

**A&T FINANSAL KIRALAMA A. Ő.**

**FINANCIAL STATEMENTS TOGETHER WITH  
INDEPENDENT AUDITORS' REPORT**

FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024  
*(CONVENIENCE TRANSLATION INTO ENGLISH OF  
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT  
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE 2)*



**Convenience Translation into English of Independent Auditor's Report  
Originally Issued In Turkish**

**INDEPENDENT AUDITOR'S REPORT**

To the General Assembly of A&T Finansal Kiralama A.Ş.

**A) Report on the Audit of the Financial Statements**

**1. Opinion**

We have audited the accompanying financial statements of A&T Finansal Kiralama A.Ş. (the "Company") which comprise the statement of financial position as at 31 December 2024 and the statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the financial statements and a summary of significant accounting policies and financial statement notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with "Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation" which includes "Communiqué on Uniform Chart of Accounts and Prospectus to be implemented by Financial Leasing, Factoring, Financing and Saving Financing Companies" published in the Official Gazette numbered 28861 dated 24 December 2013 and, communiqués, and circulars and, announcements made by BRSA and requirements of Turkish Financial Reporting Standards for the matters not regulated by the aforementioned legislations.

**2. Basis for Opinion**

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

**3. Key Audit Matters**

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



Key audit Matter	How the matter is addressed in our audit
<p data-bbox="272 464 872 527"><b>Expected credit losses for financial lease receivables</b></p> <p data-bbox="272 575 872 974">The Company has total expected credit losses for financial lease receivables amounting to TL 1,438,650,855 in respect to total gross financial lease receivables amounting to TL 5,641,847 which represent a significant portion of the Company’s total assets in its financial statements as at 31 December 2024. Explanations and notes related to expected credit losses for financial lease receivables are presented in Notes 2.1, 2.3 and 4 in the accompanying financial statements as at 31 December 2024.</p> <p data-bbox="272 1022 872 1854">In the scope of “Regulation on Amendments Related To Regulation On Accounting Applications And Financial Statements Of Financial Leasing, Factoring And Financing Companies” that is published on the Official Gazette on 2 May 2018 and numbered 30409, the Company recognizes the expected credit losses for financial lease receivables in accordance with TFRS 9 “Financial Instruments” as of 1 January 2019. Accordingly, the classification of financial lease receivables has been recognized as per their credit risk (staging) in accordance with TFRS 9 and expected credit loss approach is applied for impairment provision for financial lease receivables. The Company exercises significant decisions using subjective judgement, interpretation and assumptions over when and how much to record as loan impairment. To determine the stage classification of loans by identifying significant increase in credit risk with quantitative and qualitative assessments and default events disclosed in the accompanying financial statements in accordance with TFRS 9.</p>	<p data-bbox="894 499 1495 789">With respect to stage classification of financial lease receivables and calculation of expected credit losses in accordance with TFRS 9, we have assessed policy, procedure and management principles of the Company within the scope of our audit. We tested the design and the operating effectiveness of relevant systems and processes implemented in accordance with these principles.</p> <p data-bbox="894 837 1495 1381">We have evaluated and tested the appropriateness of expected credit loss methodologies and performance of parameters (life time expected credit losses and losses given default) in line with the requirement of TFRS 9 and the Company’s policies and procedures with our financial risk experts. We have carried loan review on a selected sample of loans with the objective to identify whether the classification of finance lease receivables is performed appropriately in accordance with the applicable regulation, whether the loss event had occurred and whether the provision for impairment has been recognized in a timely manner within the TFRS 9 framework.</p> <p data-bbox="894 1430 1495 1791">In addition, for non-performing finance lease receivables that are subject to individual assessment based on the Company policies, we have evaluated the appropriateness of specific impairment provision with supportable input. Based on our discussions with the Company management, we have evaluated and challenged whether the key assumptions and other judgements, underlying the estimation of impairment were reasonable.</p>



Key audit Matter	How our audit addressed the key audit matter
<p>Information used in expected credit loss such as historical loss experiences, current conditions and macroeconomic expectations should be supportable and appropriate.</p> <p>Our audit was focused on this area due to existence of complex estimates and information used in the impairment assessment such as macro-economic expectations, current conditions, historical loss experiences, development and weighting of macroeconomic scenarios; the significance of the financial lease receivables balances; the classification of financial lease receivables as per their credit risk (staging) in accordance with TFRS 9 and the importance of determination of the associated expected credit loss. Timely and correct identification of default event and level of judgements and estimations made by the management have significant impacts on the amount of impairment provisions for loans. Therefore, this area is considered as key audit matter.</p>	<p>We evaluated the adequacy of the disclosures made in the financial statements regarding the provision for impairment of financial lease receivables.</p>

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

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

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

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



## **5. Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

#### **Additional paragraph for convenience translation**

The effects of differences between accounting principles and standards explained in detail in Note 2 and accounting principles generally accepted in countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards ("IFRS") including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies have not been quantified in the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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

A handwritten signature in blue ink, appearing to read "Didem Demer Kaya", is written over a light blue circular stamp.

Didem Demer Kaya, SMMM  
Independent Auditor

Istanbul, 14 February 2025

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**A&T FİNANSAL KİRALAMA A.Ş.**

**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS AT  
31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

	ASSETS	Notes	Audited 31 December 2024			Audited 31 December 2023		
			TL	FC	TOTAL	TL	FC	TOTAL
I.	CASH, CASH EQUIVALENTS and CENTRAL BANK	3	79,960,089	78,116,688	158,076,777	24,156,182	158,106,526	182,262,708
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (net)		--	--	--	--	--	--
III.	DERIVATIVE FINANCIAL ASSETS		--	--	--	--	--	--
IV.	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (net)		--	--	--	--	--	--
V.	FINANCIAL ASSETS AT AMORTIZED COST (Net)	4	136,687,022	1,296,321,986	1,433,009,008	149,094,639	1,069,315,076	1,218,409,715
5.1	Factoring Receivables		--	--	--	--	--	--
5.1.1	Discounted Factoring Receivables (Net)		--	--	--	--	--	--
5.1.2	Other Factoring Receivables		--	--	--	--	--	--
5.2	Savings Finance Receivables		--	--	--	--	--	--
5.2.1	Saving Fund		--	--	--	--	--	--
5.2.2	Equity		--	--	--	--	--	--
5.3	Financing Loans		--	--	--	--	--	--
5.3.1	Consumer Loans		--	--	--	--	--	--
5.3.2	Credit Cards		--	--	--	--	--	--
5.3.3	Installment Commercial Loans		--	--	--	--	--	--
5.4	Leasing (Net)	4	136,924,979	1,300,877,091	1,437,802,070	149,394,798	1,074,442,279	1,223,837,077
5.4.1	Receivables From Finance Lease		191,898,631	1,443,335,519	1,635,234,150	203,499,799	1,200,261,041	1,403,760,840
5.4.2	Receivables From Operating Lease		--	--	--	--	--	--
5.4.3	Unearned Income (-)		(54,973,652)	(142,458,428)	(197,432,080)	(54,105,001)	(125,818,762)	(179,923,763)
5.5	Other Financial Assets At Amortized Cost		--	--	--	--	--	--
5.6	Non Performing Receivables	4	296,285	552,500	848,785	489,912	48,438	538,350
5.7	Allowances for Expected Credit Loss (-)	4	(534,242)	(5,107,605)	(5,641,847)	(790,071)	(5,175,641)	(5,965,712)
VI.	SHAREHOLDING (Partnership)		--	--	--	--	--	--
	INVESTMENTS		--	--	--	--	--	--
6.1	Investments In Associates (Net)		--	--	--	--	--	--
6.2	Investments In Subsidiaries (Net)		--	--	--	--	--	--
6.3	Investments In Joint Ventures (Net)		--	--	--	--	--	--
VII.	TANGIBLE ASSETS (NET)	5	69,100,092	--	69,100,092	53,964,240	--	53,964,240
VIII.	INTANGIBLE ASSETS (NET)	6	4,945,010	--	4,945,010	4,906,751	--	4,906,751
IX.	INVESTMENT PROPERTY (NET)		--	--	--	--	--	--
X.	CURRENT PERIOD TAX ASSETS		--	--	--	--	--	--
XI.	DEFERRED TAX ASSETS	16	2,295,782	--	2,295,782	539,447	--	539,447
XII.	OTHER ASSETS	7	5,039,814	43,838,457	48,878,271	2,815,382	25,520,354	28,335,736
	<b>SUBTOTAL</b>		<b>298,027,809</b>	<b>1,418,277,131</b>	<b>1,716,304,940</b>	<b>235,476,641</b>	<b>1,252,941,956</b>	<b>1,488,418,597</b>
XIII.	ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)		--	--	--	--	--	--
13.1	Assets Held For Sale		--	--	--	--	--	--
13.2	Assets Held For DisContinued Operations		--	--	--	--	--	--
	<b>TOTAL ASSETS</b>		<b>298,027,809</b>	<b>1,418,277,131</b>	<b>1,716,304,940</b>	<b>235,476,641</b>	<b>1,252,941,956</b>	<b>1,488,418,597</b>

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



**A&T FİNANSAL KİRALAMA A.Ş.**

**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS AT  
31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

	LIABILITIES	Notes	Audited 31 December 2024			Audited 31 December 2023		
			TL	FC	TOTAL	TL	FC	TOTAL
<b>I.</b>	<b>FUNDS BORROWED</b>	<b>8</b>	<b>33,505,146</b>	<b>1,360,532,808</b>	<b>1,394,037,954</b>	<b>25,371,827</b>	<b>1,191,483,463</b>	<b>1,216,855,290</b>
<b>II.</b>	<b>FACTORING PAYABLES</b>		--	--	--	--	--	--
<b>III.</b>	<b>PAYABLES FROM SAVINGS FUND</b>		--	--	--	--	--	--
<b>IV.</b>	<b>LEASE OBLIGATIONS (NET)</b>		--	--	--	--	--	--
<b>V.</b>	<b>SECURITIES ISSUED (NET)</b>		--	--	--	--	--	--
<b>VI.</b>	<b>FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		--	--	--	--	--	--
<b>VII.</b>	<b>DERIVATIVE FINANCIAL LIABILITIES</b>	<b>10</b>	--	<b>55,575</b>	<b>55,575</b>	--	--	--
<b>VIII.</b>	<b>PROVISIONS</b>	<b>11</b>	<b>24,258,980</b>	--	<b>24,258,980</b>	<b>8,781,185</b>	--	<b>8,781,185</b>
8.1	Restructuring Reserves		--	--	--	--	--	--
8.2	Provisions For Employee Benefits	11	24,023,980	--	24,023,980	8,781,185	--	8,781,185
8.3	General Provisions		--	--	--	--	--	--
8.4	Other Provisions		235,000	--	235,000	--	--	--
<b>IX.</b>	<b>CURRENT PERIOD TAX LIABILITIES</b>	<b>16</b>	<b>9,400,331</b>	--	<b>9,400,331</b>	<b>4,598,823</b>	--	<b>4,598,823</b>
<b>X.</b>	<b>DEFERRED TAX LIABILITIES</b>	<b>16</b>	--	--	--	--	--	--
<b>XI.</b>	<b>SUBORDINATED LOANS-DEBT</b>		--	--	--	--	--	--
<b>XII.</b>	<b>OTHER LIABILITIES</b>	<b>9</b>	<b>9,311,673</b>	<b>28,533,690</b>	<b>37,845,363</b>	<b>2,621,883</b>	<b>40,344,107</b>	<b>42,965,990</b>
	<b>SUBTOTAL</b>		<b>76,476,130</b>	<b>1,389,122,073</b>	<b>1,465,598,203</b>	<b>41,373,718</b>	<b>1,231,827,570</b>	<b>1,273,201,288</b>
<b>XIII.</b>	<b>PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)</b>		--	--	--	--	--	--
13.1	Held For Sale		--	--	--	--	--	--
13.2	DisContinued Operations		--	--	--	--	--	--
<b>XIV.</b>	<b>SHAREHOLDERS' EQUITY</b>	<b>12</b>	<b>250,706,737</b>	--	<b>250,706,737</b>	<b>215,217,309</b>	--	<b>215,217,309</b>
14.1	Paid-in Capital		161,500,000	--	161,500,000	153,500,000	--	153,500,000
14.2	Capital Reserves		228,147	--	228,147	228,147	--	228,147
14.2.1	Share Premiums		--	--	--	--	--	--
14.2.2	Share Cancellation Profits		--	--	--	--	--	--
14.2.3	Other Capital Reserves		228,147	--	228,147	228,147	--	228,147
14.3	Accumulated Other Comprehensive Income that will not be Reclassified to Profit or Loss		43,156,793	--	43,156,793	32,031,749	--	32,031,749
14.4	Accumulated Other Comprehensive Income that may be Reclassified Subsequently to Profit or Loss		--	--	--	--	--	--
14.5	Profit Reserves		8,998,696	--	8,998,696	8,024,119	--	8,024,119
14.5.1	Legal Reserves		8,997,202	--	8,997,202	8,022,625	--	8,022,625
14.5.2	Statutory Reserves		--	--	--	--	--	--
14.5.3	Extraordinary Reserves		1,494	--	1,494	1,494	--	1,494
14.5.4	Other Profit Reserves		--	--	--	--	--	--
14.6	Profit or Loss		36,823,101	--	36,823,101	21,433,294	--	21,433,294
14.6.1	Prior Periods Profit / Loss		12,458,717	--	12,458,717	1,941,752	--	1,941,752
14.6.2	Current Period Profit / Loss		24,364,384	--	24,364,384	19,491,542	--	19,491,542
	<b>TOTAL LIABILITIES AND EQUITY</b>		<b>327,182,867</b>	<b>1,389,122,073</b>	<b>1,716,304,940</b>	<b>256,591,027</b>	<b>1,231,827,570</b>	<b>1,488,418,597</b>

