial institutions where the bank owns more than 10% of the issued share capital	-
Other items to be defined by the BRSA	-
Regulatory Adjustments which will be deducted from Tier 1 Capital During the Transition Period	
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-
The amount to be deducted from the additional main capital in case of insufficient contribution capital (-)	-
Total Deductions from Tier II Capital	-
Total Additional Tier 1 capital	-
Total Tier 1 capital (Tier 1 capital = Common Equity Tier 1 capital + Additional Tier 1 capital)	1,426,288
Tier 2 Capital	
Eligible capital instruments and relevant share issue premiums that are approved by the Agency	-
Eligible capital instruments and relevant share issue premiums that are approved by the Agency (For the purposes of the Provisional Article 4 of the Regulation on Banks' Own Funds)	-
Provisions (Amounts explained in the first paragraph of the article 8 of the Regulation on Bank Capital)	11,772
Tier II Capital Before Deductions	11,772
Deductions From Tier II Capital	
Direct and indirect investments of the bank on its own Tier II Capital (-)	-
Investments in equity instruments issued by banks and financial institutions invested in Bank's Tier II Capital and having conditions stated in the Article 8 of the Regulation	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I Capital (-)	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or more of the issued share capital exceeding the 10% threshold of above Tier I Capital (-)	-
Other items to be defined by the BRSA (-)	-
Total regulatory adjustments to Tier 2 capital	-
Total Tier 2 capital	11,772
Total Capital (The Sum of Tier 1 capital and Tier 2 capital)	1,438,060
The Sum of Tier 1 Capital and Tier 2 Capital (Total Capital)	
Credits extended contrary to the provisions of Articles 50 and 51 of the Banking Law	-
Portion of the sum of the banks' real estate net book values, which is in excess of fifty per cent of their own funds and net book values of those of merchandise and real estate which have to be acquired due to their receivables and disposed of pursuant to Article 57 of the Banking Law, which cannot be disposed of despite the lapse of a period of five years since the date of such acquisition	-
Other items to be defined by the BRSA	-
Regulatory Adjustments which will be deducted from Total Capital during the transition period	
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold) which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-
Significant investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold), mortgage servicing rights (amount above 10% threshold), deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-

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I. Explanations Related to Items of Shareholders' Equity (Continued)

Capital	1,438,060
Total Capital (The sum of Tier 1 capital and Tier 2 capital)	1,438,060
Total Risk Weighted Assets	6,968,723
CAPITAL ADEQUACY RATIOS	
Common Equity Tier 1 Capital Adequacy Ratio (%)	20.47
Tier 1 Capital Adequacy Ratio (%)	20.47
Capital Adequacy Ratio (%)	20.64
BUFFERS	
Total buffer requirement (%)	2.57
Capital conservation buffer requirement (%)	2.50
Bank specific countercyclical buffer requirement (%)	0.07
Additional CET1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation (%)	15.97
Amounts Below the Thresholds for Deduction	
Remaining total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital	-
Remaining total of net long positions of the investments in Tier I Capital of unconsolidated banks and financial institutions where the bank owns more than 10% of the issued share capital	-
Mortgage servicing rights	-
Deferred tax assets arising from temporary differences	-
Applicable Caps on The Inclusion of Provisions in Tier 2 Capital	
General loan provisions for exposures in standard approach (before limit of one hundred and twenty-five per ten thousand)	11,772
General loan provisions for exposures in standard approach limited by 1.25% of risk weighted assets	11,772
Total loan provision that exceeds total expected loss calculated according to Communiqué on calculation of credit risk by internal ratings-based approach	-
Total loan provision that exceeds total expected loss calculated according to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, limited by 0.6% risk weighted assets	-
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2018 and 1 January 2022)	
Current cap on Additional Tier 1 capital instruments which subject to phase out arrangements in the Provisional Article 4 of the Regulation on Banks' Own Funds	-
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) which subject to Provisional Article 4 of the Regulation on Banks' Own Funds	-
Current cap on Tier 2 capital instruments which subject to phase out arrangements in the Provisional Article 4 of the Regulation on Banks' Own Funds	-
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) which subject to Provisional Article 4 of the Regulation on Banks' Own Funds	-
There are no amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and will be taken into consideration at the end of transition process.	-
^(*) Under the Transitional Provisions of the "Regulation on Banks' Equity," there are no amounts to be considered at the end of the transition period for items subject to the transition rules	

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I. Explanations Related to Items of Shareholders' Equity (Continued)

	Prior Period 31 December 2023(*)
Common Equity Tier 1 Capital	
Paid-in Capital to be Entitled for Compensation after All Creditors	1,000,000
Share premium	-
Legal reserves	-
Accumulated other comprehensive income in accordance with Turkish Accounting Standards (TAS)	3,230
Profit	434,953
Net profit for the period	434,953
Prior periods' profit	-
Bonus shares from associates, subsidiaries and joint ventures not accounted in current period's profit	2,807
Common Equity Tier 1 Capital Before Deductions	1,440,990
Deductions from Common Equity Tier 1 Capital	
Valuation adjustments calculated according to clause (I) of first paragraph of the 9th article of the Regulation on Owners Equity of Banks	-
The portion of the net period loss and the sum of previous years' losses that cannot be covered by reserves and losses reflected in equity in accordance with TAS	(365,633)
Leasehold improvements on operational leases (-)	(6,035)
Goodwill remaining after offsetting with the related deferred tax liability	-
Other intangible assets, excluding mortgage servicing rights, after offsetting with the related deferred tax liability	(14,536)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-
Differences that are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-
Gains arising from securitization transactions	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-
Defined-benefit pension fund net assets	-
Direct and indirect investments of the Bank in its own Common Equity	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns more than 10% of the issued common share capital exceeding 10% of Common Equity of the Bank	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-
Excess amount arising from mortgage servicing rights	-
Excess amount arising from deferred tax assets based on temporary differences	-
Other items to be defined by the BRSA	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-
Total Deductions From Common Equity Tier 1 Capital	(386,204)
Total Common Equity Tier 1 Capital	1,054,786

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I. Explanations Related to Items of Shareholders' Equity (Continued)

Additional Tier I Capital

The capital corresponding to the privileged shares not included in the core capital and the issuance premiums related to them	-
Debt instruments and premiums approved by BRSA	-
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-
Additional Tier I Capital before deductions	-
Deductions from additional Tier I Capital	
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7	-
Total of net long positions of the investments in equity items of unconsolidated Banks and financial institutions where the Bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-
The total of net long position of the direct or indirect investments in additional Tier I capital of unconsolidated banks and financial institutions where the bank owns more than 10% of the issued share capital	-
Other items to be defined by the BRSA	-
Items that will Continue to deduct from the Core Capital during Transition	
Portion of the goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-
Portion of the net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions (-)	-
Total deductions From Additional Tier I Capital	-
Total additional Tier I Capital	-
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	1,054,786

Tier II Capital

Debt instruments and share issue premiums deemed suitable by the BRSA	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	32,256
Tier II Capital Before Deductions	32,256

Deductions from Tier II Capital

Direct and indirect investments of the Bank on its own Tier II Capital (-)	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns more than 10% of the issued common share capital exceeding 10% of Common Equity of the Bank	-
Other items to be defined by the BRSA (-)	-
Total deductions from Tier II Capital	-
Total Tier II Capital	32,256

Total Capital (The sum of Tier I Capital and Tier II Capital)	1,087,042
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Deductions from Total Capital

Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-
Other items to be defined by the BRSA	-

In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to

Download Components

The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first and second sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-

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I. Explanations Related to Items of Shareholders' Equity (Continued)

Capital	1,087,042
Total Capital (The sum of Tier 1 capital and Tier 2 capital)	1,087,042
Total Risk Weighted Assets	7,153,981
CAPITAL ADEQUACY RATIOS	
Common Equity Tier 1 Capital Adequacy Ratio (%)	14.74
Tier 1 Capital Adequacy Ratio (%)	14.74
Capital Adequacy Ratio (%)	15.20
BUFFERS	
Total buffer requirement (%)	2.517
Capital conservation buffer requirement (%)	2.500
Bank specific countercyclical buffer requirement (%)	0.017
The ratio of Additional Common Equity Tier 1 capital, which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation, and Countercyclical Capital buffers to Risk Weighted Assets (%)	10.24
Amounts Below the Excess Amount in the Discount Principles to be Applied	
The amount arising from the net long positions of the investments made in the equity elements of the unconsolidated banks and financial institutions in which 10% or less of the partnership interests are held	-
The amount arising from the net long positions of the investments made in the core capital elements of unconsolidated banks and financial institutions in which more than 10% of the partnership shares are held	-
Mortgage servicing rights	-
Deferred tax assets arising from temporary differences	-
Applicable Caps on the Inclusion of Provisions in Tier 2 Capital	
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	32,256
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	32,256
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2018 and 1 January 2022)	
Current cap on Additional Tier 1 capital instruments which subject to phase out arrangements in the Provisional Article 4 of the Regulation on Banks' Own Funds	-
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) which subject to Provisional Article 4 of the Regulation on Banks' Own Funds	-
Current cap on Tier 2 capital instruments which subject to phase out arrangements in the Provisional Article 4 of the Regulation on Banks' Own Funds	-
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) which subject to Provisional Article 4 of the Regulation on Banks' Own Funds	-
There are no amounts to be taken into consideration at the end of the transition period for the items subject to the transition provisions within the Provisional Articles of the "Regulation on Owners' Equity of Banks".	-
(*) Under the Transitional Provisions of the "Regulation on Banks' Equity," there are no amounts to be considered at the end of the transition period for items subject to the transitional provisions.	

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II. Explanations Related to Credit Risk

Credit risk is the risk that the Bank is a party in a contract whereby the counterparty fails to meet its obligation partially or fully on time and cause to incur a financial loss.

The credit allocation is performed on a debtor and a debtor group basis within the limits and updated on a defined frequency based on market developments. In the credit allocation process, many financial and non-financial criteria are taken into account within the framework of the internal rating procedures of the Bank. These criteria include geographical and sector concentrations. The sector concentrations for loans are monitored closely. In accordance with the Bank's loan policy, the rating of the companies, credit limits and guarantees are considered together, and credit risks incurred are monitored.

Risks and limits related to treasury activities and customer based commercial activities are monitored daily. Moreover, the limits of the correspondent banks that are determined by their ratings and the control of the maximum acceptable risk level in relation to the equity of the Bank are monitored daily. Risk limits are determined in connection with these daily transactions, and risk concentration is monitored systematically concerning off balance sheet operations.

The credit worthiness of the debtors of the loans and other receivables is monitored regularly as prescribed in the Communiqué on "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves". Most of the statement of accounts for the loans has been tried to derive from audited financial statements. The unaudited documents result from the timing differences between the loan allocation and the audit dates of the financial statements of the companies and subsequently the audited financial statements are obtained from the companies when the companies are audited. Credit limits are determined according to the audited statement of accounts, and guarantee factors are developed in accordance with the decision of the credit committee considering the characteristics of the transactions and the financial structures of the companies.

For positions held in the form of futures contracts and other similar agreements, the Management Board allocates transaction limits, and transactions are carried out within these limits.

In futures transactions, the fulfillment of rights and acquisitions is possible at maturity. However, in order to minimize risk, the opposite positions of the current positions are taken from the markets when necessary to close the risk.

The bank's foreign country and financial institution risks are generally taken on financial institutions and countries that are at investment grade, meaning they do not pose a risk of failing to meet their minimum obligations, as rated by international rating agencies. Therefore, the potential risks that may be encountered do not constitute a significant risk given the bank's financial structure.

Moody's credit risk module which is Risk Analyst is used for managing/monitoring corporate business lines and construction sector portfolios. The bank has integrated the Moody's system with its core banking system.

Qualitative Information About Credit Risk

The Bank's credit risk policy and risk limits are determined by the risk appetite of the bank, in line with the business model and targets. In addition to observing legal compliance at all times, consistency with internally defined limits is continuously monitored.

Internal control and risk management departments, under the Internal Systems framework, perform various controls and follow-ups on credit risk, while being the primary business units in managing credit risk. On the other hand, the Internal Audit Department controls the accuracy of processes through regular audits.

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II. Explanations Related to Credit Risk (cont'd)

The credit risk management unit regularly conducts various analyzes of the credit risk concentration, default portfolio analysis and portfolio analysis while the compliance department is involved in the principle of diagnosis of the customer and the internal control department is involved in the sampling control of credit files. The internal audit department is the final controller.

The scope of the reporting consists of various concentrations in the loan portfolio (debtor/group, business line, sector, maturity, currency, collateral, debt rating, etc.), analyzes on the portfolio of default loans and stress tests and analyzes on capital adequacy. In addition, analyzes on the status and development of loans in the banking sector are also included.

As of 31 December 2024, the share of cash loans of the Bank from its top 100 and top 200 customers respectively in the total balance sheet are TL 7,743,521 and TL 7,744,690 (31 December 2023: TL 8,854,736 and TL 9,161,109), the share of total cash loans are 91.41% and 91.42% (31 December 2023: 91.06% and 94.22%).

As of 31 December 2024, the share of non-cash loans of the Bank from its top 100 and top 200 customers respectively in the total balance sheet are TL 2,443,186 and TL 2,476,175 (31 December 2023: TL 2,670,339 and TL 2,724,237), the share of total non-cash loans are 98.48% and 99.81% (31 December 2023: 97.73% and 99.70%).

As of 31 December 2024, the share of cash and non-cash receivables of the Bank from its top 100 and 200 customers respectively in the total balance sheet and non-cash risks are 52.33% and 55.90% (31 December 2023: 53.54% and 60.06%).

As of 31 December 2024, expected credit loss for Stage 1 and Stage 2 loans related with the credit risk is TL 7,880 (31 December 2023: TL 19,333).

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II. Explanations Related to Credit Risk (cont'd)

	Due from Central Governments or Central Banks	Receivables on Administrative Units and Non- commercial Enterprises	Receivables on Banks and Capital Market Intermediary	Contingent and Non-contingent Corporate Receivables	Contingent and Non-contingent Retail Receivables	Contingent and Non- contingent Receivables Secured by Mortgages	Past Due Receivables	Receivables Defined in High Risk Category by BRSA	Share Investments	Other Receivables	Total
31 December 2024											
Domestic	3,116,223	-	35,037	11,058,247	74,160	10,540	196,451	2,359	7,796	632,504	15,133,317
European Union Countries	-	-	825,850	-	-	-	-	-	-	-	825,850
OECD Countries	-	-	1,791	-	1	-	-	-	-	-	1,792
Off-shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-
USA, Canada	-	-	140,799	-	-	-	-	-	-	-	140,799
Other Countries	-	-	11,620	-	-	-	-	-	-	-	11,620
Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	-	-	-	-	-	-	-	-
Unallocated Assets/Liabilities	-	-	-	-	-	-	-	-	-	-	-
Total	3,116,223	-	1,015,097	11,058,247	74,161	10,540	196,451	2,359	7,796	632,504	16,113,378

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II. Explanations Related to Credit Risk (cont'd)

	Due from Central Governments or Central Banks	Receivables on Administrative Units and Non- commercial Enterprises	Receivables on Banks and Capital Market Intermediary	Contingent and Non-contingent Corporate Receivables	Contingent and Non-contingent Retail Receivables	Contingent and Non- contingent Receivables Secured by Mortgages	Past Due Receivables	Receivables Defined in High Risk Category by BRSA	Share Investments	Other Receivables	Total
31 December 2023											
Domestic	3,576,785	-	1,811,513	10,505,766	129,794	26,138	207,762	136,906	7,796	511,788	16,914,248
European Union Countries	-	-	434,737	-	-	-	-	-	-	-	434,737
OECD Countries	-	-	1,412	-	1	-	-	-	-	-	1,413
Off-shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-
USA, Canada	-	-	157,240	-	-	-	-	-	-	-	157,240
Other Countries	-	-	32,100	-	-	-	-	-	-	-	32,100
Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	-	-	-	-	-	-	-	-
Unallocated Assets/Liabilities	-	-	-	-	-	-	-	-	-	-	-
Total	3,576,785	-	2,437,002	10,505,766	129,795	26,138	207,762	136,906	7,796	511,788	17,539,738

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II. Explanations Related to Credit Risk (cont'd)

Risk Profile by Sectors or Counterparties

31 December 2024 Sectors/Counterparties	Due from Central Governments or Central Banks	Receivables on Administrative Units and Non- commercial Enterprises	Receivables on Banks and Capital Market Intermediary	Other Corporate Receivables	SME Corporate Receivables	Other Retail Receivables	SME Retail Receivables	Receivables from collateralized by real estate mortgage for residence	Receivables from collateralized by commercial real estate mortgage	Past Due Receivables	Receivables defined in high risk category by BRSA	Share Investments	Other Receivables	TL	FC	Total
1 Agriculture	-	-	-	154,743	12,500	11	34	-	-	-	-	-	-	145,338	21,950	167,288
1.1 Farming and Raising Livestock	-	-	-	154,741	12,500	-	15	-	-	-	-	-	-	145,306	21,950	167,256
1.2 Forestry, Wood and Paper	-	-	-	2	-	-	19	-	-	-	-	-	-	21	-	21
1.3 Fishery	-	-	-	-	-	11	-	-	-	-	-	-	-	11	-	11
2 Manufacturing	-	-	-	2,034,260	498,969	28	20,018	248	-	26,620	87	-	-	1,990,563	589,667	2,580,230
2.1 Mining and Quarry	-	-	-	98,074	55,500	-	7,008	-	-	-	2	-	-	80,652	79,932	160,584
2.2 Production	-	-	-	1,936,153	281,371	28	12,470	248	-	26,620	85	-	-	1,909,878	347,097	2,256,975
2.3 Electricity, Gas and Water	-	-	-	33	162,098	-	540	-	-	-	-	-	-	33	162,638	162,671
3 Construction	-	-	-	31,574	-	4	2,882	11	-	74,602	1,441	-	-	92,899	17,615	110,514
4 Services	2,538,304	-	1,015,097	2,466,831	2,845,740	1	30,488	92	4,265	86,203	807	7,796	-	4,733,336	4,262,288	8,995,624
4.1 Wholesale and Retail Trade	-	-	-	807,615	161,337	-	11,305	-	1,021	2,126	807	-	-	262,128	722,083	984,211
4.2 Hotel, Tourism, Food and Beverage Services	-	-	-	79	-	-	4,719	92	3,218	78,137	-	-	-	86,245	-	86,245
4.3 Transportation and Communication	-	-	-	24,644	-	1	2,991	-	-	-	-	-	-	14,667	12,969	27,636
4.4 Financial Institutions	2,538,304	-	1,015,097	1,572,955	2,546,239	-	95	-	-	-	-	7,796	-	4,159,549	3,520,937	7,680,486
4.5 Real Estate and Renting Services	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-
4.6 Self-Employment Services	-	-	-	30,584	110,000	-	-	-	-	5,940	-	-	-	146,524	-	146,524
4.7 Education Services	-	-	-	2	-	-	-	-	-	-	-	-	-	2	-	2
4.8 Health and Social Services	-	-	-	30,952	28,164	-	11,378	-	26	-	-	-	-	64,221	6,299	70,520
5 Other	577,919	-	-	2,754,318	259,312	5,181	15,514	-	5,924	9,026	24	-	632,504	3,864,404	395,318	4,259,722
Total	3,116,223	-	1,015,097	7,441,726	3,616,521	5,225	68,936	351	10,189	196,451	2,359	7,796	632,504	10,826,540	5,286,838	16,113,378

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II. Explanations Related to Credit Risk (cont'd)

