

**ISTANBUL TAKAS VE SAKLAMA BANKASI
ANONIM SİRKETİ**

**INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS OF
30 SEPTEMBER 2024 TOGETHER WITH INDEPENDENT AUDITOR'S
REVIEW REPORT**

**(Convenience translation at publicly announced unconsolidated financial
statements and Independent Auditor's Report originally issued in
Turkish, See Note.I. of Section three.)**



AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

Convenience translation of the independent auditor's review report originally issued in Turkish, See Note I of Section Three)

To the General Assembly of İstanbul Takas ve Saklama Bankası Anonim Şirketi;

Introduction

We have reviewed the accompanying unconsolidated balance sheet of İstanbul Takas ve Saklama Bankası Anonim Şirketi ("the Bank") at 30 September 2024 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the nine-month period then ended. The Bank Management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these interim financial information based on our review.

Scope of Review

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



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated financial information does not present fairly in all material respects the financial position of İstanbul Takas ve Saklama Bankası Anonim Şirketi at 30 September 2024 and its financial performance and its cash flows for the nine-month period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

Report on other regulatory requirements arising from legislation

Based on our review, nothing has come to our attention that causes us to believe that the financial information provided in the accompanying interim activity report in Section Seven, is not consistent with the reviewed unconsolidated financial statements and disclosures in all material respects.

Additional Paragraph for Convenience Translation:

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 30 September 2024. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

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

Özge Arslan Yılmaz, SMMM
Independent Auditor

Istanbul, 5 November 2024

**CONVENIENCE TRANSLATION OF PUBLICLY
ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REVIEW REPORT
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE
THE UNCONSOLIDATED FINANCIAL AUDIT REPORT OF
ISTANBUL TAKAS VE SAKLAMA BANKASI A.S. AS OF 30 SEPTEMBER 2024**

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The unconsolidated financial report for the nine month period ended prepared in accordance with the "Communiqué on the Financial Statements and Related Policies and Disclosures to be Publicly Announced" as regulated by the Banking Regulation and Supervision Agency, is consist of the section listed below:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION ON THE FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK
- EXPLANATIONS AND DISCLOSURES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
- AUDITOR'S REVIEW REPORT
- INTERIM ACTIVITY REPORT

The accompanying unconsolidated financial statements and notes to these financial statements for the nine month period ended which are expressed, unless otherwise stated, in thousands of Turkish Lira have been prepared and presented based on the accounting books of the Bank in accordance with the Regulation on the Principles and Procedures Regarding Banks' Accounting and Keeping of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and related appendices and interpretations of these, and have been independently reviewed.

Dr. Mahmut KAYACIK
Chairman of the Board of
Directors

Münevver ÇETİN
Chairman of the Audit
Committee

Murat TACİR
Member of the Audit
Committee

Dr. Yunus ARINCI
General Manager
Board Member

Murat GÖRGÜN
Deputy General Managerı

Oya DEMİRDAĞ
Director

Contact information of the personnel in charge of the addressing of questions about this financial report:

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ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

SECTION ONE

GENERAL INFORMATION

I. Bank's establishment date, start-up statute, history about the changes in this mentioned statute:

The Bank was originally set up as a department of the Borsa İstanbul A.Ş. ("BIAS") (formerly "İstanbul Menkul Kıymetler Borsası") and reorganized under a separate company named IMKB Takas ve Saklama A.Ş. on 12 July 1991, was transformed into a non-deposit taking bank on 8 August 1995 with the name IMKB Takas ve Saklama Bankası A.Ş., as published in the Official Gazette dated 23 March 1995 with the decision of the Council of Ministers No. 95/6551. According to the decision made in 18th Ordinary Meeting of the Bank General Assembly dated 29 March 2013, title of the Bank has been changed into İstanbul Takas ve Saklama Bankası A.Ş. (Here in after referred to as "Takasbank" or the "Bank") and this title change was approved in 11 April 2013. The name of the Bank has been renovated as "Takasbank" or "Takas İstanbul" with the resolution of the ordinary general meeting dated 9 June 2017 and numbered 22.

II. Explanation about the Bank's capital structure, shareholders who directly or indirectly, solely or jointly undertake the management and control of the Bank, any changes in the period, and information on the Bank's risk group:

As of 30 September 2024 and 31 December 2023, the shareholders' structure and their respective ownerships are summarized as follows:

No	Name of Shareholders	Current Period			Prior Period		
		Paid in Capital	%	Number	Paid in Capital	(%)	Number
1	Borsa İstanbul A.Ş.	385,067	64.18	1	385,067	64.18	1
2	Tacirler Yatırım Menkul Değerler A.Ş.	30,000	5.00	1	30,000	5.00	1
3	Phillip Capital Menkul Değerler A.Ş.	30,000	5.00	1	30,000	5.00	1
4	Türkiye Garanti Bankası A.Ş.	29,685	4.95	1	29,685	4.95	1
5	Yapı Kredi Yatırım Menkul Değerler A.Ş.	26,280	4.38	1	26,280	4.38	1
6	Türkiye İş Bankası A.Ş.	26,235	4.37	1	26,235	4.37	1
7	Türkiye Vakıflar Bankası T.A.O.	26,235	4.37	1	26,235	4.37	1
8	Other (Intermediary Institution)	26,397	4.40	24	26,397	4.40	24
9	Other (Banks)	20,101	3.35	8	20,101	3.35	8
Total		600,000	100.00	39	600,000	100.00	39

64.18% of the Bank's share belongs to BIAS. BIAS was established on the date of the entry into force of the Law to carry out stock market activities in accordance with Article 138 of the Capital Markets Law No. 6362, which was published in the Official Gazette on 30 December 2012 and entered into force. BIAS shall ensure that capital market instruments, foreign exchange and precious metals and precious stones and other contracts, documents and valuables deemed appropriate by the Capital Markets Board can be bought and sold in a transparent, effective, competitive, honest and stable environment easily and safely under the conditions of free competition markets, platforms and systems and other organized market places to facilitate the gathering of these orders and to determine and announce the prices that are formed and to establish and maintain these and other stock exchanges or other market places is an institution with private legal entity established on the basis of the Capital Markets Law No. 6362 to manage and/or operate the markets of the stock exchanges.

Dividend payment

At the General Assembly meeting held on June 6, 2024, it was decided to make a dividend payment of TRY 1,819,564 to shareholders. Dividend payments were made on June 26, 2024.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

GENERAL INFORMATION (Continued)

III. Explanation on the Board of Directors, members of the audit committee, president and executive vice presidents, changes in these matters (if any) and shares of the Bank they possess:

Chairman and Members of the Board of Directors

Name Surname	Area of Responsibility	Education Status
Dr. Mahmut Kayacık	Chairman	Boğaziçi University / Faculty of Economics and Administrative Sciences / Political Science and International Relations / Bachelor's Degree Marmara University / Institute of Social Sciences International / Economics / Master's Degree
Korkmaz Ergun	Deputy Chairman of the Board	Ankara University / Faculty of Political Sciences / Business Administration / Bachelor's Degree Marmara University / Institute of Middle East Studies / Middle East Economics / Master's Degree Marmara University / Institute of Social Sciences / History of Economics / PhD
Dr. Yunus Arıncı (*)	Member (General Manager - Chairman of the Credit Committee)	Ankara University / Faculty of Political Sciences / Public Administration / Bachelor's Degree Indiana University / Public Administration / Master's Degree Ankara Hacı Bayram Veli University/ Institute of Postgraduate Education /Public Administration / PhD
Murat Tacir	Member (Chairman of the Risk Committee – Member of the Audit Committee)	Istanbul University / Faculty of Business Administration / Business Administration / Bachelor's Degree
Murat Onuk	Member (Noble Member of the Credit Committee – Member of the Corporate Governance Committee)	Istanbul University / Faculty of Economics / International Relations / Bachelor's Degree
Bekir Bayrakdar	Member (Member of the Remuneration Committee – Reserve Member of the Credit Committee)	Istanbul University / Faculty of Political Sciences / International Relations / Bachelor's Degree
Yusuf Karaloğlu	Member (Member of the Remuneration Committee – Reserve Member of the Credit Committee)	Uludağ University / Faculty of Economics and Administrative Sciences / Business Administration / Bachelor's Degree Erzincan University / Institute of Social Sciences / Public Law / Master's Degree
Prof. Dr.Münevver Çetin	Member (Chairman of the Audit Committee – Member of the Risk Committee)	Ankara University / Department of Economics Management / Undergraduate Ankara University / Institute of Social Sciences / Educational Administration and Planning / Graduate Istanbul University / Institute of Social Sciences / Money and Monetary Policy / PhD
Dr. Gülseren Topuz	Member (Chairman of the Corporate Governance Committee – Noble Member of the Credit Committee)	Ankara University / Faculty of Economics / Economics / Bachelor's Degree Marmara University / Institute of Social Sciences / statistics / Master's Degree İstanbul University / Institute of Social Sciences / Money and Banking / PhD

(*) At the Board of Directors meeting held on June 6, 2024, General Manager and Board Member Avşar R. Sungurlu stepped down from his position and Dr. Yunus Arıncı was appointed as General Manager and Board Member.

Name-Surname	Area of Responsibility	Education Status
Dr. Yunus Arıncı (*)	General Manager Chairman of the Credit Committee	Ankara University / Institute of Social Sciences International / Public Administration / Bachelor's Degree Indiana University/ Public Administration / Master's Degree Ankara Hacı Bayram Veli University / Institute of Graduate Studies/Public Administration /PhD
Gökhan Elibol	Vice President — Markets and Operations	Ankara University / Faculty of Political Sciences / Finance / Bachelor's Degree Beykent University / Faculty of Law / Law / Bachelor's Degree
Murat Görgün	Vice President — Central Counterparty and Financial Services	Middle East Technical University /Faculty of Economics and Administrative Sciences / International Relations / Bachelor's Degree Marmara University / Institute of Banking and Insurance / Banking / Master's Degree
Taşkın Öker	Vice President Information Technologies2	Istanbul University / Faculty of Engineering / Department of Electrical Electronics / Graduate

(*) At the Board of Directors meeting held on June 6, 2024, General Manager and Board Member Avşar R. Sungurlu stepped down from his position and Dr. Yunus Arıncı was appointed as General Manager and Board Member.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

GENERAL INFORMATION (Continued)

III. Explanation on the Board of Directors, members of the audit committee, president and executive vice presidents, changes in these matters and shares of the Bank they possess: (Continued)

Explanations Regarding the Shares They Own in the Bank and Their Areas of Responsibility
None. (31 December 2023: None.)

IV. Information on the Bank's qualified shareholders:

Shareholding in the Bank's shares, except BİAŞ, does not exceed 5% as stated in the Articles of Association of the Bank. 64.18% of the Bank belongs to BİAŞ. The Bank has no preferred shares as of 30 September 2024 (31 December 2023: None). The preferred shares belonging to BİAŞ grants to shareholders the right to nominate four candidates to be elected to the Board of Directors by the General Assembly).

Name Surname/ Business Name	Share Amount	Share Proportions	Paid-in Shares	Unpaid Shares
BİAŞ	385.067	64.18	385.067	-

V. Information on the Bank's function and areas of activity:

The main purpose of the Bank is to increase our country's market competitiveness by providing settlement and custody services, providing financial services, and performing all types of economic activities within the scope of the relevant legislation.

The areas of activity that are specified in the Bank's Articles of Association, in general, are as follows:

- Providing all financial services, and primarily central bartering services and central counterparty services, activity of settlement and custody, market management, establishing and making payments, transfer and reconciliation systems, and banking activities;
- Financial services related to international markets including all kinds of payments, transfers, settlements, custody, and reconciliation services;
- Performing judiciary activities and signing all agreements related to its subject, signing written contracts, notes, and miscellaneous notes, acquiring all kinds of rights and receivables and binding debts;
- Purchasing, manufacturing, constructing, acquiring in other ways, renting, partially or completely, selling when necessary, transferring and leasing, and establishing all kinds of real rights on moveable and immoveable goods or removing all kinds of moveable and immoveable goods as well as all kinds of rights associated with them;
- All kinds of loaning and borrowing required by its activities, in line with corporate management principles as determined by banking and capital market legislation, as well as providing and obtaining personal in cash or in kind guarantees such as sureties, pledges, mortgages, and enterprise pledges in its favour or in favour of others, and transferring or cancelling these;
- Exporting all types of capital market instruments within the framework of Capital Markets legislation;
- Establish partnerships with domestic and foreign organizations and join existing partnerships.

VI. Current or likely actual or legal barriers to immediate transfer of equity or repayment of debts between parent bank and its subsidiaries:

None (31 December 2023:None).

SECTION TWO

UNCONSOLIDATED FINANCIAL STATEMENTS

- I. Balance Sheet (Statement of Financial Position)
- II. Statement of Off-balance Sheet
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- V. Statements of Changes in Shareholders' Equity
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ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.
**UNCONSOLIDATED BALANCE SHEET COMMITMENTS
AS OF 30 SEPTEMBER 2024**

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

SECTION TWO
I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

ASSETS	Note	Reviewed Current Period			Audited Prior Period		
		30 September 2024			31 December 2023		
		TRY	FC	Total	TRY	FC	Total
I. FINANCIAL ASSETS (NET)		134,134,967	32,513,256	166,648,223	84,444,258	29,983,718	114,427,976
1.1 Cash and Cash Equivalents		134,072,413	30,794,463	164,866,876	84,345,827	29,983,057	114,328,884
1.1.1 Cash and Balances with Central Bank	I-(1)	22,004,320	-	22,004,320	1,958	4,886,085	4,888,043
1.1.2 Banks	I-(3)	112,167,833	30,794,463	142,962,296	84,459,526	25,096,972	109,556,498
1.1.3 Money Markets	I-(3)	-	-	-	-	-	-
1.1.4 Expected Loss Provision (-)	I-(3)	99,740	-	99,740	115,657	-	115,657
1.2 Financial Assets at Fair Value Through Profit or Loss	I-(2)	41,071	1,713,296	1,754,367	39,647	-	39,647
1.2.1 Government Debt Securities		38,393	-	38,393	37,291	-	37,291
1.2.2 Equity Instruments		-	-	-	-	-	-
1.2.3 Other Financial Assets		2,678	1,713,296	1,715,974	2,356	-	2,356
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	I-(4)	3,671	5,497	9,168	3,671	661	4,332
1.3.1 Government Debt Securities		-	-	-	-	-	-
1.3.2 Equity Instruments		3,671	5,497	9,168	3,671	661	4,332
1.3.3 Other Financial Assets		-	-	-	-	-	-
1.4 Derivative Financial Assets	I-(5)	17,812	-	17,812	55,113	-	55,113
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		17,812	-	17,812	55,113	-	55,113
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		3,326,228	8,746,040	12,072,268	2,353,445	3,379,883	5,733,328
2.1 Lease Receivables	I-(6)	2,467,380	-	2,467,380	1,795,481	-	1,795,481
2.2 Factoring Receivables	I-(11)	-	-	-	-	-	-
2.3 Financial Assets Measured at Amortised Cost		-	-	-	-	-	-
2.4 Government Debt Securities	I-(7)	866,459	8,746,040	9,612,499	562,446	3,379,883	3,942,329
2.4.1 Other Financial Assets		783,806	796,031	1,579,837	499,958	1,363,748	1,863,706
2.4.2 Expected Loss Provision (-)		82,653	7,950,009	8,032,662	62,488	2,016,135	2,078,623
2.5 Lease Receivables		7,611	-	7,611	4,482	-	4,482
III. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)	I-(13)	-	-	-	-	-	-
3.1 Held for Sale Purpose		-	-	-	-	-	-
3.2 Related to Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		4,825	-	4,825	4,825	-	4,825
4.1 Investments in Associates (Net)		-	-	-	-	-	-
4.1.1 Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		-	-	-	-	-	-
4.2 Subsidiaries (Net)		4,825	-	4,825	4,825	-	4,825
4.2.1 Unconsolidated Financial Subsidiaries		4,825	-	4,825	4,825	-	4,825
4.2.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3 Joint Ventures (Net)		-	-	-	-	-	-
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
V. PROPERTY AND EQUIPMENT (Net)		188,688	-	188,688	149,948	-	149,948
VI. INTANGIBLE ASSETS (Net)		290,427	-	290,427	202,858	-	202,858
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		290,427	-	290,427	202,858	-	202,858
VII. INVESTMENT PROPERTY (Net)	I-(12)	244,470	-	244,470	244,470	-	244,470
VIII. CURRENT TAX ASSET		-	-	-	-	-	-
IX. DEFERRED TAX ASSET	I-(14)	219,076	-	219,076	163,165	-	163,165
X. OTHER ASSETS (NET)	I-(15)	608,575	4,597	613,172	384,279	30,165	414,444
TOTAL ASSETI		139,017,256	41,263,893	180,281,149	87,947,248	33,393,766	121,341,014

The accompanying explanations and notes form an integral part of these unconsolidated financial statements

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.
**UNCONSOLIDATED BALANCE SHEET COMMITMENTS
AS OF 30 SEPTEMBER 2024**

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

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

LIABILITIES		Notet	Reviewed Current Period			Audited Prior Period		
			30 September 2024			31 December 2023		
			TRY	FC	Total	TRY	FC	Total
I.	FUNDS COLLECTED		-	-	-	-	-	-
II.	FUNDS BORROWED	II-(2)	-	9,217,582	9,217,582	129,836	5,521,256	5,651,092
III.	MONEY MARKETS DEBTS		-	-	-	-	-	-
IV.	SECURITIES ISSUED (Net)		-	-	-	-	-	-
4.1	Bills		-	-	-	-	-	-
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	-	-	-	-	-
V.	FUNDS	II-(3)	127,712,421	30,105,642	157,818,063	75,603,169	31,666,594	107,269,763
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		127,712,421	30,105,642	157,818,063	75,603,169	31,666,594	107,269,763
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	II-(1)	-	-	-	-	-	-
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		-	-	-	-	-	-
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII.	FACTORING PAYABLES		-	-	-	-	-	-
IX.	LEASE PAYABLES	II-(4)	-	-	-	80	-	80
X.	PROVISIONS	II-(5)	559,696	-	559,696	425,099	-	425,099
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		165,594	-	165,594	93,236	-	93,236
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		394,102	-	394,102	331,863	-	331,863
XI.	CURRENT TAX LIABILITY	II-(6)	1,166,964	-	1,166,964	714,218	-	714,218
XII.	DEFERRED TAX LIABILITY		-	-	-	-	-	-
XIII.	LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
13.1	Held for Sale Purpose		-	-	-	-	-	-
13.2	Related to Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT INSTRUMENTS		-	-	-	-	-	-
14.1	Loans		-	-	-	-	-	-
14.2	Other Debt Instruments		-	-	-	-	-	-
XV.	OTHER LIABILITIES		-	-	-	-	-	-
XVI.	SHAREHOLDERS' EQUITY	II-(7)	11,518,844	-	11,518,844	7,280,762	-	7,280,762
16.1	Paid-in capital		600,000	-	600,000	600,000	-	600,000
16.2	Capital Reserves		36,280	-	36,280	36,280	-	36,280
16.2.1	Share Premium		33,019	-	33,019	33,019	-	33,019
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserve		3,261	-	3,261	3,261	-	3,261
16.3	Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		(24,247)	-	(24,247)	(16,987)	-	(16,987)
16.4	Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		-	-	-	-	-	-
16.5	Profit Reserves		4,819,102	-	4,819,102	2,999,537	-	2,999,537
16.5.1	Legal Reserves		503,120	-	503,120	324,163	-	324,163
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		4,007,944	-	4,007,944	2,451,602	-	2,451,602
16.5.4	Other Profit Reserves		308,038	-	308,038	223,772	-	223,772
16.6	Income or (Loss)		6,087,709	-	6,087,709	3,661,932	-	3,661,932
16.6.1	Prior Periods' Income or (Loss)		22,803	-	22,803	22,803	-	22,803
16.6.2	Current Period Income or (Loss)		6,064,906	-	6,064,906	3,639,129	-	3,639,129
16.7	Share Premium		-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY			140,957,925	39,323,224	180,281,149	84,153,164	37,187,850	121,341,014