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

**A&T FİNANSAL KİRALAMA A.Ş.**

**STATEMENT OF OFF-BALANCE SHEET ITEMS AS AT 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

OFF-BALANCE SHEET ITEMS	Notes	Audited 31 December 2024			Audited 31 December 2023		
		TL	FC	TOTAL	TL	FC	TOTAL
<b>I. IRREVOCABLE FACTORING OPERATIONS</b>		--	--	--	--	--	--
<b>II. REVOCABLE FACTORING OPERATIONS</b>		--	--	--	--	--	--
<b>III. SAVINGS FINANCE CONTRACTS TRANSACTIONS</b>		--	--	--	--	--	--
<b>IV. GUARANTEES TAKEN</b>		2,050,603,371	15,406,662,454	17,457,265,825	1,314,964,519	7,664,321,610	8,979,286,129
<b>V. GUARANTEES GIVEN</b>	10	30,000	--	30,000	303,518	-	303,518
<b>VI. COMMITMENTS</b>	10	7,599,941	224,354,294	231,954,235	9,422,094	265,987,696	275,409,790
6.1 Irrevocable Commitments		--	5,747,633	5,747,633	--	56,314,471	56,314,471
6.2 Revocable Commitments		7,599,941	218,606,661	226,206,602	9,422,094	209,673,225	219,095,319
6.2.1 Lease Commitments		7,599,941	218,606,661	226,206,602	9,422,094	209,673,225	219,095,319
6.2.1.1 Finance Lease Commitments		7,599,941	218,606,661	226,206,602	9,422,094	209,673,225	219,095,319
6.2.1.2 Operational Lease Commitments		--	--	--	--	--	--
6.2.2 Other Revocable Commitments		--	--	--	--	--	--
<b>VII. DERIVATIVE FINANCIAL INSTRUMENTS</b>		--	--	--	--	--	--
7.1 Derivative Financial Instruments for Hedging Purposes		--	--	--	--	--	--
7.1.1 Fair Value Hedges		--	--	--	--	--	--
7.1.2 Cash Flow Hedges		--	--	--	--	--	--
7.1.3 Net Investment Hedges		--	--	--	--	--	--
7.2 Derivative Financial Instruments Held For Trading		--	--	--	--	--	--
7.2.1 Forward Buy/Sell Transactions		--	--	--	--	--	--
7.2.2 Swap Buy/Sell Transactions		--	--	--	--	--	--
7.2.3 Options Buy/Sell Transactions		--	--	--	--	--	--
7.2.4 Futures Buy/Sell Transactions		--	--	--	--	--	--
7.2.5 Other		--	--	--	--	--	--
<b>VIII. ITEMS HELD IN CUSTODY</b>		--	--	--	--	--	--
<b>TOTAL OFF BALANCE SHEET ITEMS</b>		<b>2,058,233,312</b>	<b>15,631,016,748</b>	<b>17,689,250,060</b>	<b>1,324,690,131</b>	<b>7,930,309,306</b>	<b>9,254,999,437</b>

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

# A&T FİNANSAL KİRALAMA A.Ş.

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

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

		Notes	Audited 1 January – 31 December 2024	Audited 1 January – 31 December 2023
	<b>INCOME STATEMENT</b>			
<b>I.</b>	<b>OPERATING INCOME</b>		<b>199,631,557</b>	<b>120,508,629</b>
	<b>FACTORING INCOME</b>		--	--
1.1	Interest Income on Factoring Receivables		--	--
1.1.1	Discounted		--	--
1.1.2	Other		--	--
1.2	Fees and Commissions Income from Factoring Operations		--	--
1.2.1	Discounted		--	--
1.2.2	Other		--	--
	<b>FINANCING LOANS INCOME</b>		--	--
1.3	Interest income From Financing Credits		--	--
1.4	Fees and Commissions From Financing Credits		--	--
	<b>FINANCE LEASE INCOME</b>	<b>13</b>	<b>199,631,557</b>	<b>120,508,629</b>
1.5	Finance Lease Income		190,173,258	115,906,138
1.6	Operating Lease Income		--	--
1.7	Fees and Commissions Received from the Leasing Transactions		9,458,299	4,602,491
	<b>SAVINGS FINANCE INCOME</b>		--	--
1.8	Dividends from Savings Finance Receivables		--	--
1.9	Fees and Commissions Taken From Savings Finance Operations		--	--
<b>II.</b>	<b>FINANCIAL EXPENSES (-)</b>		<b>118,573,593</b>	<b>61,100,374</b>
2.1	Dividends to Savings Fund		--	--
2.2	Interest Expense From Funds Borrowed		116,780,329	60,829,836
2.3	Interest Expense From Factoring Payables		--	--
2.4	Interest Expense of Finance Lease Expenses		--	--
2.5	Interest Expense From Securities Issued		--	--
2.6	Other Interest Expenses		--	--
2.7	Fees and Commissions Paid		1,793,264	270,538
<b>III.</b>	<b>GROSS PROFIT / LOSS (I-II)</b>		<b>81,057,964</b>	<b>59,408,255</b>
<b>IV.</b>	<b>OPERATING EXPENSES (-)</b>	<b>14</b>	<b>93,687,104</b>	<b>71,839,043</b>
4.1	Personnel Expenses		54,346,087	47,421,366
4.2	Provision for Employment Termination Benefits		487,794	988,516
4.3	Research and Development Expenses		--	--
4.4	General Administrative Expenses	14	24,178,183	18,637,991
4.5	Other		14,675,040	4,791,170
<b>V.</b>	<b>GROSS OPERATING PROFIT / LOSS (III-IV)</b>		<b>(12,629,140)</b>	<b>(12,430,788)</b>
<b>VI.</b>	<b>OTHER OPERATING INCOME</b>	<b>15</b>	<b>375,593,408</b>	<b>656,375,895</b>
6.1	Interest Income From Bank Deposits		35,401,408	10,002,680
6.2	Interest Income From Securities Portfolio		--	--
6.3	Dividend Income		--	--
6.4	Trading Account Income		--	--
6.5	Income From Derivative Financial Instruments		--	--
6.6	Foreign Exchange Gains		334,726,624	634,045,663
6.7	Other		5,465,376	12,327,552
<b>VII.</b>	<b>PROVISION EXPENSES</b>		<b>4,309,747</b>	<b>4,594,201</b>
7.1	Specific Provisions		--	--
7.2	Allowances for Expected Credit Loss		4,309,747	4,594,201
7.3	General Provisions		--	--
7.4	Other		--	--
<b>VIII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>15</b>	<b>328,566,974</b>	<b>627,205,876</b>
8.1	Impairment Losses From Securities Portfolio		--	--
8.2	Impairment Losses From Non-Current Assets		--	--
8.3	Trading Account Loss		--	--
8.4	Loss From Derivative Financial Instruments		462,786	--
8.5	Foreign Exchange Loss		328,103,637	627,143,852
8.6	Other		552	62,024
<b>IX.</b>	<b>NET OPERATING PROFIT / LOSS</b>		<b>30,087,546</b>	<b>12,145,030</b>
<b>X.</b>	<b>INCOME RESULTED FROM MERGER</b>		--	--
<b>XI.</b>	<b>PROFIT / LOSS FROM PARTNERSHIPS VALUED BY EQUITY METHOD</b>		--	--
<b>XII.</b>	<b>GAIN/LOSS ON NET MONETARY POSITION</b>		--	--
<b>XIII.</b>	<b>PROFIT FROM CONTINUING OPERATIONS BEFORE TAX (IX+X+XI+XII)</b>		<b>30,087,546</b>	<b>12,145,030</b>
<b>XIV.</b>	<b>INCOME TAX EXPENSE FROM CONTINUING OPERATIONS (±)</b>	<b>16</b>	<b>(5,723,162)</b>	<b>7,346,512</b>
14.1	Current Tax Charge	16	(11,594,873)	(2,943,425)
14.2	Deferred Tax Charge		--	--
14.3	Deferred Tax Benefit		5,871,711	10,289,937
<b>XV.</b>	<b>NET PROFIT FROM CONTINUING OPERATIONS (XIII±XIV)</b>		<b>24,364,384</b>	<b>19,491,542</b>
<b>XVI.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		--	--
16.1	Income from Assets Held for Sale		--	--
16.2	Gain on Sale of Subsidiaries, Associates and Jointly Controlled Entities		--	--
16.3	Other Income from DisContinued Operations		--	--
<b>XVII.</b>	<b>EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		--	--
17.1	Expense on Assets Held for Sale		--	--
17.2	Loss on Sale of Subsidiaries, Associates and Jointly Controlled Entities		--	--
17.3	Other Expenses from DisContinued Operations		--	--
<b>XVIII.</b>	<b>PROFIT FROM DISCONTINUED OPERATIONS BEFORE TAX (XVI-XVII)</b>		--	--
<b>XIX.</b>	<b>INCOME TAX EXPENSE FROM DISCONTINUED OPERATIONS (±)</b>		--	--
19.1	Current Tax Charge		--	--
19.2	Deferred Tax Charge (+)		--	--
19.3	Deferred Tax Benefit (-)		--	--
<b>XX.</b>	<b>NET PROFIT FROM DISCONTINUED OPERATIONS (XVIII±XIX)</b>		--	--
<b>XXI.</b>	<b>NET PROFIT FOR THE PERIOD (XII+XVII)</b>		<b>24,364,384</b>	<b>19,491,542</b>

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

**A&T FİNANSAL KİRALAMA A.Ş.****STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

		Notes	Audited 1 January – 31 December 2024	Audited 1 January – 31 December 2023
<b>I.</b>	<b>PERIOD INCOME/LOSS</b>		<b>24,364,384</b>	<b>19,491,542</b>
<b>II.</b>	<b>OTHER COMPREHENSIVE INCOME</b>		<b>11,125,045</b>	<b>16,622,228</b>
<b>2.1</b>	<b>ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS</b>		<b>11,125,045</b>	<b>16,622,228</b>
2.1.1	Gains/(losses) on revaluation of tangible assets		15,356,300	25,027,200
2.1.2	Gains/(losses) on revaluation of intangible assets		--	--
2.1.3	Gains/(losses) on remeasurement of defined benefit pension plans	11	(115,879)	1,627
2.1.4	Other items that will not be reclassified to profit or loss		--	--
2.1.5	Taxation on comprehensive income that will not be reclassified to profit or loss	16	(4,115,376)	(8,406,599)
<b>2.2</b>	<b>ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS</b>		<b>--</b>	<b>--</b>
2.2.1	Translation differences for transactions in foreign currencies		--	--
2.2.2	Translation and classification profit / loss of financial assets at fair value through other comprehensive income		--	--
2.2.3	Gains/(losses) from cash flow hedges		--	--
2.2.4	Gains/(losses) from net investment hedges		--	--
2.2.5	Other items that will be reclassified to profit or loss		--	--
2.2.6	Taxation on comprehensive income that will be reclassified to profit or loss		--	--
<b>III.</b>	<b>TOTAL COMPREHENSIVE INCOME (I+II)</b>		<b>35,489,429</b>	<b>36,113,770</b>

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

# A&T FİNANSAL KİRALAMA A.Ş.

## STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

	CHANGES IN SHAREHOLDERS EQUITY	Notes	Paid in Capital	Capital Reserves	Share Premium	Share Cancellation Profits	Other Capital Reserves	Other comprehensive income or expenses that will not be reclassified to profit or loss						Profit Reserves	Prior Years' Profit/(Loss)	Current Year Net Profit/(Loss)	Total Shareholders' Equity
								Other comprehensive income or expenses that will not be reclassified to profit or loss									
								1	2	3	4	5	6				
	<b>Prior Period (31 December 2023)</b>																
I.	Balances at Beginning of Period	16	140,000,000	-	-	-	228,147	18,248,928	(2,721,062)	-	-	-	6,955,528	667,169	15,843,174	179,221,884	
II.	Corrections made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1	Effect of corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2	Effect of changes in accounting policies	2.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III.	Adjusted Balances at Beginning of Period (I+II)		140,000,000	-	-	-	228,147	18,248,928	(2,721,062)	-	-	-	6,955,528	667,169	15,843,174	179,221,884	
IV.	Total Comprehensive Income		-	-	-	-	-	16,647,922	(25,694)	-	-	-	-	-	19,491,542	36,113,770	
V.	Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI.	Capital Increase from Internal Sources		13,500,000	-	-	-	-	-	-	-	-	-	(13,500,000)	-	-	-	
VII.	Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII.	Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX.	Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X.	Other Changes		-	-	-	-	-	-	(118,345)	-	-	-	-	-	-	(118,345)	
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	1,068,591	14,774,583	(15,843,174)	-	-	
11.1	Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	1,068,591	14,774,583	(15,843,174)	-	-	
11.3	Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Balances at end of the period (III+IV+.....+XI)</b>		<b>153,500,000</b>	-	-	-	<b>228,147</b>	<b>34,896,850</b>	<b>(2,865,101)</b>	-	-	-	<b>8,024,119</b>	<b>1,941,752</b>	<b>19,491,542</b>	<b>215,217,309</b>	
	<b>Current Period (31 December 2024)</b>																
I.	Balances at Beginning of Period	16	153,500,000	--	--	--	228,147	34,896,850	(2,865,101)	--	--	--	8,024,119	1,941,752	19,491,542	215,217,309	
II.	Corrections made as per TAS 8		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
2.1	Effect of corrections		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
2.2	Effect of changes in accounting policies	2.5	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
III.	Adjusted Balances at Beginning of Period (I+II)		153,500,000	--	--	--	228,147	34,896,850	(2,865,101)	--	--	--	8,024,119	1,941,752	19,491,542	215,217,309	
IV.	Total Comprehensive Income		--	--	--	--	--	11,206,159	(81,115)	--	--	--	--	--	24,364,384	35,489,428	
V.	Capital Increase in Cash		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
VI.	Capital Increase from Internal Sources		8,000,000	--	--	--	--	--	--	--	--	--	(8,000,000)	--	--	--	
VII.	Capital Reserves from Inflation Adjustments to Paid-in Capital		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
VIII.	Convertible Bonds		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
IX.	Subordinated Liabilities		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
X.	Other Changes		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
XI.	Profit Distribution		--	--	--	--	--	--	--	--	--	974,577	18,516,965	(19,491,542)	--	--	
11.1	Dividends		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
11.2	Transfers to Reserves		--	--	--	--	--	--	--	--	--	974,577	18,516,965	(19,491,542)	--	--	
11.3	Others		--	--	--	--	--	--	--	--	--	--	--	--	--	--	
	<b>Balances at end of the period (III+IV+.....+XI)</b>		<b>161,500,000</b>	--	--	--	<b>228,147</b>	<b>46,103,009</b>	<b>(2,946,216)</b>	--	--	--	<b>8,998,696</b>	<b>12,458,717</b>	<b>24,364,384</b>	<b>250,706,737</b>	

1. Revaluation Increase/Decrease of property and equipment,
2. Accumulated revaluation profit/loss from defined benefit plans,
3. Other (Other comprehensive income and expenses from equity method investments not to be reclassified on profit/loss, and other accumulated comprehensive income and expenses not to be reclassified on profit/loss)
4. Foreign exchange conversion differences,
5. Revaluation and/or reclassification differences of financial assets at fair value through other comprehensive income,
6. Other (Profit/loss from cash flow hedges, other comprehensive income and expenses from equity method investments to be reclassified on profit/loss, and other accumulated comprehensive income and expenses to be reclassified on profit/loss).