Risk Profile by Sectors or Counterparties

Risk Profile by Sectors or Counterparties

31 December 2023 Sectors/Counterparties		Due from Central Governments or Central Banks	Receivables on Administrative Units and Non- commercial Enterprises	Receivables on Banks and Capital Market Intermediary	Other Corporate Receivables	SME Corporate Receivables	Other Retail Receivables	SME Retail Receivables	Receivables from collateralized by real estate	Receivables from collateralized by	Past	Receivables defined in high risk	Share Investments	Other Receivables	TL	FC	Total
									mortgage for residence	commercial real estate mortgage	Due Receivables	category by BRSB					
1	Agriculture	-	-	-	98,774	-	9	11,041	-	-	-	-	-	-	10,412	99,412	109,824
1.1	Farming and Raising Livestock	-	-	-	98,772	-	-	7,000	-	-	-	-	-	-	10,390	95,382	105,772
1.2	Forestry, Wood and Paper	-	-	-	2	-	-	11	-	-	-	-	-	-	13	-	13
1.3	Fishery	-	-	-	-	-	9	4,030	-	-	-	-	-	-	9	4,030	4,039
2	Manufacturing	-	-	-	2,584,887	822,033	2,793	61,578	431	-	24,660	35,291	-	-	3,118,082	413,591	3,531,673
2.1	Mining and Quarry	-	-	-	134,609	54,835	-	322	-	-	-	35,206	-	-	126,761	98,211	224,972
2.2	Production	-	-	-	2,450,248	690,437	2,793	60,871	431	-	24,660	85	-	-	2,991,287	238,238	3,229,525
2.3	Electricity, Gas and Water	-	-	-	30	76,761	-	385	-	-	-	-	-	-	34	77,142	77,176
3	Construction	-	-	-	164,458	47,197	4	7,054	33	-	92,351	1,500	-	-	282,071	30,526	312,597
4	Services	2,232,341	-	2,437,002	2,940,645	2,738,390	2	27,528	79	25,595	86,606	100,069	7,796	-	8,247,146	2,348,907	10,596,053
4.1	Wholesale and Retail Trade	-	-	-	1,486,934	313,624	1	8,030	-	996	1,817	100,068	-	-	1,766,854	144,616	1,911,470
4.2	Hotel, Tourism, Food and Beverage Services	-	-	-	63,099	17,385	-	70	79	24,533	75,552	-	-	-	180,718	-	180,718
4.3	Transportation and Communication	-	-	-	54,131	29,929	1	2,112	-	-	3,150	1	-	-	80,166	9,158	89,324
4.4	Financial Institutions	2,232,341	-	2,437,002	1,182,647	2,300,540	-	60	-	-	-	-	7,796	-	5,970,548	2,189,838	8,160,386
4.5	Real Estate and Renting Services	-	-	-	77,009	15,809	-	-	-	-	6,087	-	-	-	98,905	-	98,905
4.6	Self-Employment Services	-	-	-	2	-	-	-	-	-	-	-	-	-	2	-	2
4.7	Education Services	-	-	-	76,823	61,103	-	17,256	-	66	-	-	-	-	149,953	5,295	155,248
4.8	Health and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Other	1,344,444	-	-	728,221	381,161	7,492	12,294	-	-	4,145	46	-	511,788	2,738,515	251,076	2,989,591
Total		3,576,785	-	2,437,002	6,516,985	3,988,781	10,300	119,495	543	25,595	207,762	136,906	7,796	511,788	14,396,226	3,143,512	17,539,731

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II. Explanations Related to Credit Risk (cont'd)

Average amounts of risks incurred after offsetting transactions, regardless of credit risk reduction:

Risk Types 31 December 2024	Net Credit Risk Amount After Provisions	Current Year Average Net Credit Risk Amount After Provisions
Contingent and non- contingent receivables from central governments or central banks	3,116,223	4,209,437
Contingent and non-contingent receivables on regional governments and local authorities	-	-
Contingent and non-contingent receivables on administrative units and non-commercial enterprises	-	-
Contingent and non-contingent receivables on multilateral development banks	-	-
Contingent and non-contingent receivables on international organizations	-	-
Contingent and non-contingent receivables on banks and capital market intermediary	1,363,862	1,903,181
Contingent and non-contingent corporate receivables	7,600,456	7,288,729
Contingent and non-contingent SME corporate receivables	3,635,361	3,393,920
Contingent and non-contingent retail receivables	7,279	10,931
Contingent and non-contingent SME retail receivables	101,642	98,241
Contingent and non-contingent receivables secured by mortgages	915	1,010
Contingent and non-contingent receivables secured by corporate mortgages	11,710	17,241
Past Due Receivables	196,451	194,036
Receivables Defined in High-Risk Category by BRSA	4,776	179,399
Collateralized Mortgage Marketable Securities	-	-
Short-Term Receivables from Banks, brokerage houses and Corporate	-	-
Share Investments	7,796	7,796
Other Receivables	632,504	653,186
Total	16,678,975	17,957,107

Risk Types 31 December 2023	Net Credit Risk Amount After Provisions	Current Year Average Net Credit Risk Amount After Provisions
Contingent and non- contingent receivables from central governments or central banks	3,576,785	3,571,033
Contingent and non-contingent receivables on regional governments and local authorities	-	-
Contingent and non-contingent receivables on administrative units and non-commercial enterprises	-	-
Contingent and non-contingent receivables on multilateral development banks	-	-
Contingent and non-contingent receivables on international organizations	-	-
Contingent and non-contingent receivables on banks and capital market intermediary	2,521,219	1,601,497
Contingent and non-contingent corporate receivables	6,635,295	5,024,363
Contingent and non-contingent SME corporate receivables	4,058,754	2,846,730
Contingent and non-contingent retail receivables	15,568	11,347
Contingent and non-contingent SME retail receivables	142,803	106,706
Contingent and non-contingent receivables secured by mortgages	1,242	2,704
Contingent and non-contingent receivables secured by corporate mortgages	26,936	27,389
Past Due Receivables	207,762	334,195
Receivables Defined in High-Risk Category by BRSA	138,743	139,974
Collateralized Mortgage Marketable Securities	-	-
Short-Term Receivables from Banks, brokerage houses and Corporate	-	-
Investment Similar to Collective Investment Funds	7,796	7,796
Other Receivables	511,788	565,975
Total	17,844,691	14,239,709

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II. Explanations Related to Credit Risk (cont'd)

Maturity Distribution of Remaining Maturities of Time Exposures:

Risk Classes 31 December 2024	Time to Maturity				
	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Due from Central Governments or Central Banks	2,538,304	27	-	-	577,892
Regional Governments or Local Authorities Receivables	-	-	-	-	-
Receivables on Administrative Units and Non-commercial Enterprises	-	-	-	-	-
Receivables on Multilateral Development Banks	-	-	-	-	-
Receivables on International Organizations	-	-	-	-	-
Receivables on Banks and Capital Market Intermediary	618,837	-	7,747	-	388,513
Other Corporate Receivables	3,385,532	1,875,722	1,215,524	871,356	93,592
SME Corporate Receivables	1,853,972	1,168,145	423,001	168,650	2,753
Other Retail Receivables	306	431	614	1,650	2,224
SME Retail Receivables	11,758	9,160	10,501	20,596	16,921
Receivables Secured by Mortgages	-	-	-	-	351
Receivables Secured by Corporate Mortgage	-	-	-	5,705	4,484
Past Due Receivables	-	-	-	-	196,451
Receivables Defined in High-Risk category by BRSA	-	-	-	-	2,359
Collateralized Mortgage Marketable Securities	-	-	-	-	-
Short-Term Receivables from Banks, Brokerage Houses and Short-Term Corporate Receivables	-	-	-	-	-
Investment Similar to Collective Investment Funds	-	-	-	-	-
Share Investments	-	-	-	-	7,796
Other Receivables	98,578	-	-	-	533,926
Total	8,507,287	3,053,485	1,657,387	1,067,957	1,827,262

Risk Classes 31 December 2023	Time to Maturity				
	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Due from Central Governments or Central Banks	905,662	267,681	17,543	1,107,492	1,278,407
Regional Governments or Local Authorities Receivables	-	-	-	-	-
Receivables on Administrative Units and Non-commercial Enterprises	-	-	-	-	-
Receivables on Multilateral Development Banks	-	-	-	-	-
Receivables on International Organizations	-	-	-	-	-
Receivables on Banks and Capital Market Intermediary	550,242	1,802,993	5,609	-	78,158
Other Corporate Receivables	622,374	601,753	842,156	169,916	4,280,786
SME Corporate Receivables	822,184	462,125	103,582	280,769	2,320,121
Other Retail Receivables	128	19	435	468	9,250
SME Retail Receivables	16,255	6,735	633	18,400	77,472
Receivables Secured by Mortgages	-	-	-	-	543
Collateralized Receivables	626	-	2,000	3,721	19,248
Receivables Secured by Corporate Mortgage	-	-	-	-	207,762
Past Due Receivables	-	-	-	-	136,906
Receivables Defined in High-Risk category by BRSA	-	-	-	-	-
Collateralized Mortgage Marketable Securities	-	-	-	-	-
Short-Term Receivables from Banks, Brokerage Houses and Short-Term Corporate Receivables	-	-	-	-	-
Other Receivables	905,662	267,681	17,543	1,107,492	1,278,407
Share Investments	161,756	-	-	-	350,032
Total	3,079,227	3,141,306	971,958	1,580,766	8,766,481

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

Risk by Risk Weight Balances:

Risk Weights (*) 31 December 2024	0%	10%	20%	35%	50%	75%	100%	150%	200%	Deductions from Equity
	1 Amount before the credit risk mitigation	3,516,751	-	4,818,127	-	421,010	69,382	5,498,204	44,030	
2 Amount after the credit risk mitigation	3,569,916	-	4,818,129	351	421,010	57,930	4,555,989	3,111	-	-

Risk Weights (*) 31 December 2023	0%	10%	20%	35%	50%	75%	100%	150%	200%	Deductions from Equity
	1 Amount before the credit risk mitigation	3,616,724	-	5,330,373	-	717,219	114,941	7,193,512	57,492	
2 Amount after the credit risk mitigation	3,639,849	-	5,330,373	543	713,704	100,422	4,637,985	40,827	135,204	-

(*) Amounts of the financial collateral are shown as 0% weight.

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II. Explanations Related to Credit Risk (cont'd)

Important Sectors or Type of Information According to Counterparty

Sectors/ Counterparties	Loans		
	Significant Increase Credit Risk(Stage 2)	Credit Default (Stage 3)	Expected Credit Losses (IFRS 9)
Agricultural	-	761	761
<i>Farming and Raising Livestock</i>	-	130	130
<i>Forestry, Wood and Paper</i>	-	631	631
<i>Fishery</i>	-	-	-
Manufacturing	13,971	52,676	26,022
<i>Mining and Quarry</i>	-	-	-
<i>Production</i>	13,971	52,676	26,022
<i>Electricity, Gas and Water</i>	-	-	-
Construction	1	156,480	81,878
Services	4,139	231,590	142,252
<i>Wholesale and Retail Trade</i>	-	5,848	3,804
<i>Hotel, Tourism, Food and Beverage Services</i>	4,139	189,957	108,603
<i>Transportation and Communication</i>	-	14	14
<i>Financial Institutions</i>	-	4,639	4,639
<i>Real Estate and Renting Services</i>	-	27,101	21,162
<i>Self-Employment Services</i>	-	4,031	4,030
<i>Education Services</i>	-	-	-
<i>Health and Social Services</i>	-	-	-
Other	40	9,248	3,441
Total	18,151	450,755	254,354

Information on Credit Value Adjustments and Change in Loan Loss Provisions

	Opening Balance	The amount of provision in the period	Reversal of Provision	Other Adjustments	Closing Balance
1 Stage 3 Provisions	353,964	159,646	(259,306)	-	254,304
2 Stage 1 & Stage 2 Provisions	32,256	15,241	(36,542)	-	10,955

Risks Involved in Countercyclical Capital Buffer Calculation

Country of ultimate risk	Private sector credit exposures in banking book	Risk weighted equivalent trading book	Total
Turkey	5,917,144	-	5,917,144
Germany	118,344	-	118,344
USA	28,160	-	28,160
Jordan	11,507	-	11,507
England	7,222	-	7,222
Japan	358	-	358
Lebanon	169	-	169
Belgium	152	-	152
Norway	33	-	33
Korea	0,9	-	0,9

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II. Explanations Related to Credit Risk (cont'd)

The table below shows the maximum exposure to credit risk for the components of the financial statements;

Gross maximum exposure	31 December 2024	31 December 2023
Due from Central Bank	3,358,935	2,714,264
Due from banks	997,251	920,812
Due from money market transactions	1,742,324	1,769,047
Derivative financial instruments	-	148,023
Financial assets at fair value through other comprehensive income	463,603	31
Financial assets measured at amortised cost	51,232	1,338,761
Loans given	8,020,339	9,161,801
Total	14,633,684	16,052,739
Contingent liabilities	2,455,068	2,703,856
Irrevocable commitments	655,932	57,984
Total	3,111,000	2,761,840
Total credit risk exposure	17,744,684	18,814,579

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II. Explanations Related to Credit Risk (cont'd)

Credit quality per class of financial assets as of 31 December 2024 is as follows;

	Neither past due nor impaired	Past due or individually impaired	Total
Due from banks	997,251	-	997,251
Financial assets designated at fair value through profit or loss	-	-	-
Loans given to customers			
<i>Corporate lending</i>	7,548,013	18,111	7,566,124
<i>Small business lending loans</i>	-	-	-
<i>Retail loans</i>	454,175	40	454,215
<i>Other</i>	-	-	-
Total	8,999,439	18,151	9,017,590
Financial investments			
<i>Quoted on a stock exchange - Domestic public sector debt securities</i>	515,009	-	551,009
<i>Quoted on a stock exchange - Other debt securities</i>	-	-	-
<i>Unquoted on a stock exchange – Debt securities</i>	-	-	-
Total	515,009	-	551,009
Total	9,514,448	18,151	9,532,599

Credit quality per class of financial assets as of 31 December 2023 is as follows;

	Neither past due nor impaired	Past due or individually impaired	Total
Due from banks	920,812	-	920,812
Financial assets designated at fair value through profit or loss	-	-	-
Loans given to customers			
<i>Corporate lending loans</i>	9,054,173	17,024	9,071,197
<i>Small business lending loans</i>	-	-	-
<i>Retail loans</i>	90,566	38	90,604
<i>Other</i>	-	-	-
Total	10,065,551	17,062	10,082,613
Financial investments			
<i>Quoted on a stock exchange - Domestic public sector debt securities</i>	1,338,761	-	1,338,761
<i>Quoted on a stock exchange - Other debt securities</i>	-	-	-
<i>Unquoted on a stock exchange – Debt securities</i>	-	-	-
Total	1,338,761	-	1,338,761
Total	11,404,312	17,062	11,421,374

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II. Explanations Related to Credit Risk (cont'd)

		Defaulted	Non-defaulted	Provisions/ depreciation and impairment	Net value
1	Loans	450,755	8,020,339	(262,184)	8,208,910
2	Borrowing instruments	-	514,871	(70)	514,801
3	Off-balance sheet receivables	20,377	2,460,586	(18,650)	2,462,313
4	Total	471,132	10,995,796	(280,904)	11,186,024

Changes in deferred receivables and debt securities inventory

1	Defaulted loans and debt securities at end of the previous reporting period	561,800
2	Loans and debt securities that have defaulted since the last reporting period (*)	131,228
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes (**)	(242,273)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	450,755

(*) It also includes the interest recalculations for the follow-up accounts, as calculated in accordance with TFRS 9.

(**) It refers to the collections obtained from non-performing receivables.

Additional Explanations of the Credit Quality of Assets

In accordance with the regulation on "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved and Allocation of Reserves" published in the Official Gazette numbered 26333 dated 1 November 2006, uncollectible receivables are considered "deferred" receivables from the date on which they are due or payable, or on the date on which they are due or payable, and a specific provision is provided for receivables that are overdue more than ninety days after the date on which they are due. In this context, the Bank considers the general structure of the loan portfolio, the financial structure of its customers, non-financial data and economic conjuncture by taking of consideration of policies of credit risks while determining its estimation. Relevant special provisions transferred to the profit and loss accounts by using the "Expected Credit Losses Expenses" accounts.

With the provisional Article 13 of the "Regulation on the Amendment of the Regulation on the Procedures and Principles for the Determination of the Qualifications of Banks and Other Receivables and Provisions to be Issued" published in the Official Gazette dated 14 December 2016 and numbered 29918, for credit debtors who were closed within the scope of the state of emergency declared by the Council of Ministers Decision dated 20 July 2016 and 2016/9064 and transferred to the General Directorate of Foundations or the Treasury, for whom the Savings Deposit Insurance Fund was appointed as a trustee, public officials who were dismissed, and real and legal persons whose assets were subject to measures, the delay periods beginning from 21 January 2017 has been introduced. As of 31 December 2024, the Bank has no 90-day delay period and there is no information regarding the provisional provision.

In accordance with the regulation, in the event that the fulfillment of the obligation to the Bank related to loans and other receivables arises due to the temporary liquidity shortage, to provide liquidity power to the debtor and to collect the receivable of the Bank, loans and other receivables, including the delayed interest rates can be restructured or linked to a new payment plan.

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II. Explanations Related to Credit Risk (cont'd)

As of 31 December 2024, the amount of loans and other receivables restructured in non-performing loans is TL 12,068 (31 December 2023: TL 18,922). The expected loss provision amount for these loans and other receivables is TL 3,624 (31 December 2023: TL 8,246).

Aging Analysis for Past Due Receivables

	1-30 days	31-60 days	61-90 days	Over 90 days	Total
Past Due Receivables	18,15				18,15

Credit risk mitigation techniques – Overview

The Bank does not perform on-balance sheet and off-balance sheet netting.

The Bank has determined the structure and policy of collaterals in detail under the credit policy and carries out the guarantees for credit activities in accordance with these policies and regulations. The collateralization policy specifies the phases and requirements of the collateralization process in order to reduce the credit risk. In addition to supervising compliance with other banks, collateral is also carried out by observing the provision of special conditions to the bank. In policy, all types of coverage are discussed in detail and their characteristics are explained.

Collateral concentrations are monitored on a monthly basis for standard, close monitoring and non-performing loans.

Credit risk mitigation techniques – Overview

	31 December 2024	Unsecured receivables: Amount valued in accordance with TAS	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1	Loans	7,069,655	1,139,254	1,004,761	974,502	904,400	-	-
2	Borrowing instruments	514,801	-	-	-	-	-	-
3	Total	7,584,456	1,139,254	1,004,761	974,502	904,400	-	-
4	Defaulted	111,810	84,641	84,638	3,560	3,557	-	-

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II. Explanations Related to Credit Risk (cont'd)

Qualitative information about ratings

The Bank contracted with Fitch as the Credit Rating Agency. There has been no change in the CRA within the reporting period.

The Bank uses the Credit Rating Agency for other receivables and risk classes to be taken from other banks and other financial intuitions.

The credit rating of the borrower is applied in the same way to the other assets that are from the debtor in the banking accounts.

Ratings which is provided by external sources are used in computation of risk weighted assets for central government and foreign banks.