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

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

**UNCONSOLIDATED OFF-BALANCE SHEET COMMITMENTS
AS OF 30 SEPTEMBER 2024**

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

II. OFF-BALANCE SHEET

OFF-BALANCE SHEET COMMITMENTS		Notes	Audited Current Period			Audited Prior Period		
			30 September 2024		Total	31 December 2023		Total
			TRY	PC		TRY	FC	
A.	OFF-BALANCE SHEET COMMITMENTS (I+II+III)		95,729,379	1,099,998	96,829,377	39,957,973	4,415,730	44,373,703
I.	GUARANTEES AND WARRANTIES	III-(1)	92,344,591	-	92,344,591	34,383,116	-	34,383,116
1.1.	Letters of Guarantee		-	-	-	-	-	-
1.1.1.	Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2.	Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3.	Other Letters of Guarantee		-	-	-	-	-	-
1.2.	Bank Acceptances		-	-	-	-	-	-
1.2.1.	Import Letter of Acceptance		-	-	-	-	-	-
1.2.2.	Other Bank Acceptances		-	-	-	-	-	-
1.3.	Letters of Credit		-	-	-	-	-	-
1.3.1.	Documentary Letters of Credit		-	-	-	-	-	-
1.3.2.	Other Letters of Credit		-	-	-	-	-	-
1.4.	Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5.	Endorsements		-	-	-	-	-	-
1.5.1.	Endorsements to the Central Bank of the Republic of Turkey		-	-	-	-	-	-
1.5.2.	Other Endorsements		-	-	-	-	-	-
1.6.	Other Guarantees		-	-	-	-	-	-
1.7.	Other Collaterals		-	-	-	-	-	-
1.8.	Import Letter of Acceptance		92,344,591	-	92,344,591	34,383,116	-	34,383,116
1.9.	Other Bank Acceptances		-	-	-	-	-	-
II.	COMMITMENTS	III-(1)	2,261,721	-	2,261,721	876,122	-	876,122
2.1.	Irrevocable Commitments		2,261,721	-	2,261,721	876,122	-	876,122
2.1.1.	Asset Purchase and Sale Commitments		-	-	-	-	-	-
2.1.2.	Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3.	Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4.	Loan Granting Commitments		-	-	-	-	-	-
2.1.5.	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6.	Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7.	Payment commitment for checks		-	-	-	-	-	-
2.1.8.	Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.9.	Commitments for Credit Card Limits		-	-	-	-	-	-
2.1.10.	Commitments for Credit Cards and Banking Services Promotions		-	-	-	-	-	-
2.1.11.	Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12.	Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13.	Other Irrevocable Commitments		2,261,721	-	2,261,721	876,122	-	876,122
2.2.	Revocable Commitments		-	-	-	-	-	-
2.2.1.	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2.	Other Revocable Commitments		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		1,123,067	1,099,998	2,223,065	4,698,735	4,415,730	9,114,465
3.1	Hedging Derivative Financial Instruments		-	-	-	-	-	-
3.1.1	Fair value hedge		-	-	-	-	-	-
3.1.2	Cash flow hedge		-	-	-	-	-	-
3.1.3	Foreign Net Investment Hedges		-	-	-	-	-	-
3.2	Trading Derivative Financial Instruments		1,123,067	1,099,998	2,223,065	4,698,735	4,415,730	9,114,465
3.2.1	Forward Foreign Currency Buy/Sell Transactions		-	-	-	-	-	-
3.2.1.1	Forward Foreign Currency Transactions-Buy		-	-	-	-	-	-
3.2.1.2	Forward Foreign Currency Transactions-Sell		-	-	-	-	-	-
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		1,123,067	1,099,998	2,223,065	4,698,735	4,415,730	9,114,465
3.2.2.1	Foreign Currency Swap-Buy		1,123,067	-	1,123,067	-	4,415,730	4,415,730
3.2.2.2	Foreign Currency Swap-Sell		-	1,099,998	1,099,998	4,698,735	-	4,698,735
3.2.2.3	Interest Rate Swap-Buy		-	-	-	-	-	-
3.2.2.4	Interest Rate Swap-Sell		-	-	-	-	-	-
3.2.3	Foreign Currency, Interest rate and Securities Options		-	-	-	-	-	-
3.2.3.1	Foreign Currency Options-Buy		-	-	-	-	-	-
3.2.3.2	Foreign Currency Options-Sell		-	-	-	-	-	-
3.2.3.3	Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4	Interest Rate Options-Sell		-	-	-	-	-	-
3.2.3.5	Securities Options-Buy		-	-	-	-	-	-
3.2.3.6	Securities Options-Sell		-	-	-	-	-	-
3.2.4	Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1	Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2	Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2	Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6	Other		-	-	-	-	-	-
B.	CUSTODY AND PLEDGES RECEIVED (IV+V+VI)		8,377,191,328	10,764,370	8,387,955,698	7,278,296,671	17,124,137	7,295,420,808
IV.	ITEMS HELD IN CUSTODY	III-(1)	7,962,550,690	-	7,962,550,690	7,029,364,128	-	7,029,364,128
4.1.	Customer Fund and Portfolio Balances		6,765	-	6,765	5,102	-	5,102
4.2.	Investment Securities Held in Custody		7,962,542,425	-	7,962,542,425	7,029,357,526	-	7,029,357,526
4.3.	Checks Received for Collection		-	-	-	-	-	-
4.4.	Commercial Notes Received for Collection		-	-	-	-	-	-
4.5.	Other Assets Received for Collection		-	-	-	-	-	-
4.6.	Assets Received for Public Offering		-	-	-	-	-	-
4.7.	Other Items Under Custody		1,500	-	1,500	1,500	-	1,500
4.8.	Custodians		-	-	-	-	-	-
V.	PLEDGES RECEIVED		414,640,638	10,764,370	425,405,008	248,932,543	17,124,137	266,056,680
5.1.	Marketable Securities		137,262,410	9,957,206	147,219,616	22,490,207	17,015,113	39,505,320
5.2.	Guarantee Notes		-	-	-	-	-	-
5.3.	Commodity		-	-	-	-	-	-
5.4.	Warranty		-	-	-	-	-	-
5.5.	Properties		-	-	-	-	-	-
5.6.	Other Pledged Items		277,378,228	807,164	278,185,392	226,442,336	109,024	226,551,360
5.7.	Pledged Items-Depository		-	-	-	-	-	-
VI.	ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)			8,472,920,707	11,864,368	8,484,785,075	7,318,254,644	21,539,867	7,339,794,511

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

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**
(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

III. STATEMENT OF PROFIT OR LOSS

INCOME STATEMENT		Note	Current Period 01/01/2024- 30/09/2024	Prior Period 01/01/2023- 30/09/2023	Current Period 01/07/2024- 30/09/2024	Prior Period 01/07/2023- 30/09/2023
I.	INTEREST INCOME		6,934,694	3,151,867	2,339,783	1,480,746
1.1	Interest on Loans	IV-(1)	890,875	700,460	310,012	302,924
1.2	Interest Received from Reserve Requirements		-	-	-	-
1.3	Interest Received from Banks	IV-(1)	5,483,438	2,207,540	1,798,992	1,058,768
1.4	Interest Received from Money Market Transactions		-	6	-	-
1.5	Interest Received from Marketable Securities Portfolio	IV-(1)	541,139	237,253	223,711	114,249
1.5.1	Financial Assets at Fair Value Through Profit or Loss		-	-	-	-
1.5.2	Financial Assets at Fair Value Through Other Comprehensive Income		108,444	5,319	23,712	4,928
1.5.3	Financial Assets Measured at Amortised Cost	IV-(1)	432,695	231,934	199,999	109,321
1.6	Financial Lease Income		-	-	-	-
1.7	Other Interest Income		19,242	6,608	7,068	4,805
II.	INTEREST EXPENSE	IV-(2)	393,847	211,385	172,908	66,274
2.1	Interest on Deposits		-	-	-	-
2.2	Interest on Funds Borrowed		393,843	210,389	172,908	66,229
2.3	Interest Expense on Money Market Transactions		-	787	-	-
2.4	Interest on Securities Issued		-	-	-	-
2.5	Lease Interest Expenses		4	209	-	45
2.6	Other Interest Expenses		-	-	-	-
III.	NET INTEREST INCOME (I - II)		6,540,847	2,940,482	2,166,875	1,414,472
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		3,967,843	1,749,197	1,510,647	773,769
4.1	Fees and Commissions Received		4,312,731	1,954,228	1,630,602	857,443
4.1.1	Non-cash Loans		-	-	-	-
4.1.2	Other	IV-(11)	4,312,731	1,954,228	1,630,602	857,443
4.2	Fees and Commissions Paid		344,888	205,031	119,955	83,674
4.2.1	Non-cash Loans		-	-	-	-
4.2.2	Other		344,888	205,031	119,955	83,674
V.	DIVIDEND INCOME	IV-(3)	127,866	41,000	5,000	41,000
VI.	TRADING INCOME / LOSS (Net)	IV-(4)	(296,241)	63,256	96,280	42,593
6.1	Trading Gains/ Losses on Securities		323	(21,856)	-	(1,378)
6.2	Trading Gains/ Losses on Derivative Financial Instruments		(46,520)	1,885,487	35,706	394,157
6.3	Foreign Exchange Gains/ Losses		(250,044)	(1,800,375)	60,574	(350,186)
VII.	OTHER OPERATING INCOME	IV-(5)	68,776	95,576	8,810	5,172
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		10,409,091	4,889,511	3,787,612	2,277,006
IX.	EXPECTED CREDIT LOSS (-)	IV-(6)	-	31,937	(103)	30,053
X.	OTHER PROVISION EXPENSES (-)	IV-(7)	416,120	183,544	165,631	78,281
XI.	PERSONNEL EXPENSES (-)	IV-(7)	986,291	482,137	381,683	229,551
XII.	OTHER OPERATING EXPENSES (-)	IV-(7)	507,220	1,077,225	147,461	160,147
XIII.	NET OPERATING INCOME/ LOSS (VIII+...+XII)		8,499,460	3,114,668	3,092,940	1,778,974
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-	-	-
XV.	INCOME/ LOSS FROM INVESTMENTS IN SUBSIDIARIES		-	-	-	-
	CONSOLIDATED BASED ON EQUITY METHOD		-	-	-	-
XVI.	INCOME/ LOSS ON NET MONETARY POSITION		-	-	-	-
XVII.	INCOME/ LOSS BEFORE TAX FROM CONTINUING OPERATIONS		-	-	-	-
	(XIII+...+XVI)		8,499,460	3,114,668	3,092,940	1,778,974
XVIII.	TAX PROVISION FOR CONTINUING OPERATIONS (±)	IV-(8)	(2,434,554)	(854,054)	(894,310)	(553,707)
18.1	Current Tax Provision		(2,487,354)	(912,067)	(940,098)	(591,847)
18.2	Deferred Tax Income Effect (+)		(77,058)	(66,005)	(709)	3,028
18.3	Deferred Tax Expense Effect (-)		129,858	124,018	46,497	35,112
XIX.	NET INCOME/ LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	IV-(9)	6,064,906	2,260,614	2,198,630	1,225,267
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
20.1	Income from Non-Current Assets Held for Resale		-	-	-	-
20.2	Sale Income from Associates, Subsidiaries and Joint Ventures		-	-	-	-
20.3	Other Income from Discontinued Operations		-	-	-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
	Expense from Non-Current Assets Held for Resale		-	-	-	-
21.1	Sale Losses from Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.2	Other Expenses from Discontinued Operations		-	-	-	-
21.3	INCOME/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS		-	-	-	-
	(XX-XXI)		-	-	-	-
XXII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
XXIII.	Current Tax Provision		-	-	-	-
23.1	Deferred Tax Income Effect (+)		-	-	-	-
23.2	Deferred Tax Expense Effect (-)		-	-	-	-
23.3	NET PROFIT/ LOSS FROM DISCONTINUED OPERATIONS		-	-	-	-
	(XXII±XXIII)		-	-	-	-
XXIV.	NET PROFIT/LOSS (XIX+XXIV)		6,064,906	2,260,614	2,198,630	1,225,267
25.1	Group's profit/loss		-	-	-	-
25.2	Minority shares profit/loss (-)		-	-	-	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)	IV-(10)	6,064,906	2,260,614	2,198,630	1,225,267
	Earnings / (Loss) Per Share in (Full TRY)		10.1082	3.7677	3.6644	2.0421

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

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**
(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Reviewed Current Period 1 January- 30 September 2024	Reviewed Prior Period 1 January- 30 September 2023
I. CURRENT PERIOD INCOME/LOSS	6,064,906	2,260,614
II. OTHER COMPREHENSIVE INCOME	(7,260)	(11,079)
2.1 Not Reclassified Through Profit or Loss	(7,260)	(11,079)
2.1.1 Property and Equipment Revaluation Increase/Decrease	-	-
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Pension Plan Remeasurement Gain/Loss	(10,371)	(15,827)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	3,111	4,748
2.2 Reclassified Through Profit or Loss	-	-
2.2.1 Foreign Currency Translation Differences	-	-
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	-	-
2.2.3 Cash Flow Hedge Income/Loss	-	-
2.2.4 Foreign Net Investment Hedge Income/Loss	-	-
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	-	-
III. TOTAL COMPREHENSIVE INCOME (I+II)	6,057,646	2,249,535

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

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

**UNCONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss																	Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss																
Changes in shareholders' equity																																	

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

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

**UNCONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

		Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss				Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss											
Changes in shareholders' equity																	
		Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Revaluation surplus on tangible and intangible assets	Defined benefit plans' actuarial gains/losses	Other	Translation differences	Income/expenses from valuation and/or reclassification of financial assets measured at FVOCI	Other	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except from Minority Interest	Minority Interest	Total Shareholders' Equity
	Reviewed																
	Prior Period																
	1 January 2023-30 September 2023																
I.	Prior Period End Balance	600,000	33,019	-	3,261	-	(7,681)	-	-	-	-	2,133,416	1,754,924	-	4,516,938	-	4,516,938
II.	Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)	600,000	33,019	-	3,261	-	(7,681)	-	-	-	-	2,133,416	1,754,924	-	4,516,938	-	4,516,938
IV.	Total Comprehensive Income	-	-	-	-	-	(11,079)	-	-	-	-	-	-	2,260,614	2,249,535	-	2,249,535
V.	Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	866,121	(1,732,121)	-	(866,000)	-	(866,000)
11.1	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(866,000)	-	(866,000)	-	(866,000)
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	866,121	(866,121)	-	-	-	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Period-End Balance (III+IV+...+X+XI)	600,000	33,019	-	3,261	-	(18,760)	-	-	-	-	2,999,537	22,803	2,260,614	5,900,474	-	5,900,474

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

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

UNCONSOLIDATED CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024

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

VI. STATEMENT OF CASH FLOWS

	Note	Reviewed Current Period 1 January – 30 September 2024	Reviewed Prior Period 1 January – 30 September 2023
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit/ (Loss) Before Changes in Operating Assets and Liabilities	6,447,474	4,913,143
1.1.1	Interest Received	6,715,748	3,070,598
1.1.2	Interest Paid	(394,283)	(211,639)
1.1.3	Dividend Received	127,866	41,000
1.1.4	Fees and Commissions Received	4,044,174	1,791,934
1.1.5	Other Income	68,776	95,576
1.1.6	Collections from Previously Written-off Loans and Other Receivables	-	-
1.1.7	Payments to Personnel and Service Suppliers	(1,001,203)	(491,225)
1.1.8	Taxes Paid	(2,054,540)	10,044
1.1.9	Other	(1,059,064)	606,855
1.2	Changes in Operating Assets and Liabilities	51,648,390	30,352,891
1.2.1	Net increase/decrease in Financial Assets at Fair Value Through Profit or Loss	-	-
1.2.2	Net (increase) / decrease in Due from Banks and Other Financial Institutions	114,309	(72,006)
1.2.3	Net (increase) / decrease in Loans	(671,553)	(916,880)
1.2.4	Net (increase) / decrease in Other Assets	32,528	(60,999)
1.2.5	Net increase / (decrease) in Bank Deposits	-	-
1.2.6	Net increase / (decrease) in Other Deposits	-	-
1.2.7	Net increase/decrease in Financial Assets at Fair Value Through Profit or Loss	(1,714,720)	(22,435)
1.2.8	Net increase/(decrease) in Funds Borrowed	3,566,926	(1,606,671)
1.2.9	Net increase/(decrease) in Payables	-	-
1.2.10	Net increase/(decrease) in Other Liabilities	50,320,900	33,031,882
I.	Net Cash Provided from Banking Operations	58,095,864	35,266,034
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net Cash Provided from Investing Activities	(5,864,604)	(2,695,108)
2.1	Cash Paid for Acquisition of Investments, Associates and Subsidiaries	-	-
2.2	Cash Obtained from Disposal of Investments, Associates and Subsidiaries	-	-
2.3	Purchases of Property and Equipment	(77,615)	(129,385)
2.4	Disposals of Property and Equipment	6,232	20,345
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income	(4,836)	-
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income	-	-
2.7	Purchase of Financial Assets Measured at Amortised Cost	(8,545,881)	(6,438,193)
2.8	Sale of Financial Assets Measured at Amortised Cost	2,368,626	3,009,004
2.9	Other	388,870	843,121
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Provided from Financing Activities	(1,879,620)	(934,882)
3.1	Cash Obtained from Funds Borrowed and Securities Issued	-	-
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued	-	-
3.3	Issued Capital Instruments	-	-
3.4	Dividends Paid	(1,819,564)	(866,000)
3.5	Payments for Leases	4	209
3.6	Other	(60,060)	(69,091)
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	286,092	(170,800)
V.	Net Decrease in Cash and Cash Equivalents (I+II+III+IV)	50,637,732	31,465,244
VI.	Cash and Cash Equivalents at Beginning of the Period	113,936,067	79,312,955
VII.	Cash and Cash Equivalents at End of the Period	164,573,799	110,778,199

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

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. Basis of Presentation

Presentation of financial statements

The Bank prepared its financial statements in accordance with the "Regulation on Principles and Procedures Regarding Banks' Accounting Applications and Safeguarding of Documents" published in the Official Gazette dated 1 November 2006 and numbered 26333 and other regulations published by the Banking Regulation and Supervision Agency regarding the accounting and record keeping of banks as well as Banking Regulation and Supervision Agency's "Regulation on Accounting Applications for Banks and Safeguarding of Documents". "BRSA Accounting and Financial Reporting Legislation" and "BRSA Accounting and Financial Reporting Legislation" and "Financial Statements and Related Disclosures and Footnotes to be Publicly Announced by Banks" published in the Official Gazette dated 28 June 2012 and numbered 28333, and "Financial Statements and Related Disclosures and Footnotes to be Publicly Announced by Banks" published in the Official Gazette dated 28 June 2012 and numbered 28333; "BRSA Accounting and Financial Reporting Legislation" and the amendments dated 1 February 2019 to the "Communiqué on Financial Statements and Related Disclosures and Footnotes to be Publicly Announced by Banks" published in the Official Gazette dated 28 June 2012 and numbered 28337.

The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Financial Statements and Related Disclosures and Footnotes to be Publicly Announced by Banks" and "Communiqué on Public Disclosures Related to Risk Management by Banks" published in the Official Gazette dated 28 June 2012 and numbered 28337. The Bank maintains its books of account in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish tax legislation.

The preparation of financial statements in conformity with BRSA Accounting and Financial Reporting Legislation requires management to make estimates and assumptions about assets and liabilities and contingent assets and liabilities at the balance sheet date. Such assumptions and estimates are reviewed regularly, necessary adjustments are made and the effect of such adjustments is recognized in the statement of profit or loss.

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

Financial Reporting in Hyperinflationary Economies ("TAS 29") addresses hyperinflationary economies, defines the threshold for determining whether an economy is subject to hyperinflation and explains how the financial statements of entities whose functional currency is the currency of a hyperinflationary economy should be adjusted for inflation. The following standards are issued by the Public Oversight, Accounting and Auditing Standards Authority (POA).

In the Announcement dated 23 November 2023 on the Inflation Adjustment of Financial Statements of Companies Subject to Independent Audit, institutions or organizations authorized to regulate and supervise in their fields were given the freedom to set different transition dates for the application of inflation accounting. In this context, BRSA has determined the transition date of banks, financial leasing, factoring, financing, savings financing and asset management companies to TAS 29 as 1 January 2025 with the decision numbered 10825 and dated 11 January 2024, and no inflation adjustment has been made according to TAS 29 while preparing the financial statements as of 30 September 2024.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

The Bank places its funds in domestic and foreign banks, in interbank money markets, and treasury bills and government bonds. These instruments are assumed to have higher yields compared to other financial instruments and bear lower risk. For the purposes of maintaining sufficient liquidity to meet all claims that might fall due, the Bank makes overnight or weekly placements in money markets. The most significant financing resources are guarantees of the members, short term placements and the shareholders' equity of the Bank. In making long-term placements, the high yield principle is considered, and accordingly, the Bank invests in government bonds and treasury bills.

There are no areas where the Bank's return is above the average return calculated for the Bank's fields of activity. The Bank conducts transactions in money and capital markets. In order to manage foreign exchange and interest rate risks in the areas of transactions, the Bank pays attention to the equality of assets and liabilities in terms of maturity, currency and amount in the balance sheet transactions.

The Bank may make transactions in derivatives or structured products defined as off-balance sheet in order to manage the balance sheet or to ensure the profitability of the transactions. With respect to the transactions in money and capital markets, the transaction limits determined in these markets have been determined as risk limits. The Bank has no transactions in other foreign currencies that give rise to liabilities or have a negative impact on the net asset position.

III. Explanations on Investments in Associates, Subsidiaries and Joint Ventures

Investments in associates and subsidiaries are accounted in accordance with the "Turkish Accounting Standard on Consolidated and Separate Financial Statements Standard" ("TAS 27") and non-financial associates, subsidiaries are stated with their cost values at the financial statements after the provision for impairment deducted.

IV. Explanations on Forward and Options Contract and Derivative Instruments

Bank's derivative instruments mainly consist of swap transactions for hedging purposes. The Bank has no derivative financial instruments designated as hedging instruments or embedded derivative financial instruments.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts at their contractual values.