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

**A&T FİNANSAL KİRALAMA A.Ş.**

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

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

		Notes	Audited 1 January – 31 December 2024	Audited 1 January – 31 December 2023
<b>A.</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1.1	Operating profit before changes in operating assets and liabilities		174,350,468	(25,997,230)
1.1.1	Interest/Leasing income received		222,773,351	125,593,471
1.1.2	Interest/Leasing expenses		(117,606,501)	(67,970,474)
1.1.3	Leasing Expense		--	--
1.1.4	Dividends received		--	--
1.1.5	Fees and commissions received		9,314,379	4,602,491
1.1.6	Other income		7,227,316	12,265,528
1.1.7	Collections from previously written off receivables	4	--	1,783,449
1.1.8	Payments to personnel and service suppliers		(52,781,755)	(59,146,330)
1.1.9	Taxes paid	15	(8,184,166)	(1,883,336)
1.1.10	Other		113,607,844	(41,242,029)
1.2	Changes in operating assets and liabilities		(236,388,686)	30,600,892
1.2.1	Net (increase) decrease in factoring receivables		--	--
1.2.2	Net (increase) decrease in financial loans		--	--
1.2.3	Net (increase) decrease in receivables from leasing transactions		(209,659,451)	(439,425,759)
1.2.4	Net (increase) decrease in savings finance receivables		--	--
1.2.5	Net (increase) decrease in other assets		(3,099,950)	(20,210,800)
1.2.6	Net increase (decrease) in factoring payables		--	--
1.2.7	Net increase (decrease) in savings fund		--	--
1.2.8	Net (increase) decrease in payables from leasing transactions		--	--
1.2.9	Net increase (decrease) in funds borrowed		32,057,830	519,712,399
1.2.10	Net increase (decrease) in due payables		--	--
1.2.11	Net increase (decrease) in other liabilities		(55,687,115)	38,668,510
<b>I.</b>	<b>Net cash provided from operating activities</b>		<b>(62,038,218)</b>	<b>72,747,120</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
2.1	Cash paid for purchase of joint ventures, associates and subsidiaries		--	--
2.2	Cash obtained from sale of joint ventures, associates and subsidiaries		--	--
2.3	Fixed assets purchases	5,6	(1,287,138)	(3,476,876)
2.4	Fixed assets sales		8,867	(369,653)
2.5	Cash paid for purchase of financial assets available for sale		--	--
2.6	Cash obtained from sale of financial assets available for sale		--	--
2.7	Cash paid for purchase of financial assets held to maturity		--	--
2.8	Cash obtained from sale of financial assets held to maturity		--	--
2.9	Other		(1,179,339)	4,523,992
<b>II.</b>	<b>Net cash provided from investing activities</b>		<b>(2,457,610)</b>	<b>677,463</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
3.1	Cash obtained from funds borrowed and securities issued		1,276,501,476	287,729,341
3.2	Cash used for repayment of funds borrowed and securities issued		(1,248,004,224)	(219,585,883)
3.3	Capital increase		--	--
3.4	Dividends paid		--	--
3.5	Payments for finance leases		--	--
3.6	Other		--	--
<b>III.</b>	<b>Net cash provided from financing activities</b>		<b>28,497,252</b>	<b>68,143,458</b>
<b>IV.</b>	<b>Effect of change in foreign exchange rate on cash and cash equivalents</b>		<b>12,278,530</b>	<b>18,032,989</b>
<b>V.</b>	<b>Net increase/decrease in cash and cash equivalents</b>		<b>(23,720,046)</b>	<b>91,457,572</b>
<b>VI.</b>	<b>Cash and cash equivalents at the beginning of the period</b>	3	<b>181,635,719</b>	<b>90,178,147</b>
<b>VII.</b>	<b>Cash and cash equivalents at the end of the period</b>	3	<b>157,915,674</b>	<b>181,635,719</b>

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

# A&T FİNANSAL KİRALAMA A.Ş.

## STATEMENT OF PROFIT DISTRIBUTION FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

	Notes	Audited (*) 1 January – 31 December 2024	Audited (**) 1 January – 31 December 2023
<b>I. DISTRIBUTION OF CURRENT YEAR PROFIT (*)</b>			
1.1 CURRENT PERIOD PROFIT		30,087,546	12,145,030
1.2 TAXES AND LEGAL DUTIES PAYABLE (-)	15	(5,723,162)	7,346,512
1.2.1 Corporate tax (income tax)		(11,594,873)	(2,943,425)
1.2.2 Withholding tax		--	--
1.2.3 Other taxes and duties		5,871,711	10,289,937
<b>A. NET PROFIT FOR THE PERIOD (1.1-1.2)</b>		<b>24,364,384</b>	<b>19,491,542</b>
1.3 ACCUMULATED LOSSES (-)		--	--
1.4 FIRST LEGAL RESERVES (-)		--	974,577
1.5 OTHER STATUTORY RESERVES (-)		--	--
<b>B. NET PROFIT AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5))]</b>		<b>24,364,384</b>	<b>18,516,965</b>
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)		--	--
1.6.1 To owners of ordinary shares		--	--
1.6.2 To owners of privileged shares		--	--
1.6.3 To owners of redeemed shares		--	--
1.6.4 To profit sharing bonds		--	--
1.6.5 To holders of profit and loss sharing certificates		--	--
1.7 DIVIDENDS TO PERSONNEL (-)		--	--
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)		--	--
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)		--	--
1.9.1 To owners of ordinary shares		--	--
1.9.2 To owners of privileged shares		--	--
1.9.3 To owners of redeemed shares		--	--
1.9.4 To profit sharing bonds		--	--
1.9.5 To holders of profit and loss sharing certificates		--	--
1.10 SECOND LEGAL RESERVES (-)		--	--
1.11 STATUS RESERVES (-)		--	--
1.12 EXTRAORDINARY RESERVES		--	--
1.13 OTHER RESERVES		--	--
1.14 SPECIAL FUNDS		--	--
<b>II. DISTRIBUTION OF RESERVES</b>		--	--
2.1 APPROPRIATED RESERVES		--	--
2.2 SECOND LEGAL RESERVES (-)		--	--
2.3 DIVIDENDS TO SHAREHOLDERS (-)		--	--
2.3.1 To owners of ordinary shares		--	--
2.3.2 To owners of privileged shares		--	--
2.3.3 To owners of redeemed shares		--	--
2.3.4 To profit sharing bonds		--	--
2.3.5 To holders of profit and loss sharing certificates		--	--
2.4 DIVIDENDS TO PERSONNEL (-)		--	--
2.5 DIVIDENDS TO BOARD OF DIRECTORS (-)		--	--
<b>III. EARNINGS PER SHARE (per TL'000 face value each)</b>		--	--
3.1 TO OWNERS OF ORDINARY SHARES		0.1509	0.1270
3.2 TO OWNERS OF ORDINARY SHARES (%)		15.09	12.70
3.3 TO OWNERS OF PRIVILEGED SHARES		--	--
3.4 TO OWNERS OF PRIVILEGED SHARES (%)		--	--
<b>IV. DIVIDEND PER SHARE</b>		--	--
4.1 TO OWNERS OF ORDINARY SHARES		--	--
4.2 TO OWNERS OF ORDINARY SHARES (%)		--	--
4.3 TO OWNERS OF PRIVILEGED SHARES		--	--
4.4 TO OWNERS OF PRIVILEGED SHARES (%)		--	--

(\*) The General Assembly Meeting has not been made for Operation results of 2024.

(\*\*) Restated after the General Assembly Meeting on 19 March 2024.

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

# **A&T FİNANSAL KİRALAMA A. Ş.**

## **NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

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### **1 - ORGANIZATION AND OPERATIONS OF THE COMPANY**

A&T Finansal Kiralama Anonim Şirketi ("the Company") was established on 4 July 1997, pursuant to the license obtained from the Under secretariat of Treasury and Foreign Trade for the purpose of financial leasing as permitted by the law number 3226.

The Company's leasing operations principally focused on construction, office equipment and other equipment with vehicles, equipment for real estate and agricultural activities equipment. Head Office address of the company is as follows: Örnek Mahallesi Finans Çıkılmaz Sokağı No:4 Ataşehir – İstanbul

The main shareholder of the Company is Arap Türk Bankası A.Ş. with 99.98% of the shares.

The financial statements were approved for issue by the Board of Directors based on the Board of Directors decision dated 14 February 2025. The General Assembly has the authority to change the financial statements.

A significant part of the Company's Operates in one geographical region (Türkiye) and one commercial area (leasing) are carried out. The number of personnel working for the Company as at 31 December 2024 is 20 (31 December 2023: 22).

### **2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

#### **2.1 Basis of presentation**

##### **2.1.1 Statement of compliance and declaration of conformity TAS**

The Company prepares its financial statements in accordance with "the Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Regulations" including the communique on "Communiqué on Uniform Chart of Accounts and Prospectus to be implemented by Financial Leasing, Factoring and Financing Companies and on Financial Statements to be announced to Public" published in the Official Gazette dated 24 December 2013 and numbered 28861 and the "Regulation on Principles For Establishment And Operations Of Financial Leasing, Factoring and Financing Companies" and other regulations, communiqués and circulars published by the BRSA and Turkish Accounting Standards ("TAS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA") for the matters not legislated by the aforementioned regulations (together "the BRSA Accounting and Financial Reporting Legislation").

#### **Changes regarding classification and measurement of financial assets**

Within the scope of "Regulation on Making Amendments to the Regulation on Accounting Practices and Financial Statements of Leasing, Factoring and Financing Companies" published in the Official Gazette dated 2 May 2018 and numbered 30409, companies are entitled to apply for the expected credit loss model under TFRS 9 as long as informing BRSA and the effective date of the regulation is 30 September 2018. The Company has started to calculate its expected credit loss in accordance with TFRS 9 starting with the Board of Directors decision dated 9 October 2019.

#### **Additional paragraph for convenience translation:**

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in these financial statements. Accordingly, these financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.



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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.1 Basis of presentation (Continued)**

**1.1.2 Preparation of financial statements in hyperinflationary periods**

Restatement adjustments have been made to compensate for the effect of changes in the general purchasing power of the Turkish Lira, in accordance with Turkish Accounting Standards on "Preparation of Financial Statements in Hyperinflationary Periods" ("TAS 29") for the financial statements prepared until 31 December 2004. BRSA issued a circular on 28 April 2005 stating that the indicators requiring the application of inflation accounting ceased to exist; consequently inflation accounting was not applied in the financial statements after 1 January 2005.

On November 23, 2023, POA announced that, entities reporting under the TFRS should begin implementing "TAS- 29 Financial Reporting in Hyperinflationary Economies" standard in their financial statements, from periods ending on and after December 31, 2023. Besides, regulatory and auditing bodies that are authorized in their respective areas have flexibility to determine alternative transition dates for the application of TAS - 29. Within the scope of the decision dated December 12, 2023 and numbered 10744 by the BRSA, banks, financial leasing, factoring, financing, savings financing, and asset management companies are not subject to inflation adjustments required under TAS-29 in their financial statements as of December 31, 2023. Based on the decision dated January 11, 2024 and numbered 10825, these entities are required to implement inflation accounting starting from January 1, 2025. Moreover, in accordance with the BRSA's decision dated December 5, 2024 and numbered 11021, it was decided that banks and financial leasing, factoring, financing, savings financing and asset management companies would not apply inflation accounting in 2025.

**1.1.3 Offsetting**

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

**1.1.4 Going concern**

The Company prepared the financial statements according to going concern principles.

**1.1.5 Functional currency**

Financial statements of the Company are presented in the currency (functional currency unit) valid in the basic economic environment in which it operates. The financial position and operating result of the company are expressed in Turkish Lira ("TL"), which is the Company's valid currency and the presentation currency for the financial statement.

**1.1.6 Significant accounting evaluation estimates and assumptions**

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty that have the most significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.1 Basis of presentation (Continued)**

**Impairment of leasing receivables**

Assumptions and methods used to estimate the timing and amount of future cash flows from financial leasing receivables are frequently reviewed to resolve the difference between impairment estimates and financial losses.