The equivalence of ratings to credit quality are as follows:

Credit Quality Level	Rating of Fitch Long term credit	Risk Classes			
		Contingent and Non-Contingent Receivables from Central Governments or Central Banks	Receivables from Banks and Intermediaries		Corporate Receivables
			Receivables that original maturities are lower than 3 months	Receivables that original maturities are higher than 3 months	
1	AAA to AA-	0%	20%	20%	20%
2	A+ to A-	20%	20%	50%	50%
3	BBB+ to BBB-	50%	20%	50%	100%
4	BB+ to BB-	100%	50%	100%	100%
5	B+ to B-	100%	50%	100%	150%
6	CCC+ and lower	150%	150%	150%	150%

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II. Explanations Related to Credit Risk (cont'd)

Standard Approach – Credit risk exposure and credit risk mitigation effects

	31 December 2024	Credit conversion rate and credit amount before credit risk amount		Credit conversion rate and credit amount after credit risk mitigation		Risk weighted amount and risk weighted amount concentration	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	3,116,223	-	3,169,388	-	-	0.00%
2	Exposures to regional governments or local authorities	-	-	-	-	-	-
3	Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and intermediary institutions	954,987	408,875	954,987	60,110	293,403	28.90%
7	Corporate receivables	7,283,862	2,206,080	6,375,303	1,960,162	5,053,335	60.86%
8	Retail receivables	22,918	86,003	19,499	43,210	48,476	77.30%
9	Receivables secured by a residential real estate mortgage	32	883	32	319	123	34.99%
10	Receivables secured by commercial real estate mortgages	8,695	3,015	8,695	1,494	5,094	50.00%
11	Overdue receivables	196,451	-	192,893	-	138,111	71.60%
12	Receivables with high risk determined by the Board	1	4,777	1	43	44	99.55%
13	Mortgage-backed securities	-	-	-	-	-	-
14	Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-
15	Investments as a collective investment institution	-	-	-	-	-	-
16	Stock investments	7,796	-	7,796	-	7,796	100.00%
17	Other receivables	632,503	-	632,504	-	231,976	36.68%
18	Total	12,223,468	2,709,633	11,361,098	2,065,338	5,778,358	43.25%

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II. Explanations Related to Credit Risk (cont'd)

Standard Approach – Credit risk exposure and credit risk mitigation effects

	31 December 2023	Credit conversion rate and credit amount before credit risk amount		Credit conversion rate and credit amount after credit risk mitigation		Risk weighted amount and risk weighted amount concentration	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	3,346,883	-	3,346,883	23,125	-	0.00%
2	Exposures to regional governments or local authorities	-	-	-	-	-	-
3	Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and intermediary institutions	2,356,523	164,696	2,356,523	80,479	669,535	27.47%
7	Corporate receivables	8,293,160	2,257,422	5,912,337	1,884,175	5,043,745	64.69%
8	Retail receivables	70,147	87,319	59,758	51,145	89,693	80.87%
9	Receivables secured by a residential real estate mortgage	15	1,227	15	528	190	35.03%
10	Receivables secured by commercial real estate mortgages	-	-	-	-	-	-
11	Overdue receivables	15,306	11,630	15,306	10,289	13,388	52.31%
12	Receivables with high risk determined by the Board	207,762	-	203,451	-	131,228	64.50%
13	Mortgage-backed securities	-	-	-	-	-	-
14	Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-
15	Investments as a collective investment institution	-	-	-	-	-	-
16	Stock investments	511,788	-	511,788	-	241,947	47.27%
17	Other receivables	7,796	-	7,796	-	7,796	100.00%
18	Total	14,944,584	2,525,833	12,549,060	2,049,847	6,468,067	44.88%

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II. Explanations Related to Credit Risk (cont'd)

Standard approach: Receivables by asset classes and risk weights

	Asset classes/ Risk weight 31 December 2024	0%	10%	20%	35%	50%	75%	100%	150%	200%	Total credit risk exposure amount (after CCF and CRM)
1	Receivables from central governments or central banks	3,169,388	-	-	-	-	-	-	-	-	3,169,388
2	Receivables from regional or local governments	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and intermediary institutions	-	-	733,376	-	270,102	-	11,507	113	-	1,015,098
7	Corporate receivables	-	-	4,084,753	-	31,154	-	4,217,061	2,497	-	8,335,465
8	Retail receivables	-	-	-	-	-	57,930	4,280	499	-	62,709
9	Receivables secured by a residential real estate mortgage	-	-	-	351	-	-	-	-	-	351
10	Receivables secured by commercial real estate mortgages	-	-	-	-	10,189	-	-	-	-	10,189
11	Overdue receivables	-	-	-	-	109,565	-	83,328	-	-	192,893
12	Receivables with high risk determined by the Board	-	-	-	-	-	-	42	2	-	44
13	Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-	-	-	-	-
15	Investments as a collective investment institution	-	-	-	-	-	-	-	-	-	-
16	Stock investments	-	-	-	-	-	-	7,796	-	-	7,796
17	Other Receivables	400,528	-	-	-	-	-	231,975	-	-	632,503
18	Total	3,569,916	-	4,818,129	351	421,010	57,930	4,555,989	3,111	-	13,426,436

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III. Explanations Related to Counterparty Credit Risk

The object of counterparty and financial institutions credit risk determination process is to identify the default risk of counterparties and financial institutions which the bank has indirectly or indirectly anticipated risk through the bank or plans to receive the risk in the future and to establish risk-based limits for current and future counterparties and financial institutions.

There is no operational limit allocation method determined within the scope of internal capital calculated for “Counterparty Credit Risk” (“CCR”) and “Central Counterparty Risk” (“CCP”).

The Bank calculates the risks of the CCR and CCP in accordance with the regulations of the BRSA by using the fair valuation method and includes it to CAR. Repo-Reverse Repo transactions use BIST Repo Reverse Repo Market and CBRT OMT Repo Market. The products which are subject to market risks consist of liquid products issued by the Treasury of the Republic of Turkey. As a policy, collateral from the private sector and foreign entities are not used.

There are no rules for risk reversal.

In the event that there is a decrease in the credit rating, the amount of the additional collateral that the Bank has to give is not included in the Bank portfolio if there is a decrease in the credit rating of the bank.

Analysis of counterparty credit risk (CCR) exposure by approach

		Revaluation cost	Potential credit risk amount	EEPRA (*)	The alpha used to calculate the legal risk amount	Risk amount after credit risk mitigation	Risk weighted amounts
	31 December 2023						
1	Standard Approach-CCR (for derivatives)		1,226		1.4	1,226	607
2	Internal Model Approach (derivative financial instruments, repurchase agreements, securities or commodities lending or borrowing transactions, transactions with long clearing periods, and margin securities transactions)						
3	Simple method for credit risk mitigation - (for repurchase transactions, securities or commodities lending or borrowing transactions, transactions with long clearing periods, and overdraft transactions)						
4	Comprehensive method for credit risk mitigation - (for repurchase transactions, securities or commodity lending or borrowing transactions, transactions with long clearing periods, and overdraft transactions)					49,700	49,700
5	Value-at-risk for repurchase agreements, securities or commodities lending or borrowing transactions, long clearing transactions, and overdraft transactions						
6	Total					50,926	50,307

(*) Effective expected positive risk amount

Capital requirement for credit valuation adjustments

		Risk amount (After the use of credit risk mitigation techniques)	Risk weighted amounts
	31 December 2024		
	Total portfolio value with comprehensive approach CVA capital adequacy		
1	(i) Value at risk component (3*multiplier included)	-	-
2	(ii) Stressed Value at Risk (3*multiplier included)	-	-
3	Total portfolio value with standard approach CVA capital adequacy	63	63
4	Total amount of CVA capital adequacy	63	63

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III. Explanations Related to Counterparty Credit Risk (cont'd)

Standard approach - Counterparty credit risk by risk classes and risk weights

Risk weights Risk Classes	0%	10%	20%	50%	75%	100%	150%	Other	Total credit
									risk (*)
31 December 2024									
Receivables from Central governments and central banks	-	-	-	-	-	-	-	-	-
Receivables from Local governments and municipalities	-	-	-	-	-	-	-	-	-
Receivables from Administrative and non-commercial	-	-	-	-	-	-	-	-	-
Receivables from Multilateral Development Bank	-	-	-	-	-	-	-	-	-
Receivables from International Organizations	-	-	-	-	-	-	-	-	-
Receivables from Banks and Intermediary Institutions	-	-	-	-	-	-	-	-	-
Corporate receivables	-	-	18	1,207	-	49,701	-	-	50,926
Retail receivables	-	-	-	-	-	-	-	-	-
Mortgage receivables	-	-	-	-	-	-	-	-	-
Non performing receivables	-	-	-	-	-	-	-	-	-
High risk defined receivables	-	-	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-
Short-term credit rated banks and Intermediary Institutions receivables	-	-	-	-	-	-	-	-	-
Collective investment undertaking investments	-	-	-	-	-	-	-	-	-
Stock investments	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	-	-	18	1,207	-	49,701	-	-	50,926

(*) Total credit risk: The amount related to the capital adequacy calculation after applying the counterparty credit risk measurement techniques.

Collaterals for counterparty credit risk

31 December 2024	Derivative financial instrument collaterals				Other transaction collaterals	
	Collaterals received		Collaterals given		Collaterals received	Collaterals given
	Allocated	Unallocated	Allocated	Unallocated		
Cash - local currency	-	-	-	-	1,694,948	-
Cash - foreign currency	-	-	-	-	-	-
Government bonds/bills - domestic	-	-	-	-	-	-
Government bonds/bills - other	-	-	-	-	-	-
Public institution bonds/bonds	-	-	-	-	-	-
Corporate bonds/bonds	-	-	-	-	-	-
Share certificate	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	1,694,948	-

Credit Derivatives

There are no credit derivatives in the Bank.

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III. Explanations Related to Counterparty Credit Risk (cont'd)

Risks to the central counterparty

	31.12.2024	
	Exposure post-CRM	RWA
Exposures for trades with QCCPs (excluding initial margin and guarantee fund)	1,745,874	50,307
(i) Over the counter derivative financial instruments		
(ii) Other derivative financial instruments	1,226	607
(iii) Repo-reverse repo transactions, margin trading and securities or commodity lending or borrowing		
(iv) Counterparties where cross product netting applied	1,744,648	49,700
Reserved initial collateral		
Unreserved initial collateral		
Pre-funded guarantee fund contributions		
Unfunded guarantee fund contributions		
Total Exposures to Non-QCCPs		
Exposures for trades with QCCPs (excluding initial margin and guarantee fund)		
(i) Over the counter derivative financial instruments		
(ii) Other derivative financial instruments		
(iii) Repo-reverse repo transactions, margin trading and securities or commodity lending or borrowing		
(iv) Counterparties where cross product netting applied		
Reserved initial collateral		
Unreserved initial collateral		
Pre-funded guarantee fund contributions		
Unfunded guarantee fund contributions		

IV. Explanations Related to Currency Risk

Foreign currency risk indicates the probability of loss that banks are subject to due to the exchange rate movements in the market. While calculating the share capital requirement, all foreign currency assets, liabilities and forward transactions of the Bank are taken into consideration and value at risk is calculated by using the standard method.

The Board of Directors sets limits for the positions and stop losses, which are followed up daily and weekly. Any possible changes in the foreign currency transactions in the Bank's positions are also monitored.

The announced current foreign exchange buying rates of the Bank at 31 December 2024 and the previous five working days are as follows (Bank's FC evaluation rates):

	24 December 2024	25 December 2024	26 December 2024	27 December 2024	30 December 2024	31 December 2024
USD	35.1751	35.1182	35.0859	34.9173	35.2303	35.2860
CHF	39.0678	39.6547	38.9281	38.7389	38.8701	38.9573
GBP	44.1792	44.0136	43.9215	43.8876	44.2119	44.1925
100 JPY	22.3650	22.5740	22.2190	22.1160	22.3630	22.4620
EURO	36.5726	36.5897	36.4791	36.4310	36.5814	36.6543

The simple arithmetic averages of the major current foreign exchange buying rates of the Bank for the thirty days before at 31 December 2024 are as follows:

	Monthly Average Foreign Exchange Rate
USD	34.8760
CHF	39.1399
GBP	44.0974
100 JPY	22.6595
EURO	36.5374

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IV. Explanations Related to Currency Risk (cont'd)

31 December 2024	EUR	USD	YEN	OTHER FC	TOTAL
Assets					
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased, Precious Metal Reserve) and the Central Bank of Turkey	422,394	2,786,984	-	1	3,209,379
Banks	94,278	893,260	2,236	7,654	997,428
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-
Receivables from Money Markets	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	36	-	-	36
Loans Given (*)	1,821,088	1,059,728	-	-	2,880,816
Associates, Subsidiaries and Joint Ventures (Joint partnerships)	-	-	-	-	-
Financial Assets Measured at Amortised Cost	-	-	-	-	-
Derivative Financial Assets for Hedging Purposes	-	-	-	-	-
Tangible Assets	-	-	-	-	-
Intangible Assets	-	-	-	-	-
Other Assets	29	18	-	7	54
Total Assets	2,337,789	4,740,026	2,236	7,662	7,087,713
Liabilities					
Bank Deposits	-	618	-	-	618
Currency Deposit Account	2,279,783	5,807,952	1	150	8,087,886
Payables to Money Markets	-	-	-	-	-
Funds Provided From Other Financial Institutions	-	-	-	-	-
Marketable Securities Issued	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-	-
Other Liabilities	77,051	744,260	23	916	822,250
Total Liabilities	2,356,834	6,552,830	24	1,066	8,910,754
Net Balance Sheet Position	(19,045)	(1,812,804)	2,212	6,596	(1,823,041)
Net Off-Balance Sheet Position					
Receivables from Derivative Financial Instruments	-	1,516,663	-	-	1,516,663
Payables from Derivative Financial Instruments	-	-	-	-	-
Non-Cash Loans (**)	70,540	123,328	-	-	193,868
31 December 2023					
Total Assets (*)	1,007,776	3,449,678	2,097	9,512	4,469,063
Total Liabilities	870,134	5,486,770	27	2,379	6,359,310
Net Balance Sheet Position	137,642	(2,037,092)	2,070	7,133	(1,890,247)
Net Off-Balance Sheet Position	(144,177)	2,022,724	-	-	1,878,547
Receivables from Derivative Financial Instruments	681,921	9,130,065	-	-	9,811,986
Payables from Derivative Financial Instruments	(826,098)	(7,107,341)	-	-	(7,933,439)
Non-Cash Loans (**)	150,604	227,693	-	-	378,297

(*) The amounts included under the Loans provided item do not include foreign currency indexed loan accounts.

(**) There is no effect on the net off-balance sheet position.

Foreign currency sensitivity

The following table details the Bank's sensitivity to a 10% increase or decrease in the TL against USD and EURO. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. Positive/ (Negative) number indicates a change in profit or loss and other equity where USD and EUR increase 10% against TL.

	Change in currency rate in %	Effect on profit/loss		Effect on equity	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
US Dollar	10 increase	(29,614)	(1,437)	(29,614)	(1,437)
US Dollar	10 decrease	29,614	1,437	29,614	1,437
EURO	10 increase	(1,905)	(654)	(1,905)	(654)
EURO	10 decrease	1,905	654	1,905	654
Other Currency	10 increase	881	464	881	920
Other Currency	10 decrease	(881)	(464)	(881)	(920)
Total Increase (Net)		(30,638)	(1,171)	(30,638)	(1,171)
Total Decrease (Net)		30,638	1,171	30,638	1,171

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V. Explanations Related to Interest Rate Risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Bank's position, and the Asset-Liability Committee manages it. The interest rate sensitivity of assets, liabilities and off-balance sheet items related to this risk are measured by using the standard method and included in the market risk for capital adequacy.

Risk Department performs duration, maturity and sensitivity analysis to protect the effect of interest rate volatility and reported to the Asset-Liability Committee.

Simulations on interest income are performed in connection with the forecasted economic indicators used in the budget of the Bank. The negative effects of the fluctuations in the market interest rates on the financial position and the cash flows are minimized by revising budgeted targets.

The Bank management follows the market interest rates daily and revises the interest rates of the Bank whenever necessary.

Since the Bank does not permit maturity mismatches or imposes limits on mismatch, a significant interest rate risk exposure is not expected.

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest bearing	Total
31 December 2024							
Assets							
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased, Precious Metal Reserve) and the Central Bank of Turkey	2,487,825	-	-	-	-	1,001,550	3,489,375
Banks	706,535	-	-	-	-	291,416	997,951
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-
Receivables from Money Markets	1,741,627	-	-	-	-	-	1,741,627
Financial Assets at Fair Value Through Other Comprehensive Income	-	36	-	463,603	-	138	463,777
Loans Given (*)	4,755,703	2,489,581	773,370	2,502	-	187,703	8,208,859
Financial Assets at Amortised Cost	-	-	-	51,162	-	-	51,162
Other Assets (**)	-	-	-	-	-	817,783	817,783
Total Assets	9,691,690	2,489,617	773,370	517,267	-	2,298,590	15,770,534
Liabilities							
Bank Deposits	-	-	-	-	-	2,357	2,357
Other Deposits	7,423,840	4,312,822	806,686	-	-	284,461	12,827,809
Payables to Money Markets	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-	-	-	-
Other Liabilities (***)	1,165,480	3	-	-	-	1,774,885	2,940,368
Total Liabilities	8,589,320	4,312,825	806,686	-	-	2,061,703	15,770,534
Balance Sheet Long Position	1,102,370	-	-	517,267	-	236,887	1,856,524
Balance Sheet Short Position	-	(1,823,208)	(33,316)	-	-	-	(1,856,524)
Off-Balance Sheet Long Position	-	-	-	-	-	1,943,792	1,943,792
Off-Balance Sheet Short Position	-	-	-	-	-	(1,683,524)	(1,683,524)
Total Position	1,102,370	(1,823,208)	(33,316)	517,267	-	497,155	260,268

(*) Revolving loans and Corporate foreign currency indexed revolving loans are classified under the "up to 1 month" column

(**) Tangible fixed assets, intangible assets, and other assets are presented under the "non-interest-bearing fixed assets" column.

(***) Equity is presented under the "non-interest-bearing other liabilities" column.

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V. Explanations Related to Interest Rate Risk (cont'd)

	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest bearing	Total
31 December 2023							
Assets							
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased, Precious Metal Reserve) and the Central Bank of Turkey	2,232,851	-	-	-	-	827,740	3,060,591
Banks	589,996	-	-	-	-	330,816	920,812
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-
Receivables from Money Markets	341,199	1,427,848	-	-	-	-	1,769,047
Financial Assets at Fair Value Through Other	-	-	-	-	-	-	-
Comprehensive Income	-	-	-	31	-	138	169
Loans Given (*)	4,181,545	2,285,877	2,693,831	1,162	-	187,698	9,350,113
Financial Assets at Amortised Cost	-	200,105	1,125,034	13,622	-	-	1,338,761
Other Assets (**)	-	148,023	-	-	-	310,433	458,456
Total Assets	7,345,591	4,061,853	3,818,865	14,815	-	1,656,825	16,897,949
Liabilities							
Bank Deposits	-	-	-	-	-	2,262	2,262
Other Deposits	7,117,231	2,898,708	4,219,288	-	-	554,019	14,789,246
Payables to Money Markets	51	-	-	-	-	-	51
Miscellaneous Payables	-	-	-	-	-	-	-
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-	-	-	-
Other Liabilities (***)	579,306	651	-	-	-	1,526,433	2,106,390
Total Liabilities	7,696,588	2,899,359	4,219,288	-	-	2,082,714	16,897,949
Balance Sheet Long Position	-	1,162,494	-	14,815	-	-	1,177,309
Balance Sheet Short Position	(350,997)	-	(400,423)	-	-	(425,889)	(1,177,309)
Off-Balance Sheet Long Position	-	-	-	-	-	17,999,201	17,999,201
Off-Balance Sheet Short Position	-	-	-	-	-	(17,877,110)	(17,877,110)
Total Position	(350,997)	1,162,494	(400,423)	14,815	-	(303,798)	122,091

(*) Revolving loans and Corporate foreign currency indexed revolving loans are classified under the "up to 1 month" column

(**) Tangible fixed assets, intangible assets, and other assets are presented under the "non-interest-bearing fixed assets" column.

(***) Equity is presented under the "non-interest-bearing other liabilities" column.

Average interest rates applied to monetary financial instruments:

31 December 2024	EURO	USD	YEN	TL
	%	%	%	%
Assets				
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased) and The Central Bank of Turkey	-	-	-	-
Banks	-	4.13	-	-
Financial Assets Measured at Fair Value through Profit or Loss	-	-	-	-
Receivables from Money Market	-	1.45	-	49.17
Financial Assets Measured at Fair Value through Other Comprehensive	-	6.38	-	48.87
Loans Given	6.88	4.94	-	46.64
Financial Assets Measured at Amortised Cost	-	-	-	25.00
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	2.55	3.95	-	37.87
Money Market Borrowings	-	-	-	48.63
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-

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V. Explanations Related to Interest Rate Risk (cont'd)

Average interest rates applied to monetary financial instruments:

31 December 2023	EURO %	USD %	YEN %	TL %
Assets				
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased) and The Central Bank of Turkey	-	-	-	-
Banks	-	3.94	-	-
Financial Assets Measured at Fair Value through Profit or Loss	-	-	-	19.93
Receivables from Money Market	2.53	-	-	23.03
Financial Assets Measured at Fair Value through Other Comprehensive	-	9.30	-	-
Loans Given	7.76	8.23	-	23.59
Financial Assets Measured at Amortised Cost	-	-	-	13.90
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	2.91	4.93	-	23.52
Money Market Borrowings	-	-	-	10.26
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-

Interest rate risk arising from banking accounts:

According to the “Regulation on Measurement and Evaluation of the Interest Rate Ratio of Banking Accounts Based on Standard Shock”, which is divided into different currencies of the Bank, the following table shows the economic value differences arising from interest rate fluctuations as of 31 December 2024:

Type of Currency	Shocks Applied (+ / - basis points)*	Gains / Losses	Gains / Equity – Losses / Equity
TL	500	(26,618)	(2%)
	(400)	24,522	2%
EURO	200	(2,025)	(0%)
	(200)	2,082	0%
US Dollar	200	(2,227)	(0%)
	(200)	2,298	0%
Total (of Negative Shocks)		28,902	2%
Total (of Positive Shocks)		(30,870)	(2%)

* Separate lines are entered for each shock with a different magnitude and direction applied to a currency.

VI. Explanations on Stock Position Risk

The Bank has no outstanding stock position.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio

Liquidity risk is the risk that arises as a result of not having enough cash or cash inflows to meet the cash outflows fully and on time as a result of the imbalance in the cash flow.

Liquidity risk may also occur when the market penetration is not adequate, when the open positions cannot be closed quickly at suitable prices and sufficient amounts due to barriers and break-ups at the markets.

The Bank's policy is to establish an asset structure that can meet all kinds of liabilities by liquid sources at all times. In this context, liquidity problem has not been faced in any period. In order to maintain this, the Board of Directors of the Bank continuously determines standards for the liquidity ratios and monitors them.