Derivative instruments are remeasured at fair value after initial recognition. In accordance with the classification of the derivative instrument, if the fair value of a derivative financial instrument is positive, it is recorded to the account "Derivative Financial Assets Measured at Fair Value Through Profit and Loss" or "Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income"; if the fair value difference is negative, it is disclosed in "Derivative Financial Liabilities Measured at Fair Value Through Profit and Loss" or "Derivative Financial Liabilities Measured at Fair Value Through Other Comprehensive Income". Differences in the fair value of trading derivative instruments are accounted as income/loss from derivative financial transactions under "trading income/loss" item in the income statement.

Explanations on Derivative Instruments for Hedging Purpose

Within the scope of balance sheet management, money swap transactions are carried out for the purpose of liquidity management and protection of the portfolio owned. As of 30 September 2024 the Bank has no derivative liabilities accounted for as "Fair Value at Fair Value Through Profit and Loss of Derivative Financial Liabilities".

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

V. Explanations on Interest Income and Expenses

Interest is recorded according to the effective interest rate method (rate equal to the rate in calculation of present value of future cash flows of financial assets or liabilities) defined in the TFRS 9 “Financial Instruments” standard by applying the effective interest rate to the gross carrying amount of a financial asset except for: purchased or originated credit-impaired financial assets or financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets.

VI. Explanations on Fees and Commission Income and Expense

Fees and commissions, excluding those that are an integral part of the effective interest rate of financial instruments measured at amortized cost, are accounted for in accordance with the “TFRS 15-Revenue from Contracts with Customers” standard. Fees and commission income/expenses are accounted for on the accrual basis or the effective interest method, depending on the nature of the transaction. Income received in return for services rendered through contracts or transactions such as asset purchase or asset sale for a third natural or legal person are transferred to income accounts in the period they are collected. The Bank performs banking services by establishing and operating central clearing and central counterparty services, custody activities, market operation, payment, transfer and settlement systems.

The Bank, this capability is provided for the collection of fees and commissions from the records for the custody, clearing, membership, profit generation, market operation, precious metal transfer, stock exchange investment fund, portfolio custody, securities and cash transfer, cash correspondent, leveraged trading transactions, Collateral Custody, account transactions and reporting, biga platform, fund valuation and reporting, crowdfunding custodian, cash correspondent, numbering, data publication, local/foreign currency payment and transfer, Interbank Card Center (BKM), individual retirement system and services, cash credit, electricity market service, Natural market service, public collateral payment service, custody services, land registry service, Takasbank check clearing system and clearing clearing service and the said fees and commissions are accounted for under the Fee and Commission income account item on an accrual basis on a daily, monthly and annual basis according to their type.

VII. Explanations and Disclosures on Financial Assets

The Bank recognizes its financial assets as “Fair Value Through Profit or Loss”, “Fair Value Through Other Comprehensive Income” or “Measured at Amortized Cost”. Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments. The Bank recognizes a financial asset or financial liability on its balance sheet only when it is party to the contractual provisions of the financial lease. The Bank derecognizes a financial asset only when the contractual rights to cash flows from the financial asset have expired or the financial assets have been transferred and the conditions for derecognition have been met. A financial liability (or part of a financial liability) is only recognized when the liability has expired; in other words, it is removed from the statement of financial position when the obligation specified in the contract is fulfilled, canceled or time out. The Bank categorizes its financial assets as “Fair Value Through Profit/Loss”, “Fair Value Through Other Comprehensive Income” or “Measured at Amortized Cost” based on the matters below.

- The business model used by the entity for the management of financial assets,,
- Properties of contractual cash flows of a financial asset.

When the business model determined by the Bank management is changed, all financial assets affected by this change are reclassified. Reclassification of financial assets is applied prospectively from the date of reclassification. In such cases, there no adjustment to earnings, losses (including impairment gain or loss) or interest received previously in the financial statements is made.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. Explanations and Disclosures on Financial Assets (Continued)

a. Financial assets at fair value through profit or loss

Financial assets at fair value through profit/loss are financial assets that are either acquired for generating a profit from short term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making.

Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.

b. Financial assets at fair value through other comprehensive income

Financial assets are classified as fair value through other comprehensive income if the assets are being held in line with a business model that aims collection of contractual cash flows or sale of assets and additionally if the contractual terms of the financial asset lead to cash flows that solely include the payments of principal and interest on certain dates.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. "Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated other comprehensive income or expense to be reclassified through profit or loss" under shareholders' equity. When these securities are collected or disposed of, the accumulated fair value differences reflected in the equity are reflected to the income statement.

c. Financial Assets Measured at Amortised Cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from financial assets measured at amortized cost is accounted in income statement.

d. Loans

Loans are financial assets which have fixed payment terms and are not traded in an active market.

Within the limits set by the Board of Directors, the Bank extends cash loans to brokerage houses with a maximum maturity of one month but predominantly overnight in order to ensure efficiency and convenience in capital market transactions. In addition, intermediary institutions can also use loans for mutual funds, and the limit allocated for mutual fund loans is monitored separately from the cash loan limit and the upper limit of the limit to be allocated for the mutual fund is determined to be limited to the cash loan limit. In addition, a settlement credit mechanism has also been established to meet the short-term funding needs that may arise during the completion of the collateral demanded by the participants of the BİAŞ Equity Market in order to cover the risks arising from the said market, and the settlement credit is extended overnight.

Loans recognized at cost and are valued at amortized cost using the effective interest method.

Explanations on the Impairment of Financial Assets Recognition of Financial Statements of Expected Credit Losses

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. Explanations and Disclosures on Financial Assets (Continued)

In accordance with the “Regulation on Procedures and Principles for the Classification of Loans and Provisions to be Issued” published in the Official Gazette dated 22 June 2016 and numbered 29750, the Bank calculates the expected credit loss provision in accordance with TFRS 9 and indicates in its financial statements. Expected credit losses related to cash and cash equivalents under financial assets, other receivables, loans and non-cash loans are calculated and accounted.

Provisions provided by the Bank under TFRS 9; the expected credit loss provision amounts for 12 months and the expected credit loss provision amounts due to a significant increase in the credit risk of the borrower and the expected lifetime credit loss provisions for the default of the debts are considered as special provisions.

For non-impaired financial assets, the expected credit loss provision for twelve months is calculated and set aside for the initial recognition stage. For these financial assets, effective interest rate is used over the gross book value.

Although not available for the reporting period, the expected lifetime credit loss is calculated and set aside for non-impaired financial assets that have significant increase in credit risk after initial recognition. For these financial assets, effective interest rate is used over the gross book value.

The expected lifetime credit loss provision is calculated and set aside for financial assets that are purchased or created with impaired loans. For these financial assets, effective interest rate is applied through net book value.

A lifetime expected credit loss allowance is calculated and allocated for purchased or originated credit-impaired financial assets. For these financial assets, the effective interest rate is applied over the net book value.

The definition of default is included in the Communiqué on the calculation of the credit risk amount based on the internal rating approach. It is assumed that the debtor defaults in the event that the debtor is unable to fully pay the debts to the Bank without applying for collateral or if the debtor has delayed more than 90 days to fulfill his significant liabilities to the Bank.

Expected credit losses for financial assets, other receivables and loans under the title Cash and cash equivalents are recognized under “Expected loss reserves (-)” on the asset side of the balance sheet. The expected credit loss provisions calculated for the transactions classified as non-cash loans due to the market where the Bank is the Central Opposite Party and the guarantor are listed under the “Other Provisions” heading on the liabilities of the balance sheet.

The total provision for credit losses under TFRS 9 is classified under “12 Months Expected Loss Equivalent- (First Stage)”. There is no allowance for credit losses classified under “Significant Increase in Credit Risk (Second Stage)”.

The basic principles for calculating the Bank “Expected credit loss provisions” are as follows:

- Information considered in the expected credit loss accounting should be reasonable, reliable and supportable.
- Country risk is also taken into account when calculating provisions for expected credit losses.
- Provision for loans can be higher than their loan-based counterparts, taking into account the size, type, currency, currency, interest rate structure, borrowing sector, collaterals and similar concentrations over time, credit risk level and management.
- The approach used to assess expected credit losses is consistent with the bank’s credit risk management.
- The information used should include the borrower-specific factors, the general economic conditions and the assessment of the effects of these factors and circumstances at the reporting date on the current and future periods. Potential sources of information include the Bank’s credit disposal experience, internal or external credit ratings, reports and statistics.
- If the financial instrument is determined to have low credit risk at the reporting date, the Bank may assume that the credit risk in the financial instrument has not increased substantially since the first time it was recognized.

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FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. Explanations on Impairment of Financial Assets

At each balance sheet date, the Bank assesses whether there is objective evidence that a financial asset or a group of financial assets has suffered an impairment and whether it meets the classification requirements in accordance with TFRS 9. The Bank determines the amount of the impairment if such indicator exist as mentioned. Related accounting policy is explained in footnote VII.

IX. Explanations on Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset when the Bank has a legally enforceable right to set off, and when the Bank has the intention of collecting or paying the net amount of related assets and liabilities or when the Bank has the right to offset the assets and liabilities simultaneously. Otherwise, no offsetting is made with respect to financial assets and liabilities.

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

Repurchase agreements are classified as their purposes on the securities portfolio and evaluated by the principals of the portfolio which they belong to. The Bank has no repurchase transaction as of the balance sheet date

Receivables from reverse repurchase agreements are accounted for under “Receivables from Reverse Repurchase Agreements” account in the balance sheet. The difference between purchase and sale price determined by these agreements is accrued over the life of agreements according to effective interest rate method. Income accruals are recognized as a liability under other liabilities in liabilities when they belong to problematic members. As of September 30, 2024, there are no reverse repo and securities lent transactions.

XI. Explanations on Assets Held for Sale and Discontinued Operations

According to “TFRS 5 Non Current Assets Held for Sale and Discontinued Operations” which satisfy to be classified as held for sale are measured by the lower of carrying value and fair value less costs to sell and these assets are not amortized; and are separately presented in the financial statements. For an asset (or else the group of assets) to be classified as held for sale; the asset should be ready for immediate sale in frequently seen and accustomed terms and the probability of sale should be high. For the probability of sale to be high, appropriate level of management should have made a plan for the sale of the asset (or else the group of assets) and a program should have been initiated in order to determine buyers as well as complete the plan. Also the asset (or else the group of assets) shall be actively marketed in conformity with its fair value. On the other hand, the sale is expected to be journalized as a completed sale within one year after the classification date; and the necessary transactions and procedures to complete the plan should demonstrate the fact that the possibility of making significant changes or cancelling the plan is low. Certain events and conditions may extend the duration of completion of sale to more than one year.

If such delay arises from any events and conditions beyond the control of the entity and if there is sufficient evidence that the entity has an ongoing disposal plan for these assets, such assets (or else group of assets) are continued to be classified as assets held for sale (or else group of assets). A discontinued operation is a division of a bank that is either disposed or held for sale. Results of discontinued operations are included in the income statement separately.

A discontinued operation is a part of a bank classified as held for sale or held for sale. The results of discontinued operations are presented separately in statement of profit or loss.

The Bank has no assets held for sale as of the balance sheet date. The Bank has no discontinued operations during the period.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XII. Explanations on Goodwill and Other Intangible Assets

As of the balance sheet date, there is no goodwill in the accompanying un-consolidated financial statements of the Bank.

The intangible assets which have been bought before 1 January 2005 are amortized based on historical cost which has been revised according to inflation effects dated 31 December 2004 and the items which have been bought in the following dates are amortized based on purchase cost with the allocation of accumulated depreciation and impairments. The intangible assets are amortized based on straight line amortization regarding useful life periods. The amortization method and period are revised periodically every year

Intangible assets of the Bank are basically software license costs. Useful lives of other intangible assets are determined by the consideration of items as; useful life of asset, maintenance costs incurred to obtain expected economic benefit from assets and technical, technological or any other type of obsolescence. Amortization method used in the current period is not subject to any change. Depreciation period is 5 years (20% annual depreciation rate) for establishment/formation expenses for other intangible assets with uncertain leasing period or leasing period over five years and depreciation rate is proportional with period for those with certain leasing period. Economic useful lives determined are in accordance with the criteria stated in the Turkish Accounting Standards-TAS 38-Intangible Assets. Computer programs widely used in the Bank are generated within the Bank by the personnel of the Bank and the expenses related to those assets are not capitalized. Computer software is only purchased in case of urgent need and special projects.

Within the scope of the agreement made between Borsa İstanbul and NASDAQ, new BISTECH technology, which was developed under Borsa İstanbul's processing system; data distribution; index calculation; market surveillance; reporting systems; and also the Bank's swap and risk management systems, has a useful life of 20 years.

XIII. Explanations on Tangible Assets

Tangible fixed assets are initially recognized at acquisition cost and any other cost incurred so as to get the fixed asset ready for use.

Tangible fixed assets are depreciated with straight-line method. Tangible fixed assets are depreciated with the rates determined by the Ministry of Finance based on useful lives. These useful lives are in line with the criteria stated in "TAS 16 - Tangible Assets" released by Turkish Accounting Standards Board. Depreciation Rates for Tangible Fixed Assets are as following:

	Estimated Useful Life (Year)
Buildings	36-50 Year
Plant machinery and equipment	4 Year
Vehicles	-
Flooring and fixtures	5 Year
Special Costs	5 Year
Rights	3 Year
Development costs	5 Year

Tangible fixed assets are accounted for at cost less accumulated depreciation and impairment, if any

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

Maintenance costs of tangible fixed assets are capitalized if they extend the economic useful life of related assets. Other maintenance costs are expensed. There are no pledges, mortgages or other restrictions on the tangible fixed assets.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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(Amounts expressed in Thousands of Turkish Lira (TRY) unless otherwise stated.)

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIV. Explanations on Leasing Transactions

The Bank measures the operational lease liabilities based on the present value of the lease payments that have not been paid at the date lease is actually started, in accordance with TFRS 16. Lease payments are discounted by using the Bank's alternative incremental borrowing rate.

After the date lease actually started, the Bank increases book value to reflect the interest on lease liability, decreases book value to reflect lease payments that is made and remeasures to reflect the changes made in lease or revised fixed lease payments.

The interest on the lease liability for each period of the lease term, is the amount calculated by charging a fixed periodic interest rate on remaining balance of lease liability.

After the date lease actually started, net book value of lease liability is increased by reflecting the interest on lease liability, decreased by reflecting lease payments that is made and remeasures to reflect the changes made in lease or revised fixed lease payments

The Bank applies a discount rate that reflects the changes in the interest rate in a scenario where the Bank used purchase option at the initial lease term

The Bank remeasures the lease liability by discounting the revised lease payments using a revised discount rate for a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification. The revised discount rate is determined as the alternative borrowing interest rate at the effective date of the modification. The Bank decreases carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. Any gain or loss relating to the partial or full termination of the lease is recognized in profit or loss. A corresponding adjustment to the right-of-use asset is made for all other lease modifications.

XV. Explanations on Provisions and Contingent Liabilities

Provisions and contingent liabilities are accounted in accordance with "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

Provisions on financial statements, if an existing obligation resulting from past events, it is probable that the obligation will be met and the obligation can be reliably measured. Provisions are calculated based on the Bank management's best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to the fair value where the effect is material.

XVI. Explanations on Liabilities Regarding Employee Benefits

Obligations related to employment termination and vacation rights "Turkey Accounting Standards Regarding Employee Benefits" ("TAS 19") are accounted for in accordance with the provisions.

Defined Benefit Plans

In accordance with existing social legislation in Turkey, the Bank is required to make lump-sum termination indemnities over a 30 day salary to each employee who has completed over one year of service, whose employment is terminated due to retirement or for reasons other than resignation or misconduct, and due to marriage, female employees terminating their employments within a year as of the date of marriage, or male employees terminating their employments due to their military service. The Bank is also required to make a payment for the period of notice calculated over each service year of the employee whose employment is terminated for reasons other than resignation or misconduct. Total benefit is calculated in accordance with TAS No: 19 "Turkish Accounting Standard on Employee Benefits".

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. Explanations on Liabilities Regarding Employee Benefits (Continued)

Such benefit plans are unfunded since there is no funding requirement in Turkey. The cost of providing benefits to the employees for the services rendered by them under the defined benefit plan is determined by independent actuaries annually using the projected unit credit method.

In calculating the related liability to be recorded in the financial statements for these defined benefit plans, the Bank uses independent actuaries and also makes assumptions and estimation relating to the discount rate to be used, turnover of employees, future change in salaries/limits, etc. These estimations are audited annually. The carrying value of provision for employee termination benefits as of 30 September 2024 is TRY41,824.42 (31 December 2023: TRY23,489.83)

Communiqué on “Turkish Accounting Standard (TAS 19) about Benefits for Employee (No: 9)” published in Official Gazette by Public Oversight Accounting and Auditing Standards Authority (POA) on 12 March 2013 numbered 28585, was entered into force for the account periods starting after 31 December 2013 on accounting treatment of actuarial profit and loss resulting from changes in actuarial assumptions or differences between actual and actuarial assumptions. For the period of 30 September 2024, actuarial gain after deferred tax effect amounting to TRY10,371 (31 December 2023: TRY13,295 actuarial loss) was classified as “Other Capital Reserves”

XVII. Explanations on Taxation

Income tax expense represents the sum of the current tax payable and deferred tax.

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Bank’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit at enacted tax rates, and it is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized as taxable profit.

The carrying amount of a deferred tax asset shall be reviewed at the end of the reporting period. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled is recognized in income statement as income or expense. Deferred tax that relates to items that are recognized directly in equity, in the same or a different period, is recognized directly in equity. Deferred tax assets and liabilities are netted off

The current taxes payable and advance taxes are offset since they relate to each other.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. *Explanations on Taxation (Continued)*

The Bank has adjusted its statutory financial statements with inflation accounting as of 1 January 2004 in accordance with Law No. 298.

Some modifications have been made in the tax legislation with Law 4842 published in the Official Gazette number 25088 on 24 April 2003. Under these modifications, investment and development banks, which are not allowed to accept deposit, are allowed to deduct loan loss provisions from the tax base in accordance with item 2 of the article 20 of Banking Law and the amendment introduced by the article 35 of the Law numbered 4842.

In the deferred tax calculation as of 30 September 2024, 30% tax rate is used for temporary differences that are expected to be realized/closed within 2024 and after 2024

Current Tax

As of September 30, 2024, the corporate tax rate has been applied as 30% in the financial statements. With the publication of Law No. 7394 in the Official Gazette dated 15.04.2022, banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. The corporate tax rate has been increased to 25%. However, with the Law No. 7456 published on 15.07.2023, the said rate has been increased to 30% to be applied to the cumulative bases included in the declarations that must be submitted as of 1.10.2023; The corporate tax rate will be applied as 30% in the future periods, starting from the provisional corporate tax return to be submitted for the period 01.01.2024 - 31.12.2024.

The corporate tax rate is applied to the tax base to be found as a result of adding the expenses that are not accepted as deductions in accordance with the tax laws to the commercial profits of the institutions, and deducting the exemptions (such as the participation earnings exemption) and deductions in the tax laws. No further tax is paid if the profit is not distributed.

There is no withholding tax on dividends paid to non-limited taxpayer institutions that generate income through a workplace or permanent representative in Turkey and to institutions resident in Turkey. Dividend payments made to individuals and institutions other than these are subject to 10% withholding tax. Addition of profit to capital is not considered profit distribution and withholding tax is not applied.

Corporations calculate advance tax on their quarterly financial profits and declare it until the 14th day of the second month following that period and pay it until the evening of the 17th day. Advance tax paid during the year is deducted from the corporate tax to be calculated over the corporate tax return to be submitted in the following year. In the event that there is an amount of advance tax paid despite the offset, this amount can be refunded in cash or offset against other financial debts to the state.

Provided that 50% of the profits arising from the sale of subsidiary shares and real estate held for at least two years are added to the capital for real estate and 75% for subsidiaries, as stipulated in the Corporate Tax Law, or are kept in a special fund account in liabilities for 5 years. is exempt from tax. However, with the Law No. 7456 published on July 15,2023, this exception has been abolished for real estates to be acquired after the publication date of the decision; If real estate acquired before this date is sold after the effective date of the decision, 25% of the real estate sales gain will be exempt from corporate tax.

According to Turkish tax legislation, financial losses shown on the declaration can be deducted from the period corporate income for a period not exceeding 5 years. However financial losses can not be offsetted from last year's profits.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. *Explanations on Taxation (Continued)*

In Turkey, there is no practice of reaching an agreement with the tax authority regarding the taxes to be paid. Corporate tax returns are submitted to the relevant tax office by the evening of the last day of the fourth month following the month in which the accounting period closes. However, the authorities authorized for tax inspection may examine the accounting records within five years, and if incorrect transactions are detected, the tax amounts to be paid may change.

Current tax effects related to transactions directly recognized in equity are also shown in equity.