The Bank uses a statistical model with credit risk parameters in accordance with the relevant legislation and accounting standards in the calculation of expected credit losses. Expected credit losses are measured using reasonable and supportable information and including macroeconomic variables, taking into account macroeconomic projections for the future as well as historical information. Within the scope of the macroeconomic model, it is used in the final estimation studies obtained by weighting three scenarios as base, positive and negative. The changes in “Gross Domestic Product (GDP), USD/TRY and CPI” are used as the main macroeconomic independent variable used in these estimates. Credit risk parameters used in the calculation of expected credit losses are reviewed and evaluated at least once a year within the framework of model validation processes. The macroeconomic forecasts used in risk parameter models and the historical default data of portfolios are re-evaluated in each quarter in order to reflect the changes in the economic conjuncture and updated as needed.

**2.2. – Changes in accounting policies**

**2.2.1 Comparative information and restatement of previous period financial statements**

The financial statements of the Company are prepared comparatively with the previous period for determining of financial status and performance trends. The comparative information are restated or classified when necessary in terms of ensuring compliance with the presentation of current period statement of comprehensive income.

**2.2.2 Changes in accounting policies**

Changes in accounting policies are applied retrospectively and the prior period financial statements are restated in accordance with accounting policies. The Company has applied the accounting policies in line with the prior financial year.

**2.2.3 Changes in accounting estimates and errors**

If the changes in accounting estimates relate to only one period, changes are applied in the current period but if changes in estimates relate to future periods, changes are applied both in the current and following periods prospectively. There has not been a significant change in the accounting estimates of the Company in the current year. Material prior period errors are corrected retrospectively and prior period financial statements are restated.

The management is required to apply accounting policies and make decisions, estimations, and assumptions that affect the reported assets, liabilities, income, and expenses, in order to prepare the financial statements in accordance with the BRSA Accounting and Reporting Legislation. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed constantly. The effect of a change in accounting estimates is recognized prospectively in the current and future periods. The main notes for the items including estimates are as follows:

Note 4 – Financial Assets at Amortized Cost (net)

Note 5 – Tangible Assets

Note 6 – Intangible Assets

Note 11 – Provisions

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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.2. – Changes in accounting policies (Continued)**

**2.2.4 Change in standards and comments**

**Summary of significant accounting policies**

**Standards, amendments, and interpretations applicable as of 31 December 2024:**

Standards, amendments and interpretations that have been published but have not yet applicable as of the reporting date and are not implemented by the Company early, although early implementation is allowed, are as follows:

- **Amendment to IAS 1 – Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.
- **IFRS S1, ‘General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.
- **IFRS S2, ‘Climate-related disclosures’;** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities

**b) *Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:***

The IFRS codification has been preserved in the standards newly published by the International Accounting Standards Board but not yet incorporated into legislation by the Public Oversight Accounting and Auditing Standards Authority.

- **TFRS 17, ‘Insurance Contracts’;** effective for annual reporting periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which currently allows a wide range of applications. TFRS 17 will fundamentally change the accounting of all entities that issue insurance contracts and investment contracts with discretionary participation features.

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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.2. – Changes in accounting policies (Continued)**

- **Amendments to IAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:
  - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
  - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- **Annual improvements to IFRS – Volume 11;** Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.
- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and
  - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19’s reduced disclosure requirements balance the information needs of the users of eligible subsidiaries’ financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
  - it does not have public accountability; and
  - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.2. – Changes in accounting policies (Continued)**

- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.
- **Amendments to IAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
- **IFRS S1, ‘General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.
- **IFRS S2, ‘Climate-related disclosures’;** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

The effects of these changes/improvements on the financial position and performance of the Company are evaluated.

**2.3 Summary of significant accounting policies**

**Cash, cash equivalents and Central Bank**

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

**Related parties**

For the purpose of this report, the shareholders of the Company and the companies controlled by/associated with them are referred to as related parties. Related parties also include individual that are principal owners, management, and members of the Board of Directors and their families (Note 17).

**TFRS 16 Leases**

TFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Company, as a lessee, has recognized right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies.

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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.3 Summary of significant accounting policies (Continued)**

**A. Definition of leasing**

Previously, the Company determined at contract inception whether an arrangement was or contained a lease under TFRS 4 Determining Whether an Arrangement contains a Lease. The Company now assesses whether a contract is or contains a lease based on the new definition of a lease. Under TFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to TFRS 16, the Company elected to apply it as it used to be defined as a lease by using the practical expedient to the assessment of which transactions are leases. It applied TFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under TAS 17 and TFRIC 4 were not reassessed. Therefore, the definition of a lease under TFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

**B. As a lessee**

The Company used the following facilitating practices when applying TFRS 16 for leases previously classified as operating leases under TAS 17.

Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term. The Company does not have a lease agreement to be accounted for under TFRS 16.

**Financial instruments**

**Classification and measurement**

Classification and measurement of financial assets in accordance with TFRS 9 Financial Instruments standard is 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.

TFRS 9 contains three principal classification categories for financial assets: amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

The Company accounts for its financial assets in three classes. The classification is based on the characteristics of the contractual cash flows of the entity and the business model used by the entity for the management of the financial assets. The Company classifies its financial assets at the time of purchase.

“Financial assets measured at amortized cost” are financial assets held as part of a business model aimed at collecting contractual cash flows and that have cash flows that include interest payments solely on principal and principal balance at specific dates in contractual terms, are not traded in an active market. Financial assets at amortized cost of the Company also include “cash and cash equivalents”, “leasing receivables”.

Related assets are initially recognized at fair value in the financial statements; subsequently, they measured at amortized cost using the effective interest rate method. Gains and losses resulting from the valuation of non-derivative financial assets measured at amortized cost are recognized in the income statement.

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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.3 Summary of significant accounting policies (Continued)**

“*Financial assets at fair value through other comprehensive income*” are financial assets held as part of a business model for the collection and settlement of contract cash flows and for which there are cash flows from interest payments arising principally only at principal and principal amounts under contractual terms. Interest income, foreign currency gains and losses and impairment losses calculated using the effective interest method are recognized in profit or loss. Other gains and losses are recognized in other comprehensive income. When financial assets are excluded from the statement of financial position, the total gains or losses that previously recognized in other comprehensive income are reclassified to profit or loss.

For investments in equity-based financial assets, the Company may inadvertently choose the method of reflecting subsequent changes in fair value to other comprehensive income during the first financial statement purchase. In the case of such a preference, the dividends from the related investments are recognized in the income statement.

“*Financial assets at fair value through profit or loss*” are financial assets measured other than those at amortized cost and fair value through other comprehensive income. The resulting gains and losses from the valuation of such assets are recognized in the income statement.

**Disclosures on impairment of financial assets**

As at 1 January 2019, loss allowance for expected credit losses is set aside for leasing receivables measured at amortized cost based on TFRS 9 and the regulation published in the Official Gazette no. 30409 dated 2 May 2018 and effective from 30 September 2018. In connection with “Regulation on Making Amendments to the Regulation on Accounting Practices and Financial Statements of Leasing, Factoring and Financing Companies” TFRS 9 impairment requirements.

At each reporting date, it shall be assessed whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, it shall be used the change in the risk of a default occurring for the financial instrument. As at the reporting date, if the credit risk on a financial instrument has not increased significantly since initial recognition, it shall be measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. However, if there is a significant increase in credit risk of a financial instrument since initial recognition, it is measured loss allowance regarding such instrument at an amount equal to lifetime expected credit losses. The expected credit loss is calculated on a collective basis by means of grouping the financial assets having common credit risk features or on an individual basis. The impairment model having 3 stages based on the change in credit quality since initial recognition based on TFRS 9 is explained below.

**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:

- 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.

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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.3 Summary of significant accounting policies (Continued)**

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 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 at the reporting date. The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless there is the legal right to call it earlier.

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 with loss given default rate, and discounted with the original effective interest rate.

Stage 2: When there is a significant increase in credit risk since origination, lifetime expected credit losses is calculated. Including multiple scenario usage, probability of default and loss given default rates are estimated through the life of the instrument. Estimated cash shortfalls are discounted by using the original effective interest rate.

Stage 3: Lifetime expected credit losses are recognized for the impaired lease receivables. The method is similar to Stage 2 Assets.

In the following two conditions, it is considered to be a default on the related lease receivables;

1.Objective Default Definition: Although the definition of default in practice for financial institutions is based on the criterion that the debt is overdue more than 90 days, the Company is taking into account the payment behavior of its customers and the characteristics of the loans and has used 150 days as valid. If the debt is delayed for 150 days, it is not considered as default, and the default starts on the 151th day.

Subjective Default Definition: It means that the debt will not be paid. If the borrower is judged unable to fulfill its debts on the loan, the borrower should be considered in default, regardless of whether there is a balance in delay or the number of days of delay.

**Forward looking macroeconomic information**

Forward-looking macroeconomic information is included in credit risk parameters in the evaluation of the significant increase in credit risk and calculation of expected credit loss.



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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.3 Summary of significant accounting policies (Continued)**

**Significant increase in credit risk**

In the criteria applied for the debts classified at the first stage; future payment issues are not expected, and the credit worthiness of the borrower has not weakened. According to TFRS 9, the debts are include twelve-month credit impairment debts implementation is classified at first stage.

In the criteria applied for the debts classified at the second stage; adverse event in debt payment or cash flows of borrowers are observed or estimated, problems arise in principal and / or interest payments in accordance with the terms of the debts agreement, and the credit risk of the borrower is significantly increased.

- Loans overdue more than 30 days,
- Restructuring status,
- Loans classified as watch list,
- Negative intelligence and official blacklist records.

According to TFRS 9, debts classified as Stage 2 are subject to the implementation of the expected lifetime loan loss allowance.

**Low credit risk**

TFRS 9, the credit risk on a financial instrument is considered as low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

It is not considered financial instruments to have low credit risk when they are regarded as having a low risk of loss simply because of the value of collateral and the financial instrument without that collateral would not be considered low credit risk. Financial instruments are also not considered to have low credit risk simply because they have a lower risk of default than the other financial instruments or relative to the credit risk of the jurisdiction within which it is operated.

If it is determined that a financial instrument has a low credit risk as at the reporting date, it is assumed that the credit risk on the financial instrument has not increased significantly following its first recognition in the financial statements.

**Financial instruments**

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

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

# A&T FİNANSAL KİRALAMA A. Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

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### 2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

#### 2.3 Summary of significant accounting policies (Continued)

##### Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off.

##### Tangible assets

Tangible assets that except for buildings are shown over the amount after accumulated depreciation and accumulated impairments are deducted from their cost values. Buildings are reflected to the financial statements with their fair values according to the revaluation method. Independent valuation experts are used in the fair value calculation of land and buildings. Tangible assets are depreciated principally on a straight-line basis considering the expected useful lives. The estimated useful lives, residual values, and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Expenses for the maintenance of tangible assets are normally recorded in profit and loss statement. Gain or loss arising on the disposal or retirement of an item of tangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

Buildings	50 years
Fixtures	5 years
Leasehold improvements	the shortest of the lease period or useful life

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit (Note 5).

##### Intangible assets

Intangible assets consist of computer software and are defined with inflation adjusted costs until 31 December 2004. Intangible assets mainly comprise of expenditures to acquire software licenses and amortized by using the straight-line method over their useful lives of 5 years (Note 6).

##### Impairment of assets

Assets that are subject to depreciation and amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets suffered impairment is reviewed for possible reversal of the impairment at each reporting date.

##### Capital increase

Capital increases by the existing shareholders are decided in the General Assembly Meetings and accounted for over the registered nominal values.

## **A&T FİNANSAL KİRALAMA A. Ş.**

### **NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024**

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#### **2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

##### **2.3 Summary of significant accounting policies (Continued)**

###### **Provisions for severance pay**

Severance pay is paid in case of retirement or dismissal in accordance with the provisions of the current laws and collective bargaining agreements in Türkiye. In accordance with the updated TAS 19 Employee Benefits Standard ("TAS 19"), such payments are considered as defined retirement benefit plans. Liability of severance pay recognized in the balance sheet has been calculated according to the net present value of the expected future liability amounts due to retirement of all employees and reflected in the financial statements. All calculated actuarial losses and gains are accounted for as other comprehensive income.

###### **Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

###### **Employee benefits**

The company, severance pay and the obligation to allow rights "Türkiye on the Benefits Employee Accounting Standards" ("TAS 19") is recognized under the provisions of the balance sheet and the "Employee Benefits Provision" is classified under account.

The Company is required to make a payment to the employee who is paid off due to retirement or resignation and except the reasons of the behaviors that are specified in Labor Law, in accordance with the existing labor law in Türkiye. The provision for employment termination benefits, the probable liability incurred under this act, is calculated on the basis of today's value using certain actuarial estimates and reflected to the financial statements (Note 11).

###### **Interest income and expenses**

Interest Income and Expenses are accounted basis using effective rate of interest method.

###### **Borrowing costs**

All of borrowing costs when incurred are recorded on income statement.

# A&T FİNANSAL KİRALAMA A. Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

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### 2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

#### 2.3 Summary Of Significant Accounting Policies (Continued)

##### Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into TL at the exchange rates ruling at reporting date with the resulting exchange differences recognized in the statement of profit or loss as foreign exchange gain or loss. Gains and losses arising from foreign currency transactions are reflected in profit or loss as realized during the course of the year.

Foreign exchange rates used by the Company as at 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
USD	35.223	29.438
EUR	36.742	32.573

---

##### Taxation

###### *Corporate tax*

Corporate tax is calculated according to the provisions of the Tax Procedure Law and tax expenses other than those taxes are accounted in general administrative expenses.