In accordance with the Bank's general policies, the harmony of maturity structures of assets and liabilities and interest rates is ensured within the Asset-Liability Management strategies, and the difference between the return and cost of Asset-Liability items in the balance sheet is constantly tried to be managed positively. In line with this strategy, various crisis scenarios created by the Risk Management Group are presented to the Senior Management and the Audit Committee.

When the funding and liquidity sources are considered, the Bank covers majority of its liquidity need by deposits, and in addition to this source, it makes use of pre-financing and syndication products to generate additional sources.

The Bank calculated liquidity adequacy ratio in both foreign currency and total amount as per Basel III and reported to BRSA according to Bank's Regulation on Measurement and Evaluation of Liquidity Adequacy Ratio declared in 2013. Furthermore, the Bank reports liquidity risk analysis form weekly to BRSA in 2013.

While the unconsolidated FC liquidity coverage ratios calculated weekly for the last three months were the lowest (17/11/2024) (157.40%) and the highest FX (22/11/2024) (395.18%), total liquidity coverage ratios are the lowest (30/10/2024) (288.65%) and the highest (04/10/2024) (669.51%).

Liquidity risk in a Bank is evaluated separately with respect to normal market conditions and market fluctuations, which can possibly occur. The Bank makes the required diversification in its assets and liabilities via considering related currencies in order to meet its obligation to pay.

Liquidity deficit report is issued through the quantitative evaluation of daily and cumulative deficits in local currency and foreign currency in the framework of ordinary and stressful environment. Liquidity deficit report includes deficit-maturing liabilities in any period of borrowings and placements made in order to replacement assets. Liquidity deficit report is based on current balance sheet and includes off-balance sheet derivative transactions and commitments, which can affect the balance sheet. Liquidity report is issued quarterly over TL and foreign currency.

Liquidity Risk Measurement is to determine the mismatch between assets and liabilities, which can occur because of challenges encountered in decreasing the asset positions if the assets of the Bank are pledged, and the assets cannot be sold with relative ease or the market returns to liquid assets at different levels. The liquidity of the Bank is designed to meet the due liabilities of the bank. The main actions followed by the bank to reach the aforementioned purpose are as follows:

- Measurement of day liquidity
- Short-term funding
- Liquid assets
- Structural liquidity
- Diversification of liquidity resources
- Stress tests

The Treasury department in coordination with marketing department performs liquidity management while stress test and scenario analyses studies are performed under the coordination of Risk Management Group with the views and suggestions of other related departments. Results of stress test are reported to executives regularly and submitted to Audit Committee quarterly by the Risk Management Group. Loan losses, delays in loan repayment and deposit withdrawals are used as variables in these stress test scenarios. Additional capital allocation is not made for liquidity risk.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Stress tests examine the possible effect of an event on balance sheet and net potential cumulative deficit quantitatively and foresee the required additional funding with respect to a defined stress scenario. Stress tests are performed quarterly over TL and foreign currency unless they are required to be performed more often due to a change occurring in market conditions.

The Bank operates periodical liquidity analyses, which compare the inflows and outflows of funds and cover a specific period. The following issues are taken into consideration in these analyses:

- Assumptions based on anticipated inflow and outflow of funds
- Capability of bank to convert its assets into cash
- Liquidity instruments provided by the Central Bank
- Loss of value which occurs while liquidating assets in market fluctuations
- Market conditions for specified several asset classifications

Sensitivity tests are performed periodically with scenarios, which are peculiar to banks and particular to the market. These scenarios are reviewed periodically.

Chief Economist presents a short explanation regarding the recent developments in market in Committee of Assets and Liabilities meetings. Departments of Treasury, Budget Planning and Management Reporting and Retail Banking inform the Committee regarding the recent liquidity of the Bank.

Credit/Deposit rate defined by the Board of Directors of the Bank provides short-term liquidity needs of the bank not to drop below a certain level of liquidity. The Credit/Deposit rate is monitored by departments of Treasury, Budget Planning and Management Reporting and Retail Banking and discussed in Committee of Assets and Liabilities meetings. Decisions regarding liquidity are made in the light of aforementioned information. The Treasury examines weekly Liquidity Analysis Form, biweekly Stock Liquidity Rate Notification Form and weekly Liquidity Rate Notification Form (first maturity segment) and related departments in order to determine liquidity balance between assets and liabilities of the Bank in accordance with the communique of Banking Regulation and Supervision Agency.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Liquidity Coverage Ratio:

31 December 2024		Total Value with Disregard Ratio Unapplied (*)		Consideration Rate Applied Total Value (*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS					
1	High quality liquid assets	4,988,184	4,007,226	3,178,276	2,195,324
CASH OUTFLOWS					
2	Real person deposits and retail deposits	6,057,683	2,944,383	596,980	294,342
3	Stable deposit	173,422	324	8,666	16
4	Low stable deposit	5,884,261	2,944,059	588,314	294,326
5	Unsecured debts excluding real person deposits and retail deposits	5,563,763	4,494,522	2,834,425	2,272,118
6	Operational deposit	-	-	-	-
7	Non-operational deposit	4,539,115	3,697,697	1,809,290	1,475,127
8	Other unsecured borrowings	1,024,648	796,825	1,025,135	796,991
9	Secured borrowings	-	-	-	-
10	Other cash outflows	900,524	158,107	123,942	40,481
11	Derivative liabilities and collateral liabilities	19,267	19,222	19,054	19,009
12	Payables from structured financial instruments	-	-	-	-
13	Payment commitments for debts to financial markets and other off-balance sheet liabilities	881,257	138,885	104,888	21,472
14	Non-revocable off-balance sheet liabilities and other contractual Liabilities	-	-	-	-
15	Other irrevocable or conditionally revocable off-balance sheet liabilities	-	-	-	-
16	TOTAL CASH OUTFLOWS			3,555,347	2,606,941
CASH INFLOWS					
17	Secured receivables	-	-	-	-
18	Unsecured receivables	6,132,436	1,876,418	5,897,978	1,727,387
19	Other cash inflows	114	12	114	12
20	TOTAL CASH INFLOWS	6,132,550	1,876,430	5,898,092	1,727,399
				Upper Limit Applied Values	
21	TOTAL STOCK OF HQLA			3,178,276	2,195,324
22	TOTAL NET CASH OUTFLOWS			888,837	879,542
23	LIQUIDITY COVERAGE RATIO (%)			357,58	249,60

(*) Simple arithmetic average calculated for the last three months by using the amounts calculated based on weekly simple arithmetic averages.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Liquidity Coverage Ratio (cont'd):

31 December 2023		Total Value with Disregard Ratio Unapplied (*)		Consideration Rate Applied Total Value (*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS					
1	High quality liquid assets			4,130,335	1,433,906
CASH OUTFLOWS					
2	Real person deposits and retail deposits	7,141,941	1,939,097	711,616	196,222
3	Stable deposit	210,055	462	10,617	23
4	Low stable deposit	6,931,886	1,938,635	700,999	196,199
5	Unsecured debts excluding real person deposits and retail deposits	5,119,204	2,355,081	2,608,857	1,179,155
6	Operational deposit	-	-	-	-
7	Non-operational deposit	4,215,478	1,980,566	1,700,405	801,517
8	Other unsecured borrowings	903,726	374,515	908,452	377,638
9	Secured borrowings			-	-
10	Other cash outflows	707,383	203,234	127,632	32,873
11	Derivative liabilities and collateral liabilities	21,596	8,080	21,795	8,096
12	Payables from structured financial instruments	-	-	-	-
13	Payment commitments for debts to financial markets and other off-balance sheet liabilities	685,787	195,154	105,837	24,777
14	Non-revocable off-balance sheet liabilities and other contractual Liabilities	-	-	-	-
15	Other irrevocable or conditionally revocable off-balance sheet liabilities	-	-	-	-
16	TOTAL CASH OUTFLOWS			3,448,105	1,408,250
CASH INFLOWS					
17	Secured receivables	-	-	-	-
18	Unsecured receivables	4,253,214	1,734,442	4,038,569	1,627,117
19	Other cash inflows	60,433	25,424	61,301	25,466
20	TOTAL CASH INFLOWS	4,313,647	1,759,866	4,099,870	1,652,583
				Upper Limit Applied Values	
21	TOTAL STOCK OF HQLA			4,130,335	1,433,906
22	TOTAL NET CASH OUTFLOWS			862,026	352,063
23	LIQUIDITY COVERAGE RATIO (%)			479.14	407.29

(*) Simple arithmetic average calculated for the last three months by using the amounts calculated based on weekly simple arithmetic averages.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

A decrease is observed in cash inflow and outflows in parallel with the decrease in the volume of credit and deposit. Additionally, liabilities of the bank with respect to these transactions increase in parallel with the derivative transactions made in order to minimize the currency risk of the Bank.

High quality liquid assets consist of cash assets, central banks, securities held for trading and reverse repo items.

A significant proportion of daily cash inflow of the Bank consists of payments related to loans issued and placement of banks while a significant proportion of daily cash outflow of the Bank consists of payments related to collected deposits. Domestic and foreign banks and loan clients constitute the resource of cash inflows. The Bank applies limits for the transactions, which shall be made with domestic and foreign banks, and these limits are monitored by the Risk Management Department daily.

The Bank has performed forward exchange, swap and option transactions with foreign financial institutions during 2024.

A "Recovery Plan" is prepared once a year regarding the liquidity emergency and contingency plans and is submitted for approval to the Board of Directors. This plan includes liquidity scenario impact analysis, stress scenarios, and recovery actions.

As of 31 December 2024, the Bank's NSFR ratio, calculated from the three-month average amounts, is 297% (31 December 2023: 266%). This ratio is above the minimum required ratio. The regulation has set the minimum NSFR ratio at 100%. The following tables reflect the details of the NSFR ratio at the end of the period.

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

Current Period		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
31 December 2024						
Available stable funding						
1	Capital Instruments	1,438,060	-	-	-	1,438,060
2	Tier 1 Capital and Tier 2 Capital	1,438,060	-	-	-	1,438,060
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	-	5,682,063	7,537	-	5,130,357
5	Stable Deposits	-	193,931	398	-	184,612
6	Less Stable Deposits	-	5,488,132	7,139	-	4,945,745
7	Other Obligations	1,865,174	6,247,943	20	-	3,451,919
8	Operational deposits	-	-	-	-	-
9	Other Obligations	1,865,174	6,247,943	20	-	3,451,919
10	Liabilities equivalent to interconnected assets	-	-	-	-	-
11	Other Liabilities	-	-	-	-	-
12	Derivative liabilities	-	-	-	-	-
13	All other equity not included in the above categories	-	-	-	-	-
14	Available stable funding					10,020,336
Required stable funding						
15	Required stable funding					112,979
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	98,666	8,210,253	-	1,740,000	2,541,995
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	1,740,000	174,000
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	5,111,067	-	-	766,660
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	98,666	3,099,186	-	-	1,601,335
21	Loans with a risk weight of less than or equal to 35%	-	-	-	-	-
22	Residential mortgages	-	-	-	-	-
23	Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	-	-	-	-
25	Assets equivalent to interconnected liabilities					
26	Other Assets	896,753	-	-	-	896,753
27	Physical traded commodities, including gold	-	-	-	-	-
28	Initial margin posted or given guarantee fund to central counterparty			-		-
29	Derivative Assets			-		-
30	Derivative Liabilities before the deduction of the variation margin			-		-
31	Other Assets not included above	896,753	-	-	-	896,753
32	Off-balance sheet commitments		194,952	28,330	317,283	27,028
33	Total Required stable funding					3,578,755
34	Net Stable Funding Ratio (%)					280

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

Prior Period	Unweighted Amount According to Residual Maturity				Total Weighted Amount
	Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
31. December 2023					
Available stable funding					
1	Capital Instruments	1,087,042	-	-	1,087,042
2	Tier 1 Capital and Tier 2 Capital	1,087,042	-	-	1,087,042
3	Other Capital Instruments	-	-	-	-
4	Real-person and Retail Customer Deposits	-	3,362,268	30,691	6,556,144
5	Stable Deposits	-	259,164	22,174	267,271
6	Less Stable Deposits	-	3,103,104	8,517	6,288,873
7	Other Obligations	1,572,291	10,329,488	464,969	3,537,281
8	Operational deposits	-	-	-	-
9	Other Obligations	1,572,291	10,329,488	464,969	3,537,281
10	Liabilities equivalent to interconnected assets	-	-	-	-
11	Other Liabilities	-	-	-	-
12	Derivative liabilities	-	-	-	-
13	All other equity not included in the above categories	-	-	-	-
14	Available stable funding				11,180,467
Required stable funding					
15	Required stable funding				66,939
16	Deposits held at financial institutions for operational purposes	-	-	-	-
17	Performing Loans	291,164	16,974,385	1,266,124	3,169,218
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	1,882,201	-	663,463
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	291,164	15,092,184	1,266,124	2,505,755
21	Loans with a risk weight of less than or equal to 35%	-	-	-	-
22	Residential mortgages	-	-	-	-
23	Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	-	-	-
25	Assets equivalent to interconnected liabilities	-	-	-	-
26	Other Assets	425,196	144,026	-	569,222
27	Physical traded commodities, including gold	-	-	-	-
28	Initial margin posted or given guarantee fund to central counterparty	-	-	-	-
29	Derivative Assets	-	-	144,026	144,026
30	Derivative Liabilities before the deduction of the variation margin	-	-	-	-
31	Other Assets not included above	425,196	-	-	425,196
32	Off-balance sheet commitments	-	29,152	5,457	32,349
33	Total Required stable funding				3,837,728
34	Net Stable Funding Ratio (%)				291

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Presentation of assets and liabilities according to their remaining maturities:

31 December 2024	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Undistributed (*)	Total
Assets								
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Received, Precious Metal Reserve) and Central Bank of Turkey (****)	1,326,356	1,280,193	743,718	139,108	-	-	-	3,489,375
Banks	291,416	706,535	-	-	-	-	-	997,951
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-	-
Receivables from Markets	-	1,741,627	-	-	-	-	-	1,741,627
Financial Assets at Fair Value at Other Comprehensive Income	138	-	36	-	463,603	-	-	463,777
Loans Given (***)	-	4,755,703	2,489,581	773,370	2,502	-	187,703	8,208,859
Financial Assets Measured at Amortised Cost	-	-	-	-	51,162	-	-	51,162
Other Assets	-	-	-	-	-	-	817,783	817,783
Total Assets	1,617,910	8,484,058	3,233,335	912,478	517,267	-	1,005,486	15,770,534
Liabilities								
Bank Deposits	2,357	-	-	-	-	-	-	2,357
Other Deposits	284,461	7,423,840	4,312,822	806,686	-	-	-	12,827,809
Funds from Other Financial Institutions	-	-	-	-	-	-	-	-
Payables to Money Markets	-	-	-	-	-	-	-	-
Issued Securities	-	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-	-
Other Liabilities (**)	-	1,165,480	3	-	-	-	1,774,885	2,940,368
Total Liabilities	286,818	8,589,320	4,312,825	806,686	-	-	1,774,885	15,770,534
Liquidity Deficit	1,331,092	(105,262)	(1,079,490)	105,792	517,267	-	(769,399)	-
Net Off-Balance Position								
Receivables from Derivative Financial Instruments	-	17,761	(166,273)	-	-	-	-	(148,512)
Payables from Derivative Financial Instruments	-	843,785	672,878	-	-	-	-	1,516,663
Non-Cash Loans	-	249,874	513,211	1,345,245	42,338	304,400	-	2,455,068
31 December 2023								
Total Assets	2,266,289	5,675,338	4,290,986	4,152,390	14,815	-	498,131	16,897,949
Total Liabilities	556,281	7,696,589	2,899,358	4,219,288	-	-	1,526,433	16,897,949
Liquidity Deficit	1,710,008	(2,021,251)	1,391,628	(66,898)	14,815	-	(1,028,302)	-
Net Off-Balance Position								
Receivables from Derivative Financial Instruments	-	90,328	(71,420)	103,183	-	-	-	122,091
Payables from Derivative Financial Instruments	-	13,879,772	3,276,533	842,896	-	-	-	17,999,201
Non-Cash Loans	-	2,500	14,000	186,000	529	2,500,827	-	2,703,856
(*)	The assets, which are necessary to provide banking services and cannot be liquidated in the short term, such as tangible assets, investments in subsidiaries and associates and non-performing loans are classified under undistributed.							
(**)	Shareholders' equity is shown under "Other Liabilities" in "Undistributed Column".							
(***)	Revolving loans and corporate foreign currency indexed revolving loans are classified in up to 1-month column.							
(****)	Reserve requirement distribution is based on maturity distribution of liabilities on which the reserve is calculated.							

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Presentation of assets and liabilities according to their remaining maturities:

	Up to 1 Month (*)	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Adjustments	Total
31 December 2024							
Bank Deposits	2,357	-	-	-	-	-	2,357
Other Deposits	1,187,520	4,948,549	6,920,218	-	-	(228,478)	12,827,809
Payables to Money Markets	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-	-	-	-
Total	1,189,877	4,948,549	6,920,218	-	-	(228,478)	12,830,166
31 December 2023							
Bank Deposits	2,262	-	-	-	-	-	2,262
Other Deposits	9,856,757	3,724,287	5,420,982	-	-	-	14,789,246
Payables to Money Markets	51	-	-	-	-	-	51
Funds Provided from Other Financial Institutions	-	-	-	-	-	-	-
Total	9,859,070	3,724,287	5,420,982	-	-	-	14,791,559

(*) Includes demand deposits.

Analysis of contractual expiry by maturity of the Bank's derivative financial instruments is as follows:

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
31 December 2024						
Trading Derivatives Instruments						
Foreign Exchange Derivatives	17,761	(166,273)	-	-	-	(148,512)
- Addition	843,785	672,878	-	-	-	1,516,663
- Disposal (-)	826,024	839,151	-	-	-	1,665,175
Interest Rate Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Hedging Assets						
Foreign Exchange Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Interest Rate Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Total cash inflow	843,785	672,878	-	-	-	1,516,663
Total cash outflow	826,024	839,151	-	-	-	1,665,175
31 December 2023						
Trading Derivatives Instruments						
Foreign Exchange Derivatives	(1,347,560)	(1,237,090)	842,896	-	-	(1,741,754)
- Addition	6,266,461	1,092,560	842,896	-	-	8,201,917
- Disposal (-)	7,614,021	2,329,650	-	-	-	9,943,671
Interest Rate Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Hedging Assets						
Foreign Exchange Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Interest Rate Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Total cash inflow	6,266,461	1,092,560	842,896	-	-	8,201,917
Total cash outflow	7,614,021	2,329,650	-	-	-	9,943,671

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VIII. Explanations Related to Leverage Ratio

Information on subjects that cause difference in leverage ratio between current and prior periods:

As of 31 December 2024, the leverage ratio of the Bank calculated from quarterly average amounts is 9.46% (31 December 2023: 8.05%). This rate is above the minimum rate. The regulation stipulates the minimum leverage ratio as 3%.

Leverage ratio:

	On-balance sheet assets	31 December 2024 (*)	31 December 2023(*)
1	On-balance sheet assets (except derivative financial instruments and credit derivatives, including collateral)	12,949,941	12,649,177
2	(Assets deducted from Tier 1 capital)	(27,679)	(387,583)
3	Total risk amount for on-balance sheet assets (Total of lines 1 and 2)	12,922,262	12,261,594
	Derivative financial instruments and credit derivatives		
4	Replacement cost of derivative financial instruments and credit derivatives	159	301,120
5	Potential credit risk amount of derivative financial instruments and credit derivatives	18,416	231,872
6	Total risk amount for derivative financial instruments and credit derivatives (Total of lines 4 and 5)	18,575	532,992
	Securities or commodity-backed financing transactions		
7	Risk amount of securities or commodity-backed financing transactions (excluding on-balance sheet)	-	-
8	Amount of risk arising from brokered transactions	-	-
9	Total exposure to securities or commodity-backed financing transactions (Total of lines 7 and 8)	-	-
	Off-balance sheet transactions		
10	Gross nominal amount of off-balance sheet transactions	2,701,373	2,360,772
11	(Adjustment amount due to multiplication of conversion rates)	(297,302)	(362,959)
12	Total risk amount related to off-balance sheet transactions (Total of lines 10 and 11)	2,404,071	1,997,813
	Capital and total risk		
13	Main capital	1,445,923	1,187,119
14	Total risk amount (Total of lines 3, 6, 9 and 12)	15,344,908	14,792,399
	Leverage ratio		
15	Leverage ratio	9.46%	8.05%

(*) The three-month average of the amounts in the table is taken.