Law No. 7352 on the amendment of Tax Procedural Law and Corporate Tax Law was enacted on January 20, 2022 and it has been decided that the financial statements will not be subject to inflation adjustment in the 2021 and 2022 accounting periods, including the provisional accounting periods, and in the provisional tax periods of the 2023 accounting period, regardless of whether the conditions for inflation adjustment within the scope of Repeated Article 298 are met. In accordance with Law No. 7352, inflation adjustment will be applied to the financial statements dated June 30, 2024 and the profit / loss difference arising from the inflation adjustment will be shown in the retained earnings / loss account and will not be subject to tax. Article 17 of the law numbered 7491. With Article 17 of the Law No. 7491, the statement "Banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Financing Companies Law dated 21/11/2012 and numbered 6361, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies, including temporary tax periods, profit / loss difference arising from inflation adjustment made in the 2024 and 2025 accounting periods, including temporary tax periods, is not taken into account in the determination of earnings." to come after the third paragraph of the provisional Article 33 of the Law No. 213. is attached.

With the regulation made in the Repeated Article 298/Ç and Provisional Article 32 of the Tax Procedure Law, companies have been given the opportunity of permanent and temporary revaluation. Accordingly, as of the beginning of the 2022 accounting period, our Bank first brought its fixed assets registered in its assets to their current values in accordance with the TPL Provisional Article 32, and then revalued them in accordance with the TPL Article 298/Ç. As a result of these transactions, VUK depreciation figures that will be subject to corporate tax will be calculated based on the revalued current amounts. In accordance with the relevant legislation, the resulting value increase amounts are shown in a special fund account under shareholders' equity.

Deferred Tax

The Bank calculates and reflects deferred tax in its records in accordance with the provisions of the "Turkish Accounting Standard on Income Taxes" ("TAS 12") for taxable temporary differences that arise between the book value of an asset or liability and its tax base value determined in accordance with tax legislation. As of September 30, 2024, deferred tax is calculated at 30% and as of December 31, 2023, deferred tax is calculated at 30%.

Deferred tax liability or asset is determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the legal tax base calculation, according to the balance sheet method, taking into account the legal tax rates. The bank has calculated deferred tax based on 30% of its assets and liabilities as of 30 September 2024. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profits in the future.

The calculated deferred tax asset and deferred tax liability are netted in the unconsolidated financial statements.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. Explanations on Taxation (Continued)

However, with the regulation made by the Law No. 7491 on the Amendment of Certain Laws and Decree Laws, it has been regulated that the profit / loss difference arising from the inflation adjustment to be made by the banks in the 2024 and 2025 accounting periods, including the provisional tax periods, will not be taken into account in the determination of earnings. With the Tax Procedure Law General Communiqué numbered 560 published in the Official Gazette dated 30.04.2024 and numbered 32532, it has been declared that it is appropriate not to make inflation adjustment in the first provisional tax period of the 2024 accounting period. Within the framework of the Provisional Article 33 of the Tax Procedure Law, the tax effects arising from the inflation adjustment of the financial statements dated September 30, 2024 in accordance with TPL are included in the deferred tax calculation as of September 30, 2024.

XVIII. Additional Explanations on Funds Borrowed

The Bank has not issued any convertible bonds.

The Bank has not also issued any borrowing instruments.

Cash Warrants Received:

Guarantee Fund purchased within the scope of BİAŞ Markets, BİAŞ Debt and Equity Markets, Takasbank Money Market (TPP), Over-the-Counter Derivatives Market, Takasbank Equity Lending Market (ÖPP), Renewable Energy Resource Guarantee Market (YEK-G), Forward Natural Gas Market (VGP)), Natural Gas Market, BİAŞ Futures and Options Market (VIOP), Electricity Market, Electricity Futures Market, BİAŞ Money Market and BİAŞ Precious Metals Market, BİAŞ Swap Market, Investor Compensation Center membership and pledge guarantees, check clearing, vehicle swapping, Cash collateral amounts related to Turkey Electronic Fund Trading Platform (TEFAS), Private Pension Fund Trading Platform (BEFAS), public guarantee management service and other services are monitored in Banks in assets and in Funds in liabilities. The funds in question ensure that in case of cash default of the debtor members, the creditor members are not affected by the delay. Cash guarantee mechanisms have been established to serve the purpose of ensuring a continuous cash flow in the market by making the payments on time and accurately

XIX. Explanations on Issuance of Equity Securities

The Bank does not have any shares issued in the current period.

XX. Explanations on Acceptances

The Bank performs acceptances with its customers simultaneously and follows them in off balance sheet liabilities.

The Bank has no acceptances that have been included as a liability against an asset.

XXI. Explanations on Government Incentives

There are no government incentives utilized by the Bank as of the balance sheet date.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXII. Explanations on Segment Reporting

Operational segment is distinguishable section of the Bank that has different characteristics from other operational segments per earning and conducts the presentation of service group, associated bank products or a unique product. Reporting on operating segments is disclosed in Note VIII in Section Four.

XXIII. Related Parties

For the purpose of these financial statements, shareholders, key management personnel and board members associated with companies controlled by their families and themselves or affiliated companies, associates and joint ventures are referred to as related parties in accordance with TAS 24 - Related Party Disclosures.

XXIV. Cash and Cash Equivalents

For the purposes of the preparation of statement of cash flows, “Cash” includes cash, effectives, and cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and “Cash equivalents” include interbank money market placements and time deposits at banks with original maturity periods of less than three months.

XXV. Investment Property

Property, and land and buildings held for the purpose of earning rent or appreciation or for both, rather than being used in the production of goods and services or sold for administrative purposes or during the normal course of business are classified as “investment property”. Bank is valued Investment Properties with fair value method in accordance with the Turkish Accounting Standard 40 (TAS 40) “Investment Property”. Any gains or losses arising from changes in the fair value of investment property are recognised in profit or loss in the period in which they are incurred.

XXVI. Reclassifications

None.

XXVII. Explanations on TFRS 16 Leases standards

The Bank has put TFRS 16 Leases standard into use starting from January 2019 for operational leasing transactions that the Bank is a counterparty. For the transactions the Bank is lessee, the Bank used the model the standard projects except for the low value assets and short term leasings (1 year or less).

TFRS 16 Leases standard removes the dual accounting model currently applied for lessees through recognizing finance leases in the balance sheet whereas not recognizing operational lease. Instead, it is set forth a single model similar to the present accounting of finance leases which is balance sheet based, singular accounting model. For lessors, the accounting stays almost the same. The Bank has started to apply the TFRS 16 Leases standard as of 1 January 2019. As of 30 September 2024, the Bank's right of use asset, which is classified in the tangible assets, and there is no lease obligation as of September 30, 2024.

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SECTION FOUR

INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT

I. Explanations Related to Components of Shareholders' Equity

In accordance with the Board decision dated 12 December 2023 and numbered 10747, the amount subject to credit risk in accordance with the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (Regulation) published in the Official Gazette dated 23 October 2015 and numbered 29511, specified in the Board Decision dated 28.04.2022 and numbered 10188. In the calculation; The practice of using the Central Bank's foreign exchange buying rate as of 31 December 2022, when calculating the valued amounts of monetary assets and non-monetary assets, other than foreign currency items measured in historical cost, in accordance with Turkish Accounting Standards and the relevant special provision amounts; It has been decided to continue using the Central Bank foreign exchange buying rate of 26 June 2023 until a Board Decision to the contrary is taken. While performing bank calculations, this opportunity is used starting from the date of publication of the relevant Board decision.

The Bank's current period equity capital is TRY 11,338,813 (31 December 2023: TRY 7,203,182), capital adequacy standard ratio is %24.35 (31 December 2023: 25.80%). The Bank's capital adequacy standard ratio is above the minimum rate defined by legislation

Summary information related to the capital shareholders' equity:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	600,000	600,000
Share issue premiums	33,019	33,019
Reserves	4,822,363	3,002,798
Gains recognized in equity as per TAS	-	-
Profit	6,087,709	3,661,932
Current Period Profit	6,064,906	3,639,129
Prior Period Profit	22,803	22,803
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognised within profit for the period	-	-
Common Equity Tier 1 Capital Before Deductions	11,543,091	7,297,749
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	24,247	16,987
Improvement costs for operating leasing	-	-
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	290,427	202,858
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	4,825	4,825
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions From Common Equity Tier 1 Capital	319,499	224,670
Total Common Equity Tier 1 Capital	11,223,592	7,073,079

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

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

	Current Period	Prior Period
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	-	-
Debt instruments and premiums approved by BRSA(Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	-	-
Deductions from Additional Tier I Capital	-	-
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA (-)	-	-
Transition from the Core Capital to Continue to deduce Components		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions From Additional Tier I Capital	-	-
Total Additional Tier I Capital	-	-
Total Tier I Capital (Tier I Capital=Common Equity Tier 1 Capital+Additional Tier I Capital)	11,223,592	7,073,079
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	-	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Debt instruments and share issue premiums deemed suitable by the BRSA	115,221	130,103
Tier II Capital Before Deductions	115,221	130,103
Deductions From Tier II Capital	-	-
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	115,221	130,103

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

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

	Current Period	Prior Period'
Total Capital (The sum of Tier I Capital and Tier II Capital)	11,338,813	7,203,182
Deductions from Total Capital	11,338,813	7,203,182
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Three Years	-	-
Other items to be defined by the BRSA	-	-
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components	-	-
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
TOTAL CAPITAL	-	-
Total Capital (The sum of Tier I Capital and Tier II Capital)	11,338,813	7,203,182
Total risk weighted amounts	46,563,964	27,914,572
CAPITAL ADEQUACY RATIOS		
Core Capital Adequacy Ratio (%)	24.10	25.34
Tier 1 Capital Adequacy Ratio (%)	24.10	25.34
Capital Adequacy Ratio (%)	24.35	25.80
BUFFERS		
Bank specific total Common Equity Tier 1 Capital requirement (%)	2.5	2.5
a) Capital conservation buffer requirement (%)	2.5	2.5
b) Bank specific counter-cyclical buffer requirement (%)	-	-
c) Systemic significant bank buffer ratio	-	-
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	-	-
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Remaining Mortgage Servicing Rights	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	115,221	130,103
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	115,221	130,103
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0,6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between 1 January 2018 and 1 January 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

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

Information on addition debt instruments to shareholders' equity calculating

None.

Information on applied approaches in order to evaluate internal capital adequacy within the scope of internal capital adequacy evaluation of internal capital requirement in terms of future and current activities:

The evaluation period for internal capital adequacy in the Bank has been designed within accordance with the principle of proportionality and is consistent with the Guidelines on ICAAP Report and Guidelines on Stress Tests To Be Used By Banks For Capital and Liquidity Planning which is published by the Banking Regulation and Supervision Agency, and with the Regulation on Internal Systems of Banks and Internal Capital Adequacy Assessment Process (ICAAP) which entered into effect upon being published in Official Gazette No. 29057 dated 11 July 2014.

The Bank is in compliance with the said regulation and good practice guidelines in line with its small-scale structure, task environment, and requirements. In accordance with ICAAP, it is aimed for the Bank to internally determine a level of capital which covers the risks it has faced or is likely to face and to continue its operations with capital above that level. Maximum attention is paid to the ICAAP processes so that they are implemented with a long-term view and are risk focused, internalized within the Bank and that its consequences are used in the decision-making process.

Evaluations of the Bank's capital and liquidity adequacy are done from a risk-based perspective, considering the strategic plan, three-year budget projections, bank policies on capital adequacy, liquidity and funding, risk measurement outcomes for risks that the company is exposed to ICAAP and stress test reports. Within this scope, activities performed and services provided by the Bank are considered.

The Bank determines its capital level in such a way that it is above the minimum level and legal ratios required by the legal regulations of the Banking Regulation and Supervision Agency, and so that it is able to continue all its operations. Also, scenario analyses, and particular, plenary, and reverse-stress tests are done in order to measure the effects of parameters that affect the financial power of the Bank at the capital level. In addition, via sensitivity analyses, first and secondary structural block risks that the Bank is exposed to are determined within the scope of the proportionality principle.

The Bank takes stress tests, scenario analyses, risk appetites, the capital plan, the strategic plan and budget, the emergency and unexpected situation action plan for various risks, and other issues deemed necessary into consideration, and calculates and establishes a capital planning buffer, which is designed to prevent the capital adequacy level from becoming lower than the internal and legal minimum capital adequacy over the next three years as a result of possible negative situations and losses. The capital planning buffer is determined by considering worst case scenarios. However, the legal capital adequacy ratio determined by the BRSA as at least 12% and the ratio of the internal capital requirement calculated under the stress test are compared. The larger of these ratios is considered as the target ratio and it is evaluated whether the current capital adequacy ratio of the Bank is above the target rate.

According to the "Regulation on Internal Systems and the Internal Capital Adequacy Assessment Process of Banks", the ICAAP report and the Stress Test report are prepared annually with the participation of all relevant units of the Bank and the coordination of the Risk Management Unit. These reports are approved by the Board of Management or the Bank after being examined.

The senior management of the Bank and members of the Board of Management are jointly responsible for designing ICAAP and its implementation within the Bank. All units of the Bank execute their duties, authorities, and responsibilities which are within the scope of ICAAP in accordance with their own regulations. The inspection report regarding the data, systems, and processes is prepared by the Internal Audit Unit, and the validation report regarding the models and/or methods that are used for risk measurement within the scope of the internal capital adequacy calculation is prepared by the Internal Control Unit.

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations Related to Currency Risk

Except for the foreign currency that the Bank holds for its own transactions pursuant to foreign exchange and custody transaction commissions, foreign exchange contracts, Guarantee Fund received within the scope of BİAŞ Markets, BİAŞ Debt and Equity Markets, Takasbank Money Market (TPP), Over-the-Counter Derivatives Market, Takasbank Equity Lending Market (ÖPP), Renewable Energy Resource Guarantee Market (YEK-G), Natural Gas Futures Market (VGP), Natural Gas Market, BİAŞ Futures and Options Market (VIOP), Electricity Market, Electricity Futures Market, BİAŞ Money Market and BİAŞ Precious Metals Market, BİAŞ Swap Market, Investor Compensation Center membership and pledge guarantees, check clearing, vehicle clearing, Turkey Electronic Fund Trading Platform (TEFAS), Private Pension Fund Trading Platform (BEFAS), public guarantee management service and other services. With the guarantees received for the related bank and other foreign currency deposited in the Bank's accounts, intermediary institutions, banks and other financial institutions is exposed to exchange rate risk due to the foreign currency remaining in the free accounts of its customers, and market risk is calculated within this scope. However, with the Communiqué on Required Reserves numbered 2013/15, the liabilities subject to required reserves have been amended, and since the obligations specified in the new communiqué are not in the Bank, required reserves are not established at the CBRT.

The Bank calculated a net long foreign exchange of TRY840,671 (31 December 2023: TRY621,646) for the net position between assets and liabilities in foreign currency, and recognised it in the amount basis to market risk

Recognizing FX transactions of the Bank, the risk management policy that is also regarded in TRY transactions is used and asset liability is managed so as not to be exposed to foreign exchange risk in transactions that affect FX assets and liabilities.

The Bank's foreign CBRT exchange bid rates as of the date of the financial statements and five working days prior to that date:

Current Period	1 USD	1 EUR	1 GBP	100 JPY
Current Exchange Rate on Balance Sheet Date	34.0900	38.0180	45.5408	23.7542
1st Business Day's Current Exchange Rate	34.0982	38.0092	45.4742	23.5157
2nd Business Day's Current Exchange Rate	34.0894	38.1426	45.5363	23.6085
3rd Business Day's Current Exchange Rate	34.0815	37.9305	45.4742	23.5732
4th Business Day's Current Exchange Rate	34.0627	37.8615	45.1934	23.6564
5th Business Day's Current Exchange Rate	33.9531	37.9058	45.0895	23.5536
Simple arithmetic averages for last 30 days	33.9693	37.7152	44.7819	23.6561

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations Related to Currency Risk (Continued)

Information on the foreign currency risk of the Bank

Current Period	EURO	USD	Other	Total
Assets				
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with The Central Bank of the Republic of Turkey	-	-	-	-
Banks	7,089,825	23,542,132	162,506	30,794,463
Financial assets at fair value through profit and loss	1,713,296	-	-	1,713,296
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	5,497	-	-	5,497
Loans	-	-	-	-
Investments in associates, subsidiaries and joint ventures	-	-	-	-
Financial assets measured at amortised cost	1,752,439	6,993,601	-	8,746,040
Hedging derivative financial assets	-	-	-	-
Tangible assets	-	-	-	-
Intangible assets	-	-	-	-
Other assets	2,670	1,927	-	4,597
Total Assets	10,563,727	30,537,660	162,506	41,263,893
Liabilities				
Bank deposits	-	-	-	-
Foreign currency deposits	-	-	-	-
Money market funds	-	-	-	-
Funds provided from other financial institutions	2,129,218	7,088,364	-	9,217,582
Securities issued	-	-	-	-
Funds	7,677,092	22,266,527	162,023	30,105,642
Hedging derivative financial liabilities	-	-	-	-
Other liabilities	-	-	-	-
Total Liabilities	9,806,310	29,354,891	162,023	39,323,224
Net Balance Sheet Position	757,417	1,182,769	483	1,940,669
Net Off-Balance Sheet Position	418,198	681,800	-	1,099,998
Financial derivative assets	-	-	-	-
Financial derivative liabilities	418,198	681,800	-	1,099,998
Non-cash loans	-	-	-	-
Prior Period				
Total assets	9,087,936	24,143,953	161,877	33,393,766
Total liabilities	8,890,183	28,136,199	161,468	37,187,850
Net Balance Sheet Position	197,753	(3,992,246)	409	(3,794,084)
Net Off-Balance Sheet Position	-	4,415,730	-	4,415,730
Financial derivative assets	-	4,415,730	-	4,415,730
Financial derivative liabilities	-	-	-	-
Non-cash loans	-	-	-	-

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

III. Explanations Related to Interest Rate Risk

Interest rate sensitivity of the assets, liabilities and off-balance sheet items are measured by the Bank.

Cash requirement for every maturity period are determined based on maturity distribution analysis (Gap). In addition, a positive spread between the yield on assets and the cost of liabilities is kept while determining interest rates.

To evaluate its funding resources, the Bank enters into foreign currency and TRY depot transactions, repurchase agreements, time and demand deposit transactions and foreign exchange transactions with the Central Bank of Turkey or other banks. At the same time, securities transactions can be carried out through the broker's trading terminals. The related transactions undertaken by the Fund Management Department are made with the banks having transaction limits designated by the Board of Directors under the regulations set out in "Treasury Transaction Limits".

Other than securities guaranteed or issued by the Turkish Treasury, the Bank includes Government Debt Securities, Venture Capital and Investment Funds and debt securities issued by Banks, which established in Turkey in its portfolio during the year 2022, 2023 and 2024. The Bank does not undertake any liability due to using derivative financial instruments attributable to its transactions in evaluating its funding resources.

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

End of Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing⁽²⁾	Total
Assets							
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic Turkey	22,000,000	-	-	-	-	4,320	22,004,320
Banks ⁽²⁾	131,870,331	2,141,002	-	-	-	8,851,223	142,862,556
Financial assets at fair value through profit and loss	-	-	950,449	762,847	38,393	2,678	1,754,367
Money market placements	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	9,168	9,168
Loans ⁽³⁾	2,465,585	-	-	-	-	-	2,465,585
Financial assets measured at amortised cost ⁽⁴⁾	312,809	308,611	6,594,537	2,390,726	-	-	9,606,683
Other assets ⁽¹⁾	286,370	-	-	-	-	1,292,100	1,578,470
Total Assets	156,935,095	2,449,613	7,544,986	3,153,573	38,393	10,159,489	180,281,149
Liabilities							
Bank deposits	-	-	-	-	-	-	-
Other deposits	-	-	-	-	-	-	-
Money market funds	-	-	-	-	-	-	-
Miscellaneous payables	34,451,885	-	-	-	-	123,366,178	157,818,063
Marketable securities issued	-	-	-	-	-	-	-
Funds borrowed from other financial institutions	9,217,582	-	-	-	-	-	9,217,582
Other liabilities ⁽²⁾	-	-	-	-	-	13,245,504	13,245,504
Total Liabilities	43,669,467	-	-	-	-	136,611,682	180,281,149
Balance sheet long position	113,265,628	2,449,613	7,544,986	3,153,573	38,393	-	126,452,193
Balance sheet short position	-	-	-	-	-	(126,452,193)	(126,452,193)
Off-balance sheet long position	1,099,998	-	-	-	-	-	1,099,998
Off-balance sheet short position	1,123,067	-	-	-	-	-	1,123,067
Total Position	115,488,693	2,449,613	7,544,986	3,153,573	38,393	(126,452,193)	2,223,065

(1) Explanations of other assets and other liabilities are provided below.

(2) Expected credit loss provisions recognized under TFRS 9 are presented in the "Up to 1 Month" column.

(3) Expected credit loss provisions recognized under TFRS 9 are presented in the "Up to 1 Month" column.

(4) Expected credit loss provisions recognized under TFRS 9 are presented in the "3-12 Month" column.