If there is a legal right to offset current tax assets and current tax liabilities or if the related assets and liabilities are associated with income tax collected by the same tax authority.

###### *Deferred tax*

The Company calculates deferred tax for taxable temporary differences that arise between the book value of an asset or liability and its tax basis determined in accordance with the tax legislation, in accordance with the provisions of the "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the BRSA explanations regarding this standard, and accounts. In the calculation of deferred tax, enacted tax rates valid as of the balance sheet date are used in accordance with the current tax legislation.

The principal temporary differences arise from the provision for reserve for annual leave provision, property, plant and equipment depreciation differences, unused investment allowances and provision for employment termination benefits (Note 15).

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that, in the management's judgment, it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

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**2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**2.3 Summary of significant accounting policies (Continued)**

**Capital and dividend**

Ordinary shares are classified as capital. Dividends distributed over ordinary shares are recorded at the time they are declared.

**Recognition of income and expenses**

Income and expenses are recorded based on accrual.

*Financial leasing income*

In financial leasing, the asset subject of leasing is recorded in the financial statements as a receivable equal to net lease investment. Financial income related to financial lease is determined to bring a fixed periodic return to the net investment under the financial lease. Lease payments received are deducted from the gross lease investment to reduce principal and unearned finance income. Unearned finance income is the difference between the gross lease investment and the present value of the gross investment calculated on the implicit interest rate on the lease. As at the beginning of the lease, the implicit interest rate is the discount rate that equals the sum of the minimum lease payments and the unsecured value remaining to the sum of the fair value of the leased asset and the initial costs.

**Funds borrowed**

Funds borrowed are first recorded at fair value, including transaction costs. Subsequently, funds borrowed are measured at discounted cost values using the effective interest method (Note 8).

**Earnings per Share**

Earnings per share that mentioned on income statement was calculated dividing the net profit of the period by the weighted average number of shares issued during the period. In Türkiye, companies can raise their share capital by distributing “Bonus Shares” to shareholders from retained earnings. In computing earnings per share, such “Bonus Share” distributions are treated as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

**Events after the reporting period**

Events after the balance sheet date providing additional information about the Company’s status on the balance sheet date (events requiring correction) are reflected in the financial statements. Events that do not require correction are explained in report notes if they have a certain importance (Note 21).

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 3 - CASH, CASH EQUIVALENTS AND CENTRAL BANK

	31 December 2024	31 December 2023
Cash	7,061	5,745
Banks	158,091,057	182,281,571
- <i>Time deposits</i>	77,977,766	34,698,225
- <i>Demand deposits</i>	80,113,291	147,583,346
Expected credit loss provision	(21,340)	(24,608)
<b>Total</b>	<b>158,076,777</b>	<b>182,262,708</b>

The amount of cash and cash equivalents is TL 157,915,674 on the statement of cash flows for the year ended 31 December 2024 (31 December 2023: TL 181,635,719) and does not include income accruals for these accounts.

As at 31 December 2024, time deposits are shorter than three months, and the effective interest rate in TL respectively 48,24% (As at 31 December 2023, time deposits are shorter than three months, effective interest in Euros, USD and TL rate is 4.28% and 43.95% respectively).

#### 4- DERIVATIVE FINANCIAL ASSETS / LIABILITIES

	31 December 2024		31 December 2023	
	TL Equivalent		TL Equivalent	
	US Dollar	Euro	US Dollar	Euro
<b>For Trading Purposes</b>				
<b>Items</b>				
Swap transactions (Purchase)	15,678,674	--	--	--
Swap transactions (Sales)	--	15,498,040	--	--
<b>Total</b>	<b>15,678,674</b>	<b>15,498,040</b>	--	--
<b>Derivative Transactions Payables</b>	<b>31</b>		<b>31</b>	
	<b>December</b>		<b>December</b>	
	<b>2024</b>		<b>2023</b>	
Swap Transactions	55,575		--	
<b>Total</b>	<b>55,575</b>		--	

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 5 - FINANCIAL ASSETS AT AMORTIZED COST

	31 December 2024	31 December 2023
Finance lease receivables	1,620,861,632	1,391,012,770
Invoiced lease receivables	14,372,519	12,748,070
<b>Gross leasing receivables</b>	<b>1,635,234,150</b>	<b>1,403,760,840</b>
Unearned interest income	(197,432,080)	(179,923,763)
<b>Leasing receivables</b>	<b>1,437,802,070</b>	<b>1,223,837,077</b>
Non-performing receivables	848,785	538,350
Expected credit loss/specific provisions	(5,641,847)	(5,965,712)
<b>Total receivables from lease transactions</b>	<b>1,433,009,008</b>	<b>1,218,409,715</b>

As at 31 December 2024, TL 1,434,779,323 of finance lease receivables have fixed interest rates (31 December 2023: TL 1,220,940,940).

The maturity profile of the minimum finance lease receivables is as follows:

End of Period	Finance lease receivables	
	Gross 31-Dec-24	Net 31-Dec-24
31-Dec-25	967,061,873	834,404,654
31-Dec-26	485,786,048	433,672,654
31-Dec-27	167,696,101	156,280,454
31-Dec-28	12,682,592	11,527,361
31 December 2029 and beyond	2,007,536	1,916,947
<b>Total</b>	<b>1,635,234,150</b>	<b>1,437,802,070</b>

**A&T FİNANSAL KİRALAMA A. Ş.**

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

**5 - FINANCIAL ASSETS AT AMORTIZED COST(Continued)**

<b>End of Period</b>	<b>Finance lease receivables</b>	
	<b>31 December 2023</b>	<b>31 December 2023</b>
		<b>Net</b>
31 December 2024	710,257,676	600,778,854
31 December 2025	433,844,120	383,316,289
31 December 2026	195,349,105	180,125,642
31 December 2027	52,126,841	48,447,340
31 December 2028 and beyond	12,183,098	11,168,952
<b>Total</b>	<b>1,403,760,840</b>	<b>1,223,837,077</b>

Net lease receivables are analyzed as follows:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Not overdue and not impaired	1,423,429,551	1,211,089,007
Overdue but not impaired	14,372,519	12,748,070
Non-performing receivables	848,785	538,350
<b>Total</b>	<b>1,438,650,855</b>	<b>1,224,375,427</b>
Impairment provision	(5,641,847)	(5,965,712)
<b>Net finance lease receivables</b>	<b>1,433,009,008</b>	<b>1,218,409,715</b>

As at 31 December 2024 and 31 December 2023, details of the Company’s net leasing receivables is as follows:

<b>31 December 2024</b>	<b>Finance lease receivables</b>	<b>Provision for impairment</b>	<b>Finance lease receivables, net</b>
Stage 1	1,172,951,054	(3,146,260)	1,169,804,794
Stage 2	264,851,016	(1,704,468)	263,146,548
Stage 3	848,785	(791,119)	57,666
<b>Total</b>	<b>1,438,650,855</b>	<b>(5,641,847)</b>	<b>1,433,009,008</b>
<b>31 December 2023</b>	<b>Finance lease receivables</b>	<b>Provision for impairment</b>	<b>Finance lease receivables, net</b>
Stage 1	1,028,048,109	(3,011,799)	1,025,036,310
Stage 2	195,788,968	(2,622,208)	193,166,760
Stage 3	538,350	(331,705)	206,645
<b>Total</b>	<b>1,224,375,427</b>	<b>(5,965,712)</b>	<b>1,218,409,715</b>



## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 5 - FINANCIAL ASSETS AT AMORTIZED COST (Continued)

As at 31 December 2024 and 31 December 2023, details of the Company's aging table including the invoiced amount and principals of the overdue but not impaired finance lease receivables are follows:

	31 December 2024		31 December 2023	
	Invoiced amount	Remaining principal	Invoiced amount	Remaining principal
0 - 30 days	7,643,864	55,772,049	7,220,320	128,844,362
31 - 60 days	6,105,348	31,383,213	3,703,567	60,990,535
61 - 90 days	623,307	-	1,394,465	5,202,721
91 - 150 days	-	-	429,717	1,040,557
<b>Total</b>	<b>14,372,519</b>	<b>87,155,262</b>	<b>12,748,069</b>	<b>196,078,175</b>

Movement of the Company's allowances for expected credit loss/specific provisions for the years 31 December are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
<b>Opening balance 1 January</b>	<b>5,965,712</b>	<b>3,167,349</b>
Provision expenses	4,302,213	4,581,812
Collections <sup>(*)</sup>	(4,626,077)	(1,783,449)
<b>Closing balance 31 December</b>	<b>5,641,847</b>	<b>5,965,712</b>

(\*) The cash collection amount realized in 2024 is TL 4,626,077 (2023: TL 1,783,449)

Within the scope of TFRS 9, there are no receivables written off during the period (31 December 2023: Company have written off TL 3,250,409 loans and its effect on NPL ratio is 0.68%).

As at 31 December 2024, the amount of collaterals received from customers, excluding tangible assets subject to financial leasing, is TL 17,457,265,825 (31 December 2023: TL 13,141,976,795). The Company does not take into account collaterals that exceed the risk amount in risk reporting. The details of the guarantees are as follows:

	31 December 2024	31 December 2023
Warranties received	11,943,728,685	9,358,461,443
Promissory notes received	4,476,058,037	3,012,465,215
Mortgage documents received	903,491,912	721,985,513
Vehicle pledge	50,674,290	13,681,000
Guarantees received	29,648,541	19,057,803
Buy – Back	25,734,244	--
Assignment of receivables	11,356,834	13,942,711
Machine pledge	11,022,870	--
Letter of Guarantee	4,850,063	--
Customer notes	700,000	2,382,800
Cash blockage	349	311
<b>Total</b>	<b>17,457,265,825</b>	<b>13,141,976,795</b>

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 5 - FINANCIAL ASSETS AT AMORTIZED COST (Continued)

The sectorial breakdown of gross lease receivables as at 31 December 2024 and 31 December 2023 is as follows:

	31 December 2024	%	31 December 2023	%
Manufacturing industry	891,321,289	55	934,930,378	67
Wholesale and retail trade	378,257,081	23	196,777,849	14
Real estate and rental services	201,411,889	12	171,253,552	12
Construction	141,351,663	9	65,466,592	5
Farming and livestock	13,341,574	1	18,430,941	1
Transportation and communication	4,095,995	0	9,886,141	1
Financial mediation	3,876,714	0	4,304,400	0
Extraction of energy producing mines	1,577,944	0	2,685,735	0
Tourism	--	--	25,252	0
<b>Total</b>	<b>1,635,234,150</b>	<b>100</b>	<b>1,403,760,840</b>	<b>100</b>

The lease receivable consists of the rents to be collected during the lease period. In accordance with the lease agreements with tenants, the ownership of the leased items is delivered to the tenants at the end of the lease period.

#### 6 - TANGIBLE ASSETS

Acquisition cost	Building	Furniture and equipment	Motor vehicles	Total
<b>1 January 2024</b>	<b>50,000,000</b>	<b>991,944</b>	<b>4,586,361</b>	<b>55,578,305</b>
Additions	--	1,296,005	--	1,296,005
Revaluation Surplus	15,000,000	--	--	15,000,000
Disposals	--	(8,867)	--	(8,867)
<b>31 December 2024</b>	<b>65,000,000</b>	<b>2,279,082</b>	<b>4,586,361</b>	<b>71,865,443</b>
<b>Accumulated amortization</b>				
<b>1 January 2024</b>	--	<b>(541,737)</b>	<b>(1,072,328)</b>	<b>(1,614,065)</b>
Amortization for the year	(356,300)	(333,087)	(824,818)	(1,514,205)
Disposals	356,300	6,619	--	362,919
<b>31 December 2024</b>	--	<b>(868,205)</b>	<b>(1,897,146)</b>	<b>(2,765,351)</b>
<b>Net book value</b>	<b>65,000,000</b>	<b>1,410,877</b>	<b>2,689,215</b>	<b>69,100,092</b>

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 6 - TANGIBLE ASSETS (Continued)

Acquisition cost	Building	Furniture and equipment	Motor vehicles	Total
<b>1 January 2023</b>	<b>25,135,000</b>	<b>630,986</b>	<b>2,001,376</b>	<b>27,767,362</b>
Additions	--	375,611	2,939,985	3,315,596
Revaluation Surplus	24,865,000	--	--	24,865,000
Disposals	--	(14,653)	(355,000)	(369,653)
<b>31 December 2023</b>	<b>50,000,000</b>	<b>991,944</b>	<b>4,586,361</b>	<b>55,578,305</b>
<b>Accumulated amortization</b>				
<b>1 January 2023</b>	--	<b>(468,537)</b>	<b>(847,507)</b>	<b>(1,316,044)</b>
Amortization for the year	(162,200)	(87,103)	(579,821)	(829,124)
Disposals	162,200	13,903	355,000	531,103
<b>31 December 2023</b>	--	<b>(541,737)</b>	<b>(1,072,328)</b>	<b>(1,614,065)</b>
<b>Net book value</b>	<b>50,000,000</b>	<b>450,207</b>	<b>3,514,033</b>	<b>53,964,240</b>

<sup>(1)</sup> The building for use is measured over their fair values and are subject to valuation in this context. The expertise report related to the real estates was prepared by the CMB licensed real estate appraisal company on 1 December 2024.

As at 31 December 2024, the total insurance value on tangible assets is TL 20,451,737 (31 December 2023: TL 17,305,000), insurance premium amount is TL 280,241 (31 December 2023: 217,319 TL).

As at 31 December 2024, there are no pledges or mortgages on other tangible assets (31 December 2023: None).