IX. Explanations Related to Market Risk

Market risk is the risk that influence the Bank's income, capital or the supporting capacity of business development according to the changes of the market rate or the prices related to the market rate, stock prices, credit margins and currency rates. The description of market risk element is mentioned below:

a. Interest Rate Risk is the influence on market value of equity and the Bank's income according to the changes in interest rate. This risk divided to two risks:

Specific Risk: It causes by adverse price movements in debt securities or the factors related to issuer.

General Market Risk: It causes by adverse market conditions.

b. Equity Position Risk: It is the risk that the depreciation of Bank's investments caused by the dynamics of stock market.

c. Currency Risk: It causes by net foreign currency position including the balance sheet and off-balance sheet transactions.

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IX. Explanations Related to Market Risk (cont'd)

The market risk caused by trading portfolio, is calculated by standardized approach and the result is used in determining the amount of capital required for the market risk. The primary market risk types of the Bank are currency risk, interest rate risk, investment and asset/liability management activities. The influence of different factors in different scenarios to the market risk is analyzed by using stress tests. The changes in the currency and interest rate in TL and FC are the basic parameters of the stress tests and scenario analysis. There is an economic capital limit determined by Board Decision for stress tests. The effect of one point difference in interest rate to all assets and liabilities of the Bank which are sensitive to the interest rate is calculated for TL and FC separately. The results of the stress tests and scenario analysis are presented to the ALCO weekly, the Board of Directors and the Audit Committee quarterly. The results are taken into account in decision-making processes.

The market risk of the Bank measured by consistent risk measurement models, methods such as interest rate/price volatility levels and Value at Risk (VAR), establishing appropriate procedures for controls and observing compliance with predetermined risk limits, ultimately to search and find risk sources within the organizational structure and to provide consistent information on market risk for all levels of the organization.

Market risk management is conducted in coordination with Risk Management Market Risk Unit, Treasury and Financial Institutions departments. The market is monitored at weekly ALCO meetings and necessary actions are taken. The limits determined by the Bank's Board of Directors are monitored on a daily basis. In the event of oversight, the relevant unit/department managers, the oversight information is sent to the Board Member Responsible for Internal Systems and General Manager and the results are monitored. The related parties are in communication from the creation of market risk management structure to the follow-up operation of the structure. The Financial Institutions Department and the Risk Management Department work in coordination to monitor the Country and Correspondent Bank limits and risks. Similarly, there is a coordination in the ISEDES/ICAAD work. In this context, Financial Institutions act as approval authority and Risk Management as reviewer authority.

Weekly market risk reports are prepared and presented to ALCO. On a quarterly basis, the Audit Committee and the Board of Directors are informed by reports. Value at Risk (VAR) calculations are made through the market risk module and reported to the relevant departments/units. For these calculations, market data is withdrawn at the same period and transferred to the market risk module. VAR calculations include market sensitive instruments such as securities in the Bank's portfolio (TL/FC) and foreign exchange position.

Market risk under standardized approach

	RWA
Outright products	
Interest rate risk (general and specific)	54,025
Equity risk (general and specific)	-
Foreign exchange risk	18,836
Commodity risk	-
Options	
Simplified approach	-
Delta-plus method	-
Scenario approach	-
Securitization	-
Total	72,861

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X. Explanations Related to Operational Risk

Basic indicators method:

	2 PY Amount	1 PY Amount	CY Amount	Total/ Positive Number of years	Rate (%)	Total
Gross income	161,118	457,377	1,088,919	569,138	15	85,371
The Amount Subject to Operational Risk (Total *12.5)						1,067,134

Operational risk is the risk of a loss resulting from inadequate or failed internal processes, employee faults or system errors or external factors. The Bank's units manage this risk through clearly defined policies, procedures and internal controls. The risks related to the banking processes and the controls related to these risks are based on the inventory of the Inspection Board and Internal Control Center and are updated annually.

Risk Management Group calculates operational risk according to Basel II Basic Indicator Method. The Risk Management Group raises awareness about operational risks, audits and residual risks by reporting to the Senior Management. In addition, there is a risk appetite limit based on the professional risk loss amount approved by the Board of Directors.

Thanks to the application it uses to centrally manage operational risks, T-Bank can gather all operational and IT risks in a single center and provide control. The Risk Management Group, with the independent system it uses and ensures that operational risks and losses are recorded regularly, independent of execution and integrated with daily risk management processes.

In accordance with Procurement of Support Services, operational risk of support service firms are assessed. With departments related to support service firms, risk analysis studies are conducted by Risk Management Group. For support service firms, annual risk management program is formed and then presented to the Board of Directors. In addition, the qualifications of the support services are assessed annually by the Audit Committee and the results of the assessment are presented to the Board of Directors with a report.

Implementation steps of business processes are passed through and actions are suggested for improvement in case of necessity. Relevant departments are continuously monitoring whether these actions are put into effect.

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XI. Risk Management Objectives and Policies

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures about Risk Management to be Announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. According to Communiqué must be presented on a quarterly basis. Due to usage of standard approach for the calculation of capital adequacy by the Bank, the following tables have not been presented as of 31 December 2024:

- RWA flow statements of credit risk exposures under IRB
- RWA flow statements of CCR exposures under the Internal Model Method (IMM)
- RWA flow statements of market risk exposures under an IMA

Bank's Risk Management Approach

Risks for all banking processes and related sub-processes are identified and risk values are defined. In order to evaluate the effectiveness of the defined risk-based controls, the risk values are now automatically calculated and the changes are monitored continuously. The Bank focuses on lending in the corporate and SME segments, operates within the limits set for market risk, and cannot carry operational risk appetite in order to minimize operational risk. The Bank's risk profile and business model are integrated under the risk appetite policy. Accordingly, the Bank must proceed in line with the limits set in the business model.

The structure and organization of the risk management system in terms of the function and responsibilities of the Risk Management Group depends on the Board of Directors. Loyalty to the Board of Directors takes place through the Audit Committee. Risk Management conducts its activities under the supervision of the Audit Committee within the framework of the provisions of the "Regulation on Internal Systems of Banks and Internal Capital Adequacy Assessment Process" published by BRSA. Risk management considers credit, market, interest rate, concentration, liquidity risks and operational risks in their works as the basic principle to establish the limits of these risks and control processes. The Bank has established a stress-test-driven management by taking into account the changes in the market, as well as the maximum amount of loss that may arise in Credit Risk, Operational Risk, Market Risk and other risks within the scope of internal capital management.

Policies, procedures, workflows and similar documents published by internal systems and all other departments are in a common portal accessible to all bank employees, and changes made to existing documents or newly published documents are provided to employees via e-mail. There are many policies and procedures including Credit Policy, Risk Management Policies (Risk Appetite Policy, Market Risk, Liquidity Risk, Operational Risk, Concentration Risk, Country and Counterparty Risks etc.) assessed and reviewed annually.

The Risk Management Department inform the Board of Directors and top management by monthly basis reports on credit risk, market risk, and operational risk areas. Credit risk concentration (borrower/group, business line, sector, maturity, currency, collateral etc.), analyses on the defaulting loan portfolio and stress tests, and analyses of capital adequacy; internal and legal market risk limits and compliance with operational risk losses. Apart from this, with the PD analysis reports made in the field of Credit Risk for 3 months, various breakdowns are analyzed based on the number of defaults in which the borrower has the default rate. In addition, the report of the Audit Committee, which is prepared for 3 months, includes analyses on all risk types (capital adequacy, limits on market and liquidity risk, defaulting loan portfolio, sectoral information, credit concentration, risks related to information technology, etc.).

The Bank reduces the risks arising from the credit activity as determined by the process and policies it has established. The main instrument used in risk mitigation is collateral, and the collaterals obtained by the collateralization policy are managed by the Credits and Risk Management divisions such as portfolio, customer, collateral type, etc. and monitored regularly.

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XI. Risk Management Objectives and Policies (cont'd)

Overview of Risk Weighted Assets

	Risk Weighted Amount		Minimum capital requirement		
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	
1	Credit risk (excluding counterparty credit risk) (CCR)	5,778,358	6,468,067	462,269	517,445
2	Standardised approach (SA)	5,778,358	6,468,067	462,269	517,445
3	Internal rating-based (IRB) approach	-	-	-	-
4	Counterparty credit risk	50,370	148,510	4,030	11,881
5	Standardised approach for counterparty credit risk (SA-CCR)	50,370	148,510	4,030	11,881
6	Internal model method (IMM)	-	-	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-	-	-
8	Investments made in collective investment companies – look-through approach	-	-	-	-
9	Investments made in collective investment companies – mandate-based approach	-	-	-	-
10	Investments made in collective investment companies - 1250% weighted risk approach	-	-	-	-
11	Settlement risk	-	-	-	-
12	Securitization positions in banking accounts	-	-	-	-
13	IRB ratings-based approach (RBA)	-	-	-	-
14	IRB Supervisory Formula Approach (SFA)	-	-	-	-
15	SA/simplified supervisory formula approach (SSFA)	-	-	-	-
16	Market risk	72,861	63,576	5,829	5,086
17	Standardised approach (SA)	72,861	63,576	5,829	5,086
18	Internal model approaches (IMM)	-	-	-	-
19	Operational Risk	1,067,134	473,827	85,370	37,906
20	Basic Indicator Approach	1,067,134	473,827	85,370	37,906
21	Standard Approach	-	-	-	-
22	Advanced measurement approach	-	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	6,968,723	7,153,980	557,498	572,318

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XI. Risk Management Objectives and Policies (cont'd)

Risk management strategies and practices are defined as follows: The Bank's Risk Management Group was established in 2001 as an independent unit which reports to the Member of Audit Committee have been responsible for the Audit, Internal Control and Risk Management.

Risk management is committed to control processes in order to determine the limits and measurement of operational risks, including the risks comprising of credit, market, interest rate, concentration, counterparty, liquidity, banking accounts and IT risks.

Objective of risk policies: In line with "Regulation on Internal Systems of Banks (published in the Official Gazette dated 11 July 2014 numbered 29057)", sustaining the Bank's operations in accordance with the Banks' strategic plans, mission, targets, profitability and productivity principles by determining Bank's risk strategy and maximum risk level in line with the volume, qualification and complexity of the Bank's operations by taking into consideration the Bank's past experience and performance. Moreover, ensuring to conserve the interests of depositors and the Bank's shareholder's interest at a maximum level.

Risk management regularly reports to Senior Management and the Audit Committee all the risks the bank is exposed to and concentrations, and the Bank's own internal limits of the legal limits are monitored daily, weekly, monthly and quarterly. These reports consist of VAR analysis, market risk limits, stress testing and scenario analysis, liquidity and interest rate, economic capital and capital adequacy analysis. These reports (daily value at risk (VAR) analysis, weekly interest rate risk, market risk limits and contains the calculation of economic capital) are also presented to Asset-Liability Management Committee on a weekly basis.

Quarterly stress tests and scenario analyses on economic capital, capital adequacy, liquidity and profitability scenarios and credit risk on Bank's loan portfolio including benchmark of similar banks are presented to the Audit Committee. Management follows the Bank's performance and the limits by using these detailed reports.

The Bank has a system set reporting in accordance with the legislation and the standard shock method for measuring and evaluating the interest rate risk arising from on-balance sheet and off-balance sheet positions in the banking accounts by using the standard shock method. The Regulation on Measurement and Evaluation and the Regulation on Credit Risk Mitigation Techniques is intended to be reported based on risk classes according to the procedures described. In addition, the liquidity coverage ratio calculated under Basel III is calculated using a separate reporting system and it is aimed to measure and monitor the balance between the Bank's net cash outflows and high-quality liquid assets and total and foreign currency liquidity coverage ratios.

Risk Management Group calculates Basel II capital adequacy calculation systematically, namely Credit Risk, Market Risk and Operational Risk, in accordance with "Regulation on Measurement and Assessment of Capital Adequacy of Bank's" published in the Official Gazette dated 23 October 2015, numbered 29511.

Starting from 1 January 2014 equity and the capital adequacy ratio of the Bank is calculated in accordance with the "Change in the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" published in the Official Gazette no. 29511, dated 23 October 2015 and "Regulation on Equities of Banks" published in the Official Gazette no.28756, dated 5 September 2013.

The Bank updated its disclosures in accordance with the "Change in the Communique on the Financial Statements to be announced to public by Banks as well as Explanations and Footnotes Thereof" published in the Official Gazette no.28983, dated 26 April 2014 and in accordance with "Communiqué on Disclosures about Risk Management to Be Announced to Public by Banks" published in the Official Gazette no.29599, dated 20 January 2016.

At the Bank, by considering Regulation on the Internal Systems of Banks published in the Official Gazette No. 29057 dated 11 July 2014, banking processes and policies were revised. Consequently, related procedures/policies are updated/formed and then approved by the Board of Directors.

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XI. Risk Management Objectives and Policies (cont'd)

The Bank has completed and constantly updated its processes in order to manage the operational risks it is exposed to more effectively and to create an integrated risk management perspective. The Bank's operational risks and controls related to these risks are managed through a central application and are updated periodically. Issues identified in the results of the evaluation made by the Internal Systems departments are also recorded and followed up through this application. The Operational Risk Policy, in which operational risk processes are expressed, is regularly reviewed and necessary updates are made. Market Risk Policy has been established in order to define, measure, limit and report the market risk that the Bank is exposed to. While the Bank manages the Treasury securities portfolio within the market risk limits determined by the Board of Directors, the Risk Management Group checks daily whether it is within the Treasury's risk limits.

Liquidity Risk is the risk that the Bank cannot fulfil its payment obligations fully and on time due to its insufficient cash inflow or due to inadequate available cash resulting from the mismatch between cash inflows and outflows. In order to define, measure, follow, report the liquidity risk the Bank is exposed to and take necessary actions for the results, Liquidity Risk Policy is formed. When Liquidity Risk Policy is formed, to manage the net liquidity position and liquidity requirement on an ongoing and forward-looking basis is aimed at.

Concentration risk is the risk within credit risk that is exposed according to individual debtor and debtor groups, to debtor groups that indicate similar characteristics in terms of economic and regional sector qualities, on the basis of the assets subject to the collateral securities that show similar price pattern behavior; the risk that is to be considered also within the scope of the market risk and operational risk. In order to define, measure, follow and manage the concentration risk the Bank is exposed to, Concentration Risk Policy is formed. Concentration limits are monitored in compliance with the credit, deposit and related policies.

Counterparty credit risk refers to the default risk of the counterparty of the transaction before the last payment in the cash flow of this transaction of which brings an obligation to both sides. In order to define measure, follow and manage the counterparty credit risk the Bank is exposed to Counterparty Credit Risk Policy is formed. Counterparty credit risk management is conducted by the Financial Institutions Department of the Bank by taking into account the counterparty's financial reports, general overview, rating, current and expected transaction volumes with the Bank. The limits for counterparties are determined by the Board of Directors.

Banking book includes all Assets and Liabilities (including credit) except trading securities portfolio. In order to define, measure, follow, report the interest rate risk related to banking book risk the Bank is exposed to and take necessary actions for the results, interest rate risk policy related to banking book is formed. Interest rate risk is managed by senior management in order to avoid losses from adverse interest rate movements.

Regarding internal assessment process which aims at the Bank has capital requirement according to its risk profile, Internal Capital Management Procedure is formed. Within internal capital management scope, the Bank has established a stress test based management by taking into account the estimated maximum loss amount that may occur in credit, operational, market and other risks as well as the changes in the market.

In order to ensure that the Bank's term deposit structure is in line with the Bank's strategies and budget targets and is in a robust and sustainable structure, Deposit Policy is formed. Policies and systems in order to define, measure and follow the concentration risk of the Bank's deposit is also explained in Deposit Policy.

Organization and structure of Risk Management Group: Risk Management Group work under the Board of Directors as their functions and responsibilities. The connection with the Board of Directors and Risk Management Group is provided through the Audit Committee.

Risk Reporting and Scope and Nature of Measurement Systems: Limits and market risk reports are presented daily basis by the Risk Management Group, value at Risk report (ALCO), ECAP stress test, scenario analysis, Duration Gap primary shock, the market data and limit reports are presented a weekly basis to Assets-Liability Committee. On a quarterly basis, the rest of the reports and other works are reported to Audit Committee and Board of Directors. The results of other studies and analysis are also reported to the Audit Committee and the Board of Directors every 3 months.

Hedging risk and process of risk mitigation policies and process related to control their effectiveness continuously: The Bank carries out risk mitigation processes and risk hedging for credit risk in accordance with credit risk policies.

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XI. Risk Management Objectives and Policies (cont'd)

Risks related to market risks are measured and monitored in line with policies and implementation procedures and are kept under control with allocated limits. Accordingly, risk limits have been allocated by the Board of Directors. Limits are monitored and reported, and in case of exceeding any limit, the excess is notified to the relevant units via written/e-mail and reported to the relevant committees. In addition, presentations are made to the Audit Committee and the Board of Directors on a quarterly basis, including information on the use cases of limits and sector concentrations of loans.

XII. Explanations Related to Presentation of Financial Assets and Liabilities at Fair Value

The fair values of the Bank's financial assets and liabilities are presented below;

	Book Value		Fair Value	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Financial Assets	11,725,543	13,752,390	11,580,115	13,130,170
Receivables from Money Markets	1,742,324	1,769,047	1,742,324	1,769,047
Banks	997,254	920,812	997,254	920,812
Financial Assets at Fair Value Through Other Comprehensive Income (*)	463,639	169	463,639	169
Financial Assets Measured at Amortised Cost	51,232	1,338,761	52,194	1,255,555
Loans Received	8,471,094	9,723,601	8,324,566	9,184,587
Financial Liabilities	13,571,416	15,218,761	13,597,065	15,183,852
Bank Deposits	2,357	2,261	2,357	2,261
Other Deposits	12,827,809	14,789,247	12,853,458	14,754,338
Funds Borrowed From Other Financial Institutions	-	-	-	-
Debts to Money Markets	-	51	-	51
Miscellaneous Payables	741,250	427,202	741,250	427,202

(*) The non-listed shares with a value of TL 138 have not been included. Investments in non-publicly traded subsidiaries and unlisted shares are measured at acquisition cost. The cost may serve as an appropriate estimation method for determining fair value. This is the case when there is insufficient timely information available to measure fair value, or when fair value can be measured using multiple methods, and the cost method best reflects the fair value estimate among these methods, which is why it is measured at cost.

The following methods and assumptions were used to estimate the fair value of the financial instruments:

i. Financial Assets:

Money market placements and banks are accounted in the financial statements at amortised cost and it is assumed that their fair values approximate their carrying values due to their short-term nature. The fair values of financial assets measured at amortised cost are calculated based on market prices (Level 1 Hierarchy). The discount rates used as the basis for the calculation of the fair value of the loans granted are the interest rates valid in the markets for the relevant loan and instrument type on 31 December 2024.

ii. Financial Liabilities:

Bank deposits, money market payables and miscellaneous payables are assumed to approximate their fair values to their book values due to their short-term nature. The discount rates used as a basis for calculating the fair value of other deposits and funds provided by other financial institutions are the interest rates valid in the markets for the relevant deposit type and the loan type on 31 December 2024.

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XII. Explanations Related to Presentation of Financial Assets and Liabilities at Fair Value (cont'd)

Fair Value Measurement Classification

The "IFRS 7 – Financial Instruments: Disclosures" standard requires the fair values of financial instruments measured and presented in the financial statements to be classified and presented in a manner that reflects the importance of the data used in determining their fair value. This classification is primarily based on whether the data is observable or not. Observable data refers to the use of market data obtained from independent sources, while non-observable data refers to the use of the Bank's market forecasts and assumptions. This distinction generally results in the following classifications:

Level 1: Financial assets and liabilities are valued based on quoted prices in active markets for identical assets and liabilities.

Level 2: Financial assets and liabilities are valued based on inputs that are directly or indirectly observable in the market, other than the quoted prices mentioned in Level 1.

Level 3: Financial assets and liabilities are valued based on inputs that are not observable in the market for determining the fair value of the asset or liability.

Classification requires using observable market data if possible.

In this context, the fair value hierarchy of financial assets and liabilities measured at fair values are as followed:

31 December 2024	Level 1	Level 2	Level 3
Financial Assets			
Financial Assets at Fair Value through Profit and Loss	-	-	-
Financial Assets at Fair Value at Other Comprehensive Income	463,639	-	-
31 December 2023	Level 1	Level 2	Level 3
Financial Assets			
Financial Assets at Fair Value through Profit and Loss	-	-	-
Financial Assets at Fair Value at Other Comprehensive Income			
Derivative Financial Instruments	31	-	-
		148,023	
Financial Liabilities			
Derivatives Financial Liabilities	-	16,083	-

XIII. Explanations Related To Transactions Made on Behalf of Others and Fiduciary Transactions

The Bank provides security purchase-sell and safe keeping services in the name of real persons and legal entities. Details of investment securities held in custody are given in the Statement of Off Balance Sheet.