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

III. Explanations Related to Interest Rate Risk (Continued)

End of Previous Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non- Interest Bearing⁽²⁾	Total
Assets							
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic Turkey	4,886,085	-	-	-	-	1,958	4,888,043
Banks ⁽²⁾	100,329,948	4,526,770	-	-	-	4,584,123	109,440,841
Financial assets at fair value through profit and loss	-	-	-	-	37,282	2,365	39,647
Money market placements	-	-	-	-	-	-	-
Financial assets available-for-sale	-	-	-	-	-	4,332	4,332
Loans ⁽³⁾	1,793,500	-	-	-	-	-	1,793,500
Held-to-maturity investments ⁽⁴⁾	423,349	1,430,303	895,180	792,605	398,391	-	3,939,828
Other assets ⁽¹⁾	55,113	-	-	-	-	1,179,710	1,234,823
Total Assets	107,487,995	5,957,073	895,180	792,605	435,673	5,772,488	121,341,014
Liabilities							
Bank deposits	-	-	-	-	-	-	-
Other deposits	-	-	-	-	-	-	-
Money market funds	-	-	-	-	-	-	-
Funds	33,971,040	-	-	-	-	73,298,723	107,269,763
Marketable securities issued	-	-	-	-	-	-	-
Funds borrowed from other financial institutions	5,651,092	-	-	-	-	-	5,651,092
Other liabilities ⁽¹⁾	-	-	-	-	-	8,420,159	8,420,159
Total Liabilities	39,622,132	-	-	-	-	81,718,882	121,341,014
Balance sheet long position	67,865,863	5,957,073	895,180	792,605	435,673	-	75,946,394
Balance sheet short position	-	-	-	-	-	(75,946,394)	(75,946,394)
Off-balance sheet long position	-	294,382	4,121,348	-	-	-	4,415,730
Off-balance sheet short position	-	296,352	4,402,383	-	-	-	4,698,735
Net Position	67,865,863	6,547,807	9,418,911	792,605	435,673	(75,946,394)	9,114,465

(1) Explanations of other assets and other liabilities are provided below.

(2) Expected credit loss provisions recognized under TFRS 9 are presented in the "Up to 1 Month" column.

(3) Expected credit loss provisions recognized under TFRS 9 are presented in the "Up to 1 Month" column.

Other Assets	Current Period	Prior Period
Miscellaneous receivables	288,105	202,043
Investment properties	244,470	244,470
Intangible assets	290,427	202,858
Custody services comission rediscount	269,576	163,902
Deferred tax asset	219,076	163,165
Tangible assets	188,688	149,948
Derivative financial assets	17,812	55,113
Temporary accounts	54,875	48,079
Subsidiaries	4,825	4,825
Stationary supplies	616	420
Total	1,578,470	1,234,823
Other Liabilities	Current Period	Prior Period
Shareholder's equity		
Provisions	11,518,844	7,280,762
Current tax liability	1,166,964	714,218
Lease liabilities	559,696	425,099
Derivative financial liabilities	-	80
Total	13,245,504	8,420,159

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

III. Explanations Related to Interest Rate Risk (Continued)

Interest rate risk on banking accounts:

Type of Currency	Shock Applied (+/- x basis point)	Gains/ (Losses)	Gains/Equity (Losses)/Equity
TRY	(+) 500 bp	(216,270)	(0.019)
TRY	(-) 400 bp	178,951	0.016
EUR	(+) 200 bp	(21,312)	(0.002)
EUR	(-) 200 bp	21,927	0.002
USD	(+) 200 bp	(84,746)	(0.007)
USD	(-) 200 bp	89,467	0.008
Total (of negative shocks)		290,345	0.026
Total (of positive shocks)		(322,328)	(0.028)

Average interest rates applied to monetary financial instruments (%):

Current Period End Balance	EUR	USD	JPY	TRY
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased) and balances with the Central Bank of Turkey	-	-	-	-
Due from other banks	5.25	7.00	-	50.64
Financial assets at fair value through profit and loss	-	-	-	-
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-
Loans	-	-	-	53.01
Financial assets measured at amortized cost	5.23	6.79	-	16.89
Liabilities				
Bank deposits	-	-	-	-
Other deposits	-	-	-	-
Money market borrowings	-	-	-	-
Funds	-	-	-	50.37
Securities issued	-	-	-	-
Funds borrowed	3.54	4.89	-	-

Prior Period End Balance	Avro	ABD Doları	Yen	TRY
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased) and balances with the Central Bank of Turkey	-	-	-	-
Due from other banks	4.97	6.97	-	42.84
Financial assets at fair value through profit and loss	-	-	-	-
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-
Loans	-	-	-	43.00
Financial assets measured at amortized cost	-	7.33	-	12.53
Liabilities				
Bank deposits	-	-	-	-
Other deposits	-	-	-	-
Money market borrowings	-	-	-	-
Funds	-	-	-	43.05
Securities issued	-	-	-	-
Funds borrowed	4.16	5.49	-	41.00

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

IV. Equity share position risk in banking accounts

As of 30 September 2024, the Bank has no equity share position risk arising from the equity share and banking accounts (31 December 2023: None)

V. Explanations on liquidity risk management, liquidity coverage ratio and net stable funding ratio

The Guarantee Fund received within the scope of BİAŞ Markets, BİAŞ Debt and Equity Markets, Takasbank Money Market (TPP), Over-the-Counter Derivatives Market, Takasbank Securities Lending Market (ÖPP), Renewable Energy Resource Guarantee Market (YEK-G), Futures Natural Gas Market (VGP), Natural Gas Market, BİAŞ Futures and Options Market (VIOP), Electricity Market, Electricity Futures Market, BİAŞ Money Market and BİAŞ Precious Metals Market, In order to cover the risks that may arise from BİAŞ Swap Market, Investor Compensation Center membership and pledge collaterals, check clearing, Turkey Electronic Fund Trading Platform (TEFAS), Private Pension Fund Trading Platform (BEFAS), public collateral management service and other transactions, the Bank takes care to work within the collaterals and to keep the majority of TRY funds liquid and does not carry an open foreign currency position.

The Bank's main liquidity management strategy is effectively handling of all money market instruments and this instruments' potential risks have influence upon the Bank's balance sheet. Even in the most uncertain market conditions, the Bank maintains risk minimization through reducing risks of market instruments, diversifying instruments, matching of maturities, and obtaining optimum liquidity level. For this reason, the Bank is significantly liquid and is a fund provider in the Over-the-Counter Money Market and CB Interbank markets. Turkish Lira and foreign currency sales transactions with banks are done within the limits determined by the Board of Directors and the compliance of these transactions with limit conditions are controlled by the Internal Control Unit periodically.

The interest rates of payments, assets and liabilities are matched. Since there is no mismatch, there is no need for the measurement of the effect on profitability.

The Bank's short and long-term liquidity needs are met by internal and external resources.

The Bank's cash flows are generated from its own equity and the amounts remaining in members free accounts, Takasbank Money Market (TPP), Over-the-Counter Derivatives Market, Securities Lending Market (ÖPP), Renewable Energy Resource Guarantee Market (YEK-G), Natural Gas Futures Market (VGP), Natural Gas Market, BİAŞ Futures and Options Market (VIOP), Electricity Market, Electricity Futures Market, Cash collaterals received for reasons such as membership and pledge collaterals for BİAŞ Money Market and Precious Metals Market, BİAŞ Swap Market, Investor Compensation Center, check clearing, TEFAS, cash collaterals for other services related to public collateral management service are invested in other banks in the over-the-counter market at overnight maturity to manage liquidity risk.

The Bank manages liquidity risk by maintaining sufficient cash and cash equivalents to meet current and prospective debt obligations, to close open market positions and to provide funding for loan obligations. The liquidity position is assessed and managed by taking into account general market and specific factors related to the Bank. The most important of these scenarios is to maintain the net liquid assets / payables to customers ratio within the limits according to market conditions.

According to the Decree of the Banking Regulation and Supervision Board dated 24 December 2015 and numbered 6613, for development and investment banks, it has been decided to apply the total and foreign currency liquidity adequacy ratios related to the first and second maturity brackets according to the first paragraph of Article 13 of the Regulation Regarding the Measurement and Evaluation of Banking Liquidity Adequacy and to continue to report to the Authority.

According to the fifth section of Article 4 of the Regulation on the Calculation of Liquidity Cover Ratio of Banks, it was decided that the ratio of consolidated and unconsolidated total and foreign currency liquidity coverage ratios shall be zero percentage.

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

**V. Explanations on liquidity risk management, liquidity coverage ratio and net stable funding ratio
(Continued)**

Presentation of assets and liabilities according to their remaining maturities:

Current Period	Demand	Up to 1 Month	1-3 Month	3-12 Month	1-5 Year	5 Year and Over	Undistributed ⁽¹⁾	Total
Assets								
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased) and balances with the Central Bank of Turkey	4,320	22,000,000	-	-	-	-	-	22,004,320
Banks	8,851,223	131,870,331	2,141,002	-	-	-	-	142,862,556
Financial assets at fair value through profit and loss	2,678	-	-	950,449	762,847	38,393	-	1,754,367
Money market placements	-	-	-	-	-	-	-	-
Fair value with changes in other comprehensive income	9,168	-	-	-	-	-	-	9,168
Loans ⁽²⁾	-	2,465,585	-	-	-	-	-	2,465,585
Financial assets measured at amortized cost	-	312,809	308,611	6,594,537	2,390,726	-	-	9,606,683
Other assets ⁽¹⁾	-	286,370	-	-	-	-	1,292,100	1,578,470
Total Assets	8,867,389	156,935,095	2,449,613	7,544,986	3,153,573	38,393	1,292,100	180,281,149
Liabilities								
Bank deposits	-	-	-	-	-	-	-	-
Other deposits	-	-	-	-	-	-	-	-
Funds borrowed	-	9,217,582	-	-	-	-	-	9,217,582
Money market borrowings	-	-	-	-	-	-	-	-
Securities issued	-	-	-	-	-	-	-	-
Funds	123,366,178	34,451,885	-	-	-	-	-	157,818,063
Other liabilities	-	250,284	940,098	165,595	-	-	11,889,527	13,245,504
Total Liabilities	123,366,178	43,919,751	940,098	165,595	-	-	11,889,527	180,281,149
Current Period Liquidity (Gap)/surplus	(114,498,789)	113,015,344	1,509,515	7,379,391	3,153,573	38,393	(10,597,427)	-
Net off-Balance sheet position								
Receivables from derivative financial instruments	-	1,099,998	-	-	-	-	-	1,099,998
Liabilities from derivative financial instruments	-	1,123,067	-	-	-	-	-	1,123,067
Non-Cash Loans	-	90,106,600	2,099,034	138,957	-	-	-	92,344,591
Prior Period								
Total assets								
Total liabilities	4,592,778	107,487,995	5,957,073	895,180	792,605	435,673	1,179,710	121,341,014
	73,298,723	39,781,420	11	691,668	-	-	7,569,192	121,341,014
Net off-Balance sheet position								
Liquidity (Gap)/surplus	(68,705,945)	67,706,575	5,957,062	203,512	792,605	435,673	(6,389,482)	-
Net off-Balance sheet position								
Receivables from derivative financial instruments	-	-	294,382	4,121,348	-	-	-	4,415,730
Liabilities from derivative financial instruments	-	-	296,352	4,402,383	-	-	-	4,698,735
Non-Cash Loans	-	33,224,169	637,511	521,436	-	-	-	34,383,116

(1) Accounts that constitute the balance sheet assets such as fixed assets, participation and subsidiaries, prepaid expenses, receivables for follow up those are required to maintain banking operations and are not convertible to cash in short term period are recorded into this account.

Securitization positions:

The Bank does not apply securitisation as of 30 September 2024 (31 December 2023: None).

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

V. Explanations on liquidity risk management, liquidity coverage ratio and net stable funding ratio (Continued)

Net Stable Funding Ratio:

The net stable funding ratio (NSFR), which is a complementary liquidity measurement method to the LCR that measures banks' resilience to short-term liquidity shocks and is calculated by taking maturity matching into account, was legally shared as of 1 January 2024. The BRSA has set out the principles and procedures for banks to ensure stable funding in order to prevent the deterioration of their liquidity levels due to the funding risk that they may be exposed to on a consolidated and unconsolidated basis in the long term. Pursuant to the "Regulation on Banks' Calculation of Net Stable Funding Ratio" published in the Official Gazette dated 26 May 2023 and numbered 32202, the three-month simple arithmetic average of the consolidated and unconsolidated net stable funding ratio calculated monthly as of the equity calculation periods as of March, June, September and December cannot be less than 100%.

NSFR is defined as the ratio of available stable funding (STF) to required stable funding (NSF). The book values of assets and liabilities in accordance with IFRS are taken into account and weighted by multiplying the reporting schedules published by the BRSA by the NSFR and GRF factors. Available stable funding is capital and liabilities that provide resources to the bank for more than 1 year. Required stable funding is a function of the maturity and liquidity capacity of the bank's assets and the liquidity risk arising from off-balance sheet transactions.

Current Period	Unadjusted Amount According to Remaining Maturity				Total Amount with Consideration Rate Applied
	Demand Deposits	Less than 6 Months	6 Months to 6 Months Longer than 6 Months Less than 1 Year	1 Year and more than 1 Year	
Current Stable Funding					
1 Equity Components	11,658,312	-	-	-	11,658,312
2 Paid-in Capital and Contributed Capital	11,658,312	-	-	-	11,658,312
3 Other Equity Components	-	-	-	-	-
4 Deposits from Individuals and Retail Customers/Participation Funds	-	-	-	-	-
5 Stable Deposits/Participation Funds	-	-	-	-	-
6 Low Stable Deposits/Participation Funds	-	-	-	-	-
7 Other Liabilities	-	159,958,268	10,331,408	-	5,165,704
8 Operational deposits/participation funds	-	-	-	-	-
9 Other Liabilities	-	159,958,268	10,331,408	-	5,165,704
10 Liabilities equivalent to interconnected assets	-	-	-	-	-
11 Other Liabilities	23,418	-	-	-	-
12 Derivative Liabilities	-	-	-	-	-
13 Other equity components and liabilities not mentioned above	23,418	-	-	-	-
14 Current Stable Fund	-	-	-	-	16,824,016
Required Stable Funding					
15 High-Quality Liquid Assets	-	22,004,320	-	-	-
16 Operational Deposits/Participation Funds Deposited with Credit or Financial Institutions	-	143,230,854	-	-	21,484,628
17 Current Receivables	-	6,757,345	3,884,935	3,191,966	5,288,143
18 Receivables from Credit or Financial Institutions Secured by High-Quality Liquid Assets	-	-	-	-	-
19 Unsecured or Secured Receivables from Credit or Financial Institutions Without High-Quality Liquid Assets	-	6,366,080	3,502,137	2,265,146	5,203,099
20 Receivables from Corporate Customers, Institutions, Individuals, Retail Customers, Central Governments, Central Banks, and Public Institutions Outside Credit or Financial Institutions	-	391,265	382,798	926,820	85,044
21 Receivables with 35% or Lower Risk Weight	-	-	-	-	-
22 Receivables Secured by Residential Property Mortgages	-	-	-	-	-
23 Receivables with 35% or Lower Risk Weight	-	-	-	-	-
24 Equity securities and debt instruments traded on the stock exchange that do not qualify as high-quality liquid assets	-	-	-	-	-
25 Assets equivalent to interrelated liabilities	-	-	-	-	-
26 Other Assets	1,594,073	1,123,067	-	-	2,717,140
27 Physical Commodities Including Gold	-	-	-	-	-
28 Initial margin or collateral posted to the central counterparty	-	-	-	-	-
29 Derivative Asset	-	1,123,067	-	-	1,123,067
30 Amount of Derivative Liabilities Before Deducting Collateral	-	-	-	-	-
31 Not Listed Above	1,594,073	-	-	-	1,594,073
32 Off-Balance-Sheet Liabilities	-	94,606,312	-	-	4,730,316
33 Required Stable Fund	-	-	-	-	34,220,227
34 Net Stable Funding Ratio (%) (*)	-	-	-	-	49.16%

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

V. Explanations on liquidity risk management, liquidity coverage ratio and net stable funding ratio (Continued)

Net Stable Funding Ratio (Continued) :

Prior Period	Unadjusted Amount According to Remaining Maturity				Total Amount with Consideration Rate Applied
	Demand Deposits	Less than 6 Months	6 Months to 6 Months Longer than 6 Months Less than 1 Year	1 Year and more than 1 Year	
Current Stable Fund					
1 Equity Components	7,427,852	-	-	-	7,427,852
2 Paid-in Capital and Contributed Capital	7,427,852	-	-	-	7,427,852
3 Other Equity Components	-	-	-	-	-
4 Deposits from Individuals and Retail Customers/Participation Funds	-	-	-	-	-
5 Stable Deposits/Participation Funds	-	-	-	-	-
6 Low Stable Deposits/Participation Funds	-	-	-	-	-
7 Other Liabilities	-	108,507,207	4,757,522	-	2,378,761
8 Operational deposits/participation funds	-	-	-	-	-
9 Other Liabilities	-	108,507,207	4,757,522	-	2,378,761
10 Liabilities equivalent to interconnected assets	-	-	-	-	-
11 Other Liabilities	43,433	4,415,730	-	-	-
12 Derivative Liabilities	-	4,415,730	-	-	-
13 Other equity components and liabilities not mentioned above	43,433	-	-	-	-
14 Current Stable Fund					9,806,613
Required Stable Fund					
15 High-Quality Liquid Assets	1,958	4,886,085	-	-	-
16 Operational Deposits/Participation Funds Deposited with Credit or Financial Institutions	-	109,556,497	-	-	16,433,475
17 Current Receivables	-	4,027,513	521,659	1,228,287	1,450,568
18 Receivables from Credit or Financial Institutions Secured by High-Quality Liquid Assets	-	-	-	-	-
19 Unsecured or Secured Receivables from Credit or Financial Institutions Without High-Quality Liquid Assets	-	2,925,791	259,633	792,605	1,360,596
20 Receivables from Corporate Customers, Institutions, Individuals, Retail Customers, Central Governments, Central Banks, and Public Institutions Outside Credit or Financial Institutions	-	1,101,722	262,026	435,682	89,972
21 Receivables with 35% or Lower Risk Weight	-	-	-	-	-
22 Receivables Secured by Residential Property Mortgages	-	-	-	-	-
23 Receivables with 35% or Lower Risk Weight	-	-	-	-	-
24 Equity securities and debt instruments traded on the stock exchange that do not qualify as high-quality liquid assets	-	-	-	-	-
25 Assets equivalent to interrelated liabilities	-	-	-	-	-
26 Other Assets	1,201,029	4,698,735	-	-	5,899,764
27 Physical Commodities Including Gold	-	-	-	-	-
28 Initial margin or collateral posted to the central counterparty	-	-	-	-	-
29 Derivative Asset	-	4,698,735	-	-	4,698,735
30 Amount of Derivative Liabilities Before Deducting Collateral	-	-	-	-	-
31 Other Assets	-	-	-	-	-
32 Not Listed Above	1,201,029	-	-	-	1,201,029
33 Off-Balance-Sheet Liabilities	-	35,259,238	-	-	1,762,962
33 Required Stable Fund					25,546,769
34 Net Stable Funding Ratio (%)					38.39%

The average net stable funding ratio for the last 3 months including the reporting period is 49.63% (December 31, 2023: 36.97%).

(*) The Bank's Net Stable Funding Ratio was realized as 49.16% as of September 30, 2024.(December 31, 2023: 38.39%). Development and investment banks, including the Bank, are exempt from meeting the legal limit of the NSFR of at least 100%.

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VI. Explanations Related to Leverage Ratio::

a) Information on issues that cause differences between current period and previous period leverage ratios:

The leverage ratio calculated by the Bank in accordance with the “Regulation on Measurement and Assessment of Leverage of Banks” is 5.77% (31 December 2023: 4.90%).

Leverage ratio:

	Current Period (1)	Prior Period (1)
Assets on the balance sheet		
Assets on the balance sheet (excluding derivative financial instruments and loan derivatives, including collaterals)	176,887,028	120,309,522
(Assets deducted from core capital)	(305,469)	(208,473)
Total risk amount for assets on the balance sheet	176,581,559	120,101,049
Derivative financial instruments and credit derivatives		
Renewal cost of derivative financial instruments and loan derivatives	1,312,199	10,589,679
Potential credit risk amount of derivative financial instruments and loan derivatives	-	-
Total risk amount of derivative financial instruments and loan derivatives	1,312,199	10,589,679
Financing transactions with securities or goods warranties		
Risk amount of financial transactions with securities or goods warranties (excluding those in the balance sheet)	-	-
Risk amount arising from intermediated transactions	-	-
Total risk amount of financing transactions with securities or goods warranties	-	-
Off-the-balance sheet transactions		
Gross nominal amount of the off-balance sheet transactions	3,854,424	4,849,545
(Adjustment amount arising from multiplying by the credit conversion rate)	-	-
Total risk amount for off-balance sheet transactions	3,854,424	4,849,545
Capital and total risk		
Tier 1 capital	10,482,199	6,642,487
Total risk amount	181,748,183	135,540,273
Leverage ratio		
Leverage ratio (%)	5.77	4.90

(1) The amounts in the table are calculated by using the quarterly average amounts.

VII. Risk management objectives and policies

The purpose of the risk management system is to define, measure, track, and report the risks, through policies, implementing procedures, and limitations identified to track, control, and, when necessary, change the risk-gain structure of future cash flows of the Bank and therefore the nature and level of its activities.

The purpose of the internal capital adequacy assessment process (ICAAP) is to internally determine the capital level which is adequate to compensate for the risks that the Bank is or is likely to be exposed to and to enable the Bank to continue its operations with capital above this level.