#### 7- INTANGIBLE ASSETS

Cost (software)	31 December 2024	31 December 2023
<b>1 January</b>	<b>6,303,686</b>	<b>2,421,079</b>
Additions	1,179,339	3,882,607
Disposals	--	--
<b>31 December</b>	<b>7,483,025</b>	<b>6,303,686</b>
<b>Accumulated amortization</b>		
<b>1 January</b>	<b>(1,396,935)</b>	<b>(800,482)</b>
Amortization for the year	(1,141,080)	(596,453)
Disposals	--	--
<b>31 December</b>	<b>(2,538,015)</b>	<b>(1,396,935)</b>
<b>Net book value</b>	<b>4,945,010</b>	<b>4,906,751</b>

# A&T FİNANSAL KİRALAMA A. Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

### 8 - OTHER ASSETS

	31 December 2024	31 December 2023
Leased construction in progress	22,367,796	3,000
Other receivables related to financial lease	12,290,290	10,427,114
Advances given for leasing operations	8,055,370	10,905,662
Expenses related to the next periods	4,456,246	5,814,083
Salary advances	875,657	505,596
Deposits and guarantees given	17,894	15,956
Other	815,019	664,325
<b>Total</b>	<b>48,878,271</b>	<b>28,335,736</b>

### 9 - FUNDS BORROWED

	31 December 2024		Book value			
	Balance in original	Interest rates range	Up to 3 months	Between 3 months and 1 years	Over 1 year	Balance in TL
<b>Domestic banks</b>						
Fixed rate borrowings:						
TL	--	44,95%	--	--	33,505,146	33,505,146
USD	--	%7.75	--	4,417,523	4,585,868	9,003,391
EUR	--	%6.25-%9.90	--	52,115,691	2,569,586	54,685,277
<b>Total</b>	--	--	--	<b>56,533,215</b>	<b>40,660,600</b>	<b>97,193,815</b>
<b>Total domestic banks borrowings</b>	--	--	--	<b>56,533,215</b>	<b>40,660,600</b>	<b>97,193,815</b>
<b>Foreign banks</b>						
Fixed rate borrowings:						
- USD	--	--	--	--	--	--
- EUR	--	--	--	--	--	--
<b>Total</b>	--	--	--	--	--	--
<b>Foreign banks</b>						
Floating rate borrowings						
- USD	--	--	--	--	--	--
- EUR	--	%4.68-%7.57	19,308,728	545,605,738	731,929,674	1,296,844,139
<b>Total</b>	--	--	<b>19,308,728</b>	<b>545,605,738</b>	<b>731,929,674</b>	<b>1,296,844,139</b>
<b>Total foreign banks borrowings</b>	--	--	<b>19,308,728</b>	<b>545,605,738</b>	<b>731,929,674</b>	<b>1,296,844,139</b>
<b>Total borrowings</b>	--	--	<b>19,308,728</b>	<b>602,138,952</b>	<b>772,590,274</b>	<b>1,394,037,954</b>

# A&T FİNANSAL KİRALAMA A. Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

### 9 - FUNDS BORROWED (Continued)

31 December 2023	Book value					
	Balance in original	Interest rates range	Up to 3 months	Between 3 months and 1 years	Over 1 year	Balance in TL
<b>Domestic banks</b>						
Fixed rate borrowings:						
TL	25,371,827	%30,00 - %49,75	-	25,371,827	-	25.371.827
EUR	1,201,337	%9,00 - %10,33	-	39,132,231	-	39.132.231
<b>Total</b>			-	<b>64,504,058</b>	-	<b>64.504.058</b>
<b>Total domestic banks borrowings</b>			--	<b>64,504,058</b>	-	<b>64,504,058</b>
<b>Foreign banks</b>						
Fixed rate borrowings:						
- USD	1,210,200	6,00%	35,626,110	-	-	35.626.110
- EUR	3,023,375	5,50%	98,483,114	-	-	98.483.114
<b>Total</b>			<b>134,109,224</b>			<b>134,109,224</b>
<b>Foreign banks</b>						
Floating rate borrowings						
- USD	--	--	--	--	--	--
- EUR	31,259,444	%3,17 - %5,89	45,890,983	141,262,657	831,088,368	1.018.242.008
<b>Total</b>			<b>45,890,983</b>	<b>141,262,657</b>	<b>831,088,368</b>	<b>1.018.242.008</b>
<b>Total foreign banks borrowings</b>			<b>180,000,207</b>	<b>141,262,657</b>	<b>831,088,368</b>	<b>1,152,351,232</b>
<b>Total borrowings</b>			<b>180,000,207</b>	<b>205,766,715</b>	<b>831,088,368</b>	<b>1,216,855,290</b>

As at 31 December 2024, no guarantees were given to lending institutions as collateral against loans obtained (31 December 2023: no guarantees were given to lending institutions as collateral against loans obtained).

### 10 - OTHER LIABILITIES

Based on financial lease agreements, other liabilities are mainly consists of commercial debts that emerged from fixed asset purchases made from foreign and domestic vendors.

	31 December 2024	31 December 2023
Payables to suppliers	14,597,646	27,483,279
Advances received	10,010,960	2,018,886
Other payables	13,236,757	13,463,825
<b>Total</b>	<b>37,845,363</b>	<b>42,965,990</b>

As at 31 December 2024 and 31 December 2023, other liabilities maturity period is less than 1 year.

### 11 - COMMITMENTS AND POSSIBLE OBLIGATIONS

#### Derivatives

As of 31 December 2024, the Company has open derivative products amounting to TL 55,575 in its portfolio (31 December 2023: None).

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 11 - COMMITMENTS AND POSSIBLE OBLIGATIONS (Continued)

##### Letters of guarantee given and letters of credit issued:

The Company has given letters of guarantee amounting to TL 30,000 (31 December 2023: TL 303,518) to the courts.

As at 31 December 2024, a total of TL 226,206,602 revocable commitments consist of financial leasing commitments approved by the notary public but not activated yet (31 December 2023: TL 219,095,319). As at 31 December 2024, there are irrevocable commitments amounting to TL 5,747,633 (31 December 2023: TL 56,314,471).

As of 31 December 2024, there is no mortgage on the properties subject to financial leasing registered to the Company (31 December 2023: None)..

As at 31 December 2024, there is no filed against the Company (31 December 2023: None).

#### 12 - PROVISIONS

	31 December 2024	31 December 2023
Foreign Personnel Compensation	16,749,875	4,932,016
Provision for unused vacation	5,860,810	3,003,629
Provision for employment termination benefits	1,413,295	845,540
<b>Total</b>	<b>24,023,980</b>	<b>8,781,185</b>

In addition to these, the Company has allocated TL 235.000 to other provisions as of 31 December 2024 (31 December 2023 none).

Provision for severance pay is set aside within the framework of the explanations below.

Under Turkish Labor Law, the Company is required to pay employment termination benefits to each employee who has qualified. Also, employees are required to be paid their retirement pay provisions who retired by gaining right to receive reserve for employee severance indemnity.

The liability has no legal funding requirement. The reserve has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of its employees.

Regulation requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	31 December 2024	31 December 2023
Discount rate (%)	%3.00	%2.50
Circulation rate regarding the probability of retirement (%)	%0.10	%0.96

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 12 – PROVISIONS (Continued)

The basic assumption is that the ceiling provision determined for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the expected effects of inflation. Severance pay provision calculation is based on the severance pay ceiling determined by the government. As of 31 December 2024 and 31 December 2023, the applicable severance pay ceiling is 35,058,58\_TL and 19,982,83, respectively.

Movements in the reserve for employee severance indemnity are as follows:

	31 December 2024	31 December 2023
Opening balance	845,540	4,888,918
Service cost	280,637	259,858
Interest cost	207,157	730,287
Actuarial losses	115,879	(1,627)
Paid during the year	(35,918)	(5,031,896)
<b>Ending balance</b>	<b>1,413,295</b>	<b>845,540</b>

#### 13 - SHAREHOLDERS' EQUITY

##### a) Paid-In capital

The shareholders of the Company and their ownership percentages at 31 December 2024 and 2023 are as follows:

	31 December 2024		31 December 2023	
	Nominal amount	Shares (%)	Nominal amount	Shares (%)
Arap Türk Bankası A.Ş.	161,467,700	%99.98	153,469,300	%99.98
Salih Hatipoğlu	8,075	%0.01	7,675	%0.01
Feyzullah Küpeli	8,075	%0.01	7,675	%0.01
Aziz Aydoğduoğlu	8,075	%0.01	7,675	%0.01
Erdem Özenci	8,075	%0.01	7,675	%0.01
<b>Total paid-in share capital</b>	<b>161,500,000</b>	<b>%100.00</b>	<b>153,500,000</b>	<b>%100.00</b>

As at 31 December 2024, the registered share capital of the Company consists of 161,500,000 registered shares with a nominal value of TL 1 each.

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 13 - SHAREHOLDERS' EQUITY (Continued)

With the capital increase decision taken at the Ordinary General Assembly meeting of the Company held on 19 March 2024, it was decided to use 1,941,752 Turkish Liras from the profit of 2022 and 6,058,248 Turkish Liras from the profit of 2023 for capital increase from retained earnings.

Retained earnings in the statutory books are available for distribution, except for the following provision relating to legal reserves.

The first legal reserve is appropriated out of the statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the paid-in share capital. Under the Turkish Commercial Code, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

#### b) Capital reserves

At 31 December 2024, the Company has TL 228,147 of capital reserves (31 December 2023: TL 228,147).

#### c) Other comprehensive Income

At 31 December 2024, the Company's other comprehensive income amounting to TL 43,156,793 consist of actuarial gain and revaluation surplus (31 December 2023: TL 32,031,749).

#### d) Income reserves

At 31 December 2024, the Company has TL 8,998,696 of income reserves (31 December 2023: TL 8,024,119).

#### e) Prior year income / loss

At 31 December 2024, the Company's prior year income is TL 12,458,717 (31 December 2023: TL 1,941,752).

#### 14 – FINANCE LEASE INCOME

Finance lease income for the years ended 31 December 2024 and 31 December 2023 are as follows:

	<b>1 January- 31 December 2024</b>	<b>1 January- 31 December 2023</b>
Finance lease income	190,173,258	115,906,138
Fees and commissions received from the leasing transactions	9,458,299	4,602,491
<b>Total</b>	<b>199,631,557</b>	<b>120,508,629</b>



## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 15 - MAIN OPERATING EXPENSES

The main operating expenses for the years ended on 31 December 2024 and 31 December 2023 are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Personnel expenses	54,346,087	47,421,366
General operating expenses	24,178,183	18,637,991
Termination indemnity expense	487,794	988,516
Other	14,675,040	4,791,169
<b>Total</b>	<b>93,687,104</b>	<b>71,839,042</b>

General operating expenses for the years ended on 31 December 2024 and 31 December 2023 are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Expenses related to the financial leasing	6,601,363	5,507,844
Audit and consultancy expenses	4,022,404	2,914,385
Insurance expenses	2,854,926	1,310,706
Depreciation and amortization expenses (Note 5, 6)	2,655,286	1,425,577
Office-related expenses	2,210,814	1,729,079
Tax Duties and Fees	1,587,635	981,502
Travel Expenses	518,520	30,397
Heating Lighting Water Expenses	478,468	414,675
Communication and transport expenses	266,156	120,861
Advertisement Expenses	265,929	152,544
Transport vehicle expenses	231,693	149,087
Rent Expenses	146,920	93,822
Other general expenses <sup>(*)</sup>	2,338,070	3,807,512
<b>Total</b>	<b>24,178,184</b>	<b>18,637,991</b>

<sup>(\*)</sup> Other expenses include, notary and translation expenses, representation, and staff training expenses, and expenses that are not legally accepted.

#### 16 - OTHER OPERATING INCOME AND EXPENSE

	1 January- 31 December 2024	1 January- 31 December 2023
<b>Other operating income</b>		
Foreign exchange transactions profit	334,726,624	634,045,663
Interest received from banks	35,401,408	10,002,680
Others <sup>(*)</sup>	5,465,376	12,327,552
<b>Total</b>	<b>375,593,408</b>	<b>656,375,895</b>
<b>Other operating expense</b>		
Loss from foreign exchange transactions	328,103,637	627,143,852
Loss from derivative financial transactions	462,786	--
Others	551	62,024
<b>Total</b>	<b>328,566,974</b>	<b>627,205,876</b>

<sup>(\*)</sup> Others in other operating income include special provision revenues, revenues from severance pay cancellations and revenues from sales of assets. Special provision incomes consist of the revenues obtained from the provisions included in the provision and impairment income at the end of the last year but canceled this year.

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 17- TAX ASSETS AND LIABILITIES

	31 December 2024	31 December 2023
Corporation tax	4,245,643	834,935
VAT to be paid	3,939,695	2,767,674
Income tax payable	962,166	599,224
Social insurance premiums to be paid	165,718	339,250
Stamp tax to be paid	87,109	57,740
<b>Total</b>	<b>9,400,331</b>	<b>4,598,823</b>

#### *Corporate tax*

The company is subject to corporate tax valid in Türkiye.

In accordance with the 11 and 14th articles of the Law numbered 7316 on "Amendment of Law on Collection Procedure of Public Receivables and Certain Laws" published in the Official Gazette dated April 22, 2021 and numbered 31462, corporate tax rate will be applied as 25% for enterprises' corporate income belonging to the taxation periods of 2021 and 23% for enterprises' corporate income belonging to the taxation periods of 2022. Standard corporate tax rate for financial sector is increased to 25% starting from the declarations as of July 1, 2022 and to be valid for the taxation periods of 2022 according to the Law numbered 7394 published in the Official Gazette No. 31810 dated April 15, 2022. In accordance with the Law numbered 7456 which is published in Official Gazette dated July 15, 2023 and numbered 32249, corporate tax rate is increased to 30% for banks starting from the declarations of October 1, 2023 and to be valid for the taxation periods from January 1, 2023.

Dividends paid to non-resident corporations, which have a place of business in Türkiye or to resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as profit distribution and no withholding tax incurs in such a case.