XIV. Explanations on Securitization Positions

There are no securitization positions in the bank portfolio.

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SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Disclosures Related to the Assets of the Balance Sheet

1. a) Information on cash values and CBRT:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Cash/Effective	4,232	126,209	5,122	341,206
CBRT	275,764	3,083,170	1,238,058	1,476,205
Total	279,996	3,209,379	1,243,180	1,817,411

b) Information related to the account of the Central Bank of Turkey:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Unrestricted Demand Deposits	249,171	871,098	1,063,834	307,155
Unrestricted Time Deposits	-	-	-	-
Unrestricted Time Account	-	-	-	-
FC Required Reserve	26,593	2,212,072	174,224	1,169,050
Total	275,764	3,083,170	1,238,058	1,476,205

c) Explanations related to reserve deposits:

Banks operating in Turkey pursuant to the Communiqués of the Central Bank of the Republic of Turkey No. 2011/11 and 2011/13 on Amending the “Communiqué on Required Reserves” maintain required reserves at the Central Bank of the Republic of Turkey over its Turkish Lira and foreign currency liabilities, in US Dollars and/or Euros, at the rates specified below.

As per the Communiqué no. 2013/15 “Reserve Deposits” of the Central Bank of the Republic of Türkiye (CBRT), banks operating in Turkey keep reserve deposits for their TRY liabilities with reserve deposit rates between 3%-33% (prior period between 0%-30%) varied according to their maturity compositions, for their FC liabilities and precious metal liabilities at TRY, US Dollar, Euro and/or standard gold with reserve deposit rates between 5%-30% (prior period between 5%-30%) varied according to their maturity compositions.

For deposits in foreign currency (excluding foreign bank deposits and precious metal deposit accounts), an additional reserve requirement of 4% (31 December 2023: 4%) is established in Turkish Lira.

In addition, if the growth rate of TL cash loans calculated in four-week periods exceeds 2% as of the calculation period of 29 March 2024; if the growth rate of FC cash loans exceeds 2% in the calculation periods of 21 June 2024 – 19 July 2024, and 1.5% as of the calculation period of 16 August 2024, the practice of blocking the Turkish Lira required reserve equal to the loan amount exceeding this rate has been initiated.

In addition to the renewal of FX-protected deposit accounts and the transition to Turkish Lira (TRY), there are Reserve Requirement commission practices aimed at increasing the share of real-person Turkish Lira deposits. (As of November 23, 2024, the target for legal entity Turkish Lira deposit share has been terminated.) In case of failure to meet the targets for the "Renewal and Transition to Turkish Lira Rate" "Transition to Turkish Lira Rate" and "Real Person Turkish Lira Share" calculated in four-week periods, commission rates are determined based on these ratios, and the commission amount is calculated in US Dollars based on the required reserve amount that must be held for foreign currency deposit liabilities

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

2. Information on financial assets at fair value through profit/loss (shown in net worth):

- a.1) Information on financial assets at fair value through profit/loss given as collateral or blocked: None.
a.2) Financial assets at fair value through profit/loss subject to repurchase agreements: None (31 December 2023: None.).

The Bank does not have net book value of unrestricted financial assets at fair value through profit and loss (31 December 2023: None).

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

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Forward Transactions	-	-	61,733	-
Swap Transactions	-	-	86,290	-
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	-	-	148,023	-

3. a) Information on banks:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Banks				
Domestic	523	1,059	885	286
Foreign	-	996,369	-	920,255
Branches and Head Office Abroad	-	-	-	-
Total	523	997,428	885	920,541

b) Information on foreign banks account:

	Restricted Balance		Unrestricted Balance	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
EU Countries	793,730	647,289	-	-
USA, Canada	199,214	270,087	-	-
OECD Countries (*)	2,236	2,101	-	-
Other	1,189	778	-	-
Total	996,369	920,255	-	-

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

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

4. Information on financial assets at fair value through other comprehensive income:

- a.1) Information on financial assets given as collateral/blocked at fair value through other comprehensive income:

As of 31 December 2024, the financial assets whose fair value difference is reflected in other comprehensive income given as collateral or blocked are TL 43,733 Interbank Money Market, TL 149,205 API and TL 80,777 Takasbank collateral balance. (31 December 2023: None.)

- a.2) Information on financial assets subject to repurchase agreements at fair value through other comprehensive income: None.

The book value of financial assets, whose fair value difference is reflected in other comprehensive income as a free warehouse, is TL 190,062 (31 December 2023: None; not quoted stock is TL 138).

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

	31 December 2024	31 December 2023
Debt Securities	463,639	31
Quoted on a Stock Exchange	463,603	-
Not Quoted on a Stock Exchange	36	31
Share Certificates	138	138
Quoted on a Stock Exchange	-	-
Not Quoted on a Stock Exchange	138	138
Impairment Provision (-)	-	-
Total	463,777	169

In line with the accounting policies of the Bank, all unquoted financial assets at fair value through other comprehensive income are recorded at fair value except for the Bank's investment of TL 138 which is recorded investment at cost since its fair value cannot be reliably estimated (31 December 2023: TL 138).

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

5. Information on loans:

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

	31 December 2024		31 December 2023	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Given to Bank Partners	154	25,617	130	66,980
Credits Given to Legal Entity Partners	154	25,617	130	66,980
Loans Given to Real Person Partners	-	-	-	-
Indirect Loans Given to Bank Partners	-	28,024	80	24,270
Loans Given to Bank Members	3,507	540	4,422	517
Total	3,661	54,181	4,632	91,767

b) Information on the first and second group loans and other receivables including restructured or rescheduled loans:

	Standard Loans and Other Receivables			Loans and Other Receivables Under Close Monitoring			
	Cash Loans	Loans and Other Receivables	Changes Regarding the Extension of Payment Plan	Other	Loans and Other Receivables	Changes Regarding the Extension of Payment Plan	Other
Non-Specialized Loans		8,002,188	-	-	18,151	-	-
Business Loans		2,160,183	-	-	18,111	-	-
Export Loans		1,324,474	-	-	-	-	-
Import Loans		-	-	-	-	-	-
Loans Given to Financial Sector		4,232,005	-	-	-	-	-
Foreign Loans		-	-	-	-	-	-
Consumer Loans		3,552	-	-	40	-	-
Credit Cards		-	-	-	-	-	-
Precious Metals Loans		-	-	-	-	-	-
Other		281,974	-	-	-	-	-
Specialized Loans		-	-	-	-	-	-
Other Receivables		-	-	-	-	-	-
Total		8,002,188	-	-	18,151	-	-

Expected Loss Provisions	Standard Qualification Loans	Loans in Close Monitoring
12 Months Expected Credit Loss		7,830
Significant Increase in Credit Risk		-
Total		7,830

c) Information on standard loans and closely monitored loans with maturity extensions in the contract:

	Standard Loans	Loans Under close- Monitoring	
		Loans Subject Not To Restructuring	Loans Subject to Restructured
Short-Term Loans	7,997,772	4,162	-
Medium and Long-Term Loans	4,416	13,989	-
Total	8,002,188	18,151	-

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I. Explanations and Disclosures Related to the Assets (cont'd)

5. Information on loans: (cont'd)

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

	Short-Term	Medium and Long-Term	Total
Consumer Loans-TL	-	85	85
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	85	85
Other	-	-	-
Consumer Loans-Currency Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Individual Credit Cards-FC	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Personnel Loans-TL	769	2,519	3,288
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	769	2,519	3,288
Other	-	-	-
Personnel Loans-Currency Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Personnel Credit Cards-FC	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Overdraft Account-TL (Real Persons) (*)	219	-	219
Overdraft Account-FC (Real Persons)	-	-	-
Total	988	2,604	3,592

(*) TL 219 portion of the overdraft account consists of the loans extended to the personnel.

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I. Explanations and Disclosures Related to the Assets (cont'd)

5. Information on loans: (cont'd)

e) Information on commercial loans with instalments and corporate credit cards:

	Short-Term	Medium and Long-Term	Total
Installment Trade Loans -TL	7,312	15,443	22,755
Business Loan	-	-	-
Vehicle Loan	-	-	-
Personal Finance Credit	7,312	15,443	22,755
Other	-	-	-
Installment Trade Loans - Currency Indexed	-	-	-
Business Loan	-	-	-
Vehicle Loan	-	-	-
Personal Finance Credit	-	-	-
Other	-	-	-
Installment Trade Loans -FC	-	-	-
Business Loan	-	-	-
Vehicle Loan	-	-	-
Personal Finance Credit	-	-	-
Other	-	-	-
Corporate Credit Cards -TL	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Corporate Credit Cards -FC	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Overdraft Account-TL (Legal Entity)	-	-	-
Overdraft Account-FC (Legal Entity)	-	-	-
Total	7,312	15,443	22,755

f) Allocation of loans by customers:

	31 December 2024	31 December 2023
Private	8,020,339	9,161,801
Public	-	-
Total	8,020,339	9,161,801

g) Distribution of domestic and international loans:

	31 December 2024	31 December 2023
Domestic Loans	8,020,339	9,161,801
Foreign Loans	-	-
Total	8,020,339	9,161,801

h) Loans granted to subsidiaries and associates:

None.

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I. Explanations and Disclosures Related to the Assets (cont'd)

5. Information on loans: (cont'd)

i) Expected credit losses for loans (Stage 3):

	31 December 2024	31 December 2023
Stage 3 Expected Loss Provisions		
Allocated for Limited Collection Loans and Other Receivables	-	-
Allocated for Uncollectible Loans and Other Receivables	-	-
Allocated for Loss Loans and Other Receivables	254,304	353,964
Total	254,304	353,964

j) Information on non-performing (Net):

j.1) Information on loans and other receivables included in non-performing loans, which are restructured or rescheduled:

	III. Group	IV. Group	V. Group
	Loans and Receivables with Limited Collectability	Uncollectible Loans and Other Receivables	Loss Loans and Other Receivables
31 December 2024			
(Gross Amount Before Provision) (*)	-	-	12,068
Restructured Loans and Other Receivables	-	-	12,068
Loans and Other Receivables Under a New Amortization Plan	-	-	-
31 December 2023			
(Gross Amount Before Provision) (*)	-	-	18,922
Restructured Loans and Other Receivables	-	-	18,922
Loans and Other Receivables Under a New Amortization Plan	-	-	-

(*) As of 31 December 2024, the specific provision for loans and other receivables restructured or rescheduled is TL 3,624 (31 December 2023: TL 8,246).

j.2) Information on total non-performing credit transactions:

	III. Group	IV. Group	V. Group
	Loans and Receivables with Limited Collectability	Uncollectible Loans and Other Receivables	Loss Loans and Other Receivables
31 December 2023 Balance	-	-	561,800
Additions During the Period (+)	18,863	-	112,365
Inflow from Other Non-Performing Accounts Receivable (+)	-	-	-
Outflow from Other Non-Performing Accounts Receivable (-)	-	-	-
Collection During the Period (-)	(18,863)	-	(223,410)
Write-Off (-)	-	-	-
Corporate and Trade Loans	-	-	-
Personal Loans	-	-	-
Credit Cards	-	-	-
Indexing Difference (-)	-	-	-
Other	-	-	-
31 December 2024 Balance	-	-	450,755
Provision (-) ^(*)	-	-	(254,304)
Net Balance on the Balance Sheet	-	-	196,451

(*) The provision balance includes the provision for accrued interest on TFRS non-performing loans.

j.3) Information on foreign currency non-performing loans and other receivables: None.

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I. Explanations and Disclosures Related to the Assets (cont'd)

5. Information on loans: (cont'd)

j.4) Information regarding gross and net amounts of non-performing loans with respect to user groups:

	III. Group	IV. Group	V. Group
	Loans and Receivables with Limited Collectability	Uncollectible Loans and Other Receivables	Loss Loans and Other Receivables
31 December 2024 (Net)			
Loans to Real Persons and Legal Entities (Gross)	-	-	450,755
Provision Amount (-) (*)	-	-	(254,304)
Loans to Real Persons and Legal Entities (Net)	-	-	196,451
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
31 December 2023 (Net)			
Loans to Real Persons and Legal Entities (Gross)	-	-	561,800
Provision Amount (-)	-	-	(353,964)
Loans to Real Persons and Legal Entities (Net)	-	-	207,836
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

(*) The provision balance includes the provision for accrued interest on TFRS non-performing loans.

j.4) Interest accruals and valuation differences calculated for non-performing loans with expected credit losses in accordance with TFRS 9 are as follows:

As of 31 December 2024, within the scope of TFRS 9, TL 38,268 interest has been calculated for transfers to follow-up accounts and a 100% provision is made (31 December 2023: TL 51,058).

k) Main principles of liquidation policies of non-performing loans and receivables:

According to the "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves"; legal action is carried on considering firms, guarantors and existing collaterals and provisions are made for non-performing loans in accordance with the relevant decree.

l) Explanations on write-off policy:

None.

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I. Explanations and Disclosures Related to the Assets (cont'd)

5. Information on loans: (cont'd)

m) Other explanations and notes:

31 December 2024	Corporate	Retail	Other	Total
Neither past due nor impaired	7,548,013	454,175	-	8,002,188
Past due not impaired	18,111	40	-	18,151
Restructured loans ^(*)	-	-	-	-
Impaired loans	441,508	9,247	-	450,755
Total	8,007,632	463,462	-	8,471,094
Less: allowance for individually impaired loans ^(**)	(250,863)	(3,441)	-	(254,304)
Net loan balance	7,756,769	460,021	-	8,216,790

31 December 2023	Corporate	Retail	Other	Total
Neither past due nor impaired	9,054,173	90,566	-	9,144,739
Past due not impaired	17,024	38	-	17,062
Restructured loans ^(*)	-	-	-	-
Impaired loans	561,794	6	-	561,800
Total	9,632,991	90,610	-	9,723,601
Less: allowance for individually impaired loans ^(**)	(353,958)	(6)	-	(353,964)
Net loan balance	9,279,033	90,604	-	9,369,637

(*) Pursuant to Article 11 of the Regulation on the Procedures and Principles for the Qualification of Loans and Other Receivables by Banks and the Provisions Set Aside for Them, this refers to restructured loan receivables.

(**) As of 31 December 2024, the provision amount set aside for non-impaired loans is TL 7,880 (31 December 2023: TL 19,333).

As of 31 December 2024, the fair value of the collateral held by the Bank regarding the loans determined to be impaired is TL 208,902 (31 December 2023: TL 223,385).

The distribution of overdue but not impaired financial assets by financial instrument classes is as follows:

31 December 2024	Less than 31 Days (*)	31- 60 Days	61- 90 Days	More than 91 Days	Total
Loans and Receivables					
<i>Trade Loans</i>	18,111	-	-	-	18,111
<i>Small Business Loans</i>	-	-	-	-	-
<i>Consumer Loans</i>	40	-	-	-	40
<i>Other</i>	-	-	-	-	-
Total	18,151	-	-	-	18,151

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I. Explanations and Disclosures Related to the Assets (cont'd)

5. Information on loans: (cont'd)

m) Other explanations and notes:

31 December 2023	Less than 31 Days (*)	31- 60 Days	61- 90 Days	More than 91 Days	Total
Loans and Receivables					
<i>Trade Loans</i>	17,024	-	-	-	17,024
<i>Small Business Loans</i>	-	-	-	-	-
<i>Consumer Loans</i>	38	-	-	-	38
<i>Other</i>	-	-	-	-	-
Total	17,062	-	-	-	17,062

(*) Includes total risks of watchlist firms.

TL 1,282,304 of loans and other receivables are variable interest loans consisting of up to 1 month revolving loans (31 December 2023: TL 752,607), the remaining TL 6,738,035 is fixed interest (31 December 2023: TL 8,409,194).

n) Information on Expected Credit Losses

Current Period	Level 1	Level 2	Level 3	Total
Provision at the Beginning of the Period	19,333	-	353,964	373,297
Additional Provision During the Period	11,790	808	159,646	172,244
Extractions During the Period	(23,293)	(757)	(259,306)	(283,356)
Transferred Loan	-	-	-	-
Write Off	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Exchange Difference	-	-	-	-
Provision at the End of the Period	7,830	51	254,304	262,185

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I. Explanations and Disclosures Related to the Assets (cont'd)

6. Financial assets at amortised cost:

a.1) Financial assets given as collateral / blocked:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Stocks	-	-	-	-
Bond, Treasury Bill and Similar Securities	51,232	-	1,338,708	-
Other	-	-	-	-
Total	51,232	-	1,338,708	-

As of 31 December 2024, amortised financial assets given as collateral or blocked, TL 51,232 is Interbank money market balance (31 December 2023: TL 1,284,056 of amortised financial assets given as collateral or blocked is Interbank money market, TL 32,010 is BAP and TL 22,642 is Takasbank collateral balance).

a.2) Legal liabilities of amortised financial assets subject to repo transactions:

	31 December 2024	31 December 2023
Stocks	-	-
<i>Bond, Treasury Bill and Similar Securities</i>	-	53
<i>Other</i>	-	-
Total	-	53

Free deposits is not included in amortised financial assets.

b) Information on amortised financial assets:

	31 December 2024	31 December 2023
Government Bonds	51,232	1,338,761
Treasury Bills	-	-
Other Public Sector Debt Securities	-	-
Total	51,232	1,338,761

c) Information on amortised financial assets:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Debt Securities	51,232	-	1,338,761	-
Quoted on a Stock Exchange	51,232	-	1,338,761	-
Not Quoted on a Stock Exchange	-	-	-	-
Provision for Impairment (-)	-	-	-	-
Total	51,232	-	1,338,761	-

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I. Explanations and Disclosures Related to the Assets (cont'd)

d) Movement of amortised financial assets during the year:

	31 December 2024	31 December 2023
Value at Beginning of the Period	1,338,761	1,825,499
Foreign Currency Differences on Monetary Assets ^(*)	(61,633)	(17,422)
Purchases During Year	52,955	2,244,500
Disposal Through Sales and Amortization	(1,278,851)	(2,713,816)
Impairment Provision (-)	-	-
End of the Period Total	51,232	1,338,761

^(*) Interest income rediscount changes were presented in "foreign currency differences on monetary assets" line.

7. Information on associates (Net):

The Bank has 1.4925% participation in the Credit Guarantee Fund (31 December 2023: 1.4925%).

8. Information on subsidiaries (Net):

The Bank has no subsidiaries in the current period (31 December 2023: None.).

9. Information on jointly controlled entities: The Bank has no jointly controlled entities in the current period (31 December 2023: None.).

10. Information on lease receivables (Net):

The Bank has not any lease receivables in the current period (31 December 2023: None.).

11. Information on derivative financial instruments for hedging purposes:

The Bank has not any derivative financial instruments for hedging purposes in the current period (31 December 2023: None.).

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I. Explanations and Disclosures Related to the Assets (cont'd)

12. Information on tangible assets:

	End of the Period Prior Balance 31 December 2023	Purchases	Sales	End of the Period Current Balance 31 December 2024
Cost:				
Vehicles	39,898	-	-	39,898
Leasehold improvements	17,177	233	(5,013)	12,397
Right-of-use Tangible and Intangible Assets	126,845	56,850	(19,201)	164,494
Other	67,721	16,794	(792)	83,723
Total Cost	251,642	73,876	(25,006)	300,512

	End of the Period Prior Balance 31 December 2023	Period expenses	Sales	End of the Period Current Balance 31 December 2024
Accumulated Depreciation:				
Vehicles	(7,437)	(7,980)	-	(15,417)
Leasehold improvements	(11,142)	(1,040)	2,780	(9,402)
Right-of-use Tangible and Intangible Assets	(46,816)	(38,180)	14,574	(70,422)
Other	(37,743)	(11,986)	3,505	(49,164)
Total Accumulated Depreciation	(103,138)	(59,186)	20,859	(144,405)
Net Carrying Value	148,503			156,106

- a) For an individual asset, In the current period the amount of impairment losses recorded or revoked is crucial to the whole of the financial statements:
- a.1) Impairment to be recorded or cancellation of events that led to and no term of events: None.
- a.2) Recorded in the financial statements or canceled amount of impairment losses: None.
- b) Recorded in the current period or cancelled, and each one or some financial statements as a whole are not significant, but sum of impairment losses recorded or revoked is significant for the whole of the financial statements, reasons and circumstances: None.
- c) For pledge on tangible assets, mortgages and other restrictions if there exists and tangible assets, the amount of the expenditures made during construction, the commitments for the purchase of tangible assets: None.