When establishing and implementing the Risk Management System and ICAAP, the proportionality principle is considered, in accordance with BRSA legislation and good practice guidelines.

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VII. Risk management objectives and policies (Continued)

The general risk policy of the Bank is to perform its activities taking manageable, controllable, and reasonable risks, which maintain the balance between income and expenses. The Bank manages its risks in such a way that they stay above and below the minimum and the maximum levels stated in the regulations published by the BRSA and below the risk appetite confirmed by the Board of Directors.

The risk capacity of the Bank is decided in accordance with its capital adequacy policy. When doing capital and liquidity planning, the current and under-stress liquidity requirements of the Bank as well as its risk appetite and capacity, are considered together.

The fund management strategy of the Bank is designed to avoid any liquidity problems, to sustain optimization of the risk-income balance, and to obtain maximum benefits from resources while taking a reasonable level of risk.

The footnotes and related explanations prepared in accordance with the Communiqué on “Public Disclosures related with Banks’ Risk Management Regulations” published in Official Gazette No. 29511 on 23 October 2015 and entered into force as of 31 March 2016 are given in this section. The following tables, which should be given in quarterly periods in accordance with the related communiqué, have not been presented as of 30 September 2024 as the standard approach is used in the calculation of Bank’s capital adequacy.

- Risk Weighted Assets (RWA) flow statements of credit risk under internal rating-based (IRB) approach
- RWA flow statements of Counterparty Credit Risk (CCR) exposures under the Internal Model Method (IMM)
- RWA flow statements of market risk exposures under an internal model approach (IMA)

a) Overview of risk management and RWA

	Risk Weighted Amounts		Minimum Capital
	Current Period	Prior Period	Current Period
Credit risk (excluding counterparty credit risk)	36,682,844	24,007,472	2,934,628
Standardised approach	36,682,844	24,007,472	2,934,628
Internal rating-based approach	-	-	-
Counterparty credit risk	-	-	-
Standardised approach for counterparty credit risk	-	-	-
Internal model method	-	-	-
Basic risk weight approach to internal models equity position in the banking account	-	-	-
Investments made in collective investment companies-look through approach	-	-	-
Investments made in collective investment companies-mandate-based approach	-	-	-
Investments made in collective investment companies-1250% weighted risk approach	-	-	-
Settlement risk	-	-	-
Securitization exposures in banking book	-	-	-
IRB ratings-based approach	-	-	-
IRB supervisory formula approach	-	-	-
SA/simplified supervisory formula approach	-	-	-
Market risk	2,556,649	627,406	204,532
Standardised approach	2,556,649	627,406	204,532
Internal model approaches	-	-	-
Operational risk	7,324,471	3,279,694	585,958
Basic Indicator approach	7,324,471	3,279,694	585,958
Standard approach	-	-	-
Advanced measurement approach	-	-	-
The amount of the discount threshold under the equity(subject to a 250% risk weight)	-	-	-
Floor adjustments	-	-	-
Total	46,563,964	27,914,572	3,725,118

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Segment Reporting

Current Period	Custody, Clearing and Operation	Loans and MM	Treasury Transactions	Other	Total
Cash and Balances with Central Bank	-	-	22,004,320	-	22,004,320
Financial Assets At Fair Value Through Profit/Loss (Net)	-	-	1,754,367	-	1,754,367
Banks	-	-	142,862,556	-	142,862,556
Money Markets	-	-	-	-	-
Financial Assets At Fair Value Through Other	-	-	-	-	-
Comprehensive Income	-	-	-	9,168	9,168
Loans ⁽¹⁾	-	2,465,585	-	-	2,465,585
Financial Assets At Fair Value Through Amortized Cost ⁽²⁾	-	-	9,606,683	-	9,606,683
Subsidiaries	-	-	-	-	-
Joint Ventures (Net)	-	-	4,825	-	4,825
Tangible Assets (Net)	-	-	-	188,688	188,688
Intangible Assets (Net)	-	-	-	290,427	290,427
Investment Properties (Net)	-	-	-	244,470	244,470
Tax Asset	-	-	-	219,076	219,076
Derivative Financial Assets	-	-	17,812	-	17,812
Other Assets	269,575	-	-	343,597	613,172
Total Assets	269,575	2,465,585	174,505,364	3,040,625	180,281,149
Funds Borrowed	-	-	9,217,582	-	9,217,582
Debts to the Money Markets	-	-	-	-	-
Funds	139,382,572	1	-	18,435,490	157,818,063
Lease Liability	-	-	-	-	-
Derivative Financial Liability	-	-	-	-	-
Provisions	-	3,533	-	556,163	559,696
Tax Liability	-	-	-	1,166,964	1,166,964
Shareholder's Equity	-	-	-	11,518,844	11,518,844
Total Liabilities	139,382,572	3,534	9,217,582	31,677,461	180,281,149

⁽¹⁾ Expected loss provisions set aside under TFRS 9 are included.

⁽²⁾ Derivative financial assets item is included under the heading of treasury transactions

The bank mainly operates in the fields of clearing-operations, custody services, credit and treasury transactions.

Prior Period	Custody, Clearing and Operation	Loans and MM	Treasury Transactions	Other	Total
Cash and Balances with Central Bank	-	-	4,888,043	-	4,888,043
Financial Assets At Fair Value Through Profit/Loss (Net)	-	-	36,647	-	39,647
Banks	-	-	109,440,841	-	109,440,841
Money Markets	-	-	-	-	-
Financial Assets At Fair Value Through Other	-	-	-	-	-
Comprehensive Income	-	-	-	4,332	4,332
Loans ⁽¹⁾	-	1,793,500	-	-	1,793,500
Financial Assets At Fair Value Through Amortized Cost ⁽²⁾	-	-	3,939,828	-	3,939,828
Subsidiaries	-	-	-	-	-
Joint Ventures (Net)	-	-	4,825	-	4,825
Tangible Assets (Net)	-	-	-	149,948	149,948
Intangible Assets (Net)	-	-	-	202,858	202,858
Investment Properties (Net)	-	-	-	244,470	244,470
Tax Assets	-	-	-	163,165	163,165
Derivative Financial Assets	-	-	55,113	-	55,113
Other Assets ⁽³⁾	163,901	-	-	250,543	414,444
Total Assets	163,901	1,793,500	118,332,982	1,050,631	121,341,014
Funds Borrowed	-	-	5,651,092	-	5,651,092
Debts to the Money Markets	-	-	-	-	-
Funds	89,054,071	11,122,105	-	7,093,587	107,269,763
Lease Liability	-	-	-	80	80
Derivative Financial Liability	-	-	-	-	-
Provisions	-	4,474	-	420,625	425,099
Tax Liability	-	-	-	714,218	714,218
Shareholder's Equity	-	-	-	7,280,762	7,280,762
Total Liabilities	89,054,071	11,126,579	5,651,092	15,509,272	121,341,014

⁽¹⁾ It includes Expected Credit Loss allocated under IFRS 9.

⁽²⁾ It includes Expected Credit Loss allocated under IFRS 9.

⁽³⁾ Derivative financial assets item is included under treasury operations

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INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

VIII. Explanations on Segment Reporting (Continued)

Current Period	Custody, Clearing and Operation	Loans and MM	Treasury Transactions	Other	Total
Net interest income	-	910,117	5,630,730	-	6,540,847
Net fees and commissions income and other operating income	3,967,843	-	-	-	3,967,843
Dividend income	-	-	127,866	-	127,866
Trading profit/loss	-	-	(296,241)	-	(296,241)
Other operating receivables	-	-	-	68,776	68,776
Impairment provision for loans and other receivables	-	-	-	-	-
Other operating expenses	-	-	-	(1,909,631)	(1,909,631)
Profit before taxes	3,967,843	910,117	5,462,355	(1,840,855)	8,499,460
Tax provision	-	-	-	(2,434,554)	(2,434,554)
Net profit for the period	3,967,843	910,117	5,462,355	(4,275,409)	6,064,906

Prior Period	Custody, Clearing and Operation	Loans and MM	Treasury Transactions	Other	Total
Net interest income	2,422	704,646	2,233,414	-	2,940,482
Net fees and commissions income and other operating income	1,749,197	-	-	-	1,749,197
Dividend income	-	-	41,000	-	41,000
Trading profit/loss	-	-	63,256	-	63,256
Other operating receivables	-	-	-	95,576	95,576
Impairment provision for loans and other receivables	-	31,937	-	-	31,937
Other operating expenses	-	-	-	(1,742,906)	(1,742,906)
Profit before taxes	1,751,619	672,709	2,337,670	(1,647,330)	3,114,668
Tax provision	-	-	-	(854,054)	(854,054)
Net profit for the period	1,751,619	672,709	2,337,670	(2,501,384)	2,260,614

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SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Notes Related to The Assets

1. Information on Cash and Balances with the Central Bank of Turkey:

1.a) Information on cash and balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
CBRT	22,004,234	-	1,871	4,886,085
Cash/foreign currency	86	-	87	-
Other	-	-	-	-
Total	22,004,320	-	1,958	4,886,085

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Unrestricted demand deposit	22,004,234	-	1,871	-
Unrestricted time deposit	-	-	-	4,886,085
Restricted time deposit	-	-	-	-
Total	22,004,234	-	1,871	4,886,085

1.c.) Information on required reserves:

In accordance with the Official Statement numbered 2013/15 about Required Reserves, liabilities that are subject to required reserves have been changed. Required reserves are not kept in the Central Bank of Turkey as the liabilities stated in the newly announced Official Statement are lacked in the Bank.

1.d.) Explanations on Mandatory Securities Establishment:

With the regulation numbered 2024/24, the regulation on the establishment of securities has been abolished as of May 9, 2024. (December 31, 2023: None.)

2. Information on financial assets at fair value through profit and loss (net):

2.a) Information on financial assets at fair value through profit or loss (combination with net values:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government Bonds	38,393	-	37,291	-
Equity Instruments Representing Ownership in Capital	-	-	-	-
Other Financial Assets ⁽¹⁾	2,678	1,713,296	2,356	-
Total	41,071	1,713,296	39,647	-

(1) Eurobonds and mutual funds received from other public institutions are measured at fair value through profit or loss. As of September 30, 2024, Eurobonds and mutual funds with a fair value of

(2) 1,715,974 (December 31, 2023: TRY 2,356) are classified under other financial assets.

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

I. Explanations and Notes Related to The Assets (Continued)

3. Information on Banks

3.a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
Domestic	112,167,814	21,946,928	84,459,507	20,514,574
Foreign	19	8,847,535	19	4,582,398
Branches and overseas head office	-	-	-	-
Total				
Banks	112,167,833	30,794,463	84,459,526	25,096,972

As of 30 September 2024, an expected loss amounting to TRY99,740 has been allocated to the Banks accounts. (31 December 2023: TRY115,657).

3.b) Information on foreign banks account:

	Unrestricted amount		Restricted amount	
	Current Period	Prior Period	Current Period	Prior Period
European Union Countries	8,832,177	4,490,379	-	-
USA, Canada	15,377	92,037	-	-
OECD countries	-	-	-	-
Off-shore banking regions	-	-	-	-
Other	-	-	-	-
Total	8,847,554	4,582,416	-	-

3.c) Information on receivables from money markets

None. (31 December 2023: None).

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

4.a) Information on equity instruments:

Name	Acquired On	Current Period		Prior Period	
		Amount	Ratio (%)	Amount	Ratio (%)
Türkiye Ürün İhtisas Borsası A.Ş. (TURİB)	25.07.2018	2,500	5.00	2,500	5.00
Ege Tarım Ürünleri Lisanslı Depoculuk A.Ş.	03.01.2011	637	4.12	637	4.12
S.W.I.F.T.SCRL	24.04.2009	5,175	0.02	339	0.02
Borsa İstanbul A.Ş.	31.05.2013	324	0.15	324	0.15
SASE - Sarajevo Menkul Kıymetler Borsası	18.05.2011	322	5.00	322	5.00
Sermaye Piyasası Lisanslama Sicil ve Eğitim Kuruluşu A.Ş.	29.07.2011	210	10.50	210	10.50
		9,168		4,332	

5. Information on derivative financial assets:

5.a) Table of Positive Differences Related to Derivative Financial Information

	Current Period		Prior Period	
	TP	YP	TP	YP
Forward Contracts	-	-	-	-
Swap Transactions	17,812	-	55,113	-
Futures Contracts	-	-	-	-
Option Transactions	-	-	-	-
Other	-	-	-	-
Total	17,812	-	55,113	-

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

I. Explanations and Notes Related to The Assets (Continued)

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

	Current Period	Prior Period
Debt securities	-	-
<i>Quoted on a stock exchange</i>	-	-
<i>Not quoted on a stock exchange</i>	-	-
Share certificates	9,168	4,332
<i>Quoted on a stock exchange</i>	-	-
<i>Not quoted on a stock exchange</i>	9,168	4,332
Impairment provision(-)	-	-
Total	9,168	4,332

5. Information on derivative financial assets:

a) i. Information on the portion of derivative financial assets whose fair value difference is reflected in profit or loss: TRY17,812 (31 December 2023: TRY55,113).

a) ii. Information on derivative financial assets at fair value through other comprehensive income: None (31 December 2023: None).

6. Information on loans::

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

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct loans granted to shareholders	1,468,860	51,041,755	840,953	17,831,604
<i>Corporate shareholders</i>	1,468,860	51,041,755	840,953	17,831,604
<i>Real person shareholders</i>	-	-	-	-
Indirect loans granted to shareholders	-	-	-	-
Loans granted to employees	-	-	-	-
Total	1,468,860	51,041,755	840,953	17,831,604

b) Information on loans with standard qualifications and close monitoring followed by restructured loans:

Cash Loan	Performing Loan	Loans under Follow-up		
		Non-restructured	Restructured	
			Revised Contract Terms	Refinanced
Current Period				
Non-specialized loans	2,467,380	-	-	-
Business loans	-	-	-	-
Export loans	-	-	-	-
Import loans	-	-	-	-
Loans given to financial sector	2,467,380	-	-	-
Consumer loans	-	-	-	-
Credit cards	-	-	-	-
Other	-	-	-	-
Specialized loans	-	-	-	-
Other receivables	-	-	-	-
Total	2,467,380	-	-	-

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

I. Explanations and Notes Related to the Assets (Continued)

6. Information on loans (Continued)

Cash Loans	Loans (Total)	Loans under Follow-up	
		Revised contract terms	Revised contract terms
			Restructure for extending the payment plan
Prior Period			Restructure for extending the payment plan
Non-specialized loans	1,795,481	-	-
Business loans	-	-	-
Export loans	-	-	-
Import loans	-	-	-
Loans given to financial sector	1,795,481	-	-
Consumer loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Specialized loans	-	-	-
Other receivables	-	-	-
Total	1,795,481	-	-

c) Information on consumer loans, individual credit cards, and personnel loans and personnel credit cards: None (31 December 2023: None).

d) Information on commercial loans with instalments and corporate credit cards: None (31 December 2023: None).

e) Loans according to borrowers:

	Current Period	Prior Period
Private	2,467,380	1,795,481
Public	-	-
Total	2,467,380	1,795,481

f) Domestic and foreign loans:

	Current Period	Prior Period
Domestic loans	2,467,380	1,795,481
Foreign loans	-	-
Total	2,467,380	1,795,481

g) Loans granted to subsidiaries and associates: None (31 December 2023: None).

h) Information on non-performing loans (Net): None (31 December 2023: None).

i) Information on non-performing loans (Net) :

i.1) Information on loans and other receivables included in non-performing loans which are restructured or rescheduled: None (31 December 2023: None).

i.2) Information on movement of non-performing loans: None (31 December 2023: None).

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

I. Explanations and Notes Related to the Assets (Continued)

6. Information on loans (Continued)

i.3) Information on foreign currency non-performing loans and other receivables: None (31 December 2023: None).

i.4) Information regarding gross and net amounts of non-performing loans with respect to user groups
None (31 December 2023: None).

j) Expected loss provision

	Current Period		Prior Period	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
12 Month expected credit losses	1,795	-	1,981	-
Significant increase in credit risk	-	-	-	-
Total	1,795	-	1,981	-

k) Information on write-off policy:

Not prepared according to the 25th provisional clause of “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements”.

7. Information on financial assets measured at amortised cost:

7.a) i. Information on financial assets measured at amortised cost:

	Current Period	Prior Period
Government bonds	1,579,837	1,863,706
Treasury bills	-	-
Government Debt Securities	3,038,759	717,471
Other	4,993,903	1,361,152
Total	9,612,499	3,942,329

7.a) ii. Information on government debt instruments:

	Current Period	Prior Period
Debt securities	9,612,499	3,942,329
<i>Quoted on a stock exchange</i>	<i>9,612,499</i>	<i>3,942,329</i>
<i>Not quoted on a stock exchange</i>	<i>-</i>	<i>-</i>
Impairment provision (-)	-	-
Total	9,612,499	3,942,329
	Current Period	Prior Period
Beginning balance	3,942,329	2,901,106
Foreign currency differences on monetary assets	-	-
Purchases during year	8,545,881	7,269,155
Disposals through sales and redemptions ⁽¹⁾	(2,368,626)	(5,727,789)
Impairment provision (-)	-	-
Effect of valuation	(507,085)	(500,143)
Total	9,612,499	3,942,329

⁽¹⁾ All of disposals through sales and redemptions amount is from redemptions.

⁽²⁾ Includes changes in interest discounts.

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

I. Explanations and Notes Related to the Assets (Continued)

7. Information on financial assets measured at amortised cost (Continued)

7.b) Information on expected credit loss provisions for financial assets

	Current Period	Prior Period
Other Financial Assets Measured by Amortized Cost	5,816	2,501
Banks	99,740	115,657
Miscellaneous Receivables	4,337	5,489
Total		
Other Financial Assets Measured by Amortized Cost	109,893	123,647

7.c) Information on other financial assets: None. (31 December 2023: None).:

8. Information on investments in associates (Net):

8.a) Information on consolidated associates according to Communiqué on Preparing Banks' Consolidated Financial Statements and related Turkish Accounting Standard: None (31 December 2023: None).).

8.b) Information on the unconsolidated associates: None (31 December 2023: None).).

8.c) Explanations of consolidated associates: None (31 December 2023: None).

8.d) Information on sector information on consolidated associates: None (31 December 2023: None).

8.e) Consolidated associates which are quoted on the stock exchange: None (31 December 2023: None).

9. Information on subsidiaries (Net):

9.a) Information on the unconsolidated subsidiaries:

Although the bank holds 65% of the shares in the Central Registry Agency, Inc. (MKK), the voting rights are 2/7 according to the articles of association, and therefore, control over the subsidiary is not established. As a result, this subsidiary has not been consolidated. The subsidiary has been recorded in the financial statements at its cost of 4,825 thousand TRY.

Description	Address (City/ Country)	Bank's share percentage- If different voting percentage (%)	Bank risk group's share percentage (%)
Merkezi Kayıt Kuruluşu A.Ş.	İstanbul / Türkiye	28,57	65

Total Assets ⁽¹⁾	Shareholder's Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profits / Losses	Fair Value
1,390,864	824,358	377,711	161,722	108,838	469,771	322,906	-

⁽¹⁾ Current period financial statements are obtained from unreviewed financial statements prepared as of 30 September 2024 in accordance with the TAS.

9.b) Information on the consolidated subsidiaries:

i. Information on the consolidated subsidiaries: None (31 December 2023: None).

ii. Information on movement of consolidated subsidiaries: None (31 December 2023: None).

iii. Sectorial information on the consolidated subsidiaries: None (31 December 2023: None)

iv. Consolidated subsidiaries quoted on the stock exchange: None (31 December 2023: None).

10. Information on entities under common control (joint ventures): None (31 December 2023: None).

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

I. Explanations and Notes Related to the Assets (Continued)

11. Information on finance lease receivables (Net): None (31 December 2023: None).

12. Information on investment property:

As of 30 September 2024, the Bank's investment property amounting to TRY244,470 (31 December 2023: TRY244,470).

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

None (31 December 2022: None).

14. Explanations on deferred tax asset:

Deferred tax assets and liabilities are netted off as deferred tax liability in the balance sheet liabilities and explanations on deferred tax asset / liability for the current and previous period are given in Note II.6 of Section Five.

15. Information on other assets:

Other assets exceed 10% of the balance sheet total (excluding off balance sheet commitments). The details of other assets are presented below.

Allocation of other assets:

	Current Period	Prior Period
VIOP Guarantees	281,949	161,158
Custody and fee accruals	269,575	163,902
Prepaid expenses	54,875	48,079
Invoice Payables	5,848	40,358
Stationary supplies	616	420
Cash guarantees given	305	318
Other	4	209
Total	613,172	414,444

II. Explanations and Notes Related to the Liabilities

1. Information on derivative financial liabilities:

a) i. Information on derivative financial liabilities at fair value through profit or loss: As of September 30, 2024, the Bank has derivative liability balance of. None. (December 31, 2023: None)

a) ii. Derivative financial liabilities at fair value through other comprehensive income: None (31 December 2023: None).