In accordance with the Corporate Tax Law, three quarterly temporary corporate tax statements are submitted in total in the first nine months of reporting year. Advance tax is declared and paid by the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations for the current period is credited against the annual corporation tax calculated on the annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

A 75% portion of the capital gains derived from the sale of equity investments and 50% portion of the capital gains derived from immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special account under shareholder's equity for five years. In accordance with the Law numbered 7456 which is published in the Official Gazette dated July 15, 2023 and numbered 32249, the tax exemption on profits from the sales of immovables has been terminated as of July 15, 2023. For immovables that were a part of company's assets before the date of July 15, 2023, the exemption rate on profits arising from their sales has been set as 25%.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 17- TAX ASSETS AND LIABILITIES (Continued)

Non-monetary items on the financial statements must have been restated for inflation according to the repealed article 298/A of Tax Procedure Law. In law numbered 7352 published on 20 January 2022 in the Official Gazette numbered 31734, 2021 and 2022 accounting periods including advance tax periods are deemed as the periods in which the requirements for inflation adjustment are not met. In the fiscal year of 2023, quarterly advance tax periods were not subject to inflation adjustment, but the financial statements prepared in accordance with Tax Procedure Law as of December 31, 2023 are subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met. The profit/loss difference arising from inflation adjustment is recognized in retained earnings and has no effect on the corporate tax base.

Current period net profit and tax liabilities for the accounting periods ending on 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Corporation tax expense	11,594,873	2,943,425
Minus: Prepaid taxes	(7,349,231)	(2,108,490)
<b>Current income tax liability (net)</b>	<b>4,245,642</b>	<b>834,935</b>
	<b>1 January –</b>	<b>1 January –</b>
<b>Tax expense</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Current period corporate tax expense	(11,594,873)	(2,943,425)
Deferred tax income / (expense) effect	5,871,711	10,289,937
<b>Total</b>	<b>5,723,162</b>	<b>7,346,512</b>

The reconciliation of the current year tax expense and the tax expense calculated using the Company's legal tax rate is as follows:

	1 January –	1 January –
	31 December 2024	31 December 2023
<b>Pre-tax profit</b>	<b>30,087,546</b>	<b>12,145,030</b>
Tax expense with a 30% tax rate	(9,026,264)	(3,643,509)
Disallowable expenses	(1,011,707)	(736,463)
Other (additions) / discounts	4,314,809	11,726,484
<b>Current year tax expense</b>	<b>(5,723,162)</b>	<b>7,346,512</b>

#### *Deferred taxes*

The company, an asset or liability's book value and for taxable temporary differences arising between the tax basis is determined in accordance with tax legislation "Income Related to Tax Turkiye Accounting Standards" ("TAS 12") to calculate deferred taxes in accordance with the provisions and accounts. In the deferred tax calculation, the enacted tax rates that are valid as at the balance sheet date are used in accordance with the tax legislation in force.

Calculated deferred tax assets and deferred tax liabilities are shown as offset in the financial statements.

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 17- TAX ASSETS AND LIABILITIES (Continued)

Tax effects related to transactions directly accounted for in equity are also reflected in equity.

The accumulated temporary differences subject to deferred tax and the effects of deferred tax assets and liabilities are summarized below using the applicable tax rates:

	Total temporary differences		Deferred tax assets/(liabilities)	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Provision for employment termination benefits	18,163,169	5,777,556	5,448,951	1,733,267
Provision for unused vacation	5,860,810	3,003,629	1,758,243	901,089
Provision for severance pay	4,850,728	5,634,008	1,455,218	1,690,202
Other	791,119	331,705	237,336	99,511
<b>Deferred tax assets</b>	<b>29,665,826</b>	<b>14,746,898</b>	<b>8,899,748</b>	<b>4,424,069</b>
Base difference of tangible and intangible assets	(19,589,792)	(12,948,359)	(3,227,499)	(1,691,819)
Leasing interest income accrual	(10,152,449)	(6,881,982)	(3,045,735)	(2,064,594)
Other	(1,102,440)	(427,363)	(330,732)	(128,209)
<b>Deferred tax liabilities</b>	<b>(30,844,681)</b>	<b>(20,257,704)</b>	<b>(6,603,966)</b>	<b>(3,884,622)</b>
<b>Deferred tax assets, (net)</b>	<b>(1,178,855)</b>	<b>(5,510,808)</b>	<b>2,295,782</b>	<b>539,447</b>

The deferred tax asset movement table is as follows:

	1 January – 31 December 2024	1 January – 31 December 2023
<b>1 January</b>	<b>539,447</b>	<b>(1,343,889)</b>
Deferred tax effect recognized under profit or loss	5,871,711	10,289,937
Deferred tax effect recognized under equity	(4,115,376)	(8,406,599)
<b>31 December</b>	<b>2,295,782</b>	<b>539,447</b>

#### 18 - RELATED PARTY TRANSACTIONS

##### Balance sheet items

	31 December 2024	31 December 2023
<b>Banks</b>		
Arap Türk Bankası AŞ	33,441,779	718,636
Türkiye İş Bankası AŞ	4,053,875	29,014,711
TC Ziraat Bankası AŞ	172,992	14,418,303
TC Ziraat Katılım Bankası A.Ş.	21,569	29,216,723
<b>Total</b>	<b>37,690,215</b>	<b>73,368,373</b>
<b>Finance leases</b>		
Arap Türk Bankası AŞ	<b>2,692,623</b>	3,447,253
<b>Total</b>	<b>2,692,623</b>	<b>3,447,253</b>
<b>Funds borrowed</b>		
Libyan Foreign Bank	661,372,200	488,608,500
Aresbank	419,427,093	371,607,930
Alubaf Bahreyn	146,971,600	133,047,540
Banque BIA-Paris	46,487,117	147,740,552
Arap Türk Bankası A.Ş.	34,631,525	28,176,049
T. İş Bankası A.Ş.	21,808,435	--
UBAE Rome	7,898,254	--
TC Ziraat Katılım Bankası A.Ş.	--	30,740,647
<b>Total</b>	<b>1,338,596,224</b>	<b>1,199,921,218</b>

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira ("TL") unless otherwise indicated.)

#### 18 - RELATED PARTY TRANSACTIONS (Continued)

##### Profit/loss

	1 January – 31 December 2024	1 January – 31 December 2023
<b>Interest expense</b>		
Aresbank	25,796,817	14,283,371
Libyan Foreign Bank	25,765,812	18,001,024
Arap Türk Bankası A.Ş.	20,405,924	2,367,356
Alubaf Bahreyn	11,929,062	4,259,852
Banque BIA-Paris	9,753,897	7,951,007
Türkiye İş Bankası AŞ	1,465,219	--
TC Ziraat Bankası AŞ	1,370,652	312,110
<b>Total</b>	<b>96,487,383</b>	<b>47,174,720</b>
<b>Interest income from finance lease</b>		
Arap Türk Bankası AŞ	1,247,809	1,037,028
Bayek Tedavi Sağlık Hizmetleri ve İşletmeciliği AŞ	--	16
<b>Total</b>	<b>1,247,809</b>	<b>1,037,044</b>
<b>Interest income from banks</b>		
TC Ziraat Bankası A.Ş.	5,057,048	1,440,440
Arap Türk Bankası A.Ş.	1,709,043	1,836
Türkiye İş Bankası A.Ş.	1,066	--
<b>Total</b>	<b>6,767,157</b>	<b>1,442,276</b>

For the year ended 31 December 2024, the Company paid to executive members and key management personnel amounting to TL 25,602,477 (31 December 2023: TL 22,593,555) as fringe benefit.

#### 19 - NATURE AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS

##### Financial instruments and financial risk management

###### a. Credit risk

The risk of a financial loss to the Company due to the failure of one of the parties to fulfill its contractual obligation is defined as credit risk. The company is exposed to credit risk due to leasing transactions. Credit risk is kept under control by allocating certain limits to the parties generating credit risk and following the collections expected from customers. Credit risk is concentrated mainly in the activities that take place in Türkiye. Credit risk is distributed by serving many customers from different sectors.

**A&T FİNANSAL KİRALAMA A. Ş.**

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

**19- NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

*Maximum exposure to credit risk table:*

	31 December 2024			31 December 2023		
	Financial leasing receivables	Other Assets	Deposits at banks	Financial leasing receivables	Other assets	Deposits at banks
<b>Maximum credit risk exposed as at balance sheet date (A+B+C+D+E)</b>	<b>1,437,859,736</b>	<b>48,878,271</b>	<b>158,091,057</b>	<b>1,224,043,721</b>	<b>28,335,736</b>	<b>182,281,571</b>
- The part of the maximum risk secured by collateral	1,437,802,070	48,878,271	158,091,057	1,223,837,077	28,335,736	--
<b>A. Carrying value of financial assets that are not past due nor impaired</b>	<b>1,423,429,551</b>	<b>48,878,271</b>	<b>158,091,057</b>	<b>1,211,089,007</b>	<b>28,335,736</b>	<b>182,281,571</b>
- The part under guarantee with collateral	1,423,429,551	48,878,271	--	1,211,089,007	28,335,736	--
<b>Net book value of financial assets whose terms are reassessed, if not</b>						
<b>B. accepted as past due nor impaired</b>				--	--	--
<b>C. Financial assets that are past due but not impaired</b>	<b>14,372,518</b>	--	--	<b>12,748,070</b>	--	--
- The part under guarantee with collateral	14,372,518	--	--	12,748,070	--	--
<b>D. Net book value of impaired assets</b>	<b>57,665</b>	--	--	<b>206,645</b>	--	--
- Past due (gross carrying value)	848,785	--	--	538,350	--	--
- Impairment (-)	(791,119)	--	--	(331,705)	--	--
- The part of net value under guarantee with collateral	--	--	--	--	--	--
- Not past due (gross carrying value)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- The part of net value under guarantee with collateral	--	--	--	--	--	--
<b>E. Off balance sheet items that include credit risk</b>	--	--	--	--	--	--

Expected loss provisions for Stage 1 and Stage 2 leasing receivables are not included in the table.

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

**19 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

**b. Market risk**

Market risk is the risk that the Company's capital and earnings and the ability of the Company to achieve its goals will be negatively affected by fluctuations in interest rates, inflation rates in foreign currency rates, and prices in the market. The company follows market risk under the titles of liquidity risk, currency risk and interest rate risk.

**b1. Liquidity risk**

Liquidity risk is the possibility of the Company is not meeting its net financing needs. Liquidity risk arises from problems in the sector or decreases in credit ratings leading to the decline of some fund resources in a short time. As a precaution against liquidity risk, management diversifies its financing resources and manages its assets with liquidity priority.

The following table provides an analysis for the Company’s financial assets and liabilities according to the relevant maturity grouping based on the period remaining on the balance sheet date and the maturity dates included in the contracts. Interests to be collected and paid on the Company’s assets and liabilities are included in the table below.

<b>31 December 2024</b>	<b>Non-maturity</b>	<b>In 3 months</b>	<b>3 – 12 month</b>	<b>Over 1 year</b>	<b>Total</b>
Cash and cash equivalents and the Central Bank	80,099,010	77,977,766	--	--	158,076,777
Financial lease receivables	--	232,915,266	596,696,326	603,397,416	1,433,009,008
Investments in scope of leasing	--	8,055,370	--	--	8,055,370
Other receivables	--	--	11,637,626	--	11,637,626
Advances given for leasing transactions	--	22,367,796	--	--	22,367,796
Other assets	80,862,583	--	--	--	80,862,583
Deferred Tax Asset	2,295,782	--	--	--	2,295,782
<b>Assets used to manage liquidity risk</b>	<b>163,257,375</b>	<b>341,316,198</b>	<b>608,333,951</b>	<b>603,397,416</b>	<b>1,716,304,941</b>
Funds borrowed	--	19,308,728	602,138,952	772,590,274	1,394,037,954
Other liabilities	--	55,575	37,845,363	--	37,900,938
Provisions	24,258,980	--	--	--	24,258,980
Current tax debt	--	5,154,688	4,245,643	--	9,400,331
<b>Total liabilities</b>	<b>24,258,980</b>	<b>24,518,991</b>	<b>644,229,959</b>	<b>772,590,274</b>	<b>1,465,598,203</b>
<b>Net liquidity surplus/(deficit)</b>	<b>138,998,395</b>	<b>316,797,207</b>	<b>(35,896,007)</b>	<b>(169,192,857)</b>	<b>250,706,737</b>
<b>31 December 2023</b>	<b>Non-maturity</b>	<b>In 3 months</b>	<b>3 – 12 month</b>	<b>Over 1 year</b>	<b>Total</b>
Cash and cash equivalents and the Central Bank	147,558,738	34,698,225	--	--	182,256,963
Financial lease receivables	--	169,569,038	425,782,454	623,058,223	1,218,409,715
Investments in scope of leasing	--	10,905,662	--	--	10,905,662
Other receivables	--	--	10,427,114	--	10,427,114
Advances given for leasing transactions	--	3,000	--	--	3,000
Other assets	65,876,696	--	--	--	65,876,696
Deferred Tax Asset	539,447	--	--	--	539,447
<b>Assets used to manage liquidity risk</b>	<b>213,974,881</b>	<b>215,175,925</b>	<b>436,209,568</b>	<b>623,058,223</b>	<b>1,488,418,597</b>
Funds borrowed	--	180,000,207	205,766,715	831,088,368	1,216,855,290
Other liabilities	--	--	42,965,990	--	42,965,990
Provisions	8,781,185	--	--	--	8,781,185
Current tax debt	--	3,763,888	834,935	--	4,598,823
<b>Total liabilities</b>	<b>8,781,185</b>	<b>183,764,095</b>	<b>249,567,640</b>	<b>831,088,368</b>	<b>1,273,201,288</b>
<b>Net liquidity surplus/(deficit)</b>	<b>124,454,291</b>	<b>178,970,568</b>	<b>186,641,928</b>	<b>(208,030,145)</b>	<b>215,217,309</b>

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

**19 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

As at 31 December 2024 and 31 December 2023, the undiscounted representation of the contractual maturity values of financial liabilities is as follows:

<b>31 December 2024</b>	<b>In 3 months</b>	<b>3 - 12 month</b>	<b>Over 1 year</b>	<b>Non-maturity</b>	<b>Total</b>
Funds borrowed	19,308,728	602,138,952	772,590,274	--	1,394,037,954
Other payables	55,574	37,845,363	--	--	37,900,937
<b>Total liabilities</b>	<b>19,364,303</b>	<b>639,984,315</b>	<b>772,590,274</b>	<b>--</b>	<b>1,431,938,892</b>
<b>31 December 2023</b>	<b>In 3 months</b>	<b>3 - 12 month</b>	<b>Over 1 year</b>	<b>Non-maturity</b>	<b>Total</b>
Funds borrowed	180,000,207	205,766,715	831,088,368	--	1,216,855,290
Other payables	--	42,965,990	--	--	42,965,990
<b>Total liabilities</b>	<b>180,000,207</b>	<b>248,732,705</b>	<b>831,088,368</b>	<b>--</b>	<b>1,259,821,280</b>

**b2. Currency risk**

Foreign currency assets and liabilities create foreign currency risk. The Company carries a certain amount of foreign exchange position arising from the transactions carried out by its operations. The foreign exchange position is monitored daily by Planning Control and reported monthly on the basis of maturity and currency types. The Company conducts forward foreign exchange transactions in order to balance its foreign exchange assets and liabilities.