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I. Explanations and Disclosures Related to the Assets (cont'd)

13. Information on intangible assets:

	End of the Prior Period Balance 31 December 2023	Additions	Sales	Other	Change in estimate	End of the Current Period Balance 31 December 2024
Cost:						
Software Costs	81,145	4,986	-	-	-	86,131
Total Cost	81,145	4,986	-	-	-	86,131

	End of the Prior Period Balance 31 December 2023	Charge for the Period	Sales	Other	Change in estimate	End of the Current Period Balance 31 December 2024
Accumulated Amortisation:						
Software Costs	(66,609)	(7,177)	22	-	-	(73,764)
Total Accumulated Amortisation	(66,609)	(7,177)	22	-	-	(73,764)
Carrying Value	14,536	(2,191)	22	-	-	12,367

14. Investment Properties (Net):

None.

15. Explanations on Deferred Tax Assets:

Deferred tax liability is calculated for all taxable temporary differences, while deferred tax assets arising from deductible temporary differences are calculated provided that it is highly probable that these differences will be utilized by generating taxable profit in the future.

The Bank did not calculate deferred tax assets on temporary differences and tax losses in previous periods, as the formation of a tax base in future years was not certain. In the current year, the Bank has started to calculate deferred tax assets on temporary differences because it is probable that a current tax liability will arise (all tax losses have been utilized) and that there will be sufficient taxable income to deduct the temporary differences.

If the differences between the carrying amount and the tax base of the assets subject to deferred tax are related to the equity accounts group, the deferred tax asset or liability is netted with the relevant accounts in this group.

	Current Period	
	Taxable Temporary Differences	Deferred Tax Amount
Reserve for Employee Termination Benefits	52,960	15,888
Expected Credit Loss	11,772	3,531
Other Provision	88,503	26,551
Personnel Premium Provision	63,750	19,125
Other	14,407	4,322
Total Deferred Tax Asset	231,392	69,417
Amortizations	(46,107)	(13,832)
Rediscounts	(8,716)	(2,615)
Total Deferred Tax Liability	(54,823)	(16,447)
Deferred Tax Asset/ (Liability), net	176,569	52,970

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I. Explanations and Disclosures Related to the Assets (cont'd)

15. Explanations on Deferred Tax Assets:

The movements in deferred tax assets for the current period are as follows:

	Current Period
Deferred Tax Asset / (Liability), Beginning of Period	-
Current Period (Expense) / Income	47,145
Deferred Tax Recognized in Equity	5,825
Deferred Tax Asset / (Liability), End of Period	52,970

16. Information on assets held for sale and discontinued operations:

	31 December 2024	31 December 2023
End of Current Period		
Beginning of the Period	61,121	68,244
Acquisitions	2,632	42,700
Assets Sold (Cost)	(36,501)	(49,823)
Impairment	-	-
Carrying Value	27,252	61,121

17. Information on other assets:

a) The distribution of other assets is as follows:

	31 December 2024	31 December 2023
Cash Guarantees Given	7,556	3,274
Assets to be Disposed of	166	170
Clearing Accounts	286,589	29,955
Prepaid Expenses	49,123	34,854
Collateral given	213,741	-
Other	4,254	4,698
Total	561,429	72,951

b) If the other assets item of the balance sheet exceeds 10% of the balance sheet total excluding the commitments in the off-balance sheet accounts, the names and amounts of the sub-accounts constituting at least 20% of them: None.

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II. Explanations and Disclosures Related to the Liabilities

1. Information on maturity structure of deposits:

a.1) 31 December 2024:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months - 1 Years	1 Year and Over	Acc. Deposits	Total
Saving Deposits	11,160	-	53,603	1,882,226	696,488	6,928	3,866	-	2,654,271
Foreign Currency Deposits	219,743	-	216,055	7,213,060	394,011	35,333	9,684	-	8,087,886
Residents in Turkey	215,350	-	214,913	7,158,378	382,991	32,187	6,483	-	8,010,302
Residents Abroad	4,393	-	1,142	54,682	11,020	3,146	3,201	-	77,584
Public Sector Deposits	713	-	-	-	-	-	-	-	713
Commercial Deposits	52,259	-	631,790	513,821	672,643	117,057	-	-	1,987,570
Other Institutions Deposits	586	-	5,408	91,375	-	-	-	-	97,369
Precious Metals Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	2,357	-	-	-	-	-	-	-	2,357
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	200	-	-	-	-	-	-	-	200
Foreign Banks	2,157	-	-	-	-	-	-	-	2,157
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	286,818	-	906,856	9,700,482	1,763,142	159,318	13,550	-	12,830,166

a.2) 31 December 2023:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months - 1 Years	1 Year and Over	Acc. Deposits	Total
Saving Deposits	33,374	-	65,889	923,689	621,467	3,012,778	387,639	-	5,044,836
Foreign Currency Deposits	440,374	-	90,702	5,218,767	173,206	33,616	16,345	-	5,973,010
Residents in Turkey	432,825	-	90,655	5,179,005	162,754	31,012	13,622	-	5,909,873
Residents Abroad	7,549	-	47	39,762	10,452	2,604	2,723	-	63,137
Public Sector Deposits	3,379	-	-	-	-	-	-	-	3,379
Commercial Deposits	76,358	-	1,276,282	435,160	302,269	1,374,140	293,899	-	3,758,108
Other Institutions Deposits	534	-	981	8,398	-	-	-	-	9,913
Precious Metals Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	2,262	-	-	-	-	-	-	-	2,262
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	150	-	-	-	-	-	-	-	150
Foreign Banks	2,112	-	-	-	-	-	-	-	2,112
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	556,281	-	1,433,854	6,586,014	1,096,942	4,420,534	697,883	-	14,791,508

b.1) Information on saving deposits under the guarantee of saving deposits insurance:

i. Information on saving deposits:

Saving Deposits	Under the Guarantee of Insurance		Exceeding the Limit of Insurance	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Saving Deposits	661,025	667,358	3,194,831	6,367,911
Foreign Currency Saving Deposits	333,121	286,084	7,697,622	5,006,771
Other Deposits in the Form of Saving Deposits	5,717	4,658	133,559	359,503
Foreign Branches' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Off-Shore Banking Regions' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Total	999,863	958,100	11,026,012	11,734,185

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

1. Information on maturity structure of deposits (cont'd):

- ii. Deposit amounts not under the guarantee of saving deposit:

Deposits of real persons not under the guarantee of insurance:

	31 December 2024	31 December 2023
Deposits and Other Accounts in Foreign Branches	-	-
Deposits and Other Accounts of the Controlling Partners and Their Mother, Father, Spouse and Children under Custody	-	-
Deposits and Other Accounts of the Chairman and Members of the Board of Directors or Managers, General Manager and Assistants and Their Mother, Father, Spouse and Children under Custody	1,240,043	2,116,866
Deposits and Other Accounts Within the Scope of Assets Resulting from Crime in Article 282 of TCK dated 26/9/2004 and numbered 5237	-	-
Deposits in Deposit Banks Established Exclusively for Offshore Banking Activities in Turkey	-	-

2. Information on derivative financial liabilities held for trading:

- a) Negative differences table related to derivative financial liabilities held-for-trading:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Forward Transactions	-	-	13,679	-
Swap Transactions	-	-	2,404	-
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	-	-	16,083	-

3. Information on borrowings:

- a) Information on banks and other financial institutions:

None (31 December 2023: None.).

- b) Recognition of the loans taken by maturity:

None (31 December 2023: None.).

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

3. Information on borrowings (cont'd)

- c) Additional explanations related to the concentrations of the Bank's major liabilities:

The Bank diversifies its funding sources with customer deposits and foreign loans. Foreign currency deposits account for 26% of bank deposits and 63% of other deposits.

4. Information on funds obtained from repo transactions:

As of 31 December 2024, the total amount of funds provided by the Bank from repo transactions is: None. (31 December 2023: TL 51).

5. Other liabilities which exceed 10% of the balance sheet total (excluding off-balance sheet commitments) and the breakdown of these which constitute at least 20% of grand total:

None.

6. Information on debts from lease transactions (Net):

- a) The general explanations on criteria used in determining instalments of financial lease agreements, renewal and purchasing options and restrictions in the agreements that create significant obligations to the Bank:

In the financial lease agreements, instalments are based on useful life, usage periods and provisions of the Tax Procedural Code.

- b) Explanations regarding operational leases:

Head-Office and all branch premises of the Bank are leased under operational leases. In 2024, operational lease expenses amounting to TL 21,288 have been recorded in the profit and loss accounts. The lease periods vary between 5 and 10 years (31 December 2023: TL 13,071).

- c) Explanations on the lessor and lessee in sale and lease back transactions, agreement conditions, and major agreement terms: None.

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

7. Information on derivative financial liabilities for hedging purposes:

None.

8. Information on provisions:

- a) Information on general provisions: None.
- b) Provisions for depreciation of principal on foreign currency indexed loans and financial leasing receivables: There is no provision for currency differences for foreign currency indexed loans (31 December 2023: None).
- c) The specific provisions of TL 18,650 was provided for unindemnified non-cash loans (31 December 2023: TL 114,824).
- d) Liabilities regarding leave, severance pay:

The Bank has calculated the reserve for employee termination benefits by using actuarial valuation methods as set out in the TAS No: 19 and reflected this in the financial statements.

d.1) Severance pay liability movement table:

	31 December 2024	31 December 2023
As of 1 January	23,287	31,516
Service expense (*)	9,287	3,547
Interest expense (*)	6,726	1,974
Actuarial loss/ (gain)	5,688	6,682
Paid during the period	(12,932)	(20,432)
End of the Period	32,056	23,287

(*) Service and interest costs are recognized under personnel expenses.

d.2) Employee benefits table:

	31 December 2024	31 December 2023
Employee termination benefit provision	32,056	23,287
Unused vacation provision	20,904	14,726
Total of Provision for Employee Benefits	52,960	38,013

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

8. Information on provisions (cont'd):

d) Obligations regarding leave, severance pay liabilities:

d.2) Employee benefits movement table (cont'd):

According to the Turkish Accounting Standard Regarding the Benefits Provided to Employees numbered TAS 19, the total benefit is calculated for the employees who complete one year of working service and whose working period ends due to retirement or if the service is terminated earlier. The cost of the services rendered by the employees in the current or previous periods is calculated annually by independent actuaries within the framework of the defined benefit plan, using the liability method. In accordance with the Turkish Accounting Standard on Employee Benefits (TAS 19) published in the Official Gazette dated 12 March 2013 and numbered 28585, actuarial loss accounted for under shareholders' equity as of 31 December 2024 is TL 27,888 (31 December 2023: TL 22,200 loss).

While making actuarial valuations, severance pay liability to be received in retirement defined in the Labor Law No. 1475 and details of active employees as of the valuation date were taken as basis. The assumptions used in the actuarial calculation have been determined within the framework of TAS 19 are as follow:

	Assumptions
Discount rate	26.67%
Inflation rate	23.49%

e) Information on other provisions:

e.1) Information on free provisions for potential risks: None.

e.2) In case other provisions exceed 10% of the total provisions, the names and amounts of the sub-accounts causing the excess:

	31 December 2024	31 December 2023
Provision for Uncompensated Non-Cash Loans	18,650	114,824
Other Provisions ^(*)	151,951	204,923
Total	170,601	319,747

^(*) Other Provisions consist of bonus provisions amounting to TL 63,750, provisions for lawsuits amounting to TL 54,807, non-litigation provisions amounting to TL 15,394 and other provisions amounting to TL 18,000 (31 December 2023: TL 58,000 bonus provisions, TL 39,686 litigation provisions, 7,237 non-litigation provisions and TL 100,000 other provisions).

f) Obligations arising from pension rights: None.

f.1) Obligations for Funds Established Based on SSI: None.

f.2) Liabilities of organizations such as foundations and funds that provide post-retirement rights for bank employees: None.

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

9. Explanations on taxes payable:

a) Information on current tax liability:

a.1) Information on corporate tax:

As of 31 December 2024, remaining tax liability/(receivable) after deducting temporary taxes paid during the period from corporate tax:

	31 December 2024	31 December 2023
Current Period Tax Payable	152,435	-
Prepaid Tax	(149,964)	(5,663)
Total	2,471	(5,663)

a.2) Explanations on taxes payable:

	31 December 2024	31 December 2023
BITT	2,471	-
Securities Capital Income Tax	13,445	7,104
Income Tax Deducted from Salaries	17,457	8,570
Real Estate Capital Income Tax	14,394	4,493
Value Added Tax Payable	1,338	946
Stamp Tax	2,367	2,460
Corporate Tax Payable	410	112
Other	404	361
Total	52,286	24,046

a.3) Information on premiums:

	31 December 2024	31 December 2023
Social Security Premiums-Employer	4,673	3,314
Social Security Premiums-Employee	2,270	1,661
Unemployment Insurance-Employee	221	167
Unemployment Insurance-Employer	111	83
Bank Social Aid Pension Fund Premium-Employer	-	-
Bank Social Aid Pension Fund Premium-Employee	-	-
Pension Fund Membership Fees and Provisions-Employee	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Other	-	-
Total	7,275	5,225

b) Explanations on deferred tax liabilities, if any: None.

10. Information on liabilities for non-current assets related to held for sale and discontinued operations:

None.

11. Detailed explanations on the number of subordinated loans used by the bank, their maturity, interest rate, the institution from which the loan was borrowed and the option to convert into shares, if any:

The Bank does not have subordinated loans.

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

12. Information on shareholders' equity:

a) Presentation of paid-in capital:

As of 31 December 2024, the nominal value of the Bank's capital is amounting to TL 1,000 Million and consists of 1,000 million shares (As of 31 December 2023: the nominal value of the Bank's capital is amounting to TL 1,000 Million and consists of 1,000 million shares).

	31 December 2024	31 December 2023
Equity Provision ^(*)	1,000,000	1,000,000
Provision for Preferred Stock	-	-

^(*) Represents Nominal Capital.

b) The Bank does not apply registered share capital system.

c) Information on share capital increases' their sources and other information on increased capital shares in the current period: Explained in a) section.

d) Information on share capital increases from revaluation funds in the current period: None.

e) Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and projected resources required to meet these commitments: None.

f) Indicators of the Bank's income, profitability and liquidity for the previous periods and possible effects of these future assumptions on the Bank's equity due to the uncertainty of these indicators:

Prior year income, profitability and liquidity of the Bank is closely monitored by the Financial Reporting Department and reported to the Board of Directors, Asset and Liability Committee. Risk Management tries to forecast the effects of interest, currency and maturity fluctuations that change these indicators with static and dynamic scenario analysis. Net asset value, which is defined as the difference of fair values of assets and liabilities, is measured. Expectations are made for Bank's future interest income via simulations of net interest income and scenario analysis.

g) Information on preferred shares: None.

h) Information on marketable securities value increase fund: None.

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

12. Information on Shareholders' Equity (cont'd):

Information on legal reserves:

	31 December 2024	31 December 2023
I. Legal Reserves	37,330	15,582
II. Legal Reserves	-	-
Other Legal Reserves Appropriated in accordance with Special Legislation	-	-
Total	37,330	15,582

Information on extraordinary reserves:

	31 December 2024	31 December 2023
Reserves Appropriated by the General Assembly	-	-
Undistributed Profit	-	-
Accumulated Losses	(62,982)	(350,223)
Foreign Currency Share Capital Exchange Difference	-	-
Total	(62,982)	(350,223)

13. Information on minority shares:

None.

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

1. Information on off-balance sheet liabilities:

a) Nature and amount of irrevocable loan commitments:

	31 December 2024	31 December 2023
Loan Granting Commitments	397	521
Payment Commitments for Checks	13,740	17,568
Forward Asset Purchase and Sales Commitments	630,037	29,479
Other Irrevocable Commitments	11,758	10,416
Total	655,932	57,984

b) The nature and amount of possible losses and commitments arising from off-balance sheet items:

The Bank, within the context of banking activities, undertakes certain commitments, consisting of loan commitments, letters of guarantee, acceptance credits and letters of credit.

b.1) Non-cash loans, including guarantees, bank acceptances and financial guarantees, and other letters of credit:

	31 December 2024	31 December 2023
Letters of Credit	42,317	54,760
Other Guarantees and Collaterals	1,870,500	1,918,415
Total	1,912,817	1,973,175

b.2) Definite guarantees, temporary guarantees, sureties and similar transactions:

	31 December 2024	31 December 2023
Definite Letter of Guarantees	468,531	553,136
Temporary Letter of Guarantees	24,226	46,507
Other Letter of Guarantees	49,494	131,038
Total	542,251	730,681

c) c.1) Total amount of non-cash loans:

	31 December 2024	31 December 2023
Non-Cash Loans Given Against Achieving Cash Loans	9,374	14,639
With Maturity of 1 Year or Less Than 1 Year	8,556	-
With Maturity of More Than 1 Year	818	14,639
Other Non-Cash Loans	2,445,694	2,689,217
Total	2,455,068	2,703,856

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III. Explanations and Disclosures Related to the Off-Balance Sheet (cont'd)

c.2) Information on sectoral risk breakdown of non-cash loans and irrevocable loan commitments (excluding forward asset sales and purchase commitments):

	31 December 2024				31 December 2023			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	518,912	22.80	-	0.00	215,291	9.19	-	0.00
Farming and Raising Livestock	518,793	22.80	-	0.00	215,211	9.19	-	0.00
Forestry	105	0.00	-	0.00	66	0.00	-	0.00
Fishery	14	0.00	-	0.00	14	0.00	-	0.00
Manufacturing	1,090,131	47.91	69,985	34.03	1,314,607	56.09	251,551	64.71
Mining	56,444	2.48	-	0.00	55,574	2.37	-	0.00
Production Industry	1,033,575	45.43	68,579	33.35	1,258,953	53.72	250,306	64.39
Electric, gas and water	112	0.00	1,406	0.68	80	0.00	1,245	0.32
Construction	16,049	0.71	47,262	22.98	20,273	0.87	96,635	24.86
Services	595,556	26.18	46,619	22.68	678,722	28.96	33,332	8.57
Wholesale and Retail Trade	287,643	12.64	-	0.00	287,407	12.26	-	0.00
Hotel, Food and Beverage Services	302	0.01	-	0.00	487	0.02	-	0.00
Transportation and Telecommunication	1,570	0.07	8,679	4.22	1,898	0.08	788	0.20
Financial Institutions	91,854	4.04	37,940	18.45	145,742	6.22	32,544	8.37
Real estate and Renting Services	1,641	0.07	-	0.00	2,001	0.09	-	0.00
Self-Employment Services	201,239	8.85	-	0.00	202,076	8.62	-	0.00
Education Services	5	0.00	-	0.00	5	0.00	-	0.00
Health and Social Services	11,302	0.50	-	0.00	39,106	1.67	-	0.00
Other	54,689	2.40	41,760	20.31	114,755	4.90	7,195	1.85
Total	2,275,337	100.00	205,626	100.00	2,343,648	100.00	388,713	100.00

c.3) Information on Group I and II non-cash loans:

Guarantees and sureties	I. Group		II. Group	
	TL	FC	TL	FC
Letters of Guarantee	370,823	124,951	1,436	26,496
Aval and Acceptance Credits	-	-	-	-
Letters of Credit	-	42,317	-	-
Turnovers	1,870,500	-	-	-
Securities issue purchase and guarantees	-	-	-	-
Other Guarantees and Sureties	-	-	-	-
Total	2,241,323	167,268	1,436	26,496

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III. Explanations and Disclosures Related to the Off-Balance Sheet (cont'd)

2. Information related to derivative transactions:

	Derivative Transactions According to Purposes			
	Trading		Hedging	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Types of Trading Transactions				
Foreign Currency Related Derivative Transactions (I):				
Forward Currency Exchange Transactions	-	16,135,356	-	-
Swap Money Trading Transactions	-	19,740,955	-	-
Futures Money Transactions	3,181,838	-	-	-
Currency Options	-	-	-	-
Derivative Transactions Related to Interest (II):				
Forward Interest Contract Trading Transactions	-	-	-	-
Swap Interest Trading Transactions	-	-	-	-
Interest Trade Options	-	-	-	-
Futures Interest Trading Transactions	-	-	-	-
Other Derivative Transactions Held for Trading (III)	-	-	-	-
A. Total Trading Derivative Transactions (I+II+III)	3,181,838	35,876,311	-	-
Types of Derivative Transactions for Hedging Purposes				
For Hedging the Risk of Change in Fair Value	-	-	-	-
For Cash Flow Hedging	-	-	-	-
Hedging Purposes of Subsidiary Investments Made through FC	-	-	-	-
B. Derivative Transactions for Total Hedging	-	-	-	-
Total Derivative Transactions (A+B)	3,181,838	35,876,311	-	-

Forward foreign exchange and swap transactions are for protection from currency fluctuations. According to TAS, they do not qualify as hedging instruments but trading, are remeasured at fair value.