2. Information on funds borrowed:

a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From domestic banks and institutions	-	9,217,582	129,836	5,521,256
From foreign banks, institutions and funds	-	-	-	-
Total	-	9,217,582	129,836	5,521,256

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

II. Explanations and Notes Related to the Liabilities (Continued)

2. Information on funds borrowed

b) Information on money market debts: None (31 December 2023 : None)

c) Maturity analysis of funds borrowed::

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-term	-	9,217,582	129,836	5,521,256
Medium and long-term	-	-	-	-
Total	-	9,217,582	129,836	5,521,256

d) Additional explanation related to the concentrations of the Bank's major liabilities:

Bank's liabilities include taxes payables and other payables and cash collaterals, guarantee funds which members give for different markets.

3. Information on funds:

a) Information on borrowers' funds: None (31 December 2023: None).

b) Information on other funds:

The breakdown of funds which is the main liabilities of the Bank is as below:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Cash collaterals	118,963,569	16,354,631	70,601,301	18,023,778
Members' receivables	4,394,542	13,751,011	2,682,657	13,642,816
Capital Markets Board Share	23,418	-	43,433	-
Partners' Dividend Receivables	4,330,892	-	2,275,778	-
Expense accruals				
Other ⁽¹⁾	127,712,421	30,105,642	75,603,169	31,666,594

⁽¹⁾ Amounting of other consists of pool and guarantee fund accounts.

4. Explanations on financial lease liabilities (net):

a) Explanation on finance lease payables: None (31 December 2023: None).

b) Explanations regarding operational leases:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	-	-	-	-
Between 1-4 years	-	-	980	80
More than 4 years	-	-	-	-
Total	-	-	980	80

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

II. Explanations and Notes Related to the Liabilities (Continued)

5. Information on provisions:

a) Information on employee termination benefits and unused vacation accrual:

Under Turkish Labour Law, the Bank 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 retirement pay provisions according to current 506 numbered Social Insurance Law's 6 June 1981 dated, 2422 numbered, 25 August 1999 dated and 4447 numbered with 60th article that has been changed. Some transition provisions related to the pre-retirement service term was excluded from the law since the related law was changed as of 23 May 2002. The provision for employment termination benefits of the Bank is calculated over the TRY41,828.42 (31 December 2023: TRY23,489.83) (full TRY) which is the maximum amount of employment termination benefits.

The liability is not funded, as there is no funding requirement. The provision has been calculated by estimating the present value of the future probable obligation of the Bank arising from the retirement of employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

The main assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as of 30 September 2024, the provision has been calculated by estimating the present value of the future probable obligation of the Bank arising from the retirement of the employees. The provisions at the balance sheet date have been calculated assuming an annual inflation rate of %17.78 and interest rate %21 and a discount rate of %21 (31 December 2023: %17.78 inflation rate, %3.11 discount rate). The estimated rate of severance pay amount which is not paid and to be held in the bank as a result of optional leavings are also considered.

	Current Period	Prior Period
Total liabilities of employee terminations (Undiscounted)	93,807	58,472
Provision for employee termination (Presented in financial statements)	67,047	42,405
The ratio of provision to undiscounted total liabilities (%)	71.47	72.52

As of 30 September 2024, the Bank provided a reserve of TRY67,047 (31 December 2023: TRY42,405) for the unused vacation which classified under Reserve for Employee Benefits in the financial statementsBanka,

a.1) Movement of employee termination benefits:

	Current Period	Prior Period
As of January 1	42,405	22,380
Paid during the year	(695)	(1,387)
Actuarial (gain)/loss	10,371	13,295
Charge for the year	14,966	8,117
<i>Service charge</i>	4,356	3,771
<i>Interest charge</i>	10,610	4,346
Total	67,047	42,405

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

II. Explanations and Notes Related to the Liabilities (Continued)

5. Information on provisions (Continued) :

a.2) The reserve for employee benefits:

	Current Period	Prior Period
Unused vacation provision	98,547	50,831
Total	98,547	50,831

As of September 30, 2024, the Bank has recognized total vacation liability amounting to TRY98,547 (December 31,2023: TRY50,831) under Provision for Employee Benefits in the financial statements.

b) Information on other provisions:

b.1) Liabilities for pension funds established in accordance with “Social Security Institution”: None (31 December 2023: None).

b.2) Breakdown of the subsidiary accounts if other provisions exceed 10% of the grand total of provisions:

	Current Period	Prior Period
Provisions for CMB’s Share Fee ⁽²⁾	172,090	83,659
Provision for employee benefits	213,750	241,150
Provision for litigation	4,729	2,580
Expected Credit Losses ⁽¹⁾	3,533	4,474
Total	394,102	331,863

⁽¹⁾ Consists of 12 months expected credit loss provisions for non-cash loans.

⁽²⁾ According to the related article of the Bank’s Capital Markets Law, the board share to be paid to the Capital Markets Board in 2024 consists of an expense accrual (CMB Board Share).

	Current Period	Prior Period
Provision for litigation beginning balance	2,580	4,062
Additions	2,362	23
Payments (-)	-	-
Cancellations (-)	(213)	(1,505)
Provisions for cases year end	4,729	2,580

c) Liabilities Resulting from Retirement Benefits: None (31 December 2023: None.)

c.1) Liabilities for pension funds established in accordance with “Social Security Institution”: None (31 December 2023: None).

c.2) Liabilities resulting from all kinds of pension funds, foundations, which provide post-retirement benefits for the employees: None (31 December 2023: None).

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

II. Explanations and Notes Related to the Liabilities (Continued)

6. Explanations on taxes payable:

a) Information on current tax liability:

a.1) Corporate tax:

	Current Period	Prior Period
Provision for corporate taxes	2,487,354	1,510,430
Prepaid taxes (-)	1,547,256	912,067
Corporate Income Tax Payable	940,098	598,363

a.2) Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	940,098	598,363
Taxation on securities	91,066	54,443
Banking insurance transaction tax (BITT)	39,971	17,455
Value added tax payable	73,656	15,612
Other	2,243	3,891
Total	1,147,034	689,764

a.3) Information on premiums:

	Current Period	Prior Period
Social security premiums-employer	9,297	11,520
Social security premiums-employee	8,756	10,647
Unemployment insurance-employer	1,252	1,527
Unemployment insurance-employee	625	760
Total	19,930	24,454

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

II. Explanations and Notes Related to the Liabilities (Continued)

6. Explanations on taxes payable: (Continued)

b) Explanations on deferred tax liabilities:

Distribution of deferred tax assets / (liabilities):

	Current Period		Prior Period	
	Accumulated Temporary Differences	Deferred tax asset / (liability)	Accumulated Temporary Differences	Deferred tax asset / (liability)
Provisions for severance pay	67,047	20,114	42,405	12,722
Vacation pay liability	312,297	93,689	291,981	87,594
CMB Board share provision - other provision	172,090	51,627	83,659	25,098
TFRS 9 provision for expected losses	115,221	34,566	130,103	39,031
Lawsuits and bonus	4,729	1,419	2,580	774
ternal yield and market value differences of financial assets and government securities measured at amortized cost	34,487	10,347	31,006	9,302
Interest accruals	3,578	1,073	121	36
TFRS 16 Leases	-	-	67	20
Differences between the book value of fixed asests and tax value	35,800	10,740	-	-
Financial instruments value difference – from swap transactions	-	-	20,594	6,178
Differences between the book value of fixed asests and tax value	8,507	2,553	4,431	1,329
Deferred tax asset	753,756	226,128	606,947	182,084
Differences between the book value of fixed asests and tax value	-	-	(63,062)	(18,919)
Financial instruments value difference – from swap transactions	(23,505)	(7,052)	-	-
	(23,505)	(7,052)	(63,062)	(18,919)
Deferred tax assets / (liability), net:		219,076		163,165

Deferred tax asset transaction table:

	Current Period	Prior Period
As of January 1 (Previous period balance)	163,165	43,267
Deferred tax income / (expense)	52,800	115,910
Deferred tax recognized under equity	3,111	3,988
Deferred tax asset		
As of January 1 (Previous period balance)	219,076	163,165

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

II. Explanations and Notes Related to the Liabilities (Continued)

7. Information on Shareholders' Equity:

a) Presentation of Paid-in capital:

	Current Period	Prior Period
Common stock ⁽¹⁾	600,000	600,000
Preferred stock	-	-

⁽¹⁾ As of 30 September 2024, the Bank has totally 6,000,000,000 issued share certificates.

b) Information on extraordinary reserves:

	Current Period	Prior Period
Reserves appropriated by the General Assembly	4,007,944	2,451,602
Retained Earnings	-	-
Accumulated Losses	-	-
Foreign Capital Exchange Difference	-	-
	4,007,944	2,451,602

c) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at the Bank if so, and amount of registered share capital ceiling

Registered share capital system is not applied as of the balance sheet date (31 December 2023: Not applied).

d) Other information on the share of capital increased through capital contributions performed during the current period and capital funds:

None (31 December 2023: None).

e) Information on share capital increases from capital reserves during the current period

None,(31 December 2023: None).

f) Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and projected resources required to meet these commitments:

None (31 December 2022: None).

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

Due to the Bank's liquid position and good relations with other banks, the Bank has the means to provide low cost financing and place it in domestic market which leads to profits. In parallel with this, if similar circumstances will occur in the future, it can be predicted that profitability will increase and this will improve the equity of the Bank with retained profits.

h) Information on marketable securities valuation reserve:

None (31 December 2023: None).

i) Information on past year profit distribution:

As of the report date, no dividend payment has been made since the Bank's Ordinary General Assembly meeting has not been held yet.

i) Information on minority shares:

None (31 December 2023: None).

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

III. Explanations and Notes Related to the Off-Balance Sheet Accounts

1. Information on off-balance sheet liabilities

a) Nature and amount of irrevocable loan commitments: None (31 December 2023: None).

b) Possible losses and commitments related to off-balance sheet items including items listed below:

b.1) Non-cash loans including guarantees, bank acceptances, collaterals and other letters of credit: As of the balance sheet date, the details of the Bank's other non-cash loans consisting of guarantees given for Takasbank Money Market, Securities Lending Market, BİAŞ Equity Market, Over-the-counter derivative instruments market, BİAŞ Debt Securities Market, BİAŞ Swap Market, BİAŞ Money Market and BİAŞ Futures and Options Market transactions are shown below.

	Current Period	Prior Period
Non-cash loans given against achieving cash loans	-	-
With Original Maturity of One Year or Less	-	-
With Original Maturity of More than One Year	-	-
Other non-cash loans ⁽¹⁾	92,344,591	34,383,116
Total Non-Cash Loans	92,344,591	34,383,116

(*) Guarantees given to Takasbank Money Market, Securities Lending Market, Debt Securities Market, BİAŞ Money Market, Share Market and Futures and Options Market, Swap Market and over the counter derivative market (OTC).

b.2) Guarantees, temporary guarantees, collateral and other warranties: None (31 December 2023: None).

b.3) Explanation of irrevocable commitments:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Capital commitment for VIOP (Bank is central counterparty services)	725,828	-	110,933	-
Capital commitment for ÖPP Market (Bank is central counterparty services)	5,002	-	2,778	-
Capital commitment for Money Market (Bank is central counterparty services (CCP))	802	-	237	-
Capital commitment for PAY (Bank is central counterparty services)	46,012	-	6,568	-
Capital commitment for BAP Market (Bank is central counterparty services)	259,944	-	26,649	-
Capital commitment for SWAP Market (Bank is central counterparty services)	275,782	-	56,971	-
Capital commitment for the OTC Market (Bank is central counterparty services)	5,294	-	1,597	-
Capital commitment for the TPP Market (Bank is central counterparty services)	147,729	-	3,158	-
Total	1,466,393	-	208,891	-

c) Information related to Non-Cash Loans:

Takasbank acts as the central counterparty in BİAŞ Futures and Options Market, BİAŞ Money Market, BİAŞ Swap Market, Over-the-Counter Derivatives Market, Equity Market and Debt Securities Market and guarantees the transactions in these markets.

Limits are determined for members for transactions in Takasbank, BİAŞ Futures and Options Market, BİAŞ Money Market, BİAŞ Swap Market, Over-the-Counter Derivatives Market, Equity Market and Debt Securities Market, and there is a permanent guarantee obligation for these limits.

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

III. Explanations and Notes Related to the Off-Balance Sheet Accounts (Continued)

1. Information on off-balance sheet liabilities (Continued)

d) Information related to Allocations:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Capital commitment for VIOP (Bank is central counterparty services)	393,669	-	354,341	-
Capital commitment for ÖPP Market (Bank is central counterparty services)	2,713	-	8,875	-
Capital commitment for Money Market (Bank is central counterparty services (CCP))	435	-	757	-
Capital commitment for PAY Market (Bank is central counterparty services)	24,955	-	20,978	-
Capital commitment for Debt Instruments Market (Bank is central counterparty services)	140,986	-	85,119	-
Capital commitment for Swap Market (Bank is central counterparty services)	149,576	-	181,972	-
Capital commitment for the OTC Market (Bank is central counterparty services)	2,871	-	5,100	-
Capital commitment for the TPP Market (Bank is central counterparty services)	80,123	-	10,089	-
Total	795,328	-	667,231	-

e) Information related to Guarantees:

Total valued market collateral in markets where the Bank is central counterparty is TRY195,480,898 (31 December 2023: TRY89,055,168), the total of the valued guarantee fund is TRY11,103,020 (31 December 2023: TRY6,252,008).

f) Information related to investment securities held in custody:

The investment securities held in custody, TRY7,725,305,292 (31 December 2023: TRY7,029,357,526) of the TRY7,962,317,014 (31 December 2023: TRY7,029,132,092) balance of investment securities held in custody are investment funds as the other TRY225,411 (31 December 2023: TRY225,434) balance consists of share certificate held in custody

IV. Explanations and notes related to statement of profit or loss

1. Information on interest on loans:

a) Information on interest on loans:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-term loans	890,875	-	700,460	-
Medium/long-term loans	-	-	-	-
Interest on loans under follow-up	-	-	-	-
Premiums received from resource utilisation support fund	-	-	-	-
Total	890,875	-	700,460	-

b) Information on interest received from banks:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Central Bank of Turkey	11,095	-	84,559	-
Domestic banks	4,132,384	1,337,322	1,509,477	611,520
Foreign banks	-	2,637	-	1,984
Branches and head office abroad	-	-	-	-
Total	4,143,479	1,339,959	1,594,036	613,504

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

**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

IV. Explanations and Notes Related to the Statement of Profit or Loss (Continued)

1. Information on interest on loans

c) Interest received from marketable securities portfolio

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From financial assets measured at amortised cost	169,405	263,290	47,214	184,720
From financial assets at fair value through profit or loss	-	-	-	-
From financial assets at fair value through other comprehensive income	76,196	32,248	5,319	-
Total	245,601	295,538	52,533	184,720

d) Information on interest income received from associates and subsidiaries:

None (30 September 2023: None).

e) Other information:

None (30 September 2023: None).

2. Information on interest expense:

a) Information on interest on funds borrowed:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks	14,194	379,649	97,293	113,883
<i>The Central Bank of Turkey</i>	-	-	-	-
<i>Domestic banks</i>	14,194	379,649	97,293	113,883
<i>Foreign banks</i>	-	-	-	-
<i>Branches and head office abroad</i>	-	-	-	-
Other financial institutions	4	-	209	-
Total	14,198	379,649	97,502	113,883

b) Information on interest expense to associates and subsidiaries:

None (30 September 2023: None).

c) Information on interest expense to marketable securities issued:

None (30 September 2023: None).

d) Distribution of interest expense on deposits based on maturity of deposits:

None (30 September 2023: None).

3. Information on dividend income:

	Current Period	Prior Period
Financial assets at fair value through other comprehensive income	7,190	-
Other	120,676	41,000
Total	127,866	41,000

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

IV. Explanations and Notes Related to the Statement of Profit or Loss (Continued)

4. Information on net trading income:

	Current Period	Prior Period
Income	346,055	2,365,392
Gains on capital market operations	323	912
Gains on derivative financial instruments	82,355	1,937,605
Foreign exchange gains	263,377	426,875
Losses (-)	(642,296)	(2,302,136)
Losses on capital market operations	-	(22,768)
Losses on derivative financial instruments	(128,875)	(52,118)
Foreign exchange losses	(513,421)	(2,227,250)
Total (Net)	(296,241)	63,256

5. Information on other operating income:

	Current Period	Prior Period
Provisions no longer required(*)	22,211	67,232
Collection of prior year expenses	1,442	410
Income from sales of the assets	1,400	-
Other income(**)	43,723	27,934
Total	68,776	95,576

(*) (*) Bank in the previous period, In accordance with the letter dated February 7, 2023 and numbered 10042 received from the BRSA, as of this date, the Bank has started to calculate the amounts allocated and committed from Takasbank's capital instead of the off-balance sheet liability amount in the markets where CCP service is provided and the open position amount in Takasbank Money Market, which are included in the calculation as non-cash loans in off-balance sheet liabilities. As of September 30, 2023, TRY59,294 has been reclassified to unrealized loss provisions due to the change in the risk amount.

(**) Other income is the consultancy service income provided within the scope of Abu Dhabi Securities Exchange project.

6. Explanations on Banks' expected credit loss:

	Current Period	Prior Period
Expected credit loss	-	31,937
12 month expected credit loss (Stage 1)	-	31,937
Significant increase in credit risk (Stage 2)	-	-
Non-performing loans (Stage 3)	-	-
Marketable securities impairment expense	-	-
Financial assets at fair value through profit/loss	-	-
Financial assets at fair value through other comprehensive income	-	-
Impairment provision for associates, subsidiaries and joint ventures	-	-
Provisions for Impairment	-	-
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
Other	-	-
Total	-	31,937

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

IV. Explanations and Notes Related to the Statement of Profit or Loss (Continued)

7. Information on other operating expenses:

	Current Period	Prior Period
Personnel expenses ⁽¹⁾	986,291	482,137
Intangible amortization expenses	14,966	5,787
Tangible amortization expenses	-	-
Provisions for termination indemnities	-	-
Deficit provision for pension funds	38,092	19,865
Tangible impairment expenses	-	-
Intangible impairment expenses	-	-
Impairment losses on goodwill	30,647	17,409
Impairment expenses of equity participations for which equity method is applied	-	-
Impairment losses on assets to be disposed	-	-
Depreciation expenses on assets to be disposed	-	-
Impairment losses on assets held for sale	-	-
Other operating expenses	368,244	128,472
-Leasing expenses related to TFRS 16 exceptions ⁽²⁾	11,419	7,201
-Repair and maintenance expenses	1,855	1,012
- Advertisement expenses	13,057	8,076
-Other expenses	341,913	112,183
Loss on sale of assets	195	13
Other ⁽³⁾	471,196	1,089,223
Total	1,909,631	1,742,906

⁽¹⁾ Personnel Expenses", which is a separate item in the profit or loss statement, is also included table above.

⁽²⁾ Amounts include all operating lease expenses..

⁽³⁾ Other operating expenses consists of provisions for capital market board's share fee, legal claims,unused vacation amd other.

8. Information on continued and discontinued operations from tax provisions:

a) The Bank presents deferred tax asset and the resulting deferred tax benefit in its financial statements.

	Current Period	Prior Period
Current income tax charge	(2,487,354)	(912,067)
Deferred tax charge	52,800	58,013
Total	(2,434,554)	(854,054)

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

IV. Explanations and Notes Related to the Statement of Profit or Loss (Continued)

8. Information on continued and discontinued operations from tax provisions: (Continued)

b) Deferred tax on temporary differences

	Current Period	Prior Period
Provisions for capital market board's share fee	26,529	21,870
Provision for employee termination	7,392	7,314
Unused vacation provision	6,095	18,697
Provision for legal claims and premium	645	(217)
TFRS 9 - Provisions for expected credit losses	(4,465)	(135)
Difference between internal rate of return and market value of government debt securities measured at amortised cost	1,045	7,458
Derivative financial assets	(13,230)	(17,327)
Difference between book value and tax value of fixed assets	29,659	25,109
Interest accruals	1,037	84
Deferred tax expense recognized under equity	(3,111)	(4,748)
Financial Leasing-TFRS16	1,224	-
Provisions for capital market board's share fee	(20)	(92)
Total	52,800	58,013

9. Information on net profit/loss from continued and discontinued operations:

As of 30 September 2024, net profit after tax of the Bank is TRY6,064,906 (30 September 2023: TRY2,260,614)

10. The explanations on net income / loss for the period:

- The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding Bank's performance for the period: None (30 September 2023: None).
- Effect of changes in accounting estimates on income statement for the current and, if any, for subsequent periods: There is no effect of changes in accounting estimates on income statement for the current period (30 September 2023: None).
- Profit/loss attributable to minority shares: There is no profit or loss attributable to minority shares as of the balance sheet date (30 September 2023: None).