As at 31 December 2024 and 31 December 2023, the Company's foreign currency assets and liabilities may be analyzed as follows (TL equivalents):

<b>31 December 2024</b>	<b>USD</b>	<b>Euro</b>	<b>Others</b>	<b>Total</b>
Cash and cash equivalents and the Central Bank	2,407,053	75,709,636	--	78,116,688
Financial leasing receivables	28,022,659	1,422,258,497	--	1,450,281,156
Unearned income (-)	(2,047,645)	(147,356,421)	--	(149,404,065)
Non-performing loans	--	552,500	--	552,500
Expected loss provisions (-)	(111,057)	(4,996,548)	--	(5,107,605)
Investments in scope of leasing	--	6,822,392	--	6,822,392
Advances given for leasing transactions	22,366,796	--	--	22,366,796
Other assets	1,261,646	13,387,623	--	14,649,270
<b>Total assets</b>	<b>51,899,451</b>	<b>1,366,377,680</b>	<b>--</b>	<b>1,418,277,131</b>
Funds borrowed	9,003,391	1,351,529,417	--	1,360,532,808
Other liabilities	2,111,367	26,477,898	--	28,589,266
<b>Total liabilities</b>	<b>11,114,758</b>	<b>1,378,007,315</b>	<b>--</b>	<b>1,389,122,073</b>
<b>Net foreign currency position</b>	<b>40,784,693</b>	<b>(11,629,635)</b>	<b>--</b>	<b>29,155,058</b>



# A&T FİNANSAL KİRALAMA A. Ş.

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

### 19 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2023	USD	Euro	Others	Total
Cash and cash equivalents and the Central Bank	15,076,261	143,030,265	--	158,106,526
Financial leasing receivables	26,072,443	1,174,188,598	--	1,200,261,041
Unearned income (-)	(2,308,019)	(123,510,743)	--	(125,818,762)
Non-performing loans	--	48,438	--	48,438
Expected loss provisions (-)	(73,983)	(5,101,658)	--	(5,175,641)
Investments in scope of leasing	--	10,901,640	--	10,901,640
Advances given for leasing transactions	--	--	--	--
Other assets	1,567,190	13,051,524	--	14,618,714
<b>Total assets</b>	<b>40,333,892</b>	<b>1,212,608,064</b>	<b>--</b>	<b>1,252,941,956</b>
Funds borrowed	35,626,110	1,155,857,353	--	1,191,483,463
Other liabilities	1,187,303	39,156,804	--	40,344,107
<b>Total liabilities</b>	<b>36,813,413</b>	<b>1,195,014,157</b>	<b>--</b>	<b>1,231,827,570</b>
<b>Net foreign currency position</b>	<b>3,520,479</b>	<b>17,593,907</b>	<b>--</b>	<b>21,114,386</b>

#### Currency risk sensitivity analysis

The table below shows the Company's sensitivity to 10% change in US Dollars and Euros. During this analysis, it is assumed that all variables, especially interest rates, will remain constant.

31 December 2024	Profit / Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case the US Dollar changes 10% against TL				
1 – Net asset / liability of USD	4,078,469	(4,078,469)	4,078,469	(4,078,469)
2- The amount hedged for USD risk (-)	--	--	--	--
<b>3- Net effect of USD (1 +2)</b>	<b>4,078,469</b>	<b>(4,078,469)</b>	<b>4,078,469</b>	<b>(4,078,469)</b>
In case the Euro changes 10% against TL				
4 – Net asset / liability of Euro	(1,162,963)	1,162,963	(1,162,963)	1,162,963
5- The amount hedged for Euro risk (-)	--	--	--	--
<b>6- Net effect of Euro (4+5)</b>	<b>(1,162,963)</b>	<b>1,162,963</b>	<b>(1,162,963)</b>	<b>1,162,963</b>
<b>TOTAL (3+6)</b>	<b>2,915,506</b>	<b>(2,915,506)</b>	<b>2,915,506</b>	<b>(2,915,506)</b>

(\*) Equity effect includes the effect of income statement.

31 December 2023	Profit / Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case the US Dollar changes 10% against TL				
1 – Net asset / liability of USD	352,048	(352,047)	352,047	(352,047)
2- The amount hedged for USD risk (-)	--	--	--	--
<b>3- Net effect of USD (1 +2)</b>	<b>352,048</b>	<b>(352,047)</b>	<b>352,047</b>	<b>(352,047)</b>
In case the Euro changes 10% against TL				
4 – Net asset / liability of Euro	1,759,390	(1,759,390)	1,759,390	(1,759,390)
5- The amount hedged for Euro risk (-)	--	--	--	--
<b>6- Net effect of Euro (4+5)</b>	<b>1,759,390</b>	<b>(1,759,390)</b>	<b>1,759,390</b>	<b>(1,759,390)</b>
<b>TOTAL (3+6)</b>	<b>2,111,437</b>	<b>(2,111,437)</b>	<b>2,111,437</b>	<b>(2,111,437)</b>

(\*) Equity effect includes the effect of income statement.

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

**19 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

**b3 Interest rate risk**

The Company’s operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprise at different times or in differing amounts. In the case of floating rate assets and liabilities the Company is also exposed to basis risk, which is the difference in reprising characteristics of the various floating rate indices. Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Company’s business strategies.

As at 31 December 2024, according to the analyses calculated by the Company, in case of a 5% increase/(decrease) in foreign currency interest rates with all other variables held constant, the net present value of floating rate financial liabilities would increase/(decrease) by USD 1,089 and EUR 169,099 (31 December 2023: USD 975,21, EUR 175,362).

As at 31 December 2024 and 31 December 2023, the Company's interest rate sensitive financial instruments are as follows:

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Financial assets and liabilities with fixed interest</b>		
Time deposits	77,977,766	34,698,225
Financial lease receivables, net	1,434,779,323	1,220,940,940
Funds borrowed	97,193,815	198,613,282
<b>Financial assets and liabilities with variable interest</b>		
Financial lease receivables, net	3,022,747	2,896,137
Funds borrowed	1,296,844,139	1,018,242,008

The tables below analyze the Company's non-derivative financial assets and liabilities according to the appropriate maturity grouping, based on the contract's repricing date as of the balance sheet date.

<b>31 December 2024</b>	<b>In 3 months</b>	<b>3 Month – 1Year</b>	<b>1-5 Years</b>	<b>Interest Free</b>	<b>Total</b>
Cash, cash equivalents and the Central Bank	77,977,766	--	--	80,099,010	158,076,777
Receivables from leasing transactions(net)	315,863,953	578,116,668	539,028,387	--	1,433,009,008
Investments under leasing	--	--	--	8,055,370	8,055,370
Other receivables related to leasing transactions	--	--	--	11,637,626	11,637,626
Advances given for leasing transactions	--	--	--	22,367,796	22,367,796
Property, plant and equipment, net	--	--	--	69,100,092	69,100,092
Intangible assets, net	--	--	--	4,945,010	4,945,010
Deferred tax assets	--	--	--	2,295,782	2,295,782
Other Assets	--	--	--	6,817,480	6,817,480
<b>Total Assets</b>	<b>393,841,720</b>	<b>578,116,668</b>	<b>539,028,387</b>	<b>205,318,165</b>	<b>1,716,304,940</b>
Funds borrowed	928,001,122	425,376,232	40,660,600	--	1,394,037,954
Other obligations	--	--	--	37,900,938	37,900,938
Provisions	--	--	--	24,258,980	24,258,980
Current tax debt	--	--	--	9,400,331	9,400,331
<b>Total liabilities</b>	<b>928,001,122</b>	<b>425,376,232</b>	<b>40,660,600</b>	<b>71,560,249</b>	<b>1,465,598,203</b>
<b>Net repricing position</b>	<b>(534,159,402)</b>	<b>152,740,436</b>	<b>498,367,787</b>	<b>133,757,916</b>	<b>250,706,737</b>

## A&T FİNANSAL KİRALAMA A. Ş.

### NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

#### 19 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2023	In 3 months	3Month-1Year	1-5 Years	Interest Free	Total
Cash, cash equivalents and the Central Bank	182,256,963	--	--	--	182,256,963
Receivables from leasing transactions(net)	263,907,511	411,149,136	543,353,068	--	1,218,409,715
Investments under leasing	--	--	--	10,905,662	10,905,662
Other receivables related to leasing transactions	--	--	--	10,427,114	10,427,114
Advances given for leasing transactions	--	--	--	3,000	3,000
Property, plant and equipment, net	--	--	--	53,964,240	53,964,240
Intangible assets, net	--	--	--	4,906,751	4,906,751
Deferred tax assets	--	--	--	539,447	539,447
Other assets	--	--	--	7,005,705	7,005,705
<b>Total assets</b>	<b>446,164,474</b>	<b>411,149,136</b>	<b>543,353,068</b>	<b>87,751,919</b>	<b>1,488,418,597</b>
Funds borrowed	569,733,847	647,121,443	--	--	1,216,855,290
Other obligations	--	--	--	42,965,990	42,965,990
Provisions	--	--	--	8,781,185	8,781,185
Current tax debt	--	--	--	4,598,823	4,598,823
Deferred tax liabilities	--	--	--	--	-
<b>Total liabilities</b>	<b>569,733,847</b>	<b>647,121,443</b>	<b>--</b>	<b>56,345,998</b>	<b>1,273,201,288</b>
<b>Net repricing position</b>	<b>(123,569,373)</b>	<b>(235,972,307)</b>	<b>543,353,068</b>	<b>31,405,921</b>	<b>215,217,309</b>

#### *Fair value of financial instruments*

Fair value is the price that would be received to sell an asset or paid except compulsory sales and Non-performing loans to transfer a liability in an orderly transaction between market participants at the measurement date.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

The fair values of certain financial assets and liabilities excluding finance lease receivables and borrowings are considered to approximate their respective carrying values due to their short-term nature.

Fair value of financial assets is measured according to the assumptions based on quoted bid prices of similar assets, or amounts derived from cash flow models.

The table below indicates the fair value of the financial assets which are stated at amortized cost in the statement of financial position:

	Carrying amount		Fair value	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Banks	158,091,057	182,281,571	158,076,777	182,256,963
Finance lease receivables	1,433,009,008	1,218,409,715	1,399,994,510	1,190,339,281
Funds borrowed	1,394,037,954	1,216,855,290	1,250,572,818	1,108,713,867

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed Turkish lira (“TL”) unless otherwise indicated.)

**19 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS  
(Continued)**

Fair values of financial assets and liabilities that are carried with their fair values on the balance sheet are determined as follows:

- First Level: Financial assets and liabilities are valued at the quoted prices (unadjusted) in an active market for identical assets and liabilities.
- Second Level: Financial assets and liabilities are valued with the inputs used to determine a directly or indirectly observable price other than the quoted market price of the relevant asset or liability mentioned in Level 1.
- Third Level: Financial assets and liabilities are valued with inputs that cannot be based on data observable in the market and used to determine the fair value of the asset or liability.

As at 31 December 2024 and 2023, the Company does not have any financial assets and liabilities that are reflected in the financial statements at fair value.

**c. Capital management**

In Accordance with Article 12 of the “Regulation on Establishment and Operating Principles of Financial Leasing, Factoring and Financing Companies” published in the Official Gazette dated April 24, 2013, the Company is required to keep min 3% standards ratio calculated by dividing equity to total assets. The rate of Company is 19% according to calculation made as at 31 December 2024.

**20 - OTHER MATTERS**

None (31 December 2023: None).

**21 - FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/ AUDITOR'S  
FIRM**

In accordance with the decision of the Company's General Assembly dated March 19, 2024, the fee information for the reporting period regarding the services received from the independent audit firm is given in the table below based on VAT excluding amounts.

	<b>1 January – 31 December 2024</b>	<b>1 January – 31 December 2023</b>
Independent audit fees in the reporting period	1,011,306	638,334
Fees for tax advisory	--	--
Fees for other assurance services	--	--
Fees for other services except independent audit	--	--
<b>Total</b>	<b>1,011,306</b>	<b>638,334</b>

**22 - SUBSEQUENT EVENTS**

None.

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