As of 31 December 2024 and 2023, breakdown of the Bank's foreign currency forward and swap transactions based on currencies are disclosed below in their TL equivalents:

	Forward Buy	Forward Sell	Swap Buy	Swap Sell	Option Buy	Option Sell	Futures Buy	Futures Sell
31 December 2024								
TL	-	-	-	-	-	-	-	1,665,175
USD	-	-	-	-	-	-	1,516,663	-
EURO	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	1,516,663	1,665,175
31 December 2023								
TL	8,201,917	-	-	9,943,671	-	-	-	-
USD	-	7,107,341	9,115,364	-	-	-	-	-
EURO	-	826,098	681,920	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	8,201,917	7,933,439	9,797,284	9,943,671	-	-	-	-

3. Information about credit derivatives and descriptions of the risks:

None.

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III. Explanations and Disclosures Related to the Off-Balance Sheet (cont'd)

4. Explanations on contingent liabilities and assets:

- a.1) The Bank's share in contingent liabilities arising from entities under common control (joint ventures) together with other venturer: None.
- a.2) Share of jointly controlled entity (joint venture) in its own contingent liabilities: None.
- a.3) The Bank's contingent liabilities resulting from liabilities of other venturers in jointly controlled entities (joint ventures): None.
- b) Accounting and presentation of contingent assets and liabilities in the financial statements:
 - b.1) Contingent assets are accounted for if probability of realization is almost certain. If probability of realization is high, then it is explained in the Notes. As of 31 December 2024 and 2023, there are no contingent assets that need to be explained.
 - b.2) A provision is made for contingent liabilities, if realization is probable and the amount can reliably be determined. If realization is remote or the amount cannot be determined reliably, then it is explained in the footnotes: as of 31 December 2024 and 2023, there are no contingent liabilities that need to be explained.

5. Explanations on services rendered on behalf and account of others:

The Bank provides security purchase-sell and safe keeping services in the name of real persons and legal entities. Details of investment securities held in custody are given in the Statement of Off Balance Sheet.

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss

1. a) Information on interest income on loans:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Interest on Loans ^(*)				
Short-Term Loans	2,513,163	157,907	1,424,606	140,162
Medium and Long Term-Loans	56,578	290	40,424	702
Interests Received from Non-Performing Receivables	53,454	-	60,103	-
Total	2,623,195	158,197	1,525,133	140,864

^(*) Includes fees and commissions obtained from cash loans.

b) Information on interest income received from banks:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
The Central Bank of Turkey	-	-	-	-
Domestic Banks	29,977	-	1,167	-
Foreign Banks	-	35,360	-	26,614
Branches and Head Office Abroad	-	-	-	-
Total	29,977	35,360	1,167	26,614

c) Information on interest received from securities:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
From Financial Assets at Fair Value Through Profit and Loss	-	-	-	-
From Financial Assets at Fair Value Through Other Comprehensive Income	212,258	2	5,561	2
Financial Assets Measured at Amortised Cost	221,093	-	177,277	-
Total	433,351	2	182,838	2

d) Information on interest income received from associates and subsidiaries: None.

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

2. a) Information on interest on funds borrowed:

Interest on Funds Borrowed (*)	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Banks	17	-	8	-
The Central Bank of Turkey	-	-	-	-
Domestic Banks	17	-	8	-
Foreign Banks	-	-	-	-
Branches and Head Office Abroad	-	-	-	-
Other Institutions	-	-	-	-
Total	17	-	8	-

(*) Includes fees and commission expenses for borrowings.

b. Information on interest expense to associates and subsidiaries: None.

c. Information on interest paid to securities issued: None.

d. Display of the interest paid on the deposit according to the maturity structure:

Account Name	31 December 2024							Acc. Deposits	Total
	Time Deposits								
	Demand Deposits	Up to 1 month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Longer than 1 Year			
Turkish Lira									
Interbank Deposits	-	-	-	-	-	-	-	-	-
Savings Deposit	-	23,186	487,549	245,742	625,621	17,112	-	1,399,210	
Official Deposit	-	-	-	-	-	-	-	-	
Trade Deposit	-	224,475	91,489	160,512	479,693	57,660	-	1,013,829	
Other Deposit	-	1,844	16,787	159	-	-	-	18,790	
7-Day Notice Deposit	-	-	-	-	-	-	-	-	
Precious Metal Reserve	-	-	-	-	-	-	-	-	
Total	-	249,505	595,825	406,413	1,105,314	74,772	-	2,431,829	
Foreign Currency									
Foreign currency deposits	-	2,756	196,658	22,416	1,284	404	-	-	
Interbank Deposits	-	-	-	-	-	-	-	-	
7-Day Notice Deposit	-	-	-	-	-	-	-	-	
Precious Metal	-	-	-	-	-	-	-	-	
Total	-	2,756	196,658	22,416	1,284	404	-	223,518	
Grand Total	-	252,261	792,483	428,829	1,106,598	75,176	-	2,655,347	

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

d. Display of the interest paid on the deposit according to the maturity structure (cont'd):

31 December 2023								
Time Deposits								
Account Name	Demand Deposits	Up to 1 month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Longer than 1 Year	Acc. Deposits	Total
Turkish Lira								
Interbank Deposits	-	-	-	-	-	-	-	-
Savings Deposit	-	15,131	348,052	330,577	230,289	24,077	-	948,126
Official Deposit	-	-	-	-	-	-	-	-
Trade Deposit	-	171,303	546,380	102,280	76,973	18,005	-	914,941
Other Deposit	-	744	57,886	19,436	-	-	-	78,066
7-Day Notice Deposit	-	-	-	-	-	-	-	-
Precious Metal Reserve	-	-	-	-	-	-	-	-
Total	-	187,178	952,318	452,293	307,262	42,082	-	1,941,133
Foreign Currency								
Foreign currency deposits	-	4,647	124,817	14,246	661	327	-	144,698
Interbank Deposits	-	-	-	-	-	-	-	-
7-Day Notice Deposit	-	-	-	-	-	-	-	-
Precious Metal	-	-	-	-	-	-	-	-
Total	-	4,647	124,817	14,246	661	327	-	144,698
Grand Total	-	191,825	1,077,135	466,539	307,923	42,409	-	2,085,831

3. Information on dividend income: For the period ended 31 December 2024, there is TL 234 dividend income (31 December 2023: TL 111).

4. Explanations on trade profit and loss:

	31 December 2024	31 December 2023
Profit	1,302,753	3,544,726
Profit from Capital Market Operations	-	82,442
From Derivative Financial Transactions	620,280	2,481,905
Profit from Foreign Exchange	682,473	980,379
Loss (-)	(1,739,340)	(2,533,677)
Loss from Capital Market Operations	(26,401)	(6,408)
From Derivative Financial Transactions	(890,747)	(1,974,773)
Loss from Foreign Exchange	(822,192)	(552,496)
Total	(436,587)	1,011,049

5. Information on other operating income:

	31 December 2024	31 December 2023
Income from sales of assets	14,963	36,508
Provisions for communication expense collected from customers	462	7,425
Adjustment of prior years' expenses ^(*)	103,328	-
Other	1,708	8,748
Total	120,461	52,681

^(*) Total amount of TL 100,000 was allocated as a free reserve in previous years, and the amount canceled in the current period is included.

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

6. Provision for impairment of loans and other receivables of banks

	31 December 2024	31 December 2023
Expected Credit Losses	(207,275)	29,613
12 Month ECL (Stage 1)	(20,695)	17,961
Significant Increase in Credit Risk (Stage 2)	(594)	(8,659)
Default (Stage 3)	(185,986)	20,311
Provision for Impairment Losses on Securities	-	-
Financial Assets Measured at Fair Value through Profit or Loss	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Provision for Impairment Losses on Associates, Subsidiaries and Joint-ventures	-	-
Associates	-	-
Subsidiaries	-	-
Partnerships under Common Control (Business partnerships)	-	-
Other	-	-
Total	(207,275)	29,613

7. Information on other operating expenses:

	31 December 2024	31 December 2023
Provision for Employee Termination Benefits	-	-
Tax, Duty, Fees	34,616	13,211
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	59,186	45,464
Impairment Expenses of Intangible Assets	-	-
Impairment Expense of Goodwill	-	-
Depreciation Expenses of Intangible Assets	7,177	7,355
Impairment for Investments Accounted for under Equity Method	-	-
Impairment Expenses of Assets to be Disposed	-	-
Depreciation Expenses of Assets to be Disposed	4	4
Impairment Expenses of Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	209,797	144,645
Leasing Expenses Related to TFRS 16 Exceptions	-	937
Maintenance Expenses	81,298	53,638
Advertisement Expenses	69	721
Other Expenses ^(*)	128,430	89,349
Loss on Sales of Assets	2	966
Other ^(**)	90,607	66,696
Total	401,389	278,341

^(*) Included in other operating expenses; vehicle expenses are TL 9,144, communication expenses are TL 14,659, heating-lightening expenses are TL 7,095, stationery expenses are TL 1,979, cleaning expenses are TL 4,251, non-deductible expenses are TL 4,124, computer usage expenses are TL 33,069, subcontractor company expenses are TL 26,912, expertise expenses are TL 1,385, common expenses are TL 5,643, insurance expenses are TL 9,319, representation expenses are TL 2,260, other expenses are TL 8,847 (31 December 2023: Included in other operating expenses; vehicle expenses are TL 6,366, communication expenses are TL 8,635, heating-lightening expenses are TL 6,203, stationery expenses are TL 1,208, cleaning expenses are TL 2,633, non-deductible expenses are TL 4,298, computer usage expenses are TL 19,560, subcontractor company expenses are TL 16,555, expertise expenses are TL 1,055, common expenses are TL 3,766, insurance expenses are TL 9,197, representation expenses are TL 2,586, other expenses are TL 7,287).

^(**) Included in other assurance and financial consultancy expenses are TL 39,213, Saving Deposit Insurance Fund is TL 11,903 and other expenses are TL 57,491 (31 December 2023: Included in other assurance and financial consultancy expenses are TL 29,829, Saving Deposit Insurance Fund is TL 8,664 and other expenses are TL 28,202).

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

8. Information on profit / loss from continuing and discontinued operations before tax:

The Bank's pre-tax profit for the period ended 31 December 2024 is TL 459,891 (31 December 2023: TRY 439,953).

9. Explanation on tax provision for continued and discontinued operations:

- The Bank's current tax expense for the period ended 31 December 2024 is TL 152,435 (31 December 2023: No tax expense). Additionally, deferred tax expense for the period ended 31 December 2024 is TL 47,145 (31 December 2023: TL 5,000 deferred tax expense).
- There is no deferred tax asset arising from the creation or reversal of tax losses and temporary differences (31 December 2023: None).
- There is no deferred tax asset in TL, except for those arising from tax losses and temporary differences (31 December 2023: None).
- Tax reconciliation:

	31 December 2024	31 December 2023
Profit before tax	459,891	439,953
Tax calculated 30%		
Deferred tax adjustment for financial loss	(137,967)	(131,986)
Tax provision arising from tax losses	70,099	131,986
Non-deductible expenses and other, net	(102,776)	-
Other	65,354	-
Tax Calculated	(105,290)	-

10. Explanation on net profit/loss of continued and discontinued operations:

The Bank's net profit for the period ended 31 December 2024 is TL 354,601 (31 December 2023: TL 434,953).

11. Explanations on net profit and loss for the period:

- If disclosure of the nature, size and recurrence rate of income and expense items arising from ordinary banking transactions is necessary for understanding the performance of the bank during the period, the nature and amount of these items: None.
- The effect of a change in the estimation made regarding the financial statement items on the profit/loss, if there is a possibility that it will affect the following periods, the effect including those periods: None.
- Profit/loss attributable to minority shares: None.

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

12. If the other items in the income statement exceed 10% of the income statement total, accounts amounting to at least 20% of these items are shown below:

	31 December 2024	31 December 2023
<u>Other fees and commissions received</u>		
Expertise fees collected from customers	1,257	919
Transfer commissions	792	5,200
Insurance commissions	710	445
Cheque expense	282	113,370
Safe deposit box commissions	51	34
Intelligence Fee	-	7
Letter of Credit Commissions	9	67
Credit Card Commissions and Fees	23	18
Collection item commissions	5	-
Other banking service income ^(*)	878	2,888
Total	4,007	122,948

(*) Other banking operations income includes accounts such as bank operations income, collection expenses, loan expenses.

	31 December 2024	31 December 2023
<u>Other fees and commissions given</u>		
Other commissions paid to banks	5,122	4,452
EFT expense commission	504	451
Bond stock market share	506	467
Transfer commissions	196	244
Exchange custody commission	604	414
Credit card commissions	1,263	720
ATM expense commission	9	14
Other	6,276	650
Total	14,480	7,412

The other provisions expense item consists of the provision expense of TL 18,000 set aside by the Bank for potential risks (31 December 2023: TL 100,000).

13. Fees for services received from auditor / audit firm:

According to the decision of the KGK dated 26 March 2021, the fee information for services provided by the independent auditor or independent auditing firm for the reporting period, excluding VAT, is provided in the table below.

	31 December 2024	31 December 2023
Audit Fee	8,000	5,058
Total	8,000	5,058

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V. Explanations and Notes on the Statement of Changes in Equity

- a) There is no increase arising from financial investments whose fair value difference is presented in other comprehensive income.
- b) Information on increases in cash flow hedges: None.
- b.1) Beginning and end of the period: None.
- b.2) Amount recorded in the current period if the gain or loss of a derivative or non-derivative financial asset and liability designated as a hedging instrument in cash flow hedges is recorded in equity: None.
- c) The reconciliation of exchange rate differences at the beginning and end of the period: None.
- d) Dividends declared after the balance sheet date but before the announcement of the financial statements: None.
- e) Net dividends per share proposed to be distributed to the shareholders after the balance sheet date: The dividend distribution will be decided at the General Assembly meeting and the General Assembly has not yet been held as of the finalization date of the attached financial statements.
- f) Proposals to be made to the General Assembly about the timing of the dividend payment and the reasons if no dividends are to be distributed: As of the date of the finalization of the financial statements, the Board of Directors has not taken a decision on dividend distribution.
- g) The amount transferred to legal reserves is TL 21,748 (31 December 2023: TL 6,233).
- h) Information on share certificate issuance:

The Bank does not have any instruments representing the debt issued by the Bank itself. There are no dividends related to the shares of the Bank announced after the balance sheet date.

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VI. Matters to be Explained in the Statement of Cash Flows

1. The effect of other items in the Statement of Cash Flows and the change in the exchange rate on cash and cash equivalents:

“Other items” amounting to TL (734,974) in “Operating profit before changes in operating assets and liabilities” mainly consist of fees and commissions paid, gain/losses from derivative financial instruments and other operating expenses (except for personnel expenses, provision for employee termination benefits, depreciation expenses and taxes paid).

“Net increase/(decrease) in other liabilities” amounting to TL 647,896 in “Changes in assets and liabilities subject to banking activities” mainly consists of changes in sundry payables, other liabilities and tax liabilities. “Net increase/decrease in other assets” amounting to TL (469,595) mainly consists of changes in other assets.

The effect of the change in the foreign exchange rate on the cash and cash equivalents is calculated as approximately TL 433,911 and it represents the effect of the change in the foreign exchange rates over the foreign currency cash and cash equivalents.

2. Cash and cash equivalents at beginning and end of the period:

The reconciliation of the components of cash and cash equivalent assets, accounting policies used to determine these components, the effect of any change made in accounting principle in the current period, the recorded amounts of the cash and cash equivalent assets at the balance sheet and the recorded amounts in the statement of cash flow:

Beginning of the Period	31 December 2024	31 December 2023
Cash		
Cash and Effective Reserve	346,328	109,787
The Central Bank of Turkey	1,370,989	175,682
Other		
Cash Equivalent Assets		
Banks and Receivables from Financial Institutions	919,514	592,649
Receivables from Money Market	1,740,000	249,610
Total Cash and Cash Equivalent Assets	4,376,831	1,127,728
End of the Period	31 December 2024	31 December 2023
Cash		
Cash and Effective Reserve	130,441	346,328
The Central Bank of Turkey	1,120,268	1,370,989
Other		
Cash Equivalent Assets		
Banks and Receivables from Financial Institutions	997,134	919,514
Receivables from Money Market	1,740,000	1,740,000
Total Cash and Cash Equivalent Assets	3,987,843	4,376,831

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VII. Explanations on the Risk Group of the Bank

1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances:

a) 31 December 2024:

Risk Group of The Bank	Associates and Subsidiaries		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons Included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at Beginning of Period	-	-	130	66,980	80	24,270
Balance at End of Period	-	-	154	25,617	-	28,024
Interest Received and Commission Income	-	-	-	-	-	-

Direct and indirect shareholders cash column includes “Foreign Banks” amounting to TL 154.

b) 31 December 2023:

Risk Group of The Bank	Associates and Subsidiaries		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons Included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at Beginning of Period	-	-	84	21,057	1,057	15,100
Balance at End of Period	-	-	130	66,980	80	24,270
Interest Received and Commission Income	-	-	-	-	87	-

Direct and indirect shareholders cash column includes “Foreign Banks” amounting to TL 130.

c.1) Information on deposits belonging to the risk group of the Bank:

Risk Group of The Bank	Associates and Subsidiaries		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons Included in the Risk Group	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Deposit						
Beginning of the Period	-	-	2,111	1,125	1,518	607
End of the Period	-	-	7,811	2,111	1,527	1,518
Deposit Interest Expense	-	-	-	-	-	481

In addition, the Bank has not any “Funds Borrowed” used from risk group of the Bank (31 December 2023: None) and there is no interest expense was incurred from funds borrowed in 2024 (31 December 2023: None).

c.2) Information on forward and option agreements and other similar agreements made with related parties:
None.

d) As of 31 December 2024, the total amount of remuneration and benefits provided to the senior management of the Bank TL 77,880 (31 December 2023: TL 42,109).

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VII. Explanations on the Risk Group of the Bank (cont'd)

2. Regarding the risk group that the Risk Group of the Bank:

- a) The relations of the Bank with the entities controlled by the Bank and its related parties, regardless of whether there are any transactions or not:

The Bank carries out various commercial banking transactions with its group companies.

- b) Besides the structure of relationship, nature of the transaction, amount and ratio to the total volume of transactions, amount of major items and ratio to all items, pricing policies and other factors:

	Balance	% Compared to the Amounts in the Financial Statements
Banks and other receivables	154	0.02
Borrowings	-	0.00
Non-cash loans	53,541	2.16
Deposits	9,338	0.07

These transactions are priced in accordance with the general pricing policies of the Bank.

- c) In cases whereby separate disclosure is not necessary, the total of similar items in order to present the total impact on the financial statements: Explained in disclosure b).
- d) Transactions accounted under the equity method: None.
- e) Disclosures related to purchase and sale of real estate and other assets, services given/received, agency contracts, leasing contracts, transferring information as a result of research and development, license contracts, financing (including supports in the form of loans, capital in cash and capital in kind), guarantees, and management contracts:

Within the limits of the Banking Law, the Bank renders cash and non-cash loans to its related parties and the ratio of these to the Bank's total cash and non-cash loan portfolio is 0.45%. Details of these loans are explained in 1a above.

VIII. Explanations on the Bank's Domestic Branches, Agencies and Branches Abroad and Off- Shore Branches

1. Explanations on the Bank's Domestic Branches, Agencies and Branches Abroad and Off- Shore Branches:

	Number	Number of Employees			
Domestic branches	6	201			
			Country		
Rep-offices abroad	-	-	-		
				Total Assets	Legal Capital
Branches abroad	-	-	-	-	-
Off-Shore Branches	-	-	-	-	-

2. Explanation on the Subject in Case the Bank Opens, Closes, or Changes Its Organization Significantly in Domestic and Abroad Branches or Representative Offices:

None.

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IX. Events After the Balance Sheet Date

None.

SECTION SIX

Other Explanations

I. Other explanations about the Bank's operations

In accordance with the Communiqué Regarding the Preparation of Consolidated Financial Statements of Banks published in the Official Gazette dated 8 November 2006 and numbered 26340, the Bank has no obligation to prepare consolidated financial statements.

SECTION SEVEN

INDEPENDENT AUDIT REPORT

I. Explanations Related to the Independent Audit Report

The Bank's unconsolidated financial statements as of 31 December 2024 and for the year then ended, have been audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ, and the independent audit report dated 12 March 2025, has been presented in front of the unconsolidated financial statements.

II. Explanations and Notes Prepared by the Independent Auditor

None.