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

	Current Period	Prior Period
Other fees and commissions		
-Service Commissions	1,559,394	396,109
-Futures Options Exchange Commissions	960,055	422,453
-Retention Commissions	698,376	564,215
-Customer Account Maintenance Commissions	644,143	334,457
-Other	215,406	111,455
-Remittance Commissions	71,880	38,664
-Swift Transactions	60,128	32,545
-Transfer Transactions	56,726	34,891
-Fund Share Transactions	30,848	14,041
-Code Allocation/Inquiry Transactions	15,775	5,398
Total	4,312,731	1,954,228

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

V. Explanations and notes related to risk group of the Bank

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

a) Current Period:

Bank's Risk Group	Subsidiaries, associates and entities under common control (Joint Ventures)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Cash	Non-cash	Cash	G.Nakdi	Cash	Non-cash
Loans and other receivables						
Balance at beginning of the period	-	-	840,953	17,831,604	-	-
Balance at end of the period	-	-	1,468,860	51,041,755	-	-
Interest and commission income	212,602	-	1,037,480	95,220	44,947	-

b) Prior Period:

Bank's Risk Group	Subsidiaries, associates and entities under common control (Joint Ventures)		Direk Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Cash	Non-cash	Cash	G.Nakdi	Cash	Non-cash
Loans and other receivables						
Balance at beginning of the period ⁽¹⁾	-	-	2,107,175	34,398,499	-	-
Balance at end of the period ⁽¹⁾	-	-	840,953	17,831,604	-	-
Interest and commission income ⁽²⁾	121,534	-	975,076	30,568	23,632	-

⁽¹⁾ 31 December 2023 amounts are expressed.

⁽²⁾ 30 September 2023 amounts are expressed.

c) Information on related party deposits balances: None (31 December 2023: None).

d) Information on forward and option agreements and other similar agreements made with related parties: None (31 December 2023: None)

2. Disclosures for the risk group of the bank:

a) The relations of the bank with the entities controlled by the Bank and its related parties, regardless of whether there are any transactions or not: None (31 December 2023: None).

b) Besides the structure of relationship, nature of the transaction, amount and ratio to the volume of transactions, amount of major items and ratio to all items, pricing policies and other factors: None (31 December 2023: None).

c) In cases whereby separate disclosure is not necessary, the total of similar items in order to present the total impact on the financial statements: None (31 December 2023: None)

d) Transactions accounted for under the equity method: None (31 December 2023: None).

e) Disclosures related to purchase and sale of real estate and other assets, services given/received, agency contracts, leasing contracts, transferring information as a result of research and development, license contracts, financing (including supports in the form of loans, capital in cash and capital in kind), guarantees and management contracts: None (31 December 2023: None).

VI. Explanations and Notes Related To Subsequent Events

None.

VII. Other Explanations

None.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

**SECTION SIX
INDEPENDENT AUDITOR’S LIMITED REVIEW REPORT**

I. Explanations on the Independent Auditor’s Review Report

As at and for the period ended September 30, 2024, the unconsolidated financial statements and notes to the unconsolidated financial statements have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the review report dated November 5, 2024 is presented before the unconsolidated financial statements.

II. Other Footnotes and Explanations Prepared by Independent Auditor

None.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

SECTION SEVEN

EXPLANATIONS ON INTERIM ACTIVITY REPORT

Evaluation of the Chairman of the Board of Directors for the Period

The main agenda of the global economy, which started 2024 with economic and geopolitical uncertainties, was the inflation rates and the interest rate decisions to be taken accordingly in the third quarter of the year. In its latest report, the International Monetary Fund stated that global economic growth will remain stable but weak, and kept its growth forecast at 3.2% for this year. The Organization for Economic Co-operation and Development (OECD) stated that the global economy remained resilient in the first half of 2024 and inflation continued its moderate course. OECD revised its growth forecast for this year upwards by 0.1 points, increasing it to 3.2%.

In the US economy, where soft landing scenarios were discussed throughout the year, data on the employment market and inflation were followed in the third quarter. In light of these data, the US Federal Reserve (Fed) cut interest rates for the first time since 2020 at its September meeting, reducing the policy rate by 50 basis points. Thus, the policy rate decreased to the range of 4.75%-5.00%. In the decision text of the meeting, evaluations that the employment market was slowing down came to the fore. At a time when uncertainty remains high due to the impact of the presidential elections to be held in the USA in November, the Fed is expected to make another 25 basis point interest rate cut by the end of 2024.

While soft landing scenarios for the US economy are getting stronger towards the end of the third quarter, recession discussions for the Euro Zone continue. While the Eurozone economy grew at a low rate of 0.2% in the second quarter of 2024, Germany, the largest economy in the region, unexpectedly shrank by 0.1% on a quarterly basis. The European Central Bank continued its interest rate cuts, which it started in June after 5 years, in its meetings in September and October and reduced the interest rate to 3.25%.

During this period, the Chinese economy, struggling with the negative outlook in the real estate sector and the weak course of domestic demand conditions, performed below the growth target of 4.6% on an annual basis in the third quarter of the year. Demonstrating that it will support the economy with the expansionary steps it has taken, the Central Bank of China announced the most comprehensive incentive package since the pandemic to achieve the country's 5% growth target. On the other hand, the Bank of Japan (BoJ), which ended its expansionary monetary policy in March, started the third quarter of the year with an interest rate increase. At its meeting held at the end of July, BoJ increased the short-term reference interest rate from 0-0.1% to 0.25%.

Economy of Turkey grew by 2.5% on an annual basis in the second quarter of 2024. While the contribution of private consumption expenditures to growth continued to decrease in the second quarter, the contribution of investment expenditures was limited. The contribution of net exports to growth in the relevant period was 1.3 points. There was an improvement in the foreign trade balance in the third quarter. The nine-month foreign trade deficit of 2024 decreased by 31.5% to 60.1 billion dollars. In the third quarter, when inflation continued to be the main agenda in the economy, the Central Bank maintained its tight stance with the macroprudential measures it implemented. During this period, Fitch increased Turkey's credit rating by one notch to "BB-" and reduced its credit rating outlook from "positive" to "stable". Moody's stated that it increased Turkey's rating by two notches from B3 to B1 and maintained its credit rating outlook as "positive".

Takasbank effectively continued its services to our country's money and capital markets in the third quarter of 2024, and carried out an effective management in line with international examples, especially in the management of risks and guarantees arising from the markets in which it serves as a central counterparty.

Our projects and initiatives to develop and diversify the services offered to the markets, especially the central counterparty service, are carried out in line with the demands of the sector and taking into account the needs of our country. Efforts to strengthen our technological infrastructure in order to manage operational risks arising from IT and to continue to provide Takasbank services in a fast, effective and uninterrupted manner continued during this period.

With its strategic perspective and effective management policies, our Bank has achieved a pre-tax profit of TRY8.5 billion as of September 30, 2024, its asset size has reached TRY180.3 billion, and its equity has reached TRY11.5 billion. Thanks to our preparedness against risks and technical competence, our business continuity will be maintained in the coming period, and new products and services will continue to be developed in harmony with Group companies.

On behalf of myself and our Board of Directors, I would like to thank all our stakeholders, especially our employees and managers, who have a share in the successful performance of our bank.

Best regards,

Dr. Mahmut KAYACIK
Chairman of the Board of Directors

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

Evaluation of the CEO for the Period

Takasbank continued to contribute to the development of Turkish capital markets and displayed a successful performance in the first nine months of 2024, when an intense struggle was waged with the epidemic disease and the economic difficulties it caused in our country as well as in the rest of the world.

In the first nine months of 2024, due to the increase in market transaction volumes and the expansion of Takasbank's service profile, our fee and commission income increased significantly compared to the same period last year, reaching TRY4 billion, while our pre-tax profit was TRY8.5 billion. As of September 30, 2024, Takasbank's asset size reached TRY180.3 billion, its equity capital reached TRY11.5 billion, and its total cash collateral reached TRY135 billion.

As of September 30, 2024; A total of TRY99,698.38 billion transactions were realized in the Borsa Istanbul (BİAŞ) Debt Securities Market Outright Purchases and Sales Market and Repo-Reverse Repo Market, TRY139.33 billion of which were private sector bond transactions. Regarding the transactions realized in the market; As a result of multilateral netting in the Takasbank system, TRY21,252.37 billion cash swap and TRY52,885.54 billion market value securities swap transactions were realized. A total of TRY6,234.89 billion bilateral transactions were realized in the BİAŞ Swap Market, of which TRY178.99 billion were USD and EUR transactions were 11.28 billion.

TRY26,903.89 billion of transactions were realized in the BİAŞ Equity Market, TRY991.65 billion of cash and TRY4,235.37 billion of securities swap transactions were carried out.

As of September 30, 2024, the number of open positions in the Futures and Options Market was TRY14.01 million and the value of open positions was TRY187.98 billion. The nine-month open position value in the OTC Market was TRY26.10 billion.

The transaction volume in Takasbank Money Market reached TRY7,728.3 billion in the nine-month period, with a total transaction number of 305,675. The average daily transaction volume was TRY41.9 billion, while the average transaction size was TRY25.3 million .

The transaction volume on the Turkey Electronic Fund Trading Platform (TEFAS) was TRY4,021.23 billion in the nine-month period, and the number of funds traded was 691. The average daily transaction volume was TRY21.7 billion, while the number of institutions trading was 115.

The transaction volume on the Individual Pension Fund Trading Platform (BEFAS) was TRY38.05 billion in the nine-month period, and the number of funds traded was 289. The average daily transaction volume was TRY205.7 million, while the number of institutions trading was 15.

Regarding individual retirement fund services; As of September 30, 2024, the fund asset value of 381 individual retirement investment funds was realized as TRY1.131 billion. In the same period, the total fund asset value of 1,769 investment funds was TRY3,510.33 billion, the total fund asset value of 200 real estate investment funds was TRY103.44 billion, the total fund asset value of 377 venture capital investment funds was TRY191.97 billion, the total fund asset value of 23 stock exchange investment funds was TRY94.58 billion, and the total net asset value of 10 securities investment trusts was TRY1.63 billion.

Within the scope of the cash loan service offered by Takasbank to intermediary institutions, an average of TRY2.3 billion cash loans were provided daily.

In the nine-month period of 2024, Takasbank continued its efforts to deepen the markets and strengthen its information technology infrastructure with its development activities for the management of financial risks, within the framework of its vision of “contributing to the development of markets with reliable and effective post-transaction services”.

I would like to thank everyone, especially our employees, who contributed to the success of our Bank, which has shown a successful financial performance by maintaining its services effectively and uninterruptedly in these days when our country is going through a difficult period along with the rest of the world.

Best regards

Dr. Yunus ARINCI
General Manager
Board Member

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024

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

EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

Evaluation of the CEO for the Period

EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

Bank's Historical Development

The Bank was originally set up as a department of the Borsa İstanbul A.S. ("BIAS") (formerly "İstanbul Menkul Kıymetler Borsası") and reorganized under a separate company named IMKB Takas ve Saklama A.Ş. on 12 July 1991, was transformed into a non-deposit taking bank on 8 August 1995 with the name IMKB Takas ve Saklama Bankası A.Ş., as published in the Official Gazette dated 23 March 1995 with the decision of the Council of Ministers No. 95/6551. According to the decision made in 18th Ordinary Meeting of the Bank General Assembly dated 29 March 2013, title of the Bank has been changed into İstanbul Takas ve Saklama Bankası A.Ş. (Here in after referred to as "Takasbank" or the "Bank") and this title change was approved in 11 April 2013. The name of the Bank has been renovated as "Takasbank" or "Takas İstanbul" with the resolution of the ordinary general meeting dated 9 June 2017 and numbered 22.

Shareholding Structure

Takasbank's paid-in capital is TRY600 million. The Bank has 39 shareholders, and BİAŞ has 64.18%, 11 banks have 17.04% and 27 brokerage houses have 18.78% shares in its capital.

Shareholder Name	Paid-in Capital (Thousand TRY)	Capital ratio (%)
Borsa İstanbul A.Ş.	385,067	64.18
Tacirler Yatırım Menkul Değerler A.Ş.	30,000	5.00
Phillip Capital Menkul Değerler A.Ş.	30,000	5.00
Türkiye Garanti Bankası A.Ş.	29,685	4.95
Yapı Kredi Yatırım Menkul Değerler A.Ş.	26,280	4.38
Türkiye Vakıflar Bankası T.A.O.	26,235	4.37
Türkiye İş Bankası A.Ş.	26,235	4.37
Other (Intermediary Institution)	26,397	4.40
Other (Banks)	20,101	3.35
Total	600,000	100.00

Names and Shares of the Real or Legal Persons having more than 10% of the capital:

Business Name	Share Amount (Thousand TRY)	Ratio (%)
Borsa İstanbul A.Ş.	385,067	64.18

Share transfers of the shareholders within the reporting period

None.

Branch and Personnel Information

The Bank has a total of 437 employees and does not have any branches. The Bank is operating as Head Office.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

Board of Directors, Auditors, CEO and Executive Vice Presidents

Chairman and Members of the Board of Directors	
Adı Soyadı	Area of Responsibility
Dr. Mahmut Kayacık	Chairman
Korkmaz Ergun	Deputy Chairman of the Board
Murat Tacir	Member (Risk Committee Chair - Audit Committee Member)
Gülseren Topuz	Member (Corporate Governance Committee Chair - Credit Committee Permanent Member)
Münevver Çetin	Member (Audit Committee Chair - Risk Committee Member))
Murat Onuk	Member (Credit Committee Permanent Member - Corporate Governance Committee Member)
Dr. Yunus Arıncı(*)	Member (General Manager - Credit Committee Chair)
Bekir Bayrakdar	Member (Remuneration Committee Chair - Credit Committee Master Member)
Yusuf Karaloğlu	Member (Member of the Remuneration Committee - Reserve Member of the Credit Committee)
CEO and Executive Vice Presidents	
Name Surname	Area of Responsibility
Dr. Yunus Arıncı	General Manager Chairman of the Credit Committee
Gökhan Elibol	Vice President - Markets and Operations
Murat Görgün	Vice President - Central Counterparty and Financial Services
Taşkın Öker	Vice President - Information Technologies

(*) At the Board of Directors meeting held on June 6, 2024, General Manager and Board Member Avşar R. Sungurlu stepped down from his position and Dr. Yunus Arıncı was appointed as General Manager and Board Member.

Information Related to Transactions the Bank Performs Conducts with its Risk Group

As part of the transactions conducted with the risk group to which Takasbank belongs, the transactions executed with the Bank's major shareholder Borsa Istanbul and those conducted with the institutions in which the members of the Board of Directors of our Bank serve as general manager or board member are taken into account.

Bank's Risk Group	Subsidiaries, associates and entities under common control (Joint Venture) (Thousand TRY)		Direct and indirect shareholders of the Bank (Thousands of TRY)		Other real persons and legal entities included in the risk group (Thousand TRY)	
	Cash	Non-Cash	Cash	Non-Cash	Non-Cash	Cash
Loans and Other						
Receivables						
Opening Balance at the Beginning of the Period	-	-	840,953	17,831,604	-	-
Closing Balance at the end of the Period	-	-	1,468,860	51,041,755	-	-
Received Interest and						
Commission Income	212,602	-	1,037,480	95,220	44,947	-

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

Evaluation on the Bank's Financial Indicators and Performance

ASSETS (Thousand TRY)	30 September 2024
Financial Assets (net)	166,648,223
<i>Cash and Cash Equivalents</i>	<i>164,866,876</i>
<i>Cash and Balances with Central Bank</i>	<i>22,004,320</i>
<i>Banks</i>	<i>142,962,296</i>
<i>Money Markets</i>	<i>-</i>
<i>Expected Loss Reserves (-)</i>	<i>99,740</i>
<i>Financial Assets at Fair Value Through Profit/Loss</i>	1,754,367
<i>Financial Assets at Fair Value Through Other Comprehensive Income</i>	9,168
<i>Derivative Financial Assets</i>	17,812
Financial Assets Measured at Amortised Cost (net)	12,072,268
<i>Loans</i>	<i>2,467,380</i>
<i>Other Financial Assets Measured at Amortised Cost</i>	<i>9,612,499</i>
<i>Expected Credit Losses (-)</i>	<i>7,611</i>
Investments in Associates, Subsidiaries and Joint Ventures	4,825
Tangible Assets (net)	188,688
Intangible Assets and Goodwill (net)	290,427
Investment Properties (net)	244,470
Current Tax Assets	-
Deferred Tax Assets	219,076
Other Assests	613,172
Total Assets	180,281,149
LIABILITIES (Thousand TRY)	30 September 2024
Loans Received	9,217,582
Payables to Money Markets	-
Funds	157,818,063
<i>Other</i>	<i>157,818,063</i>
Derivative Financial Liabilities	-
Lease Payables	-
Provisions	559,696
<i>Provision for Employee Benefits</i>	<i>165,594</i>
<i>Other Provisions</i>	<i>394,102</i>
Current Tax Liabilities	1,166,964
Deferred Tax Liability	-
Shareholders` Equity	11,518,844
Total Liabilities	180,281,149

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)**Evaluation on the Bank's Financial Indicators and Performance**

Statement of Profit or Loss(Thousand TRY)	30 September 2024
Interest Income	6,934,694
Interest Expense (-)	393,847
Net Interest Income/Expense	6,540,847
Net Fees and Commission Income/Expense	3,967,843
Dividend Income	127,866
Net Trading Income/Losses	(296,241)
Other Operating Income	68,776
Total Operating Profit	10,409,091
Expected Credit Losses (-)	-
Other Provisions (-)	416,120
Personnel Expenses (-)	986,291
Other Operating Expenses	507,220
Net Operating Profit/Loss	8,499,460
Provision for Taxes (-)	(2,434,554)
Net profit/loss	6,064,906
Financial Ratios	30 September 2024
Operating Income / Total Assets	4.71
Shareholders Equity / Total Assets	6.39
Operating Income / Shareholders Equity	73.79
Net Interest Income / Operating Income	62.84

ISTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

Evaluation on the Bank's Financial Indicators and Performance)

ASSETS (Thousand TRY)	31 December 2023
Financial Assets (Net)	114,427,976
<i>Cash and Cash Equivalents</i>	114,328,884
<i>Cash Values and Central Bank</i>	<i>4,888,043</i>
<i>Banks</i>	<i>109,556,498</i>
<i>Receivables From Money Markets</i>	-
<i>Expected Loss Reserves (-)</i>	<i>115,657</i>
Financial Assets at Fair Value Reflected in Profit or Loss	39,647
Financial Assets at Fair Value Through Other Comprehensive Income	4,332
Derivative Financial Assets	55,113
Financial Assets Measured by Amortized Cost (Net)	5,733,328
<i>Credits</i>	<i>1,795,481</i>
<i>Other Financial Assets Measured by Amortized Cost</i>	<i>3,942,329</i>
<i>Expected Loss Reserves (-)</i>	<i>4,482</i>
Partnership Investments	4,825
Property, Plant and Equipment (Net)	149,948
Intangible Assets (Net)	202,858
Investment Properties (Net)	244,470
Current Tax Asset	-
Deferred Tax Asset	163,165
Other Assets	414,444
Total Assets	121,341,014
LIABILITIES (Thousand TRY)	31 December 2023
Loans received	5,651,092
Funds	-
<i>Other</i>	107,269,763
Derivative Financial liabilities	107,269,763
Lease payables	-
Provisions	80
<i>Provision for Employee Benefits</i>	425,099
<i>Other provisions</i>	<i>93,236</i>
Current tax liabilities	331,863
Deferred tax liabilities	714,218
Shareholders' equity	-
Loans received	7,280,762
Total Liabilities	121,341,014

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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

EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

Evaluation on the Bank's Financial Indicators and Performance)

Statement of Profit or Loss (Thousand TRY)	30 September 2023
Interest Income	3,151,867
Interest Expense (-)	211,385
Net Interest Income/Expense	2,940,482
Net Fees and Commission Income/Expense	1,749,197
Dividend Income	41,000
Net Trading Income/Losses	63,256
Other Operating Income	95,576
Total Operating Profit	4,889,511
Expected Credit Losses (-)	31,937
Other Provisions (-)	183,544
Personnel Expenses (-)	482,137
Other Operating Expenses	1,077,225
Net Operating Profit/Loss	3,114,668
Provision for Taxes (-)	(854,054)
Net Income/(Loss)	2,260,614
Financial Ratios	30 September 2023
Operating Income / Total Assets	2.57
Shareholders Equity / Total Assets	4.87
Operating Income / Shareholders Equity	52.79
Net Interest Revenue / Operating Revenue	60.14

The balance sheet size, which was TRY121,341,014 as of the end of 2023, became TRY180,281,149 as of the end of September 2024. The bank account, which is seen as the highest amount in assets, was TRY142,962,296. The credit account item, which was TRY1,795,481 at the end of the previous year, increased by 37% to TRY2,467,380.

The funds received item, which holds the most important place among the bank's liabilities, increased by 47% from TRY107,269,763 at the end of the previous year to TRY157,818,063.

The balance of the bank's borrowings item, which was TRY5,651,092 at the end of the previous year, became TRY9,217,582 as of this period.

The bank made a pre-tax profit of TRY8,499,460 and a post-tax profit of TRY6,064,906 as of the end of the third quarter of 2024.

As of the end of September 2024, the interest income of TRY6,934,694 consists of TRY5,483,438 from banks, TRY541,139 from securities, TRY890,875 from loans and TRY19,242 from other interest income. The total interest expenses for this period amounted to TRY393,847.

The bank earned a commission income of TRY4,313,232 due to the services it provided and paid a commission of TRY344,888 for Turkish lira and foreign currency transactions. As of the end of September 2024, net fee and commission income was TRY3,967,843.